## Opening Plenary Session

#### Time: 9:00 - 10:30

#### Date: 14th November 2019

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## Business Support, Strategies and Practice

#### Business Support, Strategies and Practice

#### Time: 11:00 - 12:30

#### Date: 14th November 2019

#### Location: UTC: 103

### 18

### UK Small Business and Entrepreneurship Research: A Subjective Account

Ossie Jones

University of Liverpool Management School, Liverpool, United Kingdom

**Abstract**

**Topic**

The genesis of this paper began with my 2010 inaugural lecture in which I attempted to locate my mid-career move to academia in the context of research on entrepreneurship. Belatedly, I have taken up the challenge of engaging in sensemaking process to provide an account of how the field of small business and entrepreneurship (SBE) has evolved over the course of almost 50 years. The starting point, which I describe as ‘year zero’, was publication of the Bolton Report (1971), which stimulated greater interest in small firms and entrepreneurs from both policy makers and academics.

**Applicability to the conference theme**

I map evolution of the entrepreneurial ‘space’ in the UK since 1971 by identifying what I regard as key events such as the founding of ISBE, launching journals such as ISBJ, IJEBR/JSBED, ERD and Venture Capital, as well as key funding streams such as the ESRC small business initiative, the role of EU structural funds, the Small Business Charter and the Aston/Warwick ERC.

**Aim**

**​**My aim is to extend and update earlier reviews of SBE research (Blackburn and Smallbone, 2007; Blackburn and Kovalainen, 2009; Curran, 1986; Curran and Stanworth, 1982; Stanworth and Gray, 1991), as well as more broadly-focused studies of entrepreneurship (Landstrom, 2013). At the same time, I will discuss my own experiences of teaching and researching entrepreneurship with particular focus on the Centre for Enterprise (CfE) at Manchester Metropolitan University and the Centre for Enterprise and Entrepreneurial Leadership (CEEL) at Liverpool University. It is also my intention to examine the role played by European Union (EU) funding in providing a mechanism for UK academics to engage with entrepreneurs and small business owners.

**Methodology**

In part, this is an auto-ethnography of my experiences as a member of the SBE research community for well over 20 years. Consequently, as indicated in the title, this paper is a subjective account of how the field has evolved since Bolton (1971). I also draw on a range of sources to provide objective evidence of events and initiatives associated with both research and policy.  At the start of the C21st, a number of UK reports stressed the importance of universities making a bigger contribution to economic growth (DTI 1998; DTI 2000; HMT, 2004; Lambert 2003; DfES 2003). Incorporation of the ‘third mission’ (Clark 1998; Van Vught 1999) in which universities are an integral part of regional economic development has formalised a process that has been evident for some time in the US (Etzkowitz 1998, Henry 1998). In addition, changes to UK government funding regimes promoted ‘the third mission’ to the very top of the agenda for Vice Chancellors (Woollard et al. 2007). For example, involvement with the New Entrepreneur Scholarship (NES) enabled a number of universities to develop innovative programmes designed to support individuals from disadvantaged backgrounds attempting to start their own businesses (Jayawarna et al. 2011).

**Contribution**

Although EU structural funds have been available since the 1970s, in this paper I concentrate on the period from 2000 to 2020. In that time there have been three rounds of funding each comprising seven years. The UK receives most structural funding from ERDF and ESF. As pointed out in a recent report by the Chartered Association of Business Schools (2019), EU funding remains at historically high levels having risen from 18% of total funding in 2012/13 to 22% in 2017/18. Over the same period the share of total funding from UK government sources has fallen from 51% to 47%. In four of the last six years, Business and Management received more funding from EU government bodies than UK central government. Income from EU and non-EU international sources for Business and Management is now £18.1m and £5.2m respectively, compared to £13.5m and £2.5m six years ago. As pointed out by Jones and Macpherson (2014), European structural funding has been widely used to fund the support of small business by the ‘new’ universities as well as by ‘research-led’ institutions such as Birmingham, Lancaster, Liverpool, Leeds and Sheffield (Smith,2008). To illustrate the role of EU funding in supporting entrepreneurship and small business I draw on two examples: The Centre for Enterprise (CfE) at Manchester Metropolitan University Business School (MMUBS) and the Centre for Enterprise & Entrepreneurial Leadership (CEEL) at the University of Liverpool Management School (ULMS).

Given the imminence of Brexit, the ending this funding stream will certainly have implications academics, policy-makers and owner-managers. My core argument in this paper is the proposition that the small business and entrepreneurship community of academics can be distinguished from other business and management disciplines by their commitment to ‘the art of making a difference’.In other words, while publication of research in high-quality journals is still an institutional requirement for most academics, it is not the only ‘output’ for the small business community. Teaching is clearly important and most business/management schools offer modules and even degrees in enterprise-related subjects. However, it is their engagement with nascent entrepreneurs, including students, those managing their own businesses as well as policy-makers which differentiates the academic community of scholars from their peers.

**Implications for policy**

Scott Shane (2009) argued that encouraging more people to become entrepreneurs is bad public policy. According to Shane, both George Bush in the US and Gordon Brown in the UK implemented policies to support entrepreneurship and small business development. In terms of promoting the importance of small businesses for economic growth the work of Birch in the US and Bolton in the UK has been extremely influential. Shane (2009) argues that this has led to policy makers to believe a ‘dangerous myth’ about the ability of small businesses to transform depressed economic regions by creating jobs and promoting innovation. Drawing on data from France, West Germany, Italy and Sweden, Shane argues that there is a negative correlation between real GNP growth and the rate of self-employment. He also claimed that there is very little evidence to support the view that entrepreneurial small firms are responsible for job creation. For example, in 2004 new firms created just 7% of the total of jobs created that year in the US (Shane, 2009: 144). Furthermore, those new firms create even less jobs in their second and subsequent years of operation. Similar arguments are made in the UK by David Storey and his colleagues (Frankish et al., 2012: Storey et al., 2007). There are a number of criticisms which could be levelled at Shane including the fact that he appears to be extremely selective in the years and the countries he uses to make his argument.

In contrast, I suggest that there are economic benefits to be gained at both the regional and national levels. For example, the New Entrepreneur Scholarship (NES) programme was established as a result of a Gordon Brown initiative that encouraged HEIs to take a more active role in promoting enterprise in disadvantaged communities. The programme, which ran in England from 2001 to 2008, provided a six-month training course designed to equip those from socially-deprived areas with the skills to establish new businesses (Stanworth and Purdy, 2004). Support was provided in the form of conventional presentations related to key themes, such as understanding the market, opportunity identification and obtaining finance, as well as mentoring and participating in an action learning set (Taylor et al., 2004). The average annual turnover of these new businesses was £37,148 in 2007 contributing a total of approximately £35.2M per annum to the Northwest economy. Given that the total cost (2001 to 2008 inclusive) of NES in the North West was less than £6M. This suggests the programme had a significant and sustained economic benefit. However, our main argument will focus on the broader social benefits of supporting entrepreneurship which cannot be measured purely in terms of contribution to GVA, jobs created or the survival of new businesses.

**Implications for practice**

Although this paper focuses on historical trends in SBE research there are certainly implications for both policy-makers and practitioners. EU funding has been widely used in UK business schools to engage with entrepreneurs and owner-managers. For example, the University of Liverpool Management School (ULMS) was highly rated in the 2014 REF exercise for the quality of its ‘impact’. Two of the four case studies submitted in evidence of impact were based on EU funded programmes. Engagement with the small business community is partly based on a programme known as ‘Growth Catalyst’, which helps develop the leadership skills of owner-managers. Growth Catalyst has provided intensive training over a 9-month period for 14 cohorts of 25 owner-managers based in Greater Merseyside. Without the provision of EU funding, this programme and many others delivered by UK business schools will not be offered to the small business community, which has implications for management and leadership skills in small firms.

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**Conference Track**

Business Support, Strategies and Practice

**Presentation**

Full Paper

### 91

### Peripheral places, people and work – lessons for local enterprise start-up support

Nigel Hudson

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**Abstract**

The aim of this paper is to suggest alternative policies and practices to support business start-up amongst those out of work in places formerly associated with heavy and extractive industries.

This paper is based on three years’ experience delivering start-up support for people not in paid work and looking to start their own business, including entering self-employment. It constitutes a case study based on the area of the former North Derbyshire coalfield in the districts of Bolsover, Chesterfield and North East Derbyshire. The latest official statistics show that these districts have very low business start-up rates per head when compared to the UK average, although some caution is needed since these data only include businesses registered for PAYE and/or VAT.

The analysis is predominantly qualitative and based on notes made by the author following face-to-face coaching sessions with 37 individuals during the period December 2016 to April 2019. The notes were initially reviewed and open coding applied. The open codes were then collated and rationalised into a common coding frame. The notes were revisited to apply the final coding frame and create an evidence matrix.

The findings identify the needs, aspirations and outcomes for those seeking to start a business. The participants typically have little in the way of financial resources or prior experience of enterprise. Many also have physical or mental health challenges and lower level, if any, academic qualifications. Their aspirations are usually very modest in financial terms, such as generating an income just above the level of state benefits they would otherwise receive. Getting off benefits is a common goal but this is conditioned more by the negative claimant experience than aspirations for substantial incomes. An important aspect of seeking to work for oneself is to move away from dependency and frequently contrasted with the self-respect that can come from being able to successfully sell one’s products or services.

The businesses participants are looking to start are almost all relatively simple, with the vast majority aiming to become sole traders. Beyond this, the range of businesses varied widely, including craft makers, artists, online sellers, building trades and personal service providers.

The support available to people is judged in relation to these findings. The various forms of support in the area are briefly reviewed and compared to that offered through the programmes on which this paper is based. A key, and positive, feature of those latter programmes is providing one-to-one, flexible and empathetic support where, when and for as long as it is needed. It also needs to facilitate access to other forms of support, such as with benefits claims. It is argued that such support must be at the core of future provision.

This raises major challenges in terms of sustainably resourcing such support. Initial steps toward creating an enterprise support community based on existing resources are reported. This is very much in its early stages. Resources utilised to date have included workshops and training offered by other programmes, business networking events run by a local council and the Federation of Small Businesses, local university students working on business development projects, encouraging the use of time share initiatives, in-kind help from local organisations and assistance from existing businesses. This is presented solely as an example of seeking to fully utilise what is already available; what this means in practice will vary between localities. For example, we have not, to date, engaged with local further education colleges. Yet these have the potential to act as anchor institutions in many localities as they already offer vocational learning and may be seen as more accessible and relevant than universities, especially for those with poor prior experiences of formal education.

This has profound policy implications. The first concerns the rationale for enterprise support in this context. It is argued that this should be more about encouraging personal development and creating ‘can-do’ communities rather than a direct, positive economic impact from starting a business. The second is the nature of national policy. This should be more about facilitating the development of sustainable enterprise networks and communities and the sharing of good practice and resources between localities, rather than simply funding and overseeing the delivery of a universal service. Helping existing businesses and agencies to collaborate and share resources can create the kind of trusted network that, over time, can reduce the need for Government and its agencies to spend substantial budgets on marketing the latest programme or initiative to smaller and start-up businesses.

The paper concludes with a brief review of the academic literature and current and past initiatives that share elements in common with the approach suggested here. Perhaps surprisingly, the literature in this area appears to be very sparse. There is also a need to consider, and if possible address, the profound limitations of the data and analyses in this paper. An appeal is therefore made for further contributions, both practical and analytical, to take this work forward.

**Conference Track**

Business Support, Strategies and Practice

**Presentation**

Practitioner Paper

### 39

### SME advisory support for digitisation: A policy mix analysis

Dylan Henderson

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**Abstract**

**Topic:**

Small and medium-sized enterprise adoption and use of digital technologies has become an increasingly important area of research in recent decades. Here, researchers have examined the transition towards digital technology adoption in SMEs and the outcomes and challenges faced. Such technologies have been found to be at the heart of digital networks, and a corresponding adoption of technologies such as websites, Web 2.0 technologies, ecommerce, and cloud computing by SMEs.

Policy makers, in parallel, have explored SME policy measures to support the sector to adopt and make use digital technology. Yet while researchers have identified the broad contours of SME policy instruments and mechanisms, relatively little is known about how such policies are adapting to developments in digitalisation more broadly nor how they are integrating with traditional policy mechanisms for SME support.

Comparatively little attention, however, has been given to how this transition is shaping SME policy instruments themselves. This is an area where both public and private sector business support providers are facing the challenges in delivering support in the context of evolving frontiers of SMEs needs and public financial pressures. This paper seeks to shed light on this transition with reference to SME advisory services. It aims to explore how such services are adapting to digitalisation processes in the wider societal context, what inferences can be discerned for the future of SME advisory support.

**Method:**

The research draws from a case study of Wales comprising interviews with policy makers, business and digital support providers (16 interviews), observation at SME advisory support events for digital technology adoption, plus documentary analysis, with the aid of NVivo. The method provides the basis for analysing the evolving nature of digitalisation of business support, and the interactions with policies, context and SMEs.

**Contribution:**

The findings in this paper contribute to the policy literature on SME adoption and exploitation of digital technologies by highlighting the growing digitalisation of the economy and wider society, and the growing range of actors that that have entered into the SME advisory policy landscape. They show that digital SME advice is becoming increasingly integrated into mainstream business support mechanisms, and this is being driven by such technologies becoming embedded across business processes. Such changes have been accompanied by shifts in the messages used by SME advisory support, away from emphasising the technological aspects of digital, towards its potential to aid productivity, marketing, sales and security on one hand, and its usability on the other. In this respect the messages point towards capacity and confidence building, over technological expertise.

While digitisation has increasingly become integral to SME advisory support, the findings show limitations, particularly where complex and context sensitive advice is provided. This has seen the endurance of face-to-face advice as the primary mechanism, supported by the introduction of guidebooks and event registrations online. Such hybrid mechanisms integrate the physical and online dimensions of digital advisory support, with their expression as a contested process between providers, SMEs and funding / political support.

The SME advisory support landscape, the findings suggest, is becoming increasingly complex with the arrival of large digital platform businesses, and banks seeking to support SMEs with advice (and often their own products or services). Such developments are, in part, being driven by the importance of the SME sector to these businesses and their desire to encourage such services. This emerging landscape is one that has the potential to aid traditional suppliers of business advice (by increasing demand for advice), but also one that presents coordination challenges. This is an area where future research agendas should be focused to explore the tensions and trade-offs that result from such arrangements. Key areas of challenge here included the potential for confusion, the interface with technology exploitation activities, and the uneven sectors and spatially uneven business adoption and capabilities.

The growing partnership models of SME advice represents a further area where the driving forces of digitisation, public finance constraints and large digital platform and banks interest in the SME market combine. This is a feature of policy that is currently being explored at multiple levels in the UK, and suggests an area where further research should be focused in the coming years, to better understand motivations, its expression and outcomes. The results of this paper, for example, highlight the potential for synergies, but also tensions and trade-offs to influence SME advisory mechanisms, and for these factors to mediate such partnerships.

**Implications for policy:**

Finally, the policy implications of this research suggest that policy makers should seek to be aware of how the context for their delivery mechanisms and messages is evolving over time, the corresponding changes in digital capabilities of SMEs and the need for SME advice to adapt. They further suggest that attention to interactions between government policy for SMEs needs to consider how it can best interact with the emerging landscape of providers, and whether it should seek to both delivery support, but also adopt a coordinating role.

**Conference Track**

Business Support, Strategies and Practice

**Presentation**

Full Paper

### 53

### 'Players' and Factors Influencing a Business' 'Cash Flow'.

Helen Matushevskaya1, Olga Shimbireva2, Martyn Benson3, Bibi Martin4

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**Abstract**

**'Players' and Factors Influencing a Business' 'Cash Flow'.**

* **Topic - as above.**

 This topic is more complex than it may appear at first sight. The definition of 'Cash  Flow' - as considered in the paper -  needs to be explained, as there is 'Cash' in the    sense of purely notes and coinage but that is not what is under consideration. Rather, the writers are expounding on:                                                                     a. the 'players' who exist to support businesses in their financial operations and       b. the factors that influence not only that typically limited notes and coinage aspect of a business' resources but also its bank balances and other easily accessible       and quantifiable funds.

From their experience and additional research; the authors believe that there are in fact at least ten 'players' that influence a business' cash flow and should any other   researchers or practitioners have any other clearly identifiable factors, then the authors  would be very happy to have discussions on the subject.

There are obvious factors - e.g.  trading performance and control of debtors. However, there are also less obvious factors - e.g.Government policies and the policies and practices of Banks. The paper will refer to the scenario where it can be deemed (e.g. by CIB and BPP) that there are three models of Cash Flow Forecasting - i.e. cash flow based forecasts, balance sheet based forecasts and income based forecasts.

* **Applicability:  Players and Factors Influencing a Business' Cash Flow.**       How is this topic applicable to the Conference theme of:  SPACE - exploring new frontiers and entrepreneurial places?  The simple answer is that without viable cash flow to fund projects, a business would almost certainly not be able to explore new frontiers or new entrepreneurial places. It would be pointless and wasteful - in terms of both working time and money to embark on and then have to halt, or even discontinue a project due to lack of funds caused by a cash flow crisis.  As it requires the assembling of base data, a carefully researched cash flow forecast is at least as important, if not more important, than a detailed business plan for a new project.
* **Aim:**  The aim of the paper is importantly to identify and then to consider each of the ten 'players' felt to influence a business' cash flow - before moving on to show how they are part of the overall picture that needs to be considered by owners and managers in order to have a successful (preferably developing) business. In summary only; the ten 'players' are felt to be the business':  advisers, accountants (differentiating from advisers), factoring and other invoice based finance, business angels and other private investors, 'crowd-funding' and 'peer to peer'  lending, accounting institutions and related regulatory bodies, cash flow management software suppliers, the 'Bank', the Government and of course the owners\directors.  The authors then identify and consider the factors that influence and drive cash flow: price, volume, direct costs, 'overheads', debtor days, creditor days, inventory days.

· **Methodology**: The methodology has been to use the Cash-flow Ecosystem model - as devised by BMIM - as a combination of catalyst and starting point.  The authors have then used their experience and research to develop an up-dated commentary on the ten 'players' and the primary factors influencing a business' cash flow. The original BMIM model - diagram 1 has been modified - into diagram 2 and each working section of the diagram describes one of the [ten] players.

* **Contribution**:The contribution of the paper is to provide a greater understanding of : a. the 'players' and factors influencing cash flow both in terms of the awareness of the number of 'players' and factors (which may be more than initially considered by owners and others)

      b.  how it is possible to manage some of them (which may be more complex

           than initially considered

      c.  how all of the 'players' and factors are potentially relevant to the operation of             businesses as, for example, if an adverse cash flow scenario ultimately

            results in a deteriorating balance sheet net capital position that, whilst still

            fully solvent, gives concern to investors, those investors may choose to

            dispose of their holdings before they reduce further in value.

· **Implications for policy:** The authors believe that in reality the implications for Government policy are relatively limited - albeit it is very important for Governments and their various departments to be aware of the influences that their actions (or lack of actions) can have on business' cash flow. However, full awareness of the 'players' and factors influencing business cash flow could influence policy decisions taken by business owners and business managers.

· **Implications for practice:** In the same way that full awareness of the 'players' and factors influencing business' cash flow is important for policy decisions by owners and managers, that awareness is also vital for practice - i.e. in the actual operation of businesses.

**Conference Track**

Business Support, Strategies and Practice

**Presentation**

Full Paper

## Creative Industries Entrepreneurship

#### Creative Industries Entrepreneurship

#### Time: 11:00 - 12:30

#### Date: 14th November 2019

#### Location: UTC: 101

### 93

### “How does network funding enhance cultural and artistic collaboration across regions?”

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**Abstract**

**“How does network funding enhance cultural and artistic collaboration across regions?”**

Cross- cultural research in management acknowledges that culture is a dominant  force that can influence several business activities such as entrepreneurship (Schaffer and Riordan, 2003). The role of networks in stimulating innovation and entrepreneurship is well-documented in international research (Granovetter, 1973; Aldrich & Zimmer, 1985; Greve & Salaff, 2003; Burt, 2004; Renzulli & Aldrich, 2005; Foss, 2006; Rost, 2011).) In the cultural  industry, entrepreneurial networking may be important as it may increase artists’ creativeness through cultural collaboration and access to important stakeholders (i.e. curators, customers, financiers, organizations). This paper uses a funding programme for Culture in the Nordic-Baltic to investigate how the cultural workers’ and artists’ networks affect trust, collaboration, creativity and learning.

**Applicability**

Cultural industries are inherently conditioned by space. The Nordic countries  (Norway, Denmark, Sweden, Iceland, Finland) and Baltic countries  (Latvia, Lithuania, Estonia)  represent different cultural regions and thus define the entrepreneurial space cultural workers and artists are embedded in. The funding programme for mobility aims at enhancing cultural and artistic collaboration between the Nordic and Baltic sphere. Our paper aims at providing new empirical knowledge of the cultural component of space through cultural workers’ and artists’ collaboration across the Nordic-Baltic areas.

**Aim of the study**

Main RQ:  “How do funded networks across regional spaces influence the artistic work of  cultural workers and artists?” This RQ was then operationalized in several subquestions guiding a questionnaire and a semi-structured interview guide. Main dependent variables: exchange of ideas and knowledge, enable co-operation, learning, creativity and innovation, trust.

**Methodology**

Following the philosophical paradigm of critical realism (Sayer, 1994; Sayer, 2000; Bechara & Ven, 2007) we aim at uncovering the underlying mechanisms and structures behind artists’ operating in networks rather than uncovering general laws. We take the perspective of the interviewees, and aimed to provide examples of the experiences and results that they describe. Our methodological approach follows the principles of triangulation (Denzin, 1970). We obtained data in fall 2018 through both a qualitative method (interviews) and a quantitative method ( a 6 page  questionnaire). We aim to provide a “thick” description of the processes in the networks, as well as describing patterns in the data material.

**Theory**

The cultural management field relates specifically to organisational and leadership issues in the arts (Elstad & De Paoli, 2014) and to the growing field of studies of creative and cultural industries (Hartley, 2005). Art and culture are produced at the intersection where people meet, exchange ideas and transfer knowledge in an atmosphere of trust and personal relationships. The arts and culture field is a “people-based” field where networks have both a personal and a professional character. The intersection between the personal and professional is difficult to depict, as it has an informal social aspect which is highly prevalent in the arts. Some studies about networks in the culture field underline the importance of the social and personal aspects of networks (Jackson & Oliver, 2003). One of the driving forces in the arts is creativity, which is dependent on artists interacting and developing ideas. Networks may be one way to provide new ideas and the inspiration to be creative (Elstad & De Paoli, 2013).

Network research documents that strong ties are a prerequisite for creating trust, whereas loosely coupled networks are conducive to creativity and innovation (Burt, 2004; Granovetter, 1983; Renzulli & Aldrich, 2005; Rost, 2011). Thus, artists and cultural workers are likely to need strong-tie networks for creating trust, sharing confidential information and collective work. On the other hand, they also need weak-tie networks for gaining access to new ideas and being creative and innovative in their work. Network funding is likely to provide an initial range of contacts from other countries who are not known to the applicants beforehand and it can also provide contacts who are already known to the applicants. Our research questions aimed to shed light on the influence of networks on artistic work, the way of working and the Nordic perspective. Additionally we sought to learn more about the different modes of communication (i.e. face-to-face versus virtual), which factors are essential for trust-building and which factors are important for the functioning of the network. On the other hand, we also investigated the effects/results of the network funding on art production, collaboration and activities such as working, organising and learning. Finally, research on culture production points to the fact that artists are “going against the grain” when establishing new forms for art production in industrial contexts (Foss, 2002; Foss, 2004). Breaking with conformity can be an essential process for artists in order to succeed. Consequently, reaching out for relationships across regions and countries may be essential for the release of their creative potential.

**Findings**

The artists/cultural workers highlighted that networking was beneficial, not only for their work and professional development, but also for the field of arts and culture they were in. Many claimed they could not foresee all the positive effects that would come out of the network. This was very positive for the 1) competence level of each network participant and 2) art organisation they represented, 3) development of the arts or cultural field in itself. The networks were also beneficial for participants’ arts production and for the artistic or cultural field they represented.  The strengthening of existing contacts and the creation of many new contacts in the Nordic-Baltic region that came out of the network funding was rated very positively by many interviewees: for themselves, their work and their professional institutions. The smallest and most distant countries, as Iceland, Lithuania, Estonia, Latvia seem to have benefited the most from the funding.

Another striking element of the funded networks is that they had many more participants than the funding was initially intended to cover and were formally registered in the applications. This is an interesting finding because it may have a positive influence on creativity considering the importance of peripheral members of networks and their importance for creativity (Cattani & Ferriani, 2008).

The Nordic Model of cultural policy is seen as being welfare-oriented, generous and democratic without making distinctions on the basis of class, education and place of habitation. It is highly inclusive in terms of what is seen as belonging to arts and culture. These qualities were acknowledged and regarded very positively by the professional artists and cultural workers.

Finally, some see the Nordic aspect, or unity, as being challenged these days, both by globalisation and by recent nationalistic movements which are driving more ethnocentric perspectives and values. At the same time, the Nordic-Baltic connection is also facing the challenge of multi-ethnicity as residents are increasingly coming from other countries. In summary. Thus the cultural component of space is in one way globally connected and in another way locally challenged.

The quantitative material proved more  detailed findings with regard to the networks.The findings indicate that face-to-face communication is valued slightly higher  than digital. Taking into consideration that the members of the networks are geographically dispersed, the high importance of the face-to-face mode demonstrates that physical meetings are essential in making networks work.

Furthermore, when asked what the level of trust was between participants in the network, 19 of the 23 respondents indicated the level was high and 4 indicated it was medium. None of the respondents indicated that it was low. Such a unified high rating of trust suggests that the networks are a very important resource for the network to fulfil the goals of its members. Our findings also indicate that the relations built through the network funding continue beyond the funding period and are likely to affect future arts and cultural development in the Nordic and Baltic region.

The findings support the research documenting that face-to-face interaction is necessary for developing trust. Face-to-face interaction scores the highest, followed by communicating with each other regularly and sharing a common philosophy of art and culture. In third place is being part of the same arts and culture field. In fourth is producing art together. Fifth is having known each other previously and sharing a Nordic or Baltic culture/language or identity. The sixth and final factor is sharing a common political ideology. These results support the notion that funding allows for important activities that help the networks work and fulfil their missions.

Twenty-three out of twenty-six persons responded in the questionnaire that they still have contact with their funded network members. We interpret this as a clear sign that the networking facilitated by funding provides the hosts and their network members with potential for long-term relationships. What seems most important is the effect on: 1) the inspiration to collaborate in a Nordic context; 2) new ways of organising; 3) new projects; 4) increased status; and 5) increased legitimacy. We find that collaboration and organising projects signal network effects that are conducive to furthering Nordic or Baltic cultural identity. Interestingly, increased status and legitimacy play a role in this development.

**Contribution:**

In order to make a theoretical contribution (cf Whetten, 1989) our research needs to move beyond the “how” to a “why”. We thus aim to contribute to research on cultural industries by uncovering the influence of networks on cultural work. In doing so we believe our   analysis of the qualitative and quantitative material may uncover how cultural work in fact are regionally infused and blended and that a Nordic-Baltic collaboration can raise regional entrepreneurial aspirations.

**Implications for policy and practice:**

We recommend that funding institutions be even more explicit about the Nordic-Baltic values aspect of the funding, while at the same time encouraging applicants from diverse cultural and ethnic backgrounds living in the Nordic and Baltic countries. In a world where freedom of speech, gender equality, respect for minorities, equal distribution of wealth and other important democratic values are being threatened by a political shift towards more nationalistic, totalitarian and egocentric political movements internationally this is highly important.

Entrepreneurs and innovators are dependent on well-functioning ecosystems (Mazzarol, 2014; Spiegel & Harrison, 2018). Capital is an important part of this ecosystem (Coleman et al., 2018). The network funding fills the gap in the ecosystems for culture in the Nordic-Baltic region. The network funding fills an important gap for applicants, as it is less formal and regulatory in character and actually facilitates informal networking, sharing, learning, shaping of visions and development of arts projects, which few other programmes finance. Our data also indicate that one-year and three-year funding are both valuable to the applicants. The study reveals that starting with a one-year network has a learning effect with regard to the composition of the network and its purpose and processes. We suggest that funding institutions encourage those in receipt of one-year network funding to apply for the three-year network funding.

Recipients of the network funding who are from smaller countries and remote areas experienced participation in a network as being very important and valuable for their professional development, as they feel more isolated than people from larger countries and less remote areas.Furthermore, the interviews with the few hosts who were independent freelancers revealed that they lacked the administrative resources to form, apply and manage their networks. The funding should allot extra resources for networks managed by this group.

The importance of developing relationships with both strong and weak ties cannot be overestimated. Artists need strong ties to execute their activities and keep their momentum, as well as weak ties to learn new things and innovate.We also suggest that funding institutions develop written materials, seminars or a film to inform recipients of the network funding of how they can stimulate good networking processes and manage their networks. In order to maintain up-to-date insight into the networks, we recommend initiating a more regular, systematic and thorough measurement of the effects of the programme.

**Conference Track**

Creative Industries Entrepreneurship

**Presentation**

Full Paper

### 99

### Unconventional Contributions to the Legitimacy of Festivals: Unpacking the Working Consensus of Festival Stakeholders

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**Abstract**

**Topic:** This paper explores the essential role festivals have in the creative economy to maximise their benefits within the socio-cultural, economic and political domains (Pine and Gilmore, 1998; Getz, 2016). Recent studies (e.g. Wilson et al., 2017), however, show the relationships between their multiple stakeholders remain under-theorised. Festival stakeholders are subject to broader social and economic drivers that exert a strong influence on their performance, although they may remain out of sight from the perspective of the audience. This paper presents an examination of the different dimensions of the collaborative agreements of festival stakeholders and their implications for the access to support and resources.

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’:** This paper reflects on how the level of embeddedness of festivals within their local communities provides local entrepreneurs with the opportunity to recycle some of the festival assets, which in turn increases festivals’ legitimacy and access to support and resources. The topic is very relevant to the conference theme as it allow us to explore and discuss how agreements bring us to define the notions of collaborative space, value and fit, setting boundaries around managerial stakeholders of festivals.

**Aim:** The objective of this paper is to address the scant literature adopting a managerial perspective on festival creation and development. The principal dimensions of this management process are explored through the relationships of stakeholders, focusing on how they negotiate their participation in festivals and how these agreements guide their collaboration, access to support and resources.

**Methodology:** Using a relational lens, the study adopted a qualitative approach. The data collection consisted on archival data and 35 semi-structured interviews with different stakeholders of a literary festival, including funders, sponsors, professional associations, publishers and writers. The interviews were transcribed and analysed following a deductive and flexible coding process (Hsieh & Shannon, 2005) that drew on Goffman’s (1959) suggestions on the different dimension of the working consensus between teams collaborating in a performance. These codes evolved as new themes emerged, clustering them into new codes in a second round of analysis, allowing the data to show its own structure (Saldaña, 2013).

**Contribution:**This paper offers an exploration of the process of creation and development of a festival, focusing on the working consensus between festival stakeholders (Goffman, 1959). It contributes to the literature on festival management by unpacking the different dimensions of the process, achieving a fluid view of the role of festivals’ networks, and recognising the role of grassroot entrepreneurial initiatives as part of the same continuum as stakeholders’ endeavours, to achieve the institutionalisation of the festival.

**Implications for policy:**This paper helps tobuildunderstanding of the main points of friction between festival stakeholders, identifying the types of collaboration policymakers may wish to encourage and those that may need extra support to overcome the obstacles that prevent stakeholders from presenting more innovative proposals. It is also important to recognise that marginal actors also play a role in the use of festival resources and are sometimes able to reach communities that festivals and non-profit organisations cannot. In any case, it is important to acknowledge that both at the institutionalised and grassroot entrepreneurial level, all players are benefiting from the work of writers and their ability to multitask, and that much of the time they do this work for free.

**Implications for practice:**Festival organisers and stakeholders can benefit from a broader understanding of the terms in which collaboration is understood within and beyond their main networks. Acknowledging the potential areas of opportunity and friction, can facilitate the selection of collaborators and foresee which are going to be the key players in the negotiation of support and assets, depending on the content and format of the performance they agree to organise and develop.

**Conference Track**

Creative Industries Entrepreneurship

**Presentation**

Full Paper

### 332

### D-commerce Business Models’ Adoption by Emerging Fashion Designers in London

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**Abstract**

Topic.

London accommodates a vast cluster of small designer-fashion start-ups, which, however,  have a difficulty to develop into the full brands . Industry observers suggest that the old wholesale business models do not suit the demands of contemporary market as they require substantial investments in obtaining customers and manufacturing clothing. The outcome of competition between designers creating value for customers depends on various selectors. Global fashion industry actively rearranges itself along with fast improvements in digital technologies, which allow the speedy adoption of online marketing and operations (D-commerce). These developments increasingly permit small creative entrepreneurs to avoid corporate control and to reach both domestic and international customers directly via independent marketing and sales of their products online. However, doing so the entrepreneurs face various traditional and internet-specific liabilities, such as liabilities of smallness and constrained resources, and logistics liability.

Aim.

This research paper seeks to shed light on how independent fashion designers in London structure their downstream production networks to develop and internationalize operations, create visibility for their brand and communicate with the end consumer via various channels, to provide streamlined and compelling consumer journey to inspire a purchase. This paper explores how emerging fashion designers adopt d-commerce in the context of British economic and institutional environment, and whether the new digitally driven business models chosen by many entrepreneurs. We seek to understand how fashion designers based in London, UK, structure their downstream production networks to develop their markets and create visibility of their brand to the end consumer via various communication and trade channels including the adoption of omnichannel practices.

Methodology.

This study is based on the data mining technique, which combines the exploration of quantitative and qualitative sources. The attempt had been made to record and analyse the multiplicity and interconnectedness of the retail channels in national and international markets which small independent designers choose to gain traction of a global audience.Analyse is based on data extracted from the official websites of the London Fashion Week, the online data repository Alexa.com, and Instagram social media platform.

Contribution.

Results confirm that fashion designers are ‘born-global’ and use both brick-and-mortar and the various online channels to develop downstream domestically and internationally, although not directly but via intermediary retailers who excel at channel diversity and designer-products sales. It is shown that social media plays increasingly significant role in attracting attention to designers, but this does not necessarily translate into more designers’ websites visits. The typology of designers was developed based on characteristics of their involvement in D-commerce.

This research opens a possibility to make another step forward in answering the question whether digitisation of marketing and sales offers more independence for small emerging designers, opens domestic and international markets and shifts profits into their direction allowing to create and appropriate more value and gradually develop into larger brands.

 Applications

This research potentially brings value to the firms when they decide on structuring or restructuring their downstream production network and choosing internationalization and development patterns. The implications resulting from this research also allow independent designers to understand how to create visibility and gain traction for their growing brand.

**Conference Track**

Creative Industries Entrepreneurship

**Presentation**

Full Paper

## Entrepreneurial Finance SIG AGM

#### Entrepreneurial FInance

#### Time: 11:00 - 11:20

#### Date: 14th November 2019

#### Location: Rocket

The Annual General Meeting of the Entrepreneurial Finance SIG

## Enterprise Education

#### Enterprise Education

#### Time: 11:00 - 12:30

#### Date: 14th November 2019

#### Location: Invicta

### 177

### Undergraduate Venture Creation Programmes: Research Challenges in an Under-Explored Area of Investigation

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**Abstract**

Topic and Aim

It has been argued that traditional methods of teaching and learning are insufficient when educators are attempting to equip individuals with the knowledge, skills and experience required to create and manage entrepreneurial businesses (Higgins, Smith, and Mirza, 2013). Researchers and policy commentators increasingly recommend that students should actively participate in and control their own learning ‘for’ enterprise and entrepreneurship (QAA, 2012, 2018) through focused opportunities centered on ‘learning by doing’ or ‘experiential learning’ (European Union, 2018; Anderson et al., 2014; Jones et al., 2014; Mason and Arshed, 2013; Martinez et al., 2010, Pittaway and Cope, 2007; Gibb 2005).

The transition of such recommendations into practice may not be an easy process. with new ways of teaching entrepreneurship requiring a shift away from traditional education practices and, from a bureaucratic control culture (Martinez et al., 2010; Rae, 2009; Collins, Smith, and Hannon, 2006). This has prompted writers such as Jones and English (2004) to suggest that a new approach, different to passive learning and traditional lecture-style learning, is required.

One such approach is Venture Creation Programmes (VCPs) - highly applied business creation programmes that put an emphasis on experiential learning. The paper will explore this relatively new and underutilised type of undergraduate degree programme in an effort to understand why more investigative scrutiny has not been directed toward VCPs. It will consider what makes VCPs distinct through the use of existing and emergent literatures, highlighting relevant avenues for research and proposing unanswered questions that future investigations might help to resolve.

The paper is divided into four main sections: the first provides an updated context through which to understand VCPs, the second section provides a brief review of the literature on postgraduate VCPs in order to provide a basis for discussion for the primary undergraduate VCP focus of the paper in the third section. A final concluding section draws on these elements to highlight key directions for further investigation. Emerging research challenges are provided at the end of each section.

Applicability to the conference theme

VCPs can be considered as being at the edge of a new frontier in enterprise and entrepreneurship education. They are rare, and issues with sustainability risk such courses disappearing into an educational ‘black hole’ through closure. There is also a research ‘vacuum’ in some aspects of the VCP literature that will be highlighted here and encouragement for researchers and educators to ‘boldly go’ into the VCP space.

Methodology

A semi-systematic literature review was conducted in order to find and explore literature around VCPs in general and undergraduate VCPs in particular. First, academic literature published in peer-reviewed journals was collected through a systematic search using ‘VCP’ and ‘venture creation programme’ search terms. The cited and cited-by references within papers found through this initial search were explored for relevance and the new papers found added to those to be included in the review. An additional search term of ‘team academy’ was added as a result of the first search and the process repeated. In parallel with this, academic colleagues working in this space were contacted for recommendations of literature and for information on emerging work. This lead to additional emerging work being discovered that is being presented at conference. A further general Internet search was conducted to find non-academic information, reports and literature relating to VCP practice.

Contribution and implications for policy and practice.

The literature presented in the paper suggests that ‘full’ undergraduate VCPs can meet the calls of numerous policy makers and scholars to provide an innovative curriculum based on experiential learning principles. VCPs can provide a positive learning experience (Smith and Shaw, 2018; Blackwood et al., 2015; Puglis et al., 2015; Tosey et al., 2015) in addition to leading to actual business start-up during the degree or after graduation (Smith and Shaw, 2018; Davey, 2018b). Despite this, VCPs, particularly at the undergraduate level, are rare and niche (Adams et al, 2016; Moreland and Thompson, 2016). Further, several undergraduate VCPs have closed after a relatively short length of time in the UK.

Research challenges were suggested in the chapter relating to: VCP creation, development, and sustainability; teaching, learning and assessment; entrepreneurial outcomes; the development of entrepreneurial (and student) identities; and issues around marketing VCP programmes for application, recruitment, and the meeting of stakeholder expectations.

Of additional note is that much of the literature presented in the paper is based on a very small number of VCP programmes. It is also of potential concern that a relatively large proportion of the work presented is taken from conference proceedings and technical reports rather than more formally published work in peer-reviewed journal articles. There may be a number of factors unpinning these observations. Undergraduate VCPs tend to enrol small numbers of students and the numbers of programmes themselves are small. Small cohort studies may lead to issues with meeting the academic rigour required for journal publication, and concentration on a single-institution may curtail the researcher’s ability to show that research results are replicable and generalisable across programmes. It may also be the case that some of those undertaking research into VCPs are relatively young in their academic careers and need support to move from conference to journal publication, or that work presented at conference is still at an early stage of development and will be submitted for publication in due course.

We therefore wish to propose the following challenges for ISBE attendees and the wider research community: 1) how can research into VCPs be encouraged and supported by more established entrepreneurship education and general nascent entrepreneur research communities?; 2) how can the VCP community reach out to each other as potential subjects of research and as contributors to multi-institution research projects?; and 3) how can the results of research into undergraduate VCPs be made more visible to key stakeholders such as the senior managers of HEIs who make decisions about programme creation and sustainability.

**Conference Track**

Enterprise Education

**Presentation**

Full Paper

### 12

### Entrepreneurial Spaces: More than Just a Physical Space!

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**Abstract**

**Topic**

In this paper, we draw attention to the space in which entrepreneurial learning happens, where we view this space being ‘much more than the container of things' (Cooper, 2005: 1693). ‘It is 'not [a] setting (real or logical) in which things are arranged, but the means by which the positing of things becomes possible'’ (adapted from Merleau-Ponty, 1962: 243 by Handley et al. 2006, p. 6&7). We see space in this paper to involve the educator, the learner and the space in which interaction happens (be it physical or symbolic), where all three contribute to the emergence of a dialogue and the enactment of meaning.

**Applicability to the conference theme – ‘SPACE - exploring new frontiers and entrepreneurial places**

The paper aligns with the conference theme as it aims to conceptualise entrepreneurial space; viewing it more than just a physical space. As part of this entrepreneurial space, the discussion stresses the significance of individuals’ perceptions and sense of self, the structure of their communication and their willingness and ability to communicate. It also stresses the importance of learners’ and educators’ identities in terms of how they view themselves, their ability and willingness to communicate, and the extent to which they observe entrepreneurial practice to impact on their identity. This emphasis goes in line with Norberg-Schulz’s (1971) conceptualisation of space from a phenomenological perspective to comprise centres whereby individuals recognise that they exist, directions where individuals develop a sense of continuity looking for future possibilities, and perceptions of areas – ‘the extent and range of possible spaces of action which one is conditioned to ‘see’’ (Handley et al., 2006:10). As intra-personal, dialogical and configurational dimensions become relevant to entrepreneurial spaces, we explore existential, relational and physical spaces and how these are occupied in entrepreneurial learning by underpinning our conceptualisation of space using Bourdieu’s (1977) views of ‘habitus’ and ‘fields’, particularly considering that the identity of an entrepreneur is largely seen as a reflection of his/her habitus, and is impacted by the fields they inhabit (Refai et al., 2018).

**Aim**

The paper aims to offer the opportunity to explore what an entrepreneurial space is, how it is conceptualised, and how it can act as a promoter or barrier to entrepreneurial learning and the creation and re-creation of entrepreneurial dialogue.

As such, we focus on the dialogical learning experience involving learners, educators and the space in which this learning happens through addressing the following questions:

* How can an entrepreneurial learning space be conceptualised?
* How can these spaces impact on the entrepreneurial learning process?

**Methodology**

This is a conceptual paper. The conceptual framing of this paper builds on the spatial elements proposed by Handley et al. (2006), including physical, relational and existential spaces. This conceptual framing is then placed within a theoretical framework underpinned by Bourdieu’s (1977) work, looking in particular at his views on ‘habitus’ and ‘fields’, and how these can impact on (promote or hinder) entrepreneurial spaces. The spatial elements proposed by Handley et al. (2006) build on literature on situated learning and its relevance to identity and practice (Lave and Wenger, 1991; authors, 2006), and literature on 'spaces of action' exploring both physical and metaphorical participative spaces (Lefebvre, 1991; Homer-Nadesan, 1991; Cooper, 2005). According to Handley et al. (2006), a ‘physical’ space is concerned with materials and physical resources, and their symbolic meanings. 'Relational' or ‘structural’ space focuses on interactive relationships and power structures which affect both the likeliness of interaction to occur and its structure. 'Existential' or ‘agential’ space relates to agents’ sense of self-identity which can impact on their willingness and ability to interact with others, and interpret new ideas. Each of these spaces can be a promoter or barrier to dialogue; e.g. virtual ‘physical’ spaces, anxious ‘existential’ spaces with low confidence or ‘relational’ spaces with power differences between educators and learners are very likely to make dialogue less efficient, or at least promote it in a different way. Handley et al. (2006) agree with Lefebvre (1991) that the outcomes of interactions in space will determine how the space is co- and re-created.

**Contribution**

Upon review of literature on entrepreneurial learning, one can notice that literature on spaces and the relevance of the context of learning on entrepreneurial learning and dialogue is still lacking (Pittaway et al., 2009; Assenza, 2015). For example, Sanchez (2013) highlights the lack of research assessing spaces that promote reflection in general. Assenza (2015) highlights the lack of research investigating how configuration of space and spatial elements can impact on entrepreneurial learning, and contends that more in depth understanding of social, conceptual and physical elements of this space is required to support this learning.

As such, the paper addresses calls for more in depth investigation of entrepreneurial spaces, and better understanding of the significance of the ‘where’ element in entrepreneurial learning. For instance, in adapting Fayolle’s (2013) generic teaching model of EE that focuses on ‘what?’, ‘how?, ‘for whom?’ and ‘for which results?’, Refai & Klapper (2016) call for adding the dimension of ‘where?’ to signify the importance of the contextual element. Jones, Penaluna and Pittaway (2014) call for developing better understanding of interactive entrepreneurial activities in a comprehensive way that takes into consideration time and space dimensions. Similarly, Klapper & Refai (2015) develop a Gestalt model to entrepreneurial learning, where they view the dimension of ‘where’ to support a community of learning through a socially situated activity.  As part of situated learning, they point our attention to physical spaces of learning including classrooms, laboratories and workshops, but also ‘real world’ placements, out-door spaces, museums, kitchens, art galleries, and sport halls, where the latter are seen even more conducive to support dynamic and interactive learning experience to enact entrepreneurial practice (Gibb, 1987). Whilst not elaborating much on it, Klapper & Refai (2015) also point attention towards the ‘with whom’ dimension, thus, directing attention towards the interaction between learners and educators as part of this social learning.

**Implications for policy**

Our discussion directs the attention of policy makers to envision entrepreneurial learning in a more holistic way that takes into consideration now only what and how this learning takes place, but also where and why. As such, entrepreneurial learning is viewed as a dialogical process that is co-created by learners, educators and the spaces that they occupy, where consideration of the configuration of each of these becomes an essential component of understanding and enhancing the entrepreneurial learning process.

**Implications for practice**

Our discussion acknowledges that understanding physical, relational and existential entrepreneurial spaces will create more challenges on learners and educators alike in ways that would require them to become more attentive towards the backgrounds and identities of those sharing the learning spaces with them. It also creates more challenges on designers of entrepreneurial physical spaces in ways that would urge them to consider by whom, how, when and why these spaces will be inhabited. It is not possible to confine these entrepreneurial spaces to a particular shape or form as they are inherently embedded in the interactional and dialogical experience of educators and learners that comprise different components including physical, structural and agential dimensions.  Perhaps, yet, this can be envisioned as an element of beauty of these spaces, which can be created and re-created through the creative dialogical and interactional experience of educators and learners within a physical space. As such, our discussion recognises that the multiple components of entrepreneurial spaces are likely to act as means to cultivate a wider range of knowledge and creativity, and a more enriched understanding of multiple ways of enhancing the entrepreneurial learning process, thus, supporting Fletcher (2003, p127), who suggests that entrepreneurial action is “dynamic and constantly emerging, being realised, shaped and constructed through social processes”.

**Conference Track**

Enterprise Education

**Presentation**

Full Paper

### 49

### Towards Responsible Entrepreneurship Education

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**Abstract**

* Topic: Entrepreneurship Education
* Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’: The paper explores the hitherto only marginally researched overlap of entrepreneurship education and the concept of responsibility
* Aim: The aim of the paper is to develop a framework for the delivery of responsible entrepreneurship education
* Methodology: This is a conceptual paper that explores the relationship between the notions of responsibility and entrepreneurship education with a view to establishing a framework for embedding responsibility into entrepreneurship education.
* Contribution:

Viewed from both environmental and social vantage points, humanity faces significant challenges. While some may argue ‘t’was ever thus’, the symptoms of a business as usual approach are now plain to see. The IPCC (2018) state that the world has 12 more years to avoid catastrophic climate change; From an environmental perspective while the World Wildlife Fund (2018) estimates there has been a 60% fall in wildlife populations globally in just 40 years. It is estimated 18 billion lbs of plastic waste flow into the oceans from coastal regions annually, the equivalent of five grocery bags per square foot of coastline around the world (Parker, 2018); plastic is now found everywhere in the oceans, frozen in Arctic ice to every element in the ocean food chain. The environmental consequences of ‘business as usual’ is affecting lives today.

Similarly, an array of socio-economic concerns continue to vex policy makers which has led to a question of alternative approaches to ‘business as usual’. Growing income inequalities (in the 1980s the average income of the richest 10% was seven times higher than that of the poorest 10%; today it is around 9.5 times higher OECD, 2017), regular claims of pending health care and pensions crises, the seemingly inexorable replacement of labour by artificial intelligence (Frey & Osborne, 2017) and (consequently) growing political fragmentation add fuel to the fire of those who call for a review of current politico-economic models. While Fukuyama (1989) famously suggested we had reached ‘the end of history’ with the collapse of Soviet-style communism, this position is less convincing today. Indeed, spurred on by the financial crisis of 2007/08, there have been growing calls for a review of the politico-economic models (e.g. Collier, 2018; Mason, 2016), including from supra-national organisations such as the World Economic Forum (WEF) whose 2017/18 Global Competitiveness Report in its introduction suggests: “the perception that current economic approaches do not serve people and societies well enough is gaining ground, prompting calls for new models of human-centric economic progress” (World Economic Forum, 2018).

Tackling the socio-economic and environmental challenges will require action not just on the part of policy makers and governments, but at the micro level, that is, at the level of the individual firm. However, while the question surrounding the responsibilities of business in society is arguably not new (Carroll, 1999), as the term corporate social responsibility itself suggests, much of the focus in the Twentieth Century was on corporatism and bureaucracy (Bannock, 1981; Storey, 1994) even though small, entrepreneurial firms had always been important players in the economic domain (Casson and Casson, 2014).

Today, even though there is a greater recognition in the importance of small firms to the economy, and while research on entrepreneurship and entrepreneurship education proliferates, very limited research exists on the relationship between the concepts of responsibility, new firms and entrepreneurship education. If, as Penrose (1959) famously argued we cannot assume that a caterpillar is a small butterfly, or as Storey (1994) has suggested, the small firm is not simply a scaled down version of a large firm, then we need to consider to what extent and how the notion of responsibility relates specifically to the new start-up. Moreover, within business schools we also need to consider what the implications of these insights are for how we teach entrepreneurship. To date, the issue has received scarcely any attention (Marzi & Caputo, 2019), which, we argue, is a major shortcoming at a time where EE is proliferating in business schools and where increasing concerns are raised about the relationship between business school curricula and sustainability (e.g. Dyllick, 2015; Moon, Walmsley, & Apostolopoulos, 2018; Snelson-Powell, Grosvold, & Millington, 2016). Indeed, if, as Hambrick, (1994:15) argued over two decades ago, the Academy is to “make a significant contribution to the solution of major problems facing our society and its value-creating enterprises” then an appreciation of the relationship between entrepreneurship, entrepreneurship education and responsibility is critical.

What this paper seeks to do is to firstly explore the relationship between entrepreneurship and the concept of responsibility, in particular acknowledging the importance of enterprise and entrepreneurship to tackling the social and environmental challenges of the day. Subsequently, the paper reviews EE and EE pedagogy, highlighting in particular the limited focus afforded the concepts of responsibility and sustainability in traditional EE. Finally, the paper builds on the theoretical discussions around EE/EE pedagogy and responsible entrepreneurship in developing a pedagogy for responsible entrepreneurship.

* Implications for policy, if applicable

Sets the agenda for a review of EE in light of growing social and environmental concerns.

* Implications for practice, if applicable

The implications for EE are profound as they spell out how courses can embed responsibility and sustainability in their curricula. By spelling out the relationship between the concepts of Responsibility and Entrepreneurship Education the results are likely to appeal to researchers in EE also.

**Conference Track**

Enterprise Education

**Presentation**

Working Paper

### 187

### ‘In the Spotlight’: Exploring business and enterprise education through the lens of theatre and the arts

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**Abstract**

A ubiquitous question in enterprise education is that of whether entrepreneurship can in fact be taught at all (Gottleib and Ross, 1997; Jones and English 2004; Henry et al 2005; Haase and Lautenschläger 2011).  Perhaps more critical questions are whether entrepreneurship can be taught within the academy, and whether business schools are up to the task (Kirby 2004). Raposo and Do Paço (2011) identify a crisis in confidence in the sector which is underlined by a lack of consensus (Pittaway and Cope 2007) around how enterprise programmes should be delivered. This is mirrored in many ways by the debate around applicability of skills taught on business school MBAs and their suitability for preparing students for the workplace (the ‘real world’) (McDonald 2017).  In a recent Forbes article, Denning (2018) discusses “why today's business schools teach yesterday's expertise” and suggests that “the new management isn’t simply a new training course, or a process, or a methodology or an organizational structure that can be written down in an organizational manual […] It’s a different mindset with counterintuitive ideas that fly in the face of the assumptions of a ‘good’ 20th century manager or the typical business school case.”

Enterprise educators have outlined the significant difference between education ‘about’, ‘for’, and ‘through’ enterprise (Kyrö, 2005; Mwasalwiba, 2010); the latter being seen as the preferred model whereby experiential and real-life learning opportunities help foster permeable academy walls and give students the opportunity to learn alongside messy reality.  But do today’s universities really provide the right space for experimentation and failure, for uncertain outcomes, and the development of innovation born out of a certain amount of chaos?  This question is asked by Matthew Reisz in a recent Times Higher Education article summarising the thoughts of Dominic Johnson (which were expressed at a panel discussion):

“Programmes are very assessment-driven and often modular, so students cannot afford to experiment and get things wrong […] a model of experimentation where people would go out into the wilderness and fend for themselves and then come back and make something is not really tenable any more, [we need to] to create an environment where experiment and managed risk are part and parcel of making work” (Reisz 2019, online).

Rather than referring to enterprise or business education, these comments are actually concerned with theatre and the performing arts, which suggests that this is a wider issue across an increasingly risk-averse higher education system.  In this context, Johnson raises the question of whether the current environment is potentially encouraging ‘pedagogical hypocrisy’.  Jelly and Mandell (2017) problematise this through the notion of creative ‘tensions’ and outline the dichotomy between a creative student’s autonomy and ability to improvise, with the wider institutional requirements to demonstrate measurable and uncontroversial progression.

In this paper we offer a review of pedagogic thinking from both the worlds of business and enterprise, and theatre and the creative arts.  We consider the underpinning commonalities across these worlds in the need for risk-taking, play, improvisation, resource bricolage, autonomy, rehearsal, interdisciplinarity (boundary spanning), challenging authority, pushing the limits, and testing institutional boundaries. All of which are identified from both sets of literature as intrinsic to the disciplines and something that university structures and processes find challenging to accommodate.  We aim to explore here how universities may foster the kind of physical and conceptual spaces to encourage ‘counterintuitive thinking’ and risk-taking.  By looking at business and enterprise through the lens of theatre and the arts, we hope to identify some pathways toward a new, interdisciplinary way of supporting the young innovators of the future, placing higher education as a central catalyst.

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**Conference Track**

Enterprise Education

**Presentation**

PowerPoint Presentation

## Entrepreneurship in Minority Groups

#### Entrepreneurship in Minority Groups

#### Time: 11:00 - 12:30

#### Date: 14th November 2019

#### Location: Locomotion 1

### 338

### The Centre for Research in Ethnic Minority Entrepreneurship: A Vehicle for Engaged Scholarship

Monder Ram

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**Abstract**

This paper is motivated by a concern that the proliferation of measures to support migrant businesses across Europe appear to be proceeding without recourse to increasingly an increasingly sophisticated and rich literature on the topic. Practitioner initiatives seem to be based on an implicit ‘deficit model’, that is, they promote measures to remedy the perceived shortcomings of migrants aspiring to become entrepreneurs. This explains the emphasis of ‘agency-centric’ interventions like language training, mentoring, and personal skills. Structural forces that continue to shape if not dictate the context of migrant entrepreneurship - severe market competition, punitive regulations and endemic racism – are largely ignored (Jones et al., 2014; Rath and Swagerman, 2016). Such lop-sidedness weakens the potential value of migrant business support measures.

The case of CREME – which forms the focus of the papper - offers modest grounds for optimism for critically-inclined scholars who want to ‘make a difference’ to the communities they seek to understand. Its creation, modus operandi and continuation represent a real-time attempt to promote change with practitioners whilst pursuing theoretically-informed research. This is a challenging task, not least because social scientists often struggle to translate complexities into programmes that have a direct influence on organisational practice (Vertovec, 2007). Nonetheless, it is an urgent task if scholars of migrant entrepreneurship want to address the ‘rigour’ and ‘relevance’ challenge that is a feature of other disciplines (Edwards, 2015). ‘Engaged scholarship’ offers means of addressing this challenge. The methodology involves the exploitation of scholarly and practitioner knowledge, a process that is likely to generate more useful insights than either party working in isolation. Collaborating with practitioners in this way is not necessarily an approach confined to action research. Engaged scholarship is valuable to different forms of social research, including basic social science with advice of key stakeholders, collaborative co-production of knowledge with stakeholders and design science to evaluate an applied program (Van de Ven, 2007). The many shades of engagement that characterise CREME’s work – from stakeholder consultation on conventional research projects to CREME’s activism in initiating new forms of institutional support for migrant businesses – illustrates the capacious nature of engaged scholarship.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Full Paper

### 67

### The intersection of poverty with disability, incapacity and the self-employment experience in the UK

Rebecca Stirzaker1, Laura Galloway1, Laura Jackman1, Isla Kapasi2, Andreea Mihut1

1Heriot-Watt University, Edinburgh, United Kingdom. 2University of Leeds, Leeds, United Kingdom

**Abstract**

**Topic:** The paper explores disability/incapacity, self-employment and poverty and reports a qualitative study based in the UK

**Relevance to the theme ‘SPACE - exploring new frontiers and entrepreneurial places’**: Given the dearth of research studies on enterprise and poverty and enterprise and disability/incapacity, the paper is well aligned to the conference theme on Exploring Frontiers and New Spaces, particularly in the track Entrepreneurship in Minority Groups.

**Aim**

The paper reports an empirical study of self-employment and poverty amongst people who are disabled or otherwise incapacitated by poor health. In entrepreneurship and business studies this demographic is largely ignored, and indeed, in studies of disability, health and work, the context of self-employment and entrepreneurship is similarly little explored (Jones and Latrielle, 2011). Despite this, there is government rhetoric that self-employment is a good route out of poverty (ERD Research, 2006); similarly, there is assertion that self-employment may be particularly suitable for disabled and incapacitated people as a consequence of its inherent autonomy and flexibility (Drakopoulou-Dodd 2015). Meanwhile, however, in the employment literature there is clear evidence that self-employment is a work context in which the greatest proportion of the ‘working poor’ can be found (Thomas, 2016). Elsewhere there is data that identifies that disabled people are disproportionately poor (ILO, 2017) and disproportionately represented in self-employment and independent business enterprise contexts (Miller and Le Breton-Miller, 2017). The paper explores the apparent discrepancy between the notion that enterprise can be enabling as a work context for disabled people, and that disability, self-employment and poverty seem to have some correlation.

From a theoretical perspective, the paper draws from studies of motivations and burgeoning sociological approaches to enterprise. Since all participants in this research were included because they are experiencing poverty, the simple economic measurement of success (or lack of it) was already known – these businesses were not sustaining incomes commensurate with costs of living. By expanding the theoretical lens through which to view disabled enterprise, the aim was to explore the motivations for and experiences of business from the perspectives of participants.

**Methodology**

The research reported draws from a qualitative study of enterprise and poverty, where poverty is defined as per UK Government (2015) as being entitled to the social security payment known formerly as Working Tax Credit, now Universal Credit, by virtue of being in work but earning below that required to sustain oneself. Forty-two self-employed or business owning individuals who met this poverty criterion were interviewed and despite the sampling strategy making no mention of disability or ill health, it emerged in interviews that half the sample (21 participants) were disabled or incapacitated. The research used a broad interview guide that encouraged conversation about themes suggested by the literature and allowed for themes unanticipated by extant knowledge to emerge (Bertaux, 1981). Using only the disabled and incapacitated subsample, a thematic analysis that used the stratified process described in Miles, et al. (2014) of data reduction, data presentation and explanation was conducted to explore itinerant issues, experiences and challenges.

**Findings**

In line with the limited number of studies that have been conducted on enterprise and poverty, this research found that the enterprises represented included those based on classic opportunity; contracted work, and gig work where eclectic jobs, often precarious, were done on a self-employed basis. Value was measured in a variety of ways; in most cases income was one realisable value, but in all cases to too were other social or personal factors such as esteem or identity as a worker. In most cases, a combination of motives was reported. The research finds that flexibility and autonomy are attractive features of enterprise for some disabled or incapacitated people in the face of an inflexible and sometimes hostile labour market. Other findings include that enterprise is also a context of precarious and low paid work. Further, while work is often asserted to afford social inclusion, this research found that self-employment led to isolation for some disabled people. There is evidence of isolation and generally limited social interaction particularly amongst those who were single and living alone. In addition, there was reportage of the stress associated with the responsibility for one’s own income. Largely experiences reported were in opposition to the celebratory ‘entrepreneurship’ rhetoric of policy, much of the support sector, and indeed, the general media-informed culture.

**Contribution**

The value of this paper is that it provides some much needed empirical data about a group who are under-represented in the business literature. There are implications for policy and practice in the exposure and analysis of some of the issues emerging from the experiences related by participants. This paper also contributes to theoretical approaches to enterprise by illuminating some of its diversity and advocating a broad lens be applied to drivers. By taking a perspective in this paper that did not prioritise financial value, outcomes other than financial and economic have been revealed. Correspondingly, this paper exposes that economics-centric modes of studying enterprise do not capture non-economic value(s) attributed to it by individuals involved in enterprise, nor any wider socio-economic contribution. This research provides evidence that in the specific context of disabled workers living in poverty, there is much value realised in society and economy by their efforts to employ themselves and maintain participation in the workforce and broader socio-economic life.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Full Paper

### 79

### Resilience in under-represented entrepreneurs and their businesses

Maria Wishart, Stephen Roper, Halima Jibril

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**Abstract**

Resilience in under-represented entrepreneurs and their businesses

## Topic

In uncertain times, the ability to anticipate and plan for adversity is vital for businesses in general, and small businesses in particular, which may have fewer resources to help them bounce back from an unanticipated crisis. Small businesses that are led by entrepreneurs from under-represented groups, including female and ethnic minority groups, experience lower turnover and higher failure rates than their counterparts (Wishart, 2018) and recent research has found that ethnic-led small businesses are 15% more likely than their non-ethnic-led counterparts to have experienced a crisis that threatened the survival of their business in the preceding five years (Wishart, Roper and Hart, 2018). This research examines the relationship between an entrepreneur’s individual resilience and the resilience planning practices of their firm, with a particular focus on under-represented groups. It uses the Connor-Davidson individual risk scale and a data set of 3000 small businesses, with between 3 and 99 employees, in five European countries to interrogate the link.

## Applicability to conference theme

The focus on driving entrepreneurial sustainability and growth in the UK market and beyond responds directly to the 2019 ISBE conference theme of exploring new entrepreneurial frontiers and spaces.

## Background

While business resilience research is a burgeoning field, relatively little resilience research has focused upon the specific context of small and medium sized enterprises (organisations with fewer than 250 employees as defined by the European Union) and none has been identified which has specifically considered small businesses led by under-represented entrepreneurs. This is perhaps surprising given the extent of the contribution made by small businesses, which account for 99% of businesses, 68% of jobs and 58% of value-added in the European Union (EU, 2017). Prior research has established a link between the individual resilience of micro business leaders (of firms with between 1 and 9 employees) and the resilience strategies adopted by their firms (Wishart and Jibril, 2019).

A highly resilient organisation is more adaptive, competitive, agile and robust than less resilient organisations, and is able to rebound from adversity strengthened and more resourceful (Wishart, 2018). Understanding what makes small businesses better able to withstand and bounce back from adversity is clearly something which ought to be of interest to a wide range of stakeholders, including business owners and employees, their customers and suppliers, policy-makers and government and non-government agencies with an interest in the job and wealth creation that these organisations can deliver.

## Aims

Interrogating the link between the individual resilience of a small business leader and the resilience strategies of their businesses, the research asks:

* What is the relationship between the individual resilience level of a small business leader and the resilience planning approach of their firm?
* How, if at all, does this vary in entrepreneurs from under-represented groups?

## Theoretical background

This study draws on theoretical insight from three areas of scholarship - general business resilience research, resilience research with an SME focus, and research which contemplates the link between individual characteristics of business leaders and the risk management practices of their organisations. General resilience research has examined the attributes of employees, suggesting that in some instances individual behavioural capabilities and characteristics may be linked to the ability of an organisation to withstand shocks. These include the capacity to assimilate information quickly (Weick and Sutcliffe, 2006) and the ability to develop networks (Williams et al, 2017). Organisation-level enabling factors, including structural effects such as looser controls (Sutcliffe and Vogus, 2003) and broader empowerment (e.g., Alesi, 2008), and stronger external associations (e.g., Van der Vegt, 2015; Gimenez, 2017; Seville, 2008) may encourage and amplify the effects of employee-level characteristics. Some connections have been made in the literature between the individual resilience of a small firm’s leader and the ability of the firm to rebound from adversity, although the way in which this relationship functions is not well understood. Nevertheless, an SME leader’s mind-set (Doern, 2016), their ability or willingness to embrace particular strategies (e.g., Conz et al, 2015), and their human and social capital (Baron and Markman, 2000) have been posited as central to their organisations’ ability to withstand shocks. Individual prior experience of adversity emerges in a number of studies as linked to the ability of an organisation to bounce back (Williams et al, 2017; Doern, 2016). Similarly, the experience afforded to managers of longer-established firms appears to contribute to the development of their resilience characteristics, which suggests that age of the firm may be related to the incidence of resilience planning activities (Herbane, 2015).

The resilience of individual leaders as measured using the Connor Davidson scale (see below) has been linked to an SME’s growth (e.g., Ayala and Manzano, 2014; Fisher et al, 2016; Fatoki, 2018) and to its ability to bounce back from a crisis (Hiramatsu and Marshall, 2018). However, as noted above, a limitation of this strand of work is the lack of clarity that it offers around the ways in which the individual’s resilience works to increase the resilience of the organisation itself (Korber and McNaughton, 2017). The body of work which explores manager characteristics as connected to the risk management strategies of their organisations identifies a range of individual level characteristics which appear to have relevance for organisational outcomes. These include personality traits such as optimism (Graham et al, 2013) but also individual factors such as gender (Barber and Odean, 2001) marital status (Roussanov and Savor, 2013) religion (Noussair et al, 2013) age and academic attainment (Bertrand and Schoar, 2003).

While there is precedent for using an individual manager resilience score to establish a connection to firm performance, the way that the relationship works has not been fully interrogated, and the link between individual resilience and the presence of firm resilience strategies has not, so far, been explored. By investigating whether there is a significant relationship between individual leader resilience and firm level resilience planning activities, this research aims to address this gap.

## Methodology

The data set covers 3,000 small businesses with between 1 and 99 employees in England, France, Spain, Germany and Italy. It was generated during late 2018 and early 2019, in computer assisted telephone interview surveys of managers from the businesses in each country. As our dependent variable, we use an indicator variable equal to one if the business leader either: i) regularly thinks about business risks and formulates plans or ii) has a formal risk register with response strategies, which is regularly reviewed. The indicator variable is zero otherwise. The variable indicates whether the business has any formal plans in place for dealing with potential adverse events. Our main independent variable of interest is the Connor-Davidson Resilience Scale (CD10), a measure of individual resilience. This is the most widely used instrument for individual resilience measurement. In addition to CD10, we control for other factors that might influence the probability that a business has formal plans for dealing with adversity, so that the impact of these variables does not bias the effect of CD10 on resilience planning. In particular, as noted in the literature review above, some individual traits can make business leaders more risk averse, affecting their probability of planning for adversity, and some firm level characteristics can influence the probability of resilience planning. We thus include variables that capture both firm level characteristics as well as the individual characteristics of business leaders.

## Findings and contributions

This analysis is currently in progress. We hypothesise a significant relationship between individual resilience and firm-level resilience planning strategies in the sample of small firms. Further, given the empirical links already demonstrated between a range of individual and firm-level factors and firm resilience for SMEs, we hypothesise that this effect will be amplified for individuals with specific attributes, including those from under-represented groups, and for individuals working in firms with specific characteristics and features.

## Implications for practice and applicability to conference theme

Examining the link between the individual resilience of small business leaders and the resilience strategies of their firms will shed light on the way that this relationship, which has been previously asserted, works. If the relationship is found to be significant using this data set, this would imply that initiatives focused on developing individual resilience in small business leaders is likely to deliver greater resilience planning in their businesses, which could be key to helping them to anticipate and survive adversity. Examining potential differences between under-represented groups and their mainstream counterparts may help with the development of tailored interventions to develop resilience, and encourage resilient practices, in these groups. Similarly, the data set encompasses four other European markets which will allow for cross-country comparisons.

1431 words (excluding references)

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**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Full Paper

### 106

### Conceptualising the Emergence of Entrepreneurial Identity

Eva Kašperová1, Kate Lewis1, John Kitching2, Robert Blackburn2

1Manchester Metropolitan University, Manchester, United Kingdom. 2Kingston University London, London, United Kingdom

**Abstract**

**Topic**

Entrepreneurial identity and disability entrepreneurship

**Applicability to the conference theme SPACE – exploring new frontiers and entrepreneurial places**

The paper proposes a new framework to conceptualise the emergence of entrepreneurial identity. The framework is intended to apply to all entrepreneurs, but it builds on prior research into how disabled people form entrepreneurial identity. Although disability has different social and cultural meanings, particular impairments and health conditions can have real effects on identity formation independently of the social context.  Contextualising the emergence of entrepreneurial identity within natural and practical as well as social relations can help explain, for example, how ill health can be a source of new venture ideas.

**Aim**

The aim is to revisit the question of ‘Who is an entrepreneur?’ from a critical realist perspective by theorising what makes the emergence of entrepreneurial identity possible. Critical realism can guide our attention to what must be included in robust explanations of entrepreneurial identity and the conditions that enable its emergence.  All entrepreneurship and small business researchers make ontological and epistemological assumptions about the nature of the objects they study and how these objects can be known. While we are not always explicit about our philosophical commitments, ontological assumptions cannot be avoided. Ontological reflections on ‘who is’ and ‘how one becomes’ an entrepreneur have been at the heart of many entrepreneurship and entrepreneurial identity studies.

**Methodology**

This conceptual paper compares two dominant perspectives on entrepreneurial identity – the entrepreneurial personality approach and the enterprise narrative-discursive approach. Studies of entrepreneurial identity are understood to be those concerned with the question of ‘who is’ and ‘how one becomes’ an entrepreneur, regardless of using the term ‘entrepreneurial identity’. We identify several shortcomings in the literature and propose an alternative, critical realist-informed perspective to explain the emergence of entrepreneurial identity – defined here as the personal power to create a new venture. Powers, for critical realists, are simply tendencies or potentialities. As a causal power, entrepreneurial identity is a tendency that may, or may not, be realised in actual practices or events. Although most people have the power to become an entrepreneur not everyone is able, or motivated, to realise that power because of countervailing powers, including personal and external to a person. This conceptualisation of entrepreneurial identity as a personal power contrasts with studies that define it in terms of fixed personality traits determining behaviour or as a dynamic process encompassing linguistic practices.

**Contribution and implications**

Theorising entrepreneurial identity as an emergent personal power that is a potentiality has several advantages over the entrepreneurial personality and the enterprise narrative-discursive approaches. First, it recognises that entrepreneurial identity may not necessarily be observable by researchers through surveys of personality characteristics or narrative interview accounts, but still exist and exert influence. This highlights the need for ontological depth-stratification of the world, moving beyond the empirical to identify the underlying causal powers and mechanisms that make entrepreneurial identity, and the expressions of identity, possible. Second, taking entrepreneurial identity as an emergent power can help account for both stability and change in identity formation while avoiding biological and social reductionism. Realist ontology encourages researchers to explain both the relatively enduring pre-conditions of entrepreneurial action, for example consciousness and the material body capable to act, as well as dynamism and relationality of socio-cultural interaction that generates objects such as new ventures.

Having defined entrepreneurial identity as the personal power to create a new venture, why do some people realise that power? We adopt a stratified ontology to propose that entrepreneurial identity emerges from three ‘lower-level’ personal powers: (1) the power to conceive of a new venture idea; (2) the power to commit to venture creation; and (3) the power to acquire new venture legitimacy. While the concepts and studies of idea generation, commitment and legitimacy are not new in the field of entrepreneurship, their theorisation in terms of emergent personal powers is novel. Moreover, the specific relations between these concepts have been under-theorised. We argue that there is an internal, necessary relation between the three lower-level personal powers constituting the causal mechanism of entrepreneurial identity.  In other words, entrepreneurial identity cannot emerge without the concurrent realisation of all three lower-level personal powers.

The emergence of entrepreneurial identity is furthermore shaped by other personal powers, such as particular age, sex or physical impairment, as well as external conditions and their powers, for example, welfare support systems. However, the relation between entrepreneurial identity and these personal powers and external conditions is contingent or accidental since they exist independently of entrepreneurial identity, although they may influence its emergence. For example, the onset of impairment may motivate commitment to venture creation. It is this variety of contingent associations that makes one a particular kind of entrepreneur.

This new conceptualisation of entrepreneurial identity proposes a very different way of thinking about ‘who is’ and ‘how one becomes’ an entrepreneur. It has the potential to enhance our understanding of identity formation by being more robust and inclusive in terms of: (a) providing a framework that can accommodate other approaches; and (b) distinguishing and unpacking the properties and relations that are necessary and contingent in identity formation. The latter point has important theoretical implications. Identifying the properties and the relations constitutive of entrepreneurial identity does not imply that all entrepreneurs are identical in terms of those properties but that they all realise their powers to come up with a new venture idea, to commit to venture creation and to acquire legitimacy. In contrast, contingent properties such as particular age, sex or impairment importantly shape action but are not necessary for the emergence of entrepreneurial identity.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Full Paper

## Entrepreneurial Governance

#### Entrepreneurial Governance

#### Time: 11:00 - 12:30

#### Date: 14th November 2019

#### Location: Victory

### 104

### Conceptualising Entrepreneurial Ecosystems as Governance Networks

Michaela Hruskova

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**Abstract**

**Summary**

This conceptual paper draws on theories of governance and proposes a novel conceptualisation of entrepreneurial ecosystems as governance networks.

**Topic**

Although still relatively new, the concept of entrepreneurial ecosystems has been gaining considerable traction in the literature. In simple terms, an entrepreneurial ecosystem is “a set of interconnected entrepreneurial actors, organisations, institutions, and processes which formally and informally coalesce to connect, mediate and govern the performance within the local entrepreneurial environment” (Mason and Brown, 2014, p. 5). Ecosystems are a distinct perspective on environments conducive to entrepreneurship because, unlike previous concepts such as industrial clusters or regional innovation systems, they emphasise the embeddedness of the entrepreneurship process in the wider institutional framework (Spigel and Harrison, 2017).

Overall, ecosystem research to date has predominantly adopted a macro perspective (Cunningham, Menter and Wirsching, 2019) which has resulted in strong focus on the key elements and other attributes that comprise an entrepreneurial ecosystem. As a result, the current ecosystem literature has significant shortcomings pertaining to the internal dynamics of entrepreneurial ecosystems, particularly regarding the interdependencies (Simatupang, Schwab and Lantu, 2015; Stam and Spigel, 2017), interactions (Alvedalen and Boschma, 2017), and causality (Stam, 2015) among ecosystem elements. Indeed, the internal ecosystem dynamics remain a black box, yet they have significant implications for theory, policy, and practice.

**Applicability to conference theme**

This conceptual paper is highly applicable to the theme of space and exploring new frontiers and entrepreneurial places. An entrepreneurial ecosystem is still in its conceptual infancy and thus requires further exploration. By conceptualising entrepreneurial ecosystems as governance networks, this paper provides an alternative perspective that explicitly recognizes the inter-connected nature of ecosystems and, in turn, offers a new lens through which it is possible to explore the under-theorised internal dynamics of entrepreneurial ecosystems.

**Aim**

This paper aims to contribute to the currently under-developed ecosystem theory by proposing an alternative conceptualisation of ecosystems that would allow for the study of the dynamic nature of entrepreneurial ecosystems.

**Contribution**

By drawing upon the broad theories of governance, this paper proposes that entrepreneurial ecosystems can be conceptualised as governance networks.

Although the ecosystem literature has acknowledged the role of networks in entrepreneurial ecosystems (Isenberg, 2014; Motoyama et al., 2014; Stam, 2015; Spigel, 2016; Brown and Mason, 2017; Motoyama and Knowlton, 2017; Spigel and Harrison, 2017; Stam and Spigel, 2017), ecosystem theory has not fully benefited from network theory (Alvedalen and Boschma, 2017). This is surprising, given that it has already been well established that entrepreneurial ecosystems comprise a wide range of individual and organisational ecosystem actors – namely entrepreneurs, investors, entrepreneurship support organisations, corporate organisations, universities, and the government - who are not only interconnected (Cohen, 2006; Isenberg, 2011; Mason and Brown, 2014; Motoyama and Knowlton, 2017), but also interdependent (Stam, 2015; Alvedalen and Boschma, 2017; Stam and Spigel, 2017). In other words, the actors in an entrepreneurial ecosystem represent interlinked nodes. As a result, the entrepreneurial ecosystem itself can be considered a network.

What is more, it has been suggested that ecosystems are self-sustaining (Isenberg, 2011) and also self-regulating systems (Colombo et al., 2019). However, the implications of the notion of ecosystem self-organisation have not been properly considered in the literature. Most importantly, self-organisation is essentially another term for ‘governance’, which refers to “the diverse mechanisms and strategies of coordination that are adopted by autonomous actors, organizations and functional systems in the face of complex reciprocal interdependence among their actions, activities and operations” (Jessop, 2017, p. 74). Interestingly, there are already existing practitioners’ accounts of ecosystem management and governance (most famously by Feld, 2012) but these have not received much scholarly attention (with some notable recent exceptions, such as Autio and Levie, 2017; and Colombo et al., 2019). Following the most recent developments in the literature which suggest that the governance of entrepreneurial ecosystems is “about coordinating, motivating, and governing the entrepreneurial network” (Colombo et al., 2019, p. 423), it is also argued that ecosystems are governance arrangements.

Consequently, this paper proposes that entrepreneurial ecosystems are a particular type of network and a particular type of a governance arrangement – they are a so-called ‘governance network’. This novel proposition is further supported by the fact that this conceptualisation fits the five well-established criteria of governance networks (see Sørensen and Torfing, 2007). One, ecosystems comprise interdependent, yet autonomous actors. Two, these actors interact with one another. Three, the actors operate within an institutional framework. Four, the ecosystem is a self-regulating network that exists within a broader socio-political environment that both enables and constrains actors’ activities. And finally, the ecosystem produces a common purpose which is determined by the interests of the different ecosystem actors. In conclusion, recent developments in the entrepreneurial ecosystem literature have laid down important conceptual stepping stones that this paper is building upon.

**Implications for theory, policy, and practice**

This novel conceptualisation of entrepreneurial ecosystems as governance networks has several important implications. First of all, it contributes to the currently under-developed theory of entrepreneurial ecosystems by using well-established theories of governance from the social and political sciences and applying them to the concept of entrepreneurial ecosystems. Secondly, the notion of self-organisation implies horizontal relationships rather than top-down command and control arrangements which in turn has important implications with regard to the role of policy and government in fostering ecosystems. This also suggests that governing entrepreneurial ecosystems is based on participatory and collaborative models of interactions that are grounded in the principle of self-determination and shared responsibility for nurturing the ecosystem which, in contrast, has significant implications for practitioners, especially entrepreneurs, who should take ownership of their ecosystem. Finally, the literature suggests that governance networks may undertake different configurations that will impact the performance of entrepreneurial ecosystems.

**Conference Track**

Entrepreneurial Governance

**Presentation**

Full Paper

### 125

### LCDCs and the Irish Local Authority structure: good entrepreneurial governance or a  bureaucratic quango?

Josephine Browne, Therese Moylan

IADT, Dublin, Ireland

**Abstract**

ABSTRACT 1:  [Entrepreneurial Governance](https://isbe.org.uk/isbe-2019/tracks/entgov/)

**Topic:** LCDCs and the Irish Local Authority structure: good entrepreneurial governance or a  bureaucratic quango?

**Applicability to conference theme:**This working paper is a critical exploration of the LCDC (Local Community Development Committee) within the Irish Local Authority structure.  The paper aligns with the conference theme of exploring new frontiers and entrepreneurial places. The LCD is new within the Irish Local Authority structure. This paper is a critical exploration of the contribution the LCDC to the public sector entrepreneurial space through civic engagement and local democracy.

**Aim:**The aim of the paper is to critically review and explore the achievements of the LCDC (Local Community Development Committee) which ere established by the Local Government Reform Act 2014 giving legislative effect to the commitments in Irish national policy ‘Putting People First’ Action Programme for Effective Local Government, which set out reforms to improve:

* the delivery of services for the citizen,
* deliver greater efficiency and effectiveness, and
* give local government a more central role in local development and community development.

Each Local Authority administrative area in Ireland established an LCDC , and there are now an LCDC  in all 31 local authorities. The purpose of the LCDC is to bring   greater co-ordinated and joined-up approach to local/community development at local level.  LCDCs have primary responsibility for coordinating, planning and overseeing local and community development funding.  In addition, LCDCs drive meaningful citizen and community engagement in the scoping, planning and evaluation of local and community development programmes.   LCDs are comprised of a wide range of local elected representatives,   community groups as well as business.

**Methodology:**  This is a working paper. The methodology includes a critical review of the international literature on active citizenship and local democracy within the context of public sector entrepreneurship. The methodology also includes an indepth case study analysis of one LCDC using a mapping exercise to gauge performance against strategic objectives. This exercise will highlight innovative public sector entrepreneurship and impacts.

**Contribution:**LCDCs have been operating in Ireland for the past 5 years and have completed their first cycle of work (2014-2019).  There is limited research available on LCDCs in Ireland. This working paper will make a significant contribution to this new emerging area of public sector entrepreneurship.

**Implications for policy, if applicable:**This paper is important for future policy development. It will provide evidence based input on entrepreneurial governance within the local authority structure in Ireland for the promotion of active citizenship and local democracy.

**Implications for practice, if applicable:**This paper will raise awareness of the potential of the LCDC structure to promote active citizenship and local democracy through good entrepreneurial governance.

**Conference Track**

Entrepreneurial Governance

**Presentation**

Working Paper

### 272

### ‘Economic Development Funding in the North East of England from the late 1980s to date with focus on business support’.

Nathan Pellow1, Marek Feurich2

1Northumbria University, Newcastle upon Tyne, United Kingdom. 2Prague University, Prague, Czech Republic

**Abstract**

**Topic**

‘Economic Development Funding in the North East of England from the late 1980s to date with focus on business support’.

**Applicability to the Conference Theme**

This topic is relevant because of the approach adopted that is to take the time to explore new ways of reviewing the quantitative data about funding and the narrative that has emerged or not as the case may be. By taking a fresh look at the information and asking basic fundamental questions the authors want to challenge the existing thinking in order to influence funding decisions going forward.

**Aim**

The aim of this study is to answer the question, which if answered, might help to determine how future funds might be best structured to raise the performance of an economically deprived region like the North East.

**Methodology**

Explore how new strategies can be developed to arm local government, city-states and other institutions against the economic challenges of globalisation, austerity and now Brexit. At the micro level many SMEs, community groups, charities and educational establishments also need new strategies to tackle the threats and challenges, their support and role is vital if Newcastle and the surrounding regions are to succeed in creating new economic wealth.

In the current economic environment with on-going global changes, economic wealth continues to move away from Europe to China, India, other parts of Asia, Africa and South America. The most vulnerable parts of Europe include city region areas like Newcastle and the North of England. Political uncertainty like reduced public spending means also that the economic threat level is increased causing further economic and social decline.

We need to test out the feasibility of implementing economic strategies that are locally developed organically at the micro level then connected to international networks that generate an impact on overall regional economic performance, the performance of indigenous SMEs as well as the efficiency of the local labour market. There is a role for universities and other institutions like local government to engage with micro players like SMEs, voluntary organisations and charities.

This paper maps out the funding streams that were invested in the North East from the late 1980s supporting physical regeneration, inward investment, community support, reducing unemployment and gradually an increasing focus on SME support and the development of indigenous enterprises.

The authors thus do not focus on theory but instead strive to develop a basic narrative that raises questions: 'What do the numbers tell us about funds deployed to date?' or 'How will the region deal with reduced funding and the cessation of European Funds'?

The development of the North East region in the 19th Century was mainly focused on the exploitation of coalfields and development of innovation in steel, heavy engineering and chemical industries in the conurbations on the principal rivers of the region – Rivers Tyne, Wear and Tees. But from the 1920s many of these industries began to decline. In the 1930s the long history of the North East becoming a beneficiary of regional policy starts and related support underpinning economic development. Despite a revival of the heavy industries during wartime, the coal mining still continued to decline post 1945. Eventually coming to recent decades the 1980s recession shaped the context for the introduction of European Structural Funds support for regions like the North East.

The early programs for the North East in the late 1980s had a strong focus on infrastructure. From 1994 and into the 2000s there was growing emphasis on innovation and business support, with greater involvement from universities and later the development of new innovation agencies in the form of Centres of Excellence (Charles, 2008). A major change in this period was the creation of a new regional development agency (RDA), One NorthEast (ONE), the RDA took over the management of the ERDF Programmes from the regional Government Office. Another organisational change in 2010 lead to the abolition of the RDA, to be replaced by Local Enterprise Partnerships in the North and South of the region, and the initial abolition of almost all existing regeneration programs to be replaced with new ones.

**Contribution**

To influence policy and practice in order to support well thought out research to gain access to decision making for regional economic development and supporting SMEs going forward.

**Implications for policy and practice**

Over recent decades the North East region has challenged dramatic changes as old industries have been restructured and new industries have developed. Regional needs and the strategies for development have changed as a reflection of new growth opportunities, but the rest of the UK has also changed and the gap between the North East and the most affluent regions remains, it is argued that the gap has increased. Now, as a result of Brexit, a new economic challenge, it is predicted that the North East will experience the largest negative effects of all UK regions.

**Conference Track**

Entrepreneurial Governance

**Presentation**

Working Paper

## Family and Community Business

#### Family and Community Business

#### Time: 11:00 - 12:30

#### Date: 14th November 2019

#### Location: Planet

### 155

### Sense-making in small family firms: How do we learn more about the emotional experiences of creating sustainable practices

Jane Glover1, Anne Touboulic2

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**Abstract**

**Topic applicability to the conference theme:**

The paper is relevant to the conference themes as it makes a contribution to understanding the theory and practice of engaged research, by this we mean “collaborative form of inquiry in which academics and practitioners leverage their different perspectives and competencies to co-produce knowledge about a complex problem or phenomenon that exists under conditions of uncertainty found in the world” (Van de Ven, 2006, p.80).  Such a definition draws attention towards the co-constructed nature of knowledge which has relevance, by creating space for interaction between the academic and practitioner, creating the opportunity for knowledge and understanding to be co-created and enacted into practice, this space facilitates the ability to question one another and gain mutual understanding by directly bringing together methods of inquiry and practice. By exploring these engaged approaches we argue that there is an ever greater need for researcher to work collaboratively with practitioners to address global problems such as building sustainable businesses.  Working collaboratively we are able to gain a deeper understanding of the micro-level experiences of sense making of the processes of change in small family firms.

**Aim:**

This paper explores the notion of sense making in family firms, with the ever increasing pressures to demonstrate business growth but at the same time engage in sustainable practices, small family firms are faced with difficult decision to make.  We aim to show how we can use innovative research methods to shed light on the emotional dimensions of sense making, emotion is a critical but relatively unexplored dimension of sensemaking in organizations (Maitlis et al., 2013).

**Methods:**

This paper takes reference from engaged scholarship as a participative form of research, primarily concerned with engaging academic researchers and practitioners to understand complex problems and meet diverse needs of each stakeholder (Van de Ven, 2007).The explicit intention is exploring the ways in which researchers and practitioners can ‘co-produce’ knowledge (Gibbons, 2008).  What is distinctive about this paper is the different ways in which we detail the ‘how’ you can co-produce knowledge for example narratives, images, performance, and design.  We then link these different approaches to how it furthers our understanding of sense making in small family firms.

**Contribution:**

We contribute to the literature on sense making in family firms but we also contribute to the sustainability literature.  Sustainability research has primarily focused on the tensions of sustainability and the process of sensemaking by managers within larger corporations, neglecting the experiences of smaller firms.  Less is also known about the range of other inner experiences that influence sustainability sensemaking processes, even though emotions can play a crucial role (Maitlis, Vogus & Lawrence, 2013; Nilsson, 2013; Voronov & Vince, 2012).  A greater understanding of the emotional sense making in small family firms will provide insights into the ways in which individuals navigate through the change process.

By exploring how different forms of engaged scholarship can contribute to our understanding of emotional sense-making in small family firms.  We explore the different ways in which researchers and practitioners can work together to develop knowledge, to address how small family business owners make sense of their emotional experiences when they are required to change their business practices. Emotional responses have been found to have a major impact in enabling or obstructing change, yet this is often overlooked in practice and in small family firms. For this study we focus on ‘small’ family firms operating in the food supply chain, characterised by a dominance of change practices initiated by multinational corporations, regulators and policy in order to build more sustainable food supply chains.  Improving our understanding of emotional responses to external changes will enable a better understanding of how to deliver the transformations required to produce safe and sustainable food.

Examining emotional sense-making in small family firm ownership we identify key areas for future research and also key factors which determine the possibilities for selecting appropriate research methods.

Reflecting on different forms of engaged scholarship, we explore how we can shape knowledge generation, transfer and integration between research and practices.  This is critical when small family firms operate in an environment of constant change and uncertainty.  If we are to find practical solutions to grand challenges such as creating sustainable family firms, then we need to embark on a research journey that is open to different way of building research practice relationships, the ways in which we identify priorities for research and how we collect, evaluate and disseminate this research.

**Implications for policy:**

The paper illuminates how small family firm owners make sense of the processes to change to more sustainable business practices, by exploring the emotional experience we highlight how policy can impact on the psychological aspect of family firm ownership and how this affects the ways in which family firms respond to change.

**Implications for practice:**

By building a body of knowledge on different engaged research methods we provide insights into the value of researcher-business interaction in delivering impact on practice.  By exploring sensemaking in small family firms we gain knowledge on how they deal with emotions and the effects this has on their ability to engage in new practices.

**Conference Track**

Family and Community Business

**Presentation**

Full Paper

### 313

### Family business sustainability and culture

Ernestine Ning

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**Abstract**

**Space: Exploring New Frontiers and Entrepreneurship Places.**

Family businesses have positive impart and usually are the backbone of a nation’s economy, (Anderson and Reeb, 2003); (Astrachan and Shanker 2003); (Tharawat, 2014); Botero, Cruz, De Massis and Nordqvist, 2015); Sustainability according to (Brundtland, (1987) means that present actions should not compromise the ability of future generations to meet their needs.Sustainability’ implies a system of production that satisfies present consumption levels without compromising future needs. According to (Hockert and Wüstenhagen, 2010), balancing economic health (profit), social equity (people) and environmental resilience (planet) through entrepreneurial behaviour is what identifies a sustainable entrepreneur.(Basiago, 1999) added that for a business to be sustainable, it should be economically viable, socially friendly and environmentally responsible. In order to link these, an enabling environment must be created that optimizes resource use, prioritizes resource allocation, and fosters equitable resource distribution.

Family business sees its sustainability in the continuation of the business. Sustainability in family businesses require choosing long-term over short-term gain. Continuation of family businesses is linked to the business culture and of course, timeworn traditions are at the centre of business cultures. There are various family business cultures for instance, paternalistic culture, laissez-Faire culture, participative culture and professional culture. Each has its pros and cons (Basiago, 1999); (Dyer, 1988).  Founding families also often maintain a long‐term presence in their firms for instance bearing their names. As such, they have a longer horizon than non-family businesses, suggesting a willingness to invest in long‐term projects relative to shorter managerial horizons. ([Stein 1988](https://onlinelibrary.wiley.com/doi/full/10.1111/1540-6261.00567#jofi567-bib-0041), [1989](https://onlinelibrary.wiley.com/doi/full/10.1111/1540-6261.00567#jofi567-bib-0042)), shows that, firms that have shareholders with longer investment horizons suffer less managerial myopia and are therefore less likely to forgo good investments to boost current earnings. This is because the family intends to pass the firm onto succeeding generations.  Founding families view their firms as an asset to pass on to their descendants rather than wealth to consume during their lifetime. Family business survival is thus an important concern for families, suggesting that they are potentially long-term value maximization advocates (Casson 1999) and (Chami 1999).

The long‐term nature of founding‐family ownership suggests that external bodies, such as suppliers or providers of capital, are more likely to deal with the same governing bodies and practices for longer periods in family firms than in nonfamily firms. Thus, the family's reputation is more likely to create longer‐lasting economic consequences for the family business firm, relative to nonfamily firms where managers and directors who turn over on a relatively continuous basis. Anderson et al. (2002) suggest that one consequence of families maintaining a long‐term presence is that the firm will enjoy a lower cost of debt financing compared to nonfamily firms.

Founding families also face reputation concerns arising from the family's sustained presence in the firm and its effect on third parties. Perhaps a good question to ask would be; what type of reputation does the family want? Is it for being “perfect” and always living up to the past? Or is it for being innovative and striving to adapt to the future? If the latter, then failure need not damage reputation, rather it shows that the family is trying hard.

Despite the massive change in the global marketplace today, family firms continue to play a major role in the economy. They are the key economic drivers all over the world, representing a significant part of the GDP in relatively small economies such as Cameroon, Ecuador, Belgium, and Malaysia, and make similar contributions to the largest economies of the United States, South Korea and Brazil (Rahman, Galvan, Martinez, 2017). Family firms also advance GDPs by fostering new business. Family firms employ 70% of the private workforce in Argentina and 57% in Germany. In India, family firms employ 79% of the private sector (Lambrecht and Molly, 2011); (Tirdasari, and Dhewanto, 2012). Over 129 million jobs. There are more people employed by family businesses in India than there are people living in Mexico (Rahman, Galvan, Martinez, 2017). We know that family firms play a big role in economies today, but will that always be the case? The future is not so clear….

Although family businesses play a crucial role in the economy, will they continue tomorrow considering the global changes such as high rate of income inequality, environmental degradation, growing economic inequality and geopolitical volatility, high technology advancements and shorter product lifecycles, and the changing definition of the nuclear family?   How will current family businesses react to these global challenges?  Family firms’ conservative tendencies and over commitments to the past threatens to constrain their ability to adapt. Thus relying continuously on past business culture for sustainability and continuity could become a problem rather than a solution.

**AIM**

The main objective of this paper is to point out the implications of over relying continuously on past business culture by family firms and make suggestions to overcome the consequential problems.

**Methodology**

This is a qualitative research. Purposive samplings were selected to have a good understanding of their various culture.  Questions were asked to know the type of cultures they each have and whether thy stick to only one culture or diversified to others.  Data was collected from five Scottish family businesses (Radisson blue hotel, Walker shortbread, Graham, John white and the Herald), through interviews using unstructured and semi structures questionnaire. Data was coded using SPSS and analysed qualitatively using themes. It was found out that, although some of them are focused on the present business culture, most of these businesses are conservative and relied so much on the traditional culture especially when they were still at the first generation stage. Although some of them are focused on the present, most of them are conservatives and focused only on their past business culture.

**Findings**

Family business cultures can either contribute to success or be a major obstacle to the family business.

Nuclear families are no longer the norm, and as families become more complex, more family firms will likely be sold instead of passed on.

Most family firms spend much time working for the future, relying on the past, and doing very little or nothing for the present.

Most family businesses seem to be concentrated in more traditional sectors where the changes  in  the environment  are  less  likely and  thus  may  be confronted  with  lower environmental dynamism.

Current rapid technological advances are shortening product life cycles, and challenging long-term plans.

Family firms tend to offer more security and have been shown to be less likely to lay off employees in tough times.

However, job stability does not have the appeal it once had. The workforces of today are   mobile and not necessarily looking to settle down.

Family firms tend to use long-term perspective, and do not focus on short-term rewards.

Some family businesses are more conservative and risk averse and therefore not willing to undertake entrepreneurial activities that may eventually influence negatively their survival and growth.

In the future, it is likely that family firms are going to face new realities that will challenge even their strongest features.

**Contribution**

The research has broaden our knowledge on how to manage the advantages entrenched in family business culture for business sustainability and continuity. This research has expanded the literature of family business and continuity.

**Implication to practice**

Family business culture may need to change in order to meet new conditions in the business external environment instead of relying too much on their old paradigm that may blind them from reality.  There is the saying that “You cannot keep using yesterday’s ideas in today’s business and expects to be in business tomorrow” “that it worked yesterday, it would surely work today”, may not always be true.  There is need for family businesses to be innovative and aggressively pursue entrepreneurial opportunities. Innovativeness requires that firms should abandon existing practices and approaches and adopt novel solutions. It  reflects a  tendency  “to engage  in  and support  new  ideas, novelty,  experimentation,  and creative  processes  that may  result  in new  products,  services, or  technological processes.”  This may  be  particularly important  for  transition economies   which  are  characterized  by  high degree  of  turbulence and  uncertainty due  to  profound changes.

Family firms need to prepare a next generation of change agents. They have to consider that they are passing on more than just a business. Businesses come and go. Entire industries have lifecycles that end in death. There is need to break out of continuous relying on past cultures.

 For families to live on, they need to shift from thinking about just maintaining the business entity to building enterprising families. Enterprising families take entrepreneurship beyond the confines of an original business and into a world of new opportunities, enterprising families are committed to the longevity of the family, not just the business; they cultivate the entrepreneurial spirit in the next generation.  They pass on values and a sense of responsibility. They use family resources as a vehicle for spawning new organizations. They use innovation to address societal ills on a grassroots level.

 Looking back 20 years ago, the changes have been extreme: car phones were more common than cell phones and the internet, as we know it and its vast economy did not exist. Life expectancy for the largest future 500 companies has decreased from 75 years to 15 years. At the current churn rate, in 20 years, new firms will replace more than 75% of 500 old firms. Predictions are that by 2040, there would be over 9 billion people on the earth planet but with wealth concentrated in fewer hands. Other changes are so radical they cannot even be imagined. With an enterprising approach, family firms can confidently lead the way into this unknown frontier.

**Conference Track**

Family and Community Business

**Presentation**

Full Paper

### 16

### The digital family business? Family ownership, family management and digital adoption

Jane Bourke1, Niamh Lenihan2, Stephen Roper3

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**Abstract**

•    Topic

The importance of digital adoption for sustained competitiveness among SMEs is extensively documented. This study explores digital adoption among micro-businesses, with a particular focus on family-owned and family- managed firms. De Massi et al (2013), in a review of the literature, show that family involvement has direct effects on innovation inputs (e.g., R&D expenditures), activities (e.g., leadership in new product development projects), and outputs (e.g., number of new products), as well as moderating effects on the relationships between these steps of technological innovation.

•    Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’

Our paper investigates digital adoption in micro-businesses in the UK, Ireland and the USA.

•    Aim

Family-owned firms make up a large share of our business population and are therefore an important demography when trying to understand variations in business performance. Micro-businesses, with 1-9 employees, are predominately family-owned and family-managed. Digital adoption is considered one of the key drivers of firm performance. The aim of this study is to explore the influence of family ownership and family-management on digital technology adoption among micro-businesses.

•    Methodology

Our primary data source is the ERC Micro-business Britain dataset which provides detailed information on the characteristics and digital adoption of micro-businesses in the UK, Ireland and the USA. Collected in 2008q2 the Micro-business Britain dataset focuses on (c. 9,500) firms with 1-9 employees which have been operating for three or more years. These surveys provide data on the adoption of seven digital technologies (Customer relationship management (CRM), E-Commerce, Web-based Accounting Software, Computer-Aided Design (CAD), Cloud computing, Artificial Intelligence (AI) and Machine Learning). In addition, a broad range of firm characteristics are provided, including whether the firm is family owned, and if so, whether is managed by family members or non-family members.

We draw on the standard adoption and diffusion literature (Karshenas and Stoneman, 1993), including the influence of epidemic or network effects, strategic effects, and learning by using effects to explore adoption decision-making. Network or epidemic models of diffusion focus on the informational influences on adoption (Meagher and Rogers 2004) and the extent of firms’ social and business networks. Generally, having larger numbers of connections increases the probability of accessing useful knowledge and, ultimately, the probability of adoption (Storper and Venables 2004). Firms’ cost-benefit assessment of the returns to adoption also needs to be positive reflecting internal factors such as absorptive capacity and external market conditions and others’ prior adoption. In addition, firms’ own experience and learning from past adoption episodes may also shape the returns to adoption, through learning-by-using effects (McWilliams and Zilbermanfr 1996).

Building on the adoption and diffusion literature, we consider the influence of family ownership and family-management on adoption decisions. There is an expanding literature on the dynamics and performance of family-owned firms (ONS, 2018), with studies such as Andersson et al.  (2017) reporting the average family-owned firm are smaller in terms of employment, sales and total assets, older, lower skilled, less involved in multinational enterprises and exports, and less productive compared with non-family-owned firms. In addition, a recent ONS (2018) study reports that family-managed firms do not perform as well for management practices as family-owned firms managed by a non-family member. This is broadly in line with Bloom and van Reenen (2007)’s paper which found poor management practices to be more prevalent when family-owned firms pass management control down to the eldest sons.

•    Contribution

Our study, to our knowledge, is the first to show that family-ownership and management in small businesses strongly moderates the influence of the returns to adoption on the probability of adoption.

Our results reveal a significant difference in adoption preferences between non-family firms and family-owned and managed firms. There is no significant difference in adoption preferences between non-family owned firms and family owned firms but professionally run firms.

In addition, network and collaborative linkages are strongly connected to digital adoption as suggested in epidemic models of technology diffusion. In addition, firm-level strategic influences impact digital adoption. Micro-businesses with stronger internal resources (business plans, training, external finance) are more likely to be digital innovators, potentially reinforcing their competitive advantages over more resource-constrained competitors. Prior levels of sectoral adoption are positively linked to adoption.

•    Implications for policy

Key to achieving productivity gains within SMEs is identifying strategies to encourage digital technology adoption and best practice diffusion within small businesses. Our paper reveals that family-owned and family-managed firms are the least likely to adopt digital technologies. Targeted interventions for this category of firms may be necessary to ensure greater uptake of digital technologies.

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**Conference Track**

Family and Community Business

**Presentation**

Full Paper

### 22

### Retirement styles in the small family business: A case study

Richard Telling

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**Abstract**

**Topic:**research exploring what happens when the controlling generation exit the family business has dominated the family business literature in previous decades. Much of this literature has focused on how growth and the family's legacy are perpetuated in the absence of the previous generation (e.g. Ward, 1997; Tucker, 2011), how successors are chosen (e.g. Liu, Eubanks and Chater, 2015; Richards, Kammerlander and Zellweger, 2019) and how the succession process can be smoothened (e.g. Miller, Steier and Le-Breton Miller, 2003; Santiago, 2000) given that it is complex and has repercussions for both the family and the business (Lambrecht and Lievens, 2008). A much narrower body of literature has explored the experiences of those exiting the family business once succession has transpired. Of notable mention here is the work of Sonnenfeld (1988) whose typology of retirement styles was developed based on interviews with 350 retired chief executives. Sonnenfeld (1988) notes that the challenge of retirement has little to do with industry or management style and everything to do with the concept of self. Monarchs and Generals, for instance, fail to plan for succession, deny or obstruct it, whilst Ambassadors and Governors enjoy a much healthier relationship with their previous employers as they are able to embrace the world outside of the workplace rather than rely on previous employment for their self-esteem. Whilst Sonnenfeld's (1988) typology accounts for the experiences of those exiting large (often public listed) companies, a framework which captures the retirements styles of those exiting smaller firms is yet to be developed. This is of particular interest given that small business owners often "perceive the business as an extension of his or her personality" (Carland et al., 1984: 358) and therefore how they establish a new identity beyond what is, in some cases, their life's work is worthy of academic study.

**Applicability to conference theme:**the three participants in this study had worked at the family owned restaurant business for a combined total of approximately 73 years (35, 24 and 14 years respectively). By implication, participants had spent a significant portion of their lives working in precisely the same commercial restaurant operation on a weekly, often daily, basis. The concept of the family business as a 'space' has a dual meaning in the context of this research, both literally as premises from which to operate a commercial restaurant, and emotionally as an important aspect within participants' lives. The findings demonstrate a tendency to return to this space post-retirement, thus signalling the importance of the family business as a space which retirees are reluctant to give up entirely.

**Aim:**to advance understanding of retirement styles within small, family businesses and explore how the accounts of retired non-family employees, retired family employees and retired family owners might differ

**Methodology:**the research method employed was a qualitative one, drawing on semi-structured interviews with three former owners/employees of a family restaurant business which employed less than 20 staff. An interpretative approach was adopted and therefore faces the question of what can be understood from the experiences of three participants. Whereas positivist research concerns itself with statistical generalisation and representativeness, interpretative research is more focused upon the 'cogency of theoretical reasoning'. Qualitative research often lacks generalisability when viewed through the positivist lens of statistical inference, however, Smith (2018) argues that qualitative research can instead offer analytical generalisability achieved through the transferability of concepts and theories resulting from the data.   As such, the participants in this study should be viewed as an 'opportunity to learn' (see Stake, 1994: 243) about retirement styles within the context of small family businesses, regardless of whether these are representative of retirees per se. The family business involved in the study was one known to the researcher through his professional network of contacts and his prior knowledge of the family allowed the researcher to identify that the restaurant business, after approximately 35 years of family ownership, would soon be offered for sale. As such, two of the family members would be stepping away from family business involvement imminently. A third non-family employee who had retired recently completed the sample of three. The first participant was a founding generation female (1GFO) who had launched the family restaurant business with her husband, an Italian migrant, around 1984. Approximately 20 years later, the business was sold to one of the couple's two children, a second generation male (2GMO) who was also interviewed, in 2005 though the mother had remained employed within the family business as a casual worker. The third participant, a non-family male employee (NFME), had been employed at the business for approximately 24 years before retiring.

**Contribution:**the findings demonstrate a tendency among retirees to return to the family business for casual work, thus signalling a reluctance to part entirely from proceedings at the family business thus lending some support to Sonnenfeld's (1988) framework. In a similar vein, the findings demonstrates that the extent to which retirees engage with the family business post-retirement is influenced by the life they have forged beyond the family firm. The findings also reveal that a propensity to return to casual employment at the family business occurs regardless of one's status as a family or non-family member.The contribution of the study is three-fold. First, it advances our understanding of retirement styles from the family business and how this plays out at the small/micro level and, in doing so, complements the earlier work of Sonnenfeld (1988). Second, the findings account for the experiences of non-family employees who, despite devoting much of their lives to such organisations, have received relatively less attention in the family business literature. Third, it lays the foundation for further cross-sectoral research among a larger sample of small, family businesses and their retirees.

**Conference Track**

Family and Community Business

**Presentation**

Working Paper

## Gender and Enterprise

#### Gender and Enterprise

#### Time: 11:00 - 12:30

#### Date: 14th November 2019

#### Location: Northumbrian

### 77

### Peering Inside Mutual Adjustment: Rhythmanalysis of Return to Work From Maternity Leave

Julia Rouse, Jamie Atkinson, Andrew Rowe

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**Abstract**

**•    Topic**

In this paper, we take the established notion that small firm employment relations are a matter of ‘mutual adjustment’ and suggest it is time to ‘peer inside’, to conceptually elaborate the structures subject to negotiation in the informally negotiated order of SMEs and the form of management at play in the negotiating process. We ‘peer inside’ employing Lefebvre’s rhythmanalysis and propose that adaption of space-time-energy rhythms to create fair and productive work involves an individual and business capability we call ‘rhythm intelligence’. Empirically, we explores how rhythm intelligence shapes a particular, and gendered, event in small firms: staff return from maternity leave.

**•    Applicability to the conference theme – ‘SPACE - exploring new frontiers and entrepreneurial places**

Our paper relates to the conference theme by:

Exploring a new frontier of theory by conceptualising small firms as constituted of, and by rhythms and arguing for rhythmanalysis as a powerful framework to understand small firm employment relations, in particular.

Exploring the frontier of maternity management in small firms which is radically under-researched and, in particular, the common challenge of negotiating a return to work following maternity leave.

Extending our understanding of the gendering of small firms by conducting a rhythmanalysis of negotiations to return to work from maternity leave; to date most gender and enteprrise research relates to the gendering of entrepreneurs rather than staff or organisational rhythms.

Offering a gendered critique of the ‘places’ – and particularly the space-time-energy relations - that shape small businesses by including the domains of maternal and infant embodiment, family and care in analysis.

**•    Aims**

1. To conceptualise a key relation subject to mutual adjustment in small firm employment relations as space-time-energy rhythms.
2. To propose that creating fair and productive rhythms demands an individual and business capability we call ‘rhythm intelligence’.
3. To employ empirical analysis of a key event in small firm employment relations – negotiating for a member to return from maternity leave – to illustrate the value of rhythmanalysis as a method for conceptualising small firm relations, and their gendering, and the value of rhythm intelligence as a means of understanding how rhythms can be managed fairly and productively.
4. To create much-needed and theoretically robust understanding of the processes at work in return to work from maternity leave in small firms.

**•    Methodology**

We first conduct considerable conceptual analysis to conceive of ‘mutual adjustment’ in terms of rhythmanalysis, propose the concept of ‘rhythm intelligence’ and suggest how maternity management in small firms can be considered a gendered process of rhythm adjustment and intelligence.

Our empirical analysis draws on a small set of interviews with women who have requested flexible working on return from maternity leave to employment in a small firm and with small business owners or managers who have managed requests for flexible working on return to work from maternity leave. Interviews were fully transcribed and systematically analysed employing template analysis.

We make knowledge claims at the conceptual level, showing how negotiations to return from maternity leave in small firms are a gendered matter of rhythm adjustment and rhythm intelligence.

**•    Contribution**

We make three contributions.

First, to conceptualise mutual adjustment as a socially embedded process concerned with practical and projective rhythm negotiation and adjustment.

Second, to propose that SME managers, workers and teams require ‘rhythm intelligence’ to develop, and renew, workably eurythmic and fair polyrhythms across multiple domains of activity. We define rhythm intelligence as cognitive and behavioural capacities to:  appreciate space-time-energy rhythms beyond the stakeholder’s immediate domains of interest; sense arrhythmia and recognise that routine rhythms are not serving emerging circumstances, and; employ practical or projective agency in negotiation with others to develop new practical or projective rhythms that form a workably eurythmic and fair polyrhythm, either as a short-term practical adaption or as a new routine.

Third, we offer a rhythmanalysis of a common SME negotiation event, when a worker seeks to return from maternity leave part-time or ‘flexibly’ – i.e. under a different time/space/energy rhythm. We propose a novel definition of good maternity management as negotiating mutual adjustment of rhythms to achieve a fair and productive polyrhythm, conducted by multiple stakeholders employing rhythm intelligence as an individual or business capability.

**•    Implications for policy**

Understanding people management in  small- and medium-sized enterprise (SMEs) is crucial to productivity, business growth and job creation and essential to designing employment regulations and ‘good work’. Yet, remarkably little research is published on people management in SMEs. This is a dearth of evidence being questioned in the UK as policy makers realise how central people management is to productivity and equality agendas.

Proposing rhythmanalysis and rhythm intelligence as frameworks for understanding the time-space-energy relations in small firms has direct value for policy makers who seek to shape and regulate these relations. In particular, our empirical analysis can directly inform maternity, paternity and shared parental leave policy and regulatory attempts to manage work-life arrangements through policy such as the right to request flexible working.

**•    Implications for practice**

We propose that rhythmanalysis is a potentially valuable conceptual framework for small business owners and managers and their staff. It could support the development of rhythm intelligence in small firms and, in so doing, promote productive and fair mutual adjustment.

**Conference Track**

Gender and Enterprise

**Presentation**

Full Paper

### 148

### Childminders: Informal Postfeminist Entrepreneurs

Ana Cruz Garcia

Cork Institute of Technology, Cork, Ireland

**Abstract**

**Abstract**

**Aim –**This paper foregrounds the reality of childminders as entrepreneurs, their motivations and limitations and the impact of their profession on society, mainly on the lives of the mothers whose children they mind.

**Topic –**On the one hand, this research interrogates traditional views of entrepreneurship to include other female professionals who, albeit entrepreneurial by definition, have thus far not been included because of perhaps their lack of contribution to economic growth or employment creation (Ahl, 2017). In this sense, this paper argues that it is crucial to broaden up a definition that leaves out not only potential entrepreneurs but also those who may already be. On the other hand, entrepreneurial, choosing, autonomous and self-fulfilling women in charge of their own lives and careers, whether at home or at work respond to a postfeminist agenda (Gill and Scharff, 2011; Lewis, 2017). In this context, the figure of the childminder who chooses to work while minding her own children, hence prioritising motherhood and nurture to a career responds to Hakim’s one of two types of the ‘adaptive’ postfeminist woman (Hakim, 2000). The other centres on career mothers managing the logistics of the home in addition to their high-commitment careers. This paper brings together Hakim’s both types of ‘adaptive’ women in the figures of the childminder and the mother of the children respectively in order to interrogate the extent of their free choices, independence and entrepreneurial mindset as postfeminist subjects. While expanding the concept of entrepreneurship to include traits such as ‘caring’ and ‘vocational’, childminders may also embody what is known as ‘mommy track’ or ‘mumpreneurship in their professional choice based on achieving a better work-life balance’. Furthermore, their contribution may be limited due to the lack of pay and societal recognition of their work. On the other hand, the analysis of the impact childminders can have in the mothers of the children they mind questions the postmodernist idea of women choosing on the basis of their own desires, by exhibiting the infrastructure enabling this choice. The relationships and dependencies on other subject positions (nannies, childminders, au pairs and cleaners) are frequently portrayed without agency or downplayed at the expense or the career, choosing and maternal woman.

**Applicability to the conference theme – ‘SPACE –exploring new frontiers and entrepreneurial places’ –**Scrutinising the figure of the childminder as entrepreneurial charts new territory within entrepreneurial research while simultaneously sharing common grounds with terrains, such as “Entrepreneurship in Minority Groups” or “Gender and Entrepreneurship”, both parallel sessions in this conference in which this paper could be included.

**Methodology –**Three surveys are illustrated and analysed in this paper. In 2018 and in conjunction with Childminding Ireland, the author conducted one survey with its members nationwide. In another survey that Childminding Ireland posted to the parents of their members in 2018, the author also included a question about the areas of their lives where their childminder has a direct/indirect impact. Finally, in the author’s own third-level institution, Cork Institute of Technology (CIT), a full survey to parents with childminders was conducted. Six interviews with the parents from CIT also followed the survey.

This paper interrogates a postfeminist view that uncritically emphasizes educational and professional opportunities for women and girls; freedom of choice with respect to work, domesticity and parenting; and physical and particularly sexual empowerment (Lewis, 2017). In this regard, it explores as methodology a ‘postfeminist sensibility’ that allows for the de-anchoring of postfeminism from a rigid view of history, highlighting that to speak of postfeminism as a sensibility is to speak of a constellation of beliefs, ideas and practices that are dynamic, that travel, and that change (Gill, 2017; Rumens, 2017; Siri, 2017). In this regard, Gill (2017) explores how postfeminism has contributed to limited change and/or maintenance of the status quo, by considering the following related issues: the rise of a moderate feminism, the reconfiguration of femininity, the emphasis on individualism and free choice and the aversion to radical interventions.

By aligning postfeminism to the work of scholars who regard it as a ‘sensibility’ or ‘cultural dispositif’, this paper draws on the basic tenets of discourse analysis (Potter and Wetherell, 1987). For Foucault discourses are practices which ‘construct objects of which they speak’ and have power implications, as what they construct may be held as ‘truth’ (Ahl, 2007, p. 219; Kelan, 2009b). They are ‘technologies of the self’ (Foucault, 1988, p. 18), or tools and strategies offered to individuals to transform themselves by shaping their conduct, thoughts and ways of being in order to achieve a particular state, such as happiness, perfection or, in the context of childminding, successful work-life balance. The central question that discourse analysis seeks to answer is ‘how is participants’ language constructed, and what are the consequences of different types of constructions?’ (Potter and Wetherell, 1987, p.55). Understanding postfeminism as an adaptable, multifaceted, discursive phenomenon which governs the everyday life of individuals in a range of settings allows us to draw on it as a critical concept within entrepreneurship and postfeminism. We can then revisit how we use notions such as that of choice and work-life balance when we consider the persistence of inequalities within entrepreneurship and childminding.

**Contribution –**The contribution of this study lies in the examination of the multifaceted and entrepreneurial characteristics of childminders. It also analyses the impact (both financial and social) that the childminder has on the mothers of the children they mind. In the first instance, the figure of the childminder emerges as a professional who may choose childminding as it provides her with the opportunity to earn an income while still minding her own children at home but also as a vocational and caring entrepreneur who contributes to the child’s educational development (pull factor) and, more importantly, who chooses and wants to be there. However, what is problematic is the lack of recognition of their work by the government transpired in their lack of financial support and the negative differentiation from other day care centres and by society in general, in the devaluation of their work and the consignment of women with low paid or low status care work at home. Until these limitations are properly addressed and financial and societal recognition is fairly awarded, the childminder figure will remain unheard, undervalued or worse for our society, none at all. As for the childminders’ impact on the parents, it goes beyond economic benefit to illustrate how embedded childminding lies in the construction of the mothers’ personal identity, at work and otherwise.

**Implications for policy –**The Irish government’s efforts are currently centred on professionals working on crèches and day care centres. Childminders are at worst excluded from the financial support (childcare subsidies) allocated to these centres and at best grouped together with them, without showcasing the different nature of care and educational development embedded in childminding. This paper aims at showing evidence of how the government needs to invest more financial and human resources in this sector because of their value to children’s education and women’s role in the workplace.

**Implications for practice –**The most important implication of this study is the broadening of the concept of entrepreneurship to include other professionals, such as childminders, who albeit unequivocally self-employed, are rarely associated with entrepreneurship.

**Conference Track**

Gender and Enterprise

**Presentation**

Working Paper

### 68 Exploring New Frontiers in Women’s Entrepreneurship Policy in Sub-Saharan Africa

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**Abstract**

**Abstract**

**Topic:** This paper focuses on women’s entrepreneurship policy in Sub-Saharan Africa, a topic that fits well with the conference theme “*SPACE – Exploring new frontiers and entrepreneurial places.*” As a discrete field of scholarship, women’s entrepreneurship continues to grow in both academic and political appeal, with a notable increase in the volume of research studies and reports that either focus exclusively on women entrepreneurs or explore entrepreneurship from a decidedly gender perspective (Jennings & Brush, 2013; Henry, Foss & Ahl, 2017; Marlow et al., 2017; GEM, 2018; & Kvidal, and Ljunnggren, 2014). One aspect of women’s entrepreneurship that has received limited scholarly attention is that of policy (Foss, Henry & Ahl, 2018). The limited number of research studies that have focused on this topic not only highlight its importance, but also identify a number of policy factors found to affect women’s entrepreneurial endeavours in both developed and developing countries (Brush, de Bruin & Welter, 2009; & Langowitz, and Minniti, 2007). Such factors include, but are not limited to, a disproportionate focus on male-dominated sectors, an over-reliance on soft supports, inequality of access to networks, inequality of access to finance, and the perennial ‘one-size-fits-all’ approach (Coleman, Henry, Orser, Foss, & Welter, 2018). With specific regard to the latter, scholars recognise the need for policy supports to not only be gender-aware, but also to be contextualized within their relevant geographic, cultural and, where possible, sectoral setting if they are to be truly effective (Welter et al., 2014). Despite such acknowledgement, for the most part, gender aware policy formulation or contextualization either does not occur or is not readily apparent (Ahl & Nelson, 2015; Arshed, Carter & Mason, 2014). This is particularly the case in under-developed countries, where gender-related policies often struggle to move beyond basic equality levels, and gender-aware entrepreneurship policies remain an elusive luxury.

**Aim:** In an effort to address a clear gap in gender-related policy scholarship, the paper focuses on women’s entrepreneurship policy in Sub-Saharan Africa, and critically explores the specific case of Tanzania. This is an important area given that the World Economic Forum (WEF) identified African businesswomen as: *‘the way forward towards poverty reduction* ‘for most of Sub-Saharan Africa. Women in Tanzania are both economically and socially disadvantaged (Kirumba, 2005; & Kiggundu, 2002). The most common barriers for Tanzanian female entrepreneurs relate to culture, stereotyping and discrimination; lack of access to capital, networks, information, technology and markets; and a poor level of education and work experience (Nziku & Struthers, 2018). Within rural suburban regions especially, women have no property rights and lack adequate knowledge of existing credit facilities (Nziku, 2014; Kirumba, 2005).

Our research question in this paper is two-fold, and asks: How are policies designed to encourage and support entrepreneurship in Tanzania gendered? How might such policies be (re)designed so that they are more relevant to women entrepreneurs in the Tanzanian context? In addressing these questions, the authors aim to draw attention to the particular context for women’s entrepreneurship in Tanzania (an important economic region within Sub-Saharan Africa); identify specific gender biases inherent in current entrepreneurship policies; offer meaningful recommendations for policy makers, and identify areas worthy of future research attention in this area.

**Methodology and Methods:** Following Henry et al. (2017) and Coleman et al. (2018), the authors apply an adapted reading guide technique to analyse and critique relevant entrepreneurship and related equality policy documents in Tanzania. The reading guide examines the category and type of policy/equality document being analysed, the gender breakdown of its authorship, overarching focus, key themes, target audience, content, language and imagery, as well as the key equality/policy recommendations being offered and their relevance to women’s entrepreneurship in Tanzania and the wider Sub-Saharan African region. Any evidence of gender bias – whether explicit or implicit – is noted. The completed reading guide templates are then coded and collated into an excel spreadsheet. Drawing on institutional theory, findings are discussed and critiqued within a regulative, normative and cultural-cognitive framework (North, 1990; Scott, 2014).

The study builds on the Global Women’s Enterprise Policy (GWEP) project[1] (Henry et al., 2017; Coleman et al., 2018). A lack of core women-focused entrepreneurship policy documents, as well as the currency of such documents were identified as some of the key methodological challenges at the outset of the study. Consistent with the GWEP methodology, documents analysed in this study were coded as: (1) *academic articles* (i.e. journal articles, book chapters, conference papers, etc.); (2) *policy documents* (i.e. official policy documents, policy statements, policy strategies issued by standing government concerning entrepreneurship or related equality measures); (3) *policy studies/reports* (i.e. documents produced by contracted organizations, researchers, or other bodies, evaluating extant policies and/or identifying gaps in current policies), and (4) *documents relating to practices/initiatives on the ground – including: small business/entrepreneurship programmes or related initiatives (*i.e. support projects/programmes on the ground established on behalf of government or its agents, the creation of new governmental bodies or structures, and new or revised laws or regulations).

Data gathered via the reading guides were supplemented by the research team’s experience of working in the area of women’s entrepreneurship policy, and their in-depth knowledge of such policy in Tanzania.

**Contribution:** Our contribution in this paper is two-fold. First, we contribute to contemporary scholarship on women’s entrepreneurship by providing rich and valuable insights into the unique context for women’s entrepreneurship in Tanzania. As such, the study sheds new light on how women’s entrepreneurship is operationalized and supported in Sub-Saharan Africa – a geographical region that remains both under-developed and under-researched, with embedded challenges to equality and entrepreneurial endeavour not typically experienced in Western regions. Accordingly, Tanzania constitutes a ‘new frontier’ and a novel ‘entrepreneurial place’ in which to explore women’s entrepreneurship. Secondly, we highlight the relatively ineffective nature of women’s entrepreneurship policies that are essentially ‘context neutral’ in their design and, using institutional theory, demonstrate how contextualizing women’s entrepreneurship policies is particularly important in an economically disadvantaged region such as Tanzania. Accordingly, we contribute to theory building in the specific areas of institutional theory and context - as they apply to women’s entrepreneurship policy.

**Policy Implications:** The general contribution of this paper targets to bring great implication for women entrepreneurship policy within the Sub-Saharan Africa while using Tanzania as a case study. Our analysis found Tanzania entrepreneurship policies to focus on creating and enabling the business environment; developing infrastructure, and strengthening financial and non-financial services (URT, 2003). Entrepreneurship is identified as a means to address sustainable development challenges (notably unemployment and poverty) and expand opportunities for socially disadvantaged groups, especially women and youth. Entrepreneurship policies are found to be lacking in gender focus and, for the most part, fail to take account of the specific context in which Tanzanian women entrepreneurs operate.

**Implications for Practice:** Our study argues for policies designed to support women’s entrepreneurship to be formalised and contextualised in their specific geographical, cultural and sectoral setting. The ‘*institutional pillars*’ framework allows the authors to identify areas where contextualisation of women’s entrepreneurship policies could be enhanced. Recommendations to explore new frontiers for policy-making in Tanzania and the greater Sub-Saharan Africa region are offered, and avenues for future research in this area are identified.

[1]Launched in 2014 at the Diana International Research Conference, Stockholm, the Global Women’s Entrepreneurship Policy (Global WEP) project is a network of gender and entrepreneurship scholars from 29 countries who critically review and compare women’s entrepreneurship policy from a gender perspective. For further details of the Global WEP methodological approach, see: Henry, C., Orser, B.J., Coleman, S., Foss, L. & Welter, F. (2017), and also Coleman, S., Henry, C., Orser, B., Foss, L. & Welter, F. (2018).

**Conference Track**

Gender and Enterprise

**Presentation**

Full Paper

## Networks, Innovation and Policy

#### Networks, Innovation and Policy

#### Time: 11:00 - 12:30

#### Date: 14th November 2019

#### Location: UTC: 102

### 11

### The Mittelstand Mindset in a digital age: Comparing UK and German automotive SMEs

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**Abstract**

**Topic**

German Mittelstand firms have been widely admired for their ability to establish positions of global market leadership in very narrow market segments. This market leadership is based on innovation, especially regarding product, process, and service innovation. Recent studies have looked at resource use in these firms and argue that there are six key traits which combine to support innovation in these firms (De Massis, Audretsch et al. 2018). These are: niche focus and customer collaboration, globalization strategy, preference for self-financing, long-run mindset, superior employee relations, and community embeddedness. Taken together these strategic traits offset SMEs’ lack of financial and human resources and support long-term innovation Mittelstand ‘hidden champions’ provide stable employment and value creation and play a key role in sustaining and developing competitive supply chains (Simon 1992, Simon 1996).

**Applicability to the conference theme and study aims**

Like all firms, Mittelstand firms face increasing pressure from digitisation – Industry 4.0 (OECD 2017). This paper explores how Mittelstand firms in the UK and Germany are exploring the ‘new frontiers and entrepreneurial places’ which result from Industry 4.0 and what actions they are taking to embrace the opportunities Industry 4.0 presents. Our aim is to build on resource-based conceptualisations of Mittelstand firms to examine whether the strategic traits of German Mittelstand firms are also evident in similar UK companies and how they are likely to influence competitiveness in an era dominated by digitisation (De Massis, Audretsch et al. 2018). Evidence from the OECD suggests that digital take up in the UK lags that in Germany and our other major competitors.

A recent study of digitisation by SMEs in Germany also stressed the rapidly changing nature of the business environment but also suggested that in the German context (Icks, Schroder et al. 2018):

* **There is further potential to establish data-based connections to other firms**- more than three in four companies digitized their business processes between departments within the firm. Almost half of all firms exchange data with other companies.
* **Digitization is rarely used for the development of new business models - a**lmost two thirds of the firms intend to optimize their production and business pro- cesses through digitization. One fifth of the companies already produce smart and connected products.
* **Technical obstacles do not represent major challenges - f**irms report that they face organizational challenges when it comes to digitizing their internal business processes. Hence, to fully exploit the potential of digitization, it is necessary to develop organizational innovations.
* **Small businesses overestimate their degree of digitization**- almost one third of the respondents feel (very) well positioned in the digitization pro- cess. This evaluation might be misleading: small businesses are comparatively less involved in exchanging data between their own departments and the departments of other companies.

**Methodology**

Our paper is based on data from a new survey of comparable SMEs in the UK and German automotive sectors. The survey was collected by telephone during 2019q2 and includes information from 100 UK and 100 German SMEs with 5-249 employees. The survey (conducted in UK and German) was structured by firm sizeband and aims to provide a representative view of digital adoption and ambition in the UK and German sectors. The quantitative survey is supported by a series of more detailed firm case-studies.

**Contribution**

It is widely recognised that issues around digital diffusion are critical in raising productivity particularly in smaller firms (OECD 2015). This study will provide a comparative view of digital adoption and investment plans across two comparable groups of firms from the UK and a key international competitor which has higher average productivity. The study will identify any ‘gaps’ in digital adoption and attitudes to digital technologies between UK and German firms and contribute to policy development.

**Implications for policy and practice**

These are unclear at time of writing and specifics depend on future data analysis. Potential implications for practice arise from identified ‘gaps’ in the digital attitudes and investment of UK and German firms. Implications for policy may also arise from this gap analysis, providing a guide to areas in which UK firms (may) lag their international competitors.

**References**

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**Conference Track**

Networks, Innovation and Policy

**Presentation**

Full Paper

### 44

### Open Innovation practices among manufacturing SMEs in Ontario’s Peel-Halton Region

James OHalloran

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**Abstract**

**Introduction:** The researcher self-identifies as an early career researcher and is employed as a professional managerial accountant with a Canadian manufacturer. The project topic arose when the researcher noticed discrepancies between Open Innovation (OI) theory and practices witnessed in the business community. OI champions promote the theory as a solution to long term competitive challenges (Chesbrough, 2003; Chesbrough, et al, 2006, 2014); however, the researcher remains skeptical because of practical experience. The project’s aim and methodology developed also from experience in the business community.

The project concerns OI practices among small-and-medium sized enterprises in Ontario’s Peel-Halton region. It presents a problem confronting manufacturers, draws on OI theory, and intends to offer results relevant to both practitioners and academics.

The project is distinguished from existing literature in four critical ways. First, there is scant field research exploring OI practices in manufacturing SMEs. Second, this project seeks to compare the practices of smaller businesses with those of medium-sized enterprises: most field research treats SMEs as a homogenous classification. Third, this project seeks to chart conceptual differences in OI theory as it pertains to SMEs. Fourth, there is no published field research detailing OI practices in Canada.

**Topic**: Open Innovation (OI) practices among manufacturing Small-and-Medium sized Enterprises (SMEs) in the Peel-Halton region of Ontario Canada

**Theme applicability:**This working paperfalls within the scope of conference’s theme (“Space- exploring new frontiers and entrepreneurial places”) and track (“Networks, Innovation, and Policy”) by: a) testing open innovation theory against field research drawn from manufacturing SMEs in a Canadian key economic area.; b) investigating whether differences in the OI practices small and medium sized businesses exist; and c) sharing lessons and findings relevant to both practitioners and academics.

Innovation weakness has been noted as a key issue confronting the Canadian manufacturing SME sector (Industry Canada, 2018; Government of Ontario, 2018). Barriers to successful innovation include scale, technology and processes adoption (Industry Canada, 2016), and increasingly integrated global supply chains (Deloitte, 2014). This project seeks to uncover how Peel-Halton manufacturing SMEs innovate, whether they understand the conceptual notion of OI and whether it is practised to meet competitive challenges. Lessons learned may be transferable to manufacturing SMEs across Canada, North America, and potentially other G7 states such as the United Kingdom and continental Europe.

**Aim:**This paper’s aim is to testOI theory against current business practices.  The intent is threefold. First it seeks to contribute understandings of OI theory specifically as it relates to manufacturing SMEs. Second, it seeks to find solutions to identified problems experienced by Ontario’s manufacturing SMEs. Third, it seeks to provide practical OI recommendations for business practice. The aim therefore seeks to produce applied research relevant for manufacturers.

**Methodology:**The researcher’s personal post-positivist beliefs and identity as a practitioner guide the purpose, and therefore the methodology, of the study (Cartwright, 1989). The project relies on an abductive approach toward theory development because of the intent to: a) chart conceptual differences between OI theory and practice; and b) offer revisions to theory as it pertains to SMEs where warranted.

The methodological decision was informed by the preliminary literature review: of 38 articles examined, 21 were quantitative studies and seven were qualitative reports. The quantitative articles lacked depth and context, particularly from the perspective of a practitioner while the qualitative reports lacked objective metrics expected to validate business decisions (Cartwright, 1989). None offered a clear picture of the operational practices and benefits of OI practices in SMEs. The project therefore relies on a mixed-methods design, allowing the researcher to provide generalizable knowledge reinforced with contextual understandings of cause-and-effect linkages.

The literature review furthermore guided the selection of specific design methods. Articles relied on either survey or case study research: this project integrates both in an explanatory sequence.

**Contribution:**The project contributes to OI theory by delivering field research drawn from manufacturing SMEs: this is an area recognized as an emergent area of study (Usman, et. al, 2018; Brunswicker & van de Vrande, 2014).  The researcher is aware of one quantitative study on North American manufacturing SMEs (Theyel, 2013). The project therefore contributes to academic knowledge by addressing a critical gap in existing literature.

**Implications for practice:**The project offers several implications for practice. First, it seeks to chart the understanding and utilization of OI among manufacturing SMEs: this may lead to solutions mitigating innovation barriers noted by Deloitte (2014) and improve the weak manufacturing growth identified by Clarke and Couture (2018). Second, the research may provide insights into how OI practice can be integrated for optimal effectiveness and efficiency. Third, the research may provide new insights leading to theory revisions.

**Conference Track**

Networks, Innovation and Policy

**Presentation**

Working Paper

### 112

### Exploring the Relationship between Welsh Government Entrepreneurship Policy and Attitudes Towards Entrepreneurship Among Welsh Students

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**Abstract**

One of the key metrics of success for devolution in Wales has been the performance of the economy compared to the rest of the United Kingdom. In a number of measures, from GVA to earnings, the Welsh economy has been described as a “lagging region” in a UK context (Price, 2016).   The Welsh Government has had control of significant economic levers since 1999, which it has attempted to use to improve the business environment in Wales. One policy area which has had a specific focus has been that of entrepreneurship. This paper explores the relationship between the entrepreneurship policy developed by the Welsh Government from 1999 to 2016 and attitudes towards entrepreneurship held by Welsh students; a key demographic identified both by the relevant literature and the Welsh Government itself (Hannon, 2005).

This paper begins with a review of the entrepreneurship policy developed by the Welsh Government, examining the interpretations of entrepreneurship that have underlined policy in this area. An evaluation of the considerable literature on entrepreneurship across different academic fields, including economics, sociology, psychology and public policy, shows that there remains considerable disagreement among scholars, politicians and practitioners on the definition of entrepreneurship and its role in economic and regional development (Kirzner & Sautet, 2006). This study aims to define the policy and interpretations held and developed by the Welsh Government from 1999-2016 through a triangulation of different sources; firstly a documentary analysis of key policy and strategy documents published by the Welsh Government and Welsh political parties during the period and secondly interviews with key political, government and third party figures during the period.

The Welsh Government’s entrepreneurship policy can be analysed and evaluated through the model developed by Huggins & Williams (2009) in their analysis of the entrepreneurship policy developed by the Labour Party in government at the UK level from 1997-2010. A number of questions can be asked of the policies developed by the Welsh Government; what is the importance attributed to entrepreneurship within economic development policy? Who is the target audience of the entrepreneurship policy? What is the perceived role of the government in encouraging or facilitating entrepreneurship? And finally, is there a difference between the Government’s small business and entrepreneurship policy? The aim of this research is not to evaluate the success or failure of Welsh government policy; but to gain an understanding of the definitions and interpretations that have underpinned it. The experience of entrepreneurship policy development in post-devolution Wales is an opportunity to investigate a number of key questions being asked across a range of different disciplines. In the context of public policy, we can examine the effect of newly-created institutions on the development of policy, and assess whether a “dragonization” of policy has occurred – the development of different policies compared to England with a specific focus on the issues and context in Wales (St Denny, 2016).

Following this, the study discusses attitudes and intentions towards entrepreneurship among the general public in Wales. There is evidence to suggest that Wales is “less entrepreneurial” than other parts of the United Kingdom (General Entrepreneurship Monitor, 2014). Specifically, interviews with Welsh students at universities inside and outside of Wales are analysed to gain an understanding of the factors that influence their intentions to engage in entrepreneurship and their attitudes towards it. These interviews take place with students both with and without intentions to engage in entrepreneurship - according to Krueger and Carsrud (1993), “we too often ignore those who do not intend to start a business, despite the oft-cited interest in differentiating entrepreneurs from non-entrepreneurs”. These semi-unstructured, in-depth interviews give an opportunity to explore some of the issues explored in the existing literature (Henley et al., 2007).

A key issue explored in the in-depth interviews is the impact of “place” on attitudes towards entrepreneurship. In their study of peripheral post-industrial places, Gherehes, Vorley & Williams (2018) identified the impact of institutional hysteresis on entrepreneurship attitudes and local economic resilience through negative perceptions of opportunity and place. A key aspect of this was the impact of the “brain drain” and a loss highly-skilled students and graduates. There is evidence to suggest that this phenomenon is also true in Wales (Clarke, 2017).  This research explores the attitudes that Welsh students have towards Wales and their specific towns and regions – and the subsequent impact on attitudes towards entrepreneurialism. The research asks two questions; how does growing up in Wales impact attitudes towards entrepreneurship, and how is Wales perceived as a place to engage in entrepreneurship?

This research hopes to make a positive contribution to the development of effective entrepreneurship policy in Wales, and contribute to the ever-growing academic and political interest in the role of entrepreneurship in regional development and the factors that influence an individual’s decision to engage in it. The impact of devolution on the economic policy and economic performance allows us to investigate entrepreneurship through the lens of a variety of different disciplines, and this research is an exploration of some of the principle themes coming from the study of entrepreneurship and entrepreneurs in economics, sociology, psychology and public policy.

**Conference Track**

Networks, Innovation and Policy

**Presentation**

Full Paper

### 341 Exploring coworking as a practice: evidence from self-organised coworking groups in the UK

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**Abstract**

**Abstract**

Coworking is a broad term for a phenomena that has been rapidly expanding in recent years- that of independent professionals ‘working alone together’ (Spinuzzi, 2012) in shared, collaborative workspaces- partly due to the influence of cost and convenience - but also in which the emphasis is on community, productivity, collaboration and creativity.

Research has predominantly focused on knowledge creation and co-production in coworking spaces in large cities, however, most recent studies have drawn attention to coworking in smaller cities and towns suggesting that coworking is not limited to traditional centres of economic and entrepreneurial activity. Empirical evidence, however, tends to be rather anecdotal.

The majority of existing studies approach coworking through studying particular (commercial) co-working spaces, usually located in cities. As such, it neglects those individuals who have found other ways to ‘work along together’ outside of formalised, fee-based, coworking spaces.

Our research, instead, studies selected groups or networks of coworkers in the South of England within which we can observe coworking as a practice. Moreover, it is argued that communities of practice can serve as a vehicle for learning that is not necessarily based on proximity- this is the lens we use for our analysis. We do find evidence of our observed groups serving as communities of practice but not uniformly so, with others more typical of informal networks. The former exhibit shared identities, with learning interactions around the practice of coworking. Finally we suggest implications for further research; what we present here is a single snapshot – are groups with the qualities of informal networks likely to develop into communities of practice, and what might differentiate this transition from one group to another? We should also more directly compare the offer of informal coworking to that of commercial spaces – are they addressing differing needs, and/or reflecting gaps in provision?

**Key words:** Coworking; community; practice; self-employment; networks; knowledge

**Conference Track**

Networks, Innovation and Policy

**Presentation**

Working Paper

## International Entrepreneurship

#### International Entrepreneurship

#### Time: 11:00 - 12:30

#### Date: 14th November 2019

#### Location: Locomotion 3

### 105

### Strategic response to institutional voids and changes: Evidence from Chinese SMEs

Yumiao Tian

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**Abstract**

**Topic**

Strategic response to institutional voids and changes: Evidence from Chinese SMEs

**Applicability to the conference theme**

We are exploring an under research area of institutionalisation process of Chinese SMEs and investigating how Chinese entrepreneurs have been engaging with changed institutional settings in the last three decades. This is aimed to provide an insightful view of entrepreneurial practices and new frontiers relating to the conference theme.

**Aim**

This is an empirical research paper aimed to present evidence of institutional voids and changes that the sampled Chinese SMEs experienced and strategic practices that they took  to respond to institutional voids and changes in internationalisation process. The focus of the empirical investigation is to suggest an evolutionary process of institutional capability development of 16 Chinese SMEs. The paper employs a processual approach to propose how these Chinese SMEs responded to various types of institutional voids and changes in phases of interaction, integration and transformation in the last three decades.

A growing body of literature has focused on institutional changes and transition in emerging economies in recent years. Particularly, scholars show great interest to investigate institutional environment and its changes in China. For example, Hitt and Xu (2016) explore how the changing institutional environment and its characteristics affect the local and foreign firms’ behaviours in the context of China. In the last three decades, the local political and regulatory systems, legal frameworks and market structures of China are undergoing a dramatic change in order to satisfy international trade and business activities. As a growing and sound economy, China largely provides a positive institutional environment that firms can act efficiently (Mol‐Gómez‐Vázquez et al., 2018). Despite positive affect and influence of institutional changes and dynamic environment of institutional settings for firms to take advantage of business opportunity in China, it is unavoidable to note that the legal, regulatory and political system and enforcement in China still remain weak with uncertainties. The institutional voids and changes have affected Chinese SMEs in terms of legislative changes and reforms launched by the Chinese government, competition of foreign firms that enter their domestic market, as well as foreign customers in overseas markets.

The China’s domestic market has already been internationalised after decades of inward and outward trade with foreign economies. This has introduced plenty of practical exchanges with foreign firms and significantly influenced Chinese economy and business operations (Zhu et al., 2012). At a macro level, Chinese economy is developing dramatically with changes of the country’s institutional mechanism that were affected by foreign entries. The policy-based intervention, legal system, financial market and technological progress are reformed by China’s central government and local authorities to maintain sustainability of the changes brought by foreign firms (Cai et al., 2016). Chinese SMEs have witnessed sophisticated business operations of foreign firms and experienced differed organisational and institutional rules and regulations from a large scale of foreign investment in China. Meanwhile, they have also faced institutional uncertainties and voids originally existing in domestic economic system. When they compete with foreign firms with product quality, branding and technologies, their business strategies and actions would reflect the external power that shape and enforce institutional rules and believes, as well as control scarce resources (Oliver, 1991).

The survival value of conformity with the institutional environment is embedded in business strategies and daily practices (DiMaggio & Powell, 1983; Meyer & Rowan, 1977). As latecomers, Chinese SMEs substantially lack resources such as technologies, marketing techniques, reputational brands and financial assets. They are likely to experience much greater power asymmetry vis-à-vis institutions and therefore may need to depend more heavily on the help of intermediaries and personal networks (Narooz and Child, 2017). However, with on-going inward and outward business exchanges with foreign firms, researchers find that interpersonal relationship is becoming less and less prevalent in China (Herstein et al., 2017). Chinese SMEs have to face relationships and network building outside their traditional interpersonal relationships. Given the nature of being flexible, innovative and proactive, the Chinese SMEs and entrepreneurs will have to find a way to, on one side, take advantage of business opportunities, and on the other, to be adaptive to changes and challenges in business environment.

Therefore, it is important not only to understand how institutional factors and the environmental dynamics in emerging economies impact on strategic choices of SMEs, but the strategies and practices of various organizational forms, such as small ﬁrms and business groups, responding to voids and changes of institutional settings (Lindsay et al., 2017). Carney et al. (2016) propose institutional capability, for the first time in institutional studies, to define the ability of SMEs responding to institutional environment, as heuristics, skills, and routines that facilitate the execution of institutional strategies. They investigate a large Indonesian property firm that developed and leveraged its institutional capabilities in Asia’s emerging property markets. However, this is only a one-case study despite multiple interviews were conducted. Understanding of how Chinese SMEs respond to various types of institutional voids and changes appeared in the last three decades is obviously very under researched. Our study is intended to discover how the sampled Chinese SMEs strategically respond to the changes of institutional conditions and settings in China’s market during the process of marketization and privatisation. This study is developed from the results of pre-internationalisation process offered by Tian et al. (2018) to study how the Chinese SMEs build up institutional capabilities to obtain optimisation of strategic development.

**Methodology**

The study undertakes a processual approach to investigate how the sampled Chinese SMEs reacted to various levels of institutional settings and resources in China during last three decades. Process research is concerned with temporal patterning and is “research that examines events, activities, and choices as they emerge and sequence themselves over time” (Bizzi & Langley, 2012:225). The sampled SMEs were selected in terms of SME definitions in China. The data was collected from industries of electrical machinery and chemical industries, which have been going through an upgrading process from intensive labour industries to industries with advanced technologies and innovation. The sampled SMEs in these two industries have experienced such changes when they had international trade in China’s market. Hence, we believe the practices of sampled SMEs would reflect the industrial changes, as well as uncertainties the institutional environment has accommodated. The sampled companies were located in the North to South China along the East coast, where SMEs importantly contribute to economy of mainland China. Theoretical sampling was adopted to maximise opportunities to collect data in the chemical and engineering sectors. In this paper, data of 16 cases was collected between 2014 and 2018.

In each interview, around two hours, the respondents shared their experience around institutional voids, difficulties related to the industries. They told us how they intended to engage with changed rules and regulations in their sectors; how they dealt with the technologies challenges that they faced and how they took advantage of available resources. They also explained their logic and rationale of practices, as well as changed relationships with foreign firms and business individuals. Based on narratives from interviews and information collected through observations and public resources, we generated codes and themes, and then developed proposition.

**Contribution and implication**

This paper presents empirical evidence of institutional voids and changes that Chinese SMEs experienced, as well as strategic responses to different levels of institutional challenges in international business. Three phases (Interaction, Integration, and Transformation) of institutionalisation process of Chinese SMEs are proposed, and institutional capability is suggested based on theorised strategic responses. The evidence illustrates changes of social and business relationships among the Chinese SMEs and foreign firms, and their shared norms and values within the existing institutional environment in China. A major contribution of this paper lies in an empirical investigation of institutional practices of Chinese SMEs to respond to a call for institutional studies of markets in emerging economies, and satisfy an under researched area of institutionalisation process. The findings of this paper update several theoretical aspects from a paper by Oliver (1991), and further advance strategic responses to institutionalisation process of firms. Practically, the findings of this paper may guide firms in China’s market to improve collaborations with each other in terms of changed institutional policies, rules and regulations.  It would also help foreign firms to better understand behaviours of Chinese SMEs and China’s business environment.

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**Conference Track**

International Entrepreneurship

**Presentation**

Working Paper

### 242

### What Motivates Entrepreneurs in a Challenging Socio-Economic Context: Sri Lankan entrepreneurs experiences

Jeeva Shepperson1, Dr Lorraine Watkins-Mathys2, Dr Jennifer Tilbury3

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**Abstract**

## ****Abstract****

Individuals are motivated to become entrepreneurs due to different reasons. Whilst there are  many theoretical perspectives that have been adopted for understanding entrepreneurial motivation, categorising these into push and pull factors can be seen commonly in the entrepreneurship literature (Kirkwood, 2009; Dawson & Henley,2012; Gilad & Levine, 1986). Moreover, it has been argued that this theoretical approach disregards contextual complexities and presents the reality in a rather simplistic and unrealistic way (Staniewski & Awruk, 2015). With this in mind and taking note of the conference theme that explores ‘new frontiers and places’ aims to explore the following: what drives Sri Lankan entrepreneurs in their initial start-up venture and how has Sri Lanka’s turbulent environment influenced them during this process as perceived and experienced by the entrepreneurs themselves. The study is based on qualitative interviews carried out among 31 entrepreneurs based in Sri Lanka.

By Probing into entrepreneurs’ motivational factors in such a turbulent and challenging context provides a deeper understanding of how each individual perceives push-pull factors in their specific socioeconomic and cultural context. The study provides unique insights into how the entrepreneurship process occurs in the given contexts and nuances of such a process. The entrepreneurial process begins with the entrepreneur having an initial feasible business idea. Key antecedents such as prior knowledge, resources, motivation /opportunity intention and networks are important in this process. According to Locke & Baum (2014), without having motivation the entrepreneurial process never propels further and real entrepreneur does not emerge even if the other antecedents are present. Hence exploring an individual’s motivational factors is important, whilst also giving attention to context sensitive socioeconomic and cultural factors which shape the individual motivational factors

The methodological approach used in this study is interpretive and qualitative exploring Sri Lankan entrepreneurs’ motivation to start-up their own business ventures. This exploratory study adopted face to face, semi- structured interviews with 31 Sri Lankan male and female entrepreneurs. Therefore, this approach provides an opportunity for the voice of individual entrepreneurs to unfold their own experiences without any inhibitions while being able to study the phenomena within the context. Interview data was recorded and later transcribed. Content analysis was used to understand the qualitative data collected. The Data analysis underwent several stages: familiarisation and making sense, identifying themes for content analysis, categorisation and coding with data. The interview data was coded using NVivo software and put into several categories which had been identified from the literature reviewed and had emerged from the interviews themselves. This provided main themes and sub themes. The researcher attempted to present the participants’ view and experiences of the venture creating process within the Sri Lanka context in their own voice by providing excerpts gleamed from the interviews.

Key findings of this study suggest that twenty-one entrepreneurs out of thirty-one motivated by pull factors which include: achievement motive, family business environment, sense of independence and doing something for the country. The remaining ten participants were motivated by push factors such as job dissatisfaction, no other alternative and seeking additional income. The push-pull factors are linked to Sri Lanka’s context highlighting for example how entrepreneurs are generally viewed negatively in Sri Lanka’s society and where possible individuals are encouraged to pursue other careers.However, a lack of higher educational opportunities and a desire to self-improve and/or improve their family’s living standards drive individuals to engage in the new venture creation process. Many participants agree open economic policies and the cessation of the civil war has opened many new opportunities.

Key implications for policy makers and employers that arose from the findings included the following. At policy level, we recommend policy makers embed entrepreneurship within the educational curriculum so that it promotes and rewards entrepreneurial learning better and helps prepare individuals for engaging in the venture creation process. Targeting specific socio-economic groups like rural communities, women and young entrepreneurs within the entrepreneurship curriculum is also helpful and may have the benefit of raising the socio-cultural standing of entrepreneurs as professionals and increasing their economic contribution to Sri Lanka’s economy. At employer level, organisations can learn how to make better use of entrepreneurial talents within their businesses to help grow and/or bring innovations to the business by providing career development opportunities and listening to engaged employees.

This study adds to the motivation literature within the field of entrepreneurship by bringing rich qualitative data on Sri Lankan entrepreneurs own perceptions and experiences of the push-pull factors in their new venture creation process within the turbulent Sri Lankan context and how they feel the latter has contributed to their engagement in new venture creation.

## ****Key words****

**Entrepreneurial motivation, Sri Lanka, push factors, pull factors. New venture creation process**

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**Conference Track**

International Entrepreneurship

**Presentation**

Full Paper

### 94

### Trust and West African Exporting SME Networks

Kingsley Obi Omeihe1, Isaac Oduro Amoako2, Veronika Gustafsson3, Mohammad Saud Khan4

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**Abstract**

Topic: **Trust and West African SME Networks**

Applicability to the conference theme:  From our viewpoint, the goal of this paper is to expose the notion that very little is known about trust and SME networks from a West African perspective. With this in mind, gaining rich and well-grounded insights into this research phenomena assumes paramount significance. In particular, the unique and distinct applicability of this study lies in its contextual dimension. Thus, in exploring new frontiers and entrepreneurial places, this paper presents a fundamental challenge to prevalent perspectives on trust and SME networks which have been centered on a western model approach.

Aim:  This paper makes a case for the examination of trust based on the notion that trust differs across contexts. This is important as a study of this nature provides a basis for uncovering new aspects of trust and SME research. Hence, this paper aims to investigate the role of trust in West African SME networks.

Methodology: This paper draws on an interpretivist approach in response to calls for more qualitative research on entrepreneurship. The empirical component is focused on multiple case studies of 42 SME owner/managers drawn through purposive sampling. The choice of the selected respondents was aimed at comparing perceptions and experiences as it relates to their particular environment. Data was collected through semi-structured interviews held at cross border markets. Thematic analysis was used in analysing, identifying and reporting patterns within data. This was essential as it ensured the interpretation of various aspects of the data in rich detail. Lastly, the consideration for limiting bias was minimised through reflexivity of being on guard about the certain preconceptions and assumptions introduce into the study. This involved daily introspections, note keeping, observing market relationships and informal discussions.

Contribution: Central to this paper, is its valuable contribution which highlights the importance of trust in the activities of West African SME networks. In this light, networks were found to be a source of complementary resources for SMEs and they were developed based on ties to family/kinship, religion, ethnicity and trade associations. Thus, SME owner/managers were found to gain a  plethora of benefits such as access to credit, market information, and dispute resolution. In this vein, this paper provides a sophisticated contextual approach to uncovering trust and supports the growing importance of African research on SME networks.

Implications for policy: This paper provides more first-hand policy implications. The case study of West African SMEs highlights the importance of trust and network relationships especially in contexts where the local actors may not be able to depend on formal legal institutions. In this vein, future policy formulations should acknowledge that SMEs play an important role in West African development. Hence, these benefits must be properly harnessed. Further, a major empirical finding revealed that all the respondents interviewed for this study expressed concerns about West African formal institutions. Thus, it becomes expedient that policy formulations must address the inefficiencies across formal institutions.

Implications for practice: The practical implication of this paper demonstrates that SMEs were willing to draw on trust-based network relationships in their exporting activities, especially as it relates to contexts characterised by weak and inefficient formal institutions. The paper also indicates that SMEs operating within developing market contexts would benefit from the use of networks in bridging their psychic distance. Hence, the role of trust is found to have a great influence in enhancing the activities of West African SMEs.

**Conference Track**

International Entrepreneurship

**Presentation**

Full Paper

## Social, Environmental and Ethical Enterprise

#### Social, Environmental and Ethical Enterprise

#### Time: 11:00 - 12:30

#### Date: 14th November 2019

#### Location: Locomotion 2

### 85

### The coming of age of the social solidarity economy through hybrid internet‑based organizational forms

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**Abstract**

**Topic**

Within the UK, the term ‘social enterprise’ (SE) initially gained its strongest foothold within the co-operative movement and community regeneration sector (Teasdale, 2012) by advocating for a broad movement of employee-owned businesses and philanthropically-minded community benefit societies funded by community share issues (Brown, 2004; Ridley-Duff & Southcombe, 2012). Over time, the co-operative origins of the SE movement became obscured by a strengthening (US-dominated) discourse on ‘earned income’ and ‘innovation’ in charities and public services (Dees, 1998; Alvord et al., 2004). The long-term effect of the US-dominated discourse has been to reassert neo-liberal doctrine through ‘social businesses’ that work with charitable foundations and market institutions to advance social entrepreneurship (Teasdale, 2012; Somers, 2013; Ganz, Kay & Spicer, 2018). That effect is evidenced today by new legal forms that institutionalise new commitments to market-action with a social purpose, or trading firms that use market-action to generate and reinvest philanthropic capital (Yunus, 2007). In addition to foundations directly owning a large number of SE subsidiaries (e.g. BRAC in Bangladesh), a plethora of legal forms have been created to support this approach: Low-Profit (L3C) in the US, Community Interest Companies (CICs) and Charitable Incorporated Organizations (CIOs) in the UK, Certified Non-Profits and Social Welfare Corporations in Japan, For-Benefit Companies in Italy (Czinkota et al. 2018) with the spread of social-purpose enterprise laws across EU nation states (Galera & Borzaga, 2009; Defourny & Nyssens, 2015; Ridley-Duff & Bull, 2019). This Anglo-American drift towards donor-philanthropist and social entrepreneurship BMIs away from cooperative and mutual enterprises (CMEs) is resisted in Franco-Italian conceptualizations of SE rooted in the growth of social co-operatives. This resistance is further seen in Quebec, where Bouchard et al. (2015) claims that CMEs are the nucleus of the social economy. Utting et al (2014:v) refers to this core as the social solidarity economy (SSE), defined by ‘objectives and norms that prioritize social well-being, cooperation and solidarity’ and which bring producers and consumers into ventures where they take joint action with local citizens. Utting’s position is similar in many parts of the world (such as Japan, Italy, France, Spain, Venezuela, Argentina) where an appreciation of the business model innovation (BMI)  for SE is based on the socialized (member-driven) democratic approach that gives the SSE its essential identity.

**Applicability to conference theme - SPACE**

Theories of organizing are still dominated by a choice between public service and private sector business models. At the margins, this hegemony has been disrupted by social enterprise research that challenges this dichotomous view of economy and society. Drawing on Polanyi’s distinction between redistribution, reciprocity and market we outline three types of hybrid social purpose organizations (SPOs) and their contribution to the growing social solidarity economy (SSE).

**Aim & Methodology**

Utilizing Elinor Oström’s common pool resource (CPR) design principles as our theoretical framework, we deconstruct six case studies of internet-based SPO hybrids to highlight their business model innovations (BMIs) and the global impact they are having in the SSE. The case studies we present (Kiva; Creative Commons; Loomio Co-operative Ltd; FairShares Association Ltd; KickStarter, and Change.org) are part of the paradigm shift towards the SSE and have been selected for their potential to scale and influence large populations in different countries. Elinor Oström’s (2009) ground-breaking research on CPR and the rethinking of complex economic systems for public good is underutilized in the SPO literature. In opening up this space for research, she suggests that the dichotomous representation of the economy misrepresents alternatives in a ‘social’ space nestled between state and market. As we will argue in this paper, the ‘social’ space is complex and diverse with many inter-related organizational forms, and this accounts for both its invisibility as well as its growing influence. This article proposes that conceptualising SPOs as CPR institutions can broaden a research agenda on (co-operative) social entrepreneurship.

**Contribution**

Agarwal et al. (2018) claims that further research is required across the SPO hybrid spectrum, especially where modifications of existing or new markets are emerging in the economy. The paper makes a theoretical contribution by identifying a ‘desirable discourse’ for BMIs in the SSE. This desirable discourse foregrounds how ‘for-purpose’ enterprises can manage and generate CPRs. Internet-based technology platforms facilitate the operationalization of Oström’s principles for CPRs. As a result, we explore how knowledge of CPRs enables SSE organizations to refocus resources - so they create an infrastructure for an open, socially-owned sharing economy with autonomous institutions cooperating for mutual benefit.

**Implications**

Gallego-Bono and Chaves-Avila (2016) state how valuable co-operatives are to innovation and transformational change due to their participatory governance business models, calling for studies on cooperative entrepreneurship to draw attention to their socio-economic capabilities for a sustainable and alternative economy. Our analysis suggests that the SSE is a desirable discourse that should no longer be presented as a marginal BMI given the increasing influence it has on communities globally.

**Conference Track**

Social, Environmental and Ethical Enterprise

**Presentation**

Full Paper

### 202

### Good Tech and Social Good: Value Creation by Technology based Social Enterprises

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**Abstract**

**Topic**: Social entrepreneurship

**Applicability to the conference theme**

We posit that the use of technology for social good yields cultural, economic, and social value creation in entrepreneurship development. The strength of such value creation enables dynamic, socially motivated entrepreneurs to cross borders to secure social and cognitive legitimacy beyond local cultural and institutional boundaries. Our paper, explores new frontiers of entrepreneurial value creation in and entrepreneurial places, with particular reference to social enterprises.

**Aim**

Our aim is to demonstrate how the objectives of cultural, economic and social value creation through technology development act as enablers of growth of early stage socially engaged new and growing firms. By social and cultural value creation we refer to manifestations of an enhanced way of life for producers and users made possible by supportive institutions and the notion of collective self-efficacy. By economic value creation we refer to the entrepreneurial surplus that is obtained through an effective mobilisation of resources at personal, organizational, environmental and spatial levels.

Based on the aim above, our objectives are to:

a)    Identify and explore critically how socially engaged, early stage, high technology firms combine social and economic objectives with which to scale up their ventures; and

b)    how stakeholding institutions such as governments, foundations, industry associations and universities facilitate the scaling up and value creation process through the provision of appropriate cultural norms and institutions.

Our context is South Korea (referred to as Korea hereinafter), its new and dynamic start-up and growth policies and early stage Korean high technology social enterprises engaged in the global social and market space. The Korean government’s pro-active, ecosystem based approach for start-ups and technology-oriented growth of small firms underscores the country’s transformative economic agenda to create new, entrepreneurial places marked by a move from the domination of large conglomerates (or chaebols) to nimble, innovative, socially-engaged community of small firms.

**Theoretical and Conceptual Approach**

Social Entrepreneurship (SE) crosses various boundaries, in terms of sectors (public, private, cooperatives, and associations), resources (market, public procurement, grants, volunteering) and activity fields. Their social mission is thus often linked to the activity field(s) in which they operate, ranging from more traditional fields (social services, health care and work integration) to the emergence of innovative fields (for instance, digital platform cooperatives, eco-entrepreneurship, crowd-based social finance and radical civic action projects).  The overlaps allow for the inclusion of business or for-profit enterprises with social objectives. Studies in the United States (Brooks 2009; Kickul and Lyons 2012) and in Europe (Ridley-Duff and Bull 2011) has grown substantially over the past few decades. Other parts of the world, such as Asia, for example, have also seen growth in this phenomenon in recent years (Defouny and Kim 2011; Chan and Kuan 2011; Wong and Tang 2007).

Research on this growing field has explored various outcomes of SE, such as levels of social impact (Gras et al. 2011) as well as their commercial characteristics (Austin et al. 2006; Duncan 2009). Taken together, social impact and commercial characteristics might offer us some insights into economic and social value creation. However, a critical appreciation of the personal and cultural motivations of social entrepreneurs (Germak and Robinson 2014) and their link to economic and social value creation is perhaps less well understood. By focusing attention on the makeup of social driven high technology entrepreneurs, who they are, what drives their work and how do they combine social and business objectives in particular cultural settings, we might obtain a more nuanced understanding of the heterogeneous impact of different cultural and institutions on the entrepreneurial outcomes of scaling up activities of early stage, socially engaged high technology ventures in specific environments

**Methodology**

Our epistemological approach is positivist. We combine the Schumpeterian idea of innovation and entrepreneurship with SE Motivation Framework and public service motivation (Germak and Robinson 2014), enabling an understanding of the drivers of socially entrepreneurial activity both from individual and societal perspectives. The analytical framework our study is based on empirical data acquired from individual in-depth interviews, group interviews, active participatory observations and survey data from October 2018 to January 2019. We followed up our data acquisition work with subsequent validation of our data using secondary sources and engagement with the entrepreneurs in international events and meetings. New start-up policy measures and the value creation framework afforded by these policies were used as reference points to further validate the data in terms of their relevance to the objectives of our research.

We selected and examined nine young Korean entrepreneurs and their health care/ high-tech start-ups , and related support organizations to : a) understand their activities and role for the combination of social and business goals within entrepreneurial ecosystems; and b) to take entrepreneurship to mean more than new business creation, in a non-western context.

We use a thematic coding structure to answer some central questions such as: What are the entrepreneurs saying and doing? What do these actions and statements signify? How do structure and context serve to support, maintain, impede or change these actions and statements?(Gibbs, 2007). This approach helps to provide for a systematic, conceptual and analytical process for data analysis (Goia, Corley, and Hamilton, 2013).

**Findings and Contribution**

Our findings show that a focused attention on high technology need not be driven by commercial imperatives alone. Social motivation and objectives are equally strong drivers, and in our nine cases they appear to be the principal factors for the scaling up process of these firms. A significant element of this development is the pro-active role of government initiatives built on strong cultural, financial, organizational foundations which also attract other key stakeholders in the growth process. A combination of technological expertise with a high degree of social motivation of the entrepreneurs tends to lead to the development of international market opportunities and attract the interests of international foundations.  Taken together we find in such cases a holistic approach to cultural, social and economic value creation, which distinguishes socially motivated enterprises from traditional business entities.

**Implications for Policy**

Our study may have specific value for policy and institutional decision makers interested in achieving social impact of entrepreneurial growth, both locally and internationally, enabled through high technology and the high motivation characteristics of socially driven entrepreneurs.

**Implications for Practice**

We believe that our unique set of findings have critical implications for the study and practice of social entrepreneurship because they show how a mix of technological expertise, social and personal motivation, cultural and institutional support structures, enable growth in international social and economic market places. Rarely have social enterprises been subject to critical study that explores their technological and internationalisation capabilities governed by social motivation and ecosystem-based government policy initiatives.

**Conference Track**

Social, Environmental and Ethical Enterprise

**Presentation**

Full Paper

### 76

### Beyond Food Banks: entrepreneurial responses to food poverty

Katy Gordon, Juliette Wilson, Andrea Tonner, Eleanor Shaw

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**Abstract**

**Topic**

Last year, the Trussell Trust, the largest foodbank network in the UK, handed out 1.6 million food parcels. This represents a 73% increase over the past five years.  This dramatic increase has led to questions about the role of this organisational form in addressing food poverty. For some, Foodbanks are an excellent example of the UK Governments ‘Big Society’ in action, whereby communities are part of the solution to social problems (Blond, 2010). Increasingly, for others, they are seen as a means by which the Government can evade their obligations to ensure the basic human right to food (Caplan, 2016). They may facilitate further retraction of welfare support offered from the State therefore inadvertently “playing their own role in shaping some of the wider shifts that they are perceived as being a response to” (Lambie-Mumford, 2013).  In a recent interview, Emma Revie, chief executive of the Trussell Trust argued, “We do not want to be a part of the welfare state, we can’t be part of the system.”

Although Foodbanks are perhaps the most well-known, they are only one type of community-based organisation providing food to people. Other charitable and social enterprise organisations provide food through alternative means, such as community meals, breakfast clubs, community gardens, cooking clubs and community cafes amongst others.

In addition to the direct provisioning of food Tthese organisations may act, as one of various field level constituents, in collective and incremental institutional entrepreneurship, disrupting the institutions that lead to food poverty (Hoffman, 1999; Leca et al, 2009; Hardy and Maguire, 2008; Marti and Mair, 2009). Although they may be limited in power and resources they can contribute to the alleviation of food poverty through small moves or “micro acts of agency” (Micelotta et al: 2017 pg.1895; Marti and Mair, 2009). These acts may be “nearly invisible and often mundane, as in the day-to-day adjustments, adaptations, and compromises of actors attempting to maintain institutional arrangements” (Lawrence et al, 2009 pg.1). However, these taken for granted actions may have far reaching social impacts (Gehman et al, 2016).

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

Concerns regarding Foodbanks as an appropriate response to food poverty are opening up a ‘space’ for more entrepreneurial approaches to tackling food poverty. This research explores alternative responses, focussing on new and alternative ways of organising entrepreneurial approaches and the hybridity of organisational forms in this sector (Refs).

**Aim**

This research examines the roles of a variety of organisations in responding to food poverty in the UK. It focuses on the agentic capabilities of individuals and organisations (Scott, 2008) to tackle the institutions that contribute to food poverty and therefore draws on literature on institutional change, particularly institutional entrepreneurship and institutional work (DiMaggio, 1988; Lawrence and Suddaby, 2006, respectively). It examines the tensions in the formalisation of emergency food provision and the scope for wider responses to the crisis of food poverty and their potential to influence social structures.

**Methodology**

The qualitative research explored the community food sector in the central belt of Scotland. Data was gathered through immersion in the sector and in-depth interviews with a representative of twentyone community food organisations.  Interviews were with managerial staff (18 employees, 2 volunteers). Those selected for interview were either from grassroots, community food organisations (including foodbanks and other food providers) or worked for national organisations who collaborate, support or represent the grass roots organisations. Organisations were selected to capture the wide range of structures, activities and approaches operating in the sector. Additional data was collected through immersion in the sector through field notes, attendance at relevant events and review of associated web, press, social media and industry reports.   Interview transcripts were analysed using N-vivo with the secondary data used to provide insight into the wider context.

**Findings**

The inherent tension of the foodbank model, that they address the symptoms of food poverty as opposed to tackling the cause (Riches, 1997; Poppendieck, 1998) was widely acknowledged across interview participants. These drivers are increasingly well documented, including austerity, welfare cuts, insecure labour, insufficient wages and increasing, unregulated food prices. Foodbank interviewees did not feel they had the agency to influence these structural factors. Rather, foodbanks managers saw part of their role to be supporting people to navigate these structures. Whilst they too had concerns that they were becoming part of the problem (Lambie-Mumford, 2015) they prioritised addressing the immediate needs to provide food. They did, however, provide higher level organisations data and experiences. Interviewees hoped such organisations were either more able to instigate change or more able to prioritise campaigning work.

Eminent food poverty scholars, Riches (2002) and Tarasuk (2001), identify advocacy as a key tool for grass roots organisations to promote wider societal changes. This form of institutional work (Lawrence and Suddaby, 2006) was of interest to some of the interviewees but they struggled to prioritise it. Again, the need to deliver a day-to-day service restricted the time and resource participants had to participate in work that may challenge the bigger, structural factors of food poverty. However, despite feeling significant time constraints some of the foodbanks were vocal on their social media platforms about their own frustrations at having to exist. By actively communicating the message that food banks are not the solution to food poverty the food banks are framing the problem of food poverty in a way that suggests the current institutional arrangements are not capable of solving it and are attempting to focus attention on other determinants (Tracey et al, 2011).

There was some evidence of the social enterprise organisations working as a disruptor to the food system. They did so by challenging the norms around how people shop, offering an alternative retail option. One prominent social enterprise aimed to “build a more sustainable local food system” and was therefore explicit in their disruption aim. Others were less focussed but undertook some small moves that may foster change (Micelotta et al: 2017; Marti and Mair, 2009) such as selling ‘meal packs’ that contained everything needed to make a one meal. These social entrepreneurs may be ‘unusual actors’ with agentic capabilities to catalyse social change. (Mair and Marti, 2009: 420; Mair and Marti, 2006). Doing things differently was a source of pride for many of the organisations and they felt this was beginning to attract the attention of people seeking to find alternative ways to tackle food poverty. This may provide the opportunity for these organisations to establish themselves as key actors who can work alongside the State to tackle food poverty (Lambie-Mumford 2015), giving agency to actors with limited power (Marti and Mair, 2009).

**Contribution**

This research contributes to scholarship which recognises the need to tackle grand societal challenges (Ferraro et al., 2015; George et al., 2016). Poverty is a relative experience (Townsend, 1979). This research focusses on a more localised symptom of overall poverty: food poverty in the UK. By exploring the role of the community food sector in challenging the normalisation of an inappropriate response, namely foodbanks, it seeks to identify ways which the problem can be addressed, with potentially far reaching social impacts (Hampel et al., 2017; Gehman et al., 2016). It uses institutional change as a lens to explore a live topic which is causing significant concern amongst health professionals, academics and the general public thereby increasing the relevance of the theory to day-to-day society.

The research also adds to the growing body of literature that explores institutional change instigated by unusual actors with less power and resources than the hyper muscular entrepreneur (Lawrence, Suddaby and Leca, 2009; Mair and Marti, 2009). It sheds light on more micro acts of agency (Micelotta et al: 2017; Marti and Mair, 2009) whilst recognising the constraints which structure can impose further evidencing Giddens (1984) duality of structure and agency.

**Implications for policy**

The Scottish Government has vocalised their commitment to reduce and remove the need for foodbanks (Scottish Govermnent, 2018) and the Fair Food Transformation Fund has supported the social enterprise and community sector to contribute to this shift. This research explores the agency of different types of grass root organisations to contribute to potential policy change that would provide the foundations for tackling food poverty in Scotland.

**Conference Track**

Social, Environmental and Ethical Enterprise

**Presentation**

Full Paper

## Entrepreneurial Finance

#### Entrepreneurial FInance

#### Time: 11:20 - 12:30

#### Date: 14th November 2019

#### Location: Rocket

### 342 How far will an angel go to get a deal?

Marc Cowling

University of Derby, Derby, United Kingdom

**Abstract**

The literature suggests localised preferences are pronounced within informal forms of investment such as business angel finance. In this paper we empirically test these assumptions using a comprehensive UK business angel data set.  Our results show that just over one quarter of total investments are local, with an absolute majority made outside the home region.  In other words, investing at distance is more common than previously thought. Less experienced angels prefer more localised investments while more seasoned angels invest on a wider geographic scale.  This suggests angels undergo “experiential learning” which temporally and spatially alters their investment behaviour.  The paper outlines the implications of these empirical findings for theory and public policy.

**Conference Track**

Entrepreneurial Finance

**Presentation**

PowerPoint Presentation

### 27

### Investing across frontiers: A study of venture capital investment approval practices in Europe and US.

Keith Arundale

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**Abstract**

**Investing across frontiers: A study of venture capital investment approval practices in Europe and US**

**Abstract  
   
 Key words:**Venture capital, investment approval  
  **Topic**

The venture capital (VC) investment process involves several stages from deal origination, screening and evaluation through to post-investment activities and on to eventual exit (Tyebjee and Bruno, 1984). Venture capitalists are highly selective, investing in only around 1% of the business propositions that they receive (Silver, 1985). They carry out an intensive screening process prior to investing and then monitor these companies rigorously during the period to exit, adding value by providing advice and contacts to the companies (Bottazzi et al., 2008; Gorman and Sahlman, 1989; Lerner, 1995). There is a considerable amount of research into the criteria and processes that VCs use to make their investment decisions (see for example reviews by Zacharakis and Shepherd, 2007; Levie and Gimmon, 2008 and Simic, 2015) but little research as to how investments are formally approved, usually by an investment committee. This study investigates how potential investments are approved by both UK/European and US VCs and whether there are any lessons that UK/European VCs can learn from their US counterparts in this regard.

**Applicability to conference theme**

The exploration of new frontiers and sharing of ideas and best practices is essential to the continued innovation and development of technology businesses in entrepreneurial places. Venture capital helps companies grow quickly and successfully (Gompers and Lerner, 2001) and is regarded as a key component both in the development of an entrepreneurial economy (Mason and Harrison, 2002) and in the innovation process (Powell et al., 2002). VC needs to be available at the local, regional level for the initiation of entrepreneurial innovation. The tight networks and in-depth knowledge of opportunities that can be developed locally helps VCs achieve better overall performance. But much of VC is concentrated in the major financial centres; in the UK for example in 2017 some 65% of VC investment by amount was invested in London and the South East (BVCA, 2018). In encouraging more investment activity at the local level VCs need to adopt a higher risk approach, stepping outside their traditional centralised geographies and comfort zones. As part of this process a more radical approach to the investment approval process may be required.

**Aim**

A key area of the VC investment journey that has received little academic research to date is the process by which VCs formally approve their investment deals, that is the process by which the partnership decision making team approves an investment. When satisfactory initial due diligence has been completed on a potential investment the approval of a VC firm’s investment committee will usually be required prior to issuing an offer letter to the potential investee company setting out the terms of the VC firm’s proposed investment (Pearce and Barnes, 2006). The investment committee will usually be comprised of the firm’s senior partners, or indeed all of the partners, and sometimes other senior investment staff may be involved. VC firms may reach decisions either on a unanimous basis, that is all members of the committee have to agree to an investment, or by consensus where further investigations are made as necessary until any concerns have been resolved. The investment approval process is specifically considered in this study for both UK/ European and US VC firms. Any differences in approach between Europe and US are noted and discussed.

**Methodology**

Using aunique dataset established through thematic analysis of transcribed interviews with 64 separate VC firms from Europe and the US conducted in previous research (Arundale, 2018), relevant factors relating to the VC investment approval process were extracted and a comparison made between the approval processes used by European and by US VCs. Few studies have employed qualitative interview techniques in this way to investigate VC firm investment practices, including the approval process. This qualitative study embraced engaged scholarship with the researcher’s practical experience in the VC industry (gained during a working career with PwC). The interviews were of around one hour’s duration and covered the entire investment process from origination through approval and execution and on to monitoring and then exiting deals. Interviews were also held with 40 related stakeholders from Europe and US, including limited partner investors in VC funds, entrepreneurs, advisors to the industry and corporate venturing investment executives. The comments of these interviewees relating to the investment approval processes of both European and US VC firms were reviewed and compared with those of the VC interviewees.

**Contribution**

The research contributes to the literature by investigating the investment approval process of VC firms and contrasting any differences in approach between European and US VCs. There has been little, if any, prior empirical work as to how VC firms formally approve their investment deals.

The study revealed that the vast majority of VCs had set up an investment committee where potential deals are discussed and ultimately approved if due diligence and other enquiries are successful. In general, investment committees comprised just those partners responsible for making investments, but in some firms partners with operational roles may also sit on the investment committee and others staff may be informally involved. Some European firms, but no US firms, had people external to the firm, such as advisors, involved in the investment decision process. All US firms with investment committees involved either all of the investment partners, or even just the senior partners, in the decision, with no other internal or external people involved in the decision process.

The investment committees of the VC firms largely reach decisions either on a unanimous basis or by consensus. With a unanimous basis all members of the committee have to agree to an investment and the investment would not proceed if even one member was dissenting. With a consensus basis any issues concerning an investment are debated, and further investigations made if necessary, until individual concerns are satisfied. More UK and continental European VCs reached investment decisions unanimously than by consensus. US VCs were equal in their use of unanimity or consensus. The greater use of unanimity in UK and continental Europe compared to the US may reflect less of a propensity to risk. In four US firms, but no UK or continental European firms, a senior partner could force a decision even if others dissented. A consensus approach means that the risker, outlier deals are avoided, but it is the outlier deals that can lead to outstanding returns:  
   
 “What we found was that consensus would kill the outliers. Anybody who feels strongly about something can make it happen.” (US VC).

Real options theory plays a part in the investment approval process. With a consensus or unanimous approach to investment approval the option can be taken to delay investing until additional information becomes available so that all partners become comfortable with an investment decision. However, such an approach may mean that riskier investments are not pursued which may impact on eventual fund returns, either positively or negatively. Senior partners could veto a decision in some UK / continental Europe firms, a risk reducing process. Senior partners could push deals through in some US firms, a risk enhancing process. Greater risk is evident with the US investment approval process and therefore greater opportunity for outlier deals and potentially superior returns.

**Implications for policy**

UK / European VC funds have historically performed worse than US VC funds (Arundale, 2018). This has led to reduced investment in the European VC asset class by the traditional institutional investors, such as pension funds, and therefore less finance going forward for innovative, high growth companies. In the UK context the recent Patient Capital Review by HM Treasury and the subsequent formation of the British Patient Capital fund will address some of the financing concerns. However more needs to be done, particularly at the regional level, to encourage the local availability of capital to fund entrepreneurial businesses and enable them to scale nationally and then internationally. Incentives to encourage VCs to invest in regional businesses, and not only predominantly those based in London and the South East, will be welcomed. This will likely require a higher risk approach on the part of VC firms in moving out of their London-based comfort zones and in pursuing a less risk averse approach to investing including the approval of investment deals.

US VC firms are much less risk averse. A policy implication might be to form a joint Government and private sector backed fund of funds to encourage co-investment together by UK/European VC firms and their counterparts in the US. Working together in this way might encourage the sharing of best investment practices and attitudes to risk by European and US VCs.

**Implications for practice**

There is a need for the UK and European VC communities to adopt a variety of best practices from US VCs such as a higher risk investment strategy, where considered practical and rational, and the pursuit of outlier deals championed by senior, experienced partners. US firms are more aggressive, they’re looking at the “Babe Ruth” home run approach. UK / European firms are far more timid and that comes out in everything that entrepreneurs say. This is not a cultural issue. It is due to real economic factors, including a more competitive environment in the US and issues with scaling, fragmented markets and a lack of later stage finance in Europe.

To the extent that they are not currently in place UK / European VCs need to build close networks with likeminded US VCs where they can work collaboratively together. International organisations can help here, such as ISBE and the European Tech Tour which facilitates the meeting together of international VCs in discovering investment opportunities in specific European countries and regions.

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**Conference Track**

Entrepreneurial Finance

**Presentation**

Full Paper

### 343 Ten years after GFC, do small businesses still hate banks?

Marc Cowling

University of Derby, Derby, United Kingdom

**Abstract**

The main focus of the small business financing literature is on the rationing of credit by suppliers of debt. This has caused concerns which has led to direct policy interventions in the market to increase the willingness of banks to provide capital to small businesses. Yet research has only just begun to consider the issue of self-rationing where entrepreneurs and small businesses exclude themselves from capital markets by choice. Using a new survey of UK businesses, we find that 3 in 10 businesses would choose to forgo growth if that meant that they had to raise capital from banks. We contend that the behaviour of banks in the GFC period has had a deep scarring effect on small businesses and entrenched feelings of mistrust. Importantly, this has contributed to a substantial number of investment projects being abandoned which raises a public policy concern going forward.

**Conference Track**

Entrepreneurial Finance

**Presentation**

PowerPoint Presentation

### 90

### Angel investing in Peru. What should be done to strengthen a market with high institutional voids?

Gianni Romaní1, Karen Weinberger2, Miguel Atienza1

1Universidad Católica del Norte, Antofagasta, Chile. 2Universidad del Pacífico, Lima, Peru

**Abstract**

**Topic**

 Financing is a key aspect for the survival, growth and scaling up to other markets of innovative new companies, because of the creation of jobs, innovation and increasing productivity (Studart and Suaznábar, 2004; Brown and Earle, 2015). So financing plays a key role in all the economies regardless its level of development (Angelelli and Kantis, 2004; Kantis et al., 2015, Block, Fisch and van Praag, 2017). According to the World Economic Forum (2012), access to credit is one of the top ten problems in the countries of Latin America and Caribbean (LAC) with regard to the creation of new companies. Although in this last decade new players emerge in entrepreneurial finance arena, venture capital (VC) and business angel (BA) financing continue to be important sources of financing for young innovative firms that find it difficult to access bank or debt finance (Block et al., 2016).

The importance of the angel investment as a source of funding for young enterprises has been demonstrated in the empirical and theoretical works of many scholars (Mason and Harrison, 1997; Aernoudt, 2005; Mason and Botelho, 2014, Mason, Botelho and Harrison, 2016; Landstrom and Sorheim, 2019; among others), not only for their contribution of capital, experience and contacts, but also because they contribute to the development of the financial system in those regions or places where this type of activity does not exist (Lipper and Sommer, 2002). Even more, they act also as entrepreneurial re-cyclying (Brown and Mason, 2017) and contribute to the creation of new jobs (Sohl, 2018).

The angel market is invisible so its quantification and characterization is very complex since many investors prefer anonymity (Mason, 2016). One way of making them visible and having representation in the market is through the groups in which they participate. In LAC this activity is quite recent, there are just 42 BA networks and around 2,245 investors who invest on average USD 115,747 (Chaquiriand and Veiga, 2018). The total investment of these networks are over the USD 18 million, amount well below of figures obtained by angel groups in Europe or USA (OECD, 2011). LAC is an emerging market in the development of angel investor groups and very little is known about them (Romaní and Atienza, 2016), in spite the economic growth of the region, particularly Peru. This country is an emergent economy with 31.8 million of inhabitants and USD13.5 thousand of GDP per capita. An economy whose GDP has grown on average 3.6% in the last six years, surpassing most of the LAC countries (Oliva, 2019), and a flourishing entrepreneurial activity with rates surpassing 20% in the early stage (24.6% in 2017) (Serida et al., 2018).

Currently, there is an effervescence of the entrepreneurial activity in Peru despite many corruption scandals linked to the politicians that make this country very instable institutionally. There are several government programs (Ministerio de la Producción, 2014, MEF, 2014) trying to foster innovative entrepreneurs and also supporting the creation of BA networks to fund high impact entrepreneurship. Currently there are 7 groups of BA all located in Lima but we know very little about how this market is working, what their major challenges are and how they survive and prosper in a context of emergent economy with institutional voids.

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

The topic presented is suitable to the conference theme because it is exploring the emergence of angel investment market in a country with important institutional voids such as Peru and with a growing rate of opportunity driven entrepreneurship in the last 10 years surpassing the necessity driven entrepreneurship (Serida et al., 2018).

**Aim**

The main objective of this paper is to analyze the emerging angel market in Peru, a developing country with a flourishing economy but characterized by its high level of political instability due the corruptions scandals of its politicians. In addition to analyze the development of the angel market in Peru, we compare it to the situation in other emerging countries in Latin America, Asia and East Europe to identify common traits in its development and also to identify its main challenges and opportunities to became a strong business angel market able to fund scalable startups. For that our research questions are: In what context do BA groups emerge in Peru ? What are their characteristics in relation to other emerging countries? How do the institutions affect or promote its development? What are its main challenges?

**Methodology**

A qualitative case study approach was used. Data was gathered from interviews with managers of business angel groups in Lima (7), policy makers (4), entrepreneurs who received funds from BANs (3) and angel investors (5), and two experts in Peruvian seed and venture capital, totaling 21 interviews. The interviews were made from January to March 2019 in Lima because all the BA groups are localized there.

The data analysis utilized a set of techniques such as content analysis and explanation-building technique (Yin, 2015).  The first one involved listening to and transcribing the tapes, reading the transcripts to list the features associated with the purpose of the paper. The second one allowed series of linkages to be made and interpreted in the light of the explanations provided by each respondent (Yin, 2015).

**Contribution**

The funding of new ventures in Peru is an issue that has gained interest because of the emergence of companies with high growth potential (Serida et al., 2018). Several angel investors networks have been formed, as well as independent investors who do not belong to any network but who are investing in scalable ventures (Romaní, Weinberger and Atienza, 2019). However, there is no scientific works that evidence this development. In this sense, this article is a pioneer to make visible this important activity and, at the same time, opens a new research area, not explored by scholars, that will allow to theorize about the development of these angel investors groups in developing countries with important institutional voids.

**Implications for policy, if applicable**

This study shows the emergence of a key segment in the entrepreneurial ecosystem and needs the attention of the policy makers in order to design policies to establish an institutional framework and promote the development of a robust angel market taking into consideration the experience and good practices of countries with similar level of development and characteristics (Owen and Mason, 2018; Ekanem et al., 2019, Scheela et al., 2015).

**Implications for practice, if applicable**

Business Angels activity needs to be promoted and recognized as key actor of the ecosystem of entrepreneurship in Peru, so it is urgent to spread the activity around and abroad the country. To do this, the main representative of the group, PECAP (Peruvian Seed and Venture Capital Association), has a huge responsibility to organize events, workshops, seminars in order to raise awareness about the importance of angel activity for the development and strengthening of the entrepreneurship ecosystem in Peru. This practice will contribute to attract high net worth individuals in order to increase the current critical mass of angel investors in Peru.

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**Conference Track**

Entrepreneurial Finance

**Presentation**

Full Paper

## Creative Industries AGM & Workshop

#### Creative Industries Entrepreneurship

#### Time: 13:00 - 14:00

#### Date: 14th November 2019

#### Location: UTC: 101

## ISBE Annual General Meeting

#### Time: 13:00 - 14:00

#### Date: 14th November 2019

#### Location: Rocket

## Opportunities for Psychology in Entrepreneurship Research

#### Time: 13:00 - 14:00

#### Date: 14th November 2019

#### Location: Invicta

This workshop will bring together researchers who are interested in psychology theories/aspects in entrepreneurship research, in order to stimulate cross-disciplinary and cross-cultural collaborations.

The workshop will be followed by the AGM of the new Community of Interest to which all existing and prospective members are warmly invited.

<https://isbe.org.uk/isbe-2019/workshops/pes-workshop/>

## UKRI Future Research Leaders Fellowship Programme

#### Time: 13:00 - 14:00

#### Date: 14th November 2019

#### Location: Northumbrian

Professor Julia Rouse has recently been part of the panel that assesses the UKRI Future Research Leaders Fellowship programme (<https://www.ukri.org/funding/funding-opportunities/future-leaders-fellowships/>).

In this informal session, Julia will share her understanding of the scheme and what it takes to be competitive. The session may be helpful to anyone within 1-8 years of completing their PhD (or even slightly longer if they have had career breaks) and to ISBE members supporting colleagues in their career development.

<https://isbe.org.uk/isbe-2019/workshops/ukri/>

## SSE SIG AGM

#### Social, Environmental and Ethical Enterprise

#### Time: 13:00 - 14:00

#### Date: 14th November 2019

#### Location: Locomotion 3

The Annual General Meeting of the Social and Sustainable Enterprise SIG

## IJEBR Session

#### Time: 13:00 - 14:00

#### Date: 14th November 2019

#### Location: Locomotion 2

A session to provide the Annual Report for the ISBE Journal (The International Journal of Entrepreneurial Behaviour and Research). <http://isbe.org.uk/isbe-2019/workshops/ijebra/>

## Business Support, Strategies and Practice

#### Business Support, Strategies and Practice

#### Time: 14:00 - 15:30

#### Date: 14th November 2019

#### Location: UTC: 103

### 21

### 'There is something about Business Support…' Co-Production of the Reframing Business Support using a Sociotechnical approach

Rob Wilson1, Mike Martin1, David Jamieson1, Carlos Osorio2

1Northumbria University, Newcastle-upon-Tyne, United Kingdom. 2Universidad de Manizales, Manizales, Colombia

**Abstract**

Topic: Business Support; Business Growth

Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’

The concept of sociotechnical systems is used as a means to explore the ways in which established approaches to business support need to respond to the affordances of an increasingly distributed networked economy using digital infrastructure.

Aim

Business Support programmes are characterised by the combined efforts of government, industry, universities and businesses, among other institutions, as interventions intended to contribute to the regions’ growth and economic development.  Literature about Business Support Activities is quite spared due to the variety of programs developed as well as the institutions developing and promoting them (Mole, 2002). The most representative term used to study these programs is ‘Business Support’ (Sivaev, 2013) followed by other terms such as Local Economic Initiatives (LEI) (Eisenschitz and Gough, 1998). The identification of the terms and the field helps to provide a theoretical framework to understand and analyse the different initiatives proposed for business support, as well as to propose new alternatives to the current programs. The activities in these programmes consist of a variety of financial aids, information and signposting, training and practical advice.  In addition, the Business Support programs included training on skills identified as important to the main industries of the region or as key skills for the future. The information and signposting services for the members of the program are aimed to provide the information necessary to access different resources such as companies with similar interests, prospective partners or providers of different services, as well as information about different programs and aids provided by public and private institutions. The practical assistance provides a higher level of involvement having as example the business incubation or preparation of grants application or exporting plans. Other services include offering information, skills development, access to capital and security and legal services.

The different programs implemented since the 1980s in England comes from the central government, dividing the country in different regions, going from the nine regions on the RDA program to the 39 regions on the LEP program. This division obeys the vision of a closer follow up of the implementation of the programs based on the needs and strengths of the region. However, the implementation of these programs follows a top-down process, in which “the higher level makes policy; the lower level operates policy” (Mole, 2002 P. 182). One of the success factor identified in these programs is the people involved as advisors. Mole (2002) argued that “Business advisers have both technical expertise and closeness to delivery that confers the power to amend small business policy. This tacit knowledge confers powers akin to a ‘street-level technocracy' ”. However, the excessive dependence of the program on the skills of the advisors is a risky strategy, given the mobility of the employees and the lack of continuity of the funding to keep these key people in the program. In addition to the dependency of the advisors, there is another risk related with the dependence on the funding, which traditionally comes from government, limiting the life span of these programs to the budget assigned by the sponsors. The situation in England is that versions of these programs have continued to be promoted by different governments under different names, the most recent historical incarnation being the regional Business Link programmes who used an IDBT - information, diagnostic, brokerage and transaction - model under the auspices of Regional Development Agencies for over a decade. When the RDAs were replaced in 2011 by the establishment of Local Enterprise Partnerships (LEPs) in England a new programme for Business Support was initiated - Business Growth Hubs.  
  
Methodology

The team adopted a participatory co-production process with the LEP to work with the ‘ecology’ or ‘installed base’ of business support networks and activities in a northern region of England, UK drawing on sociotechnical systems. This was aimed at engaging the stakeholders in a approach to allow long term planning based on the interests of the member of the network, rather than on often narrow prescriptive interests of the policy makers or the organisations enacting such programmes.

Contribution

This paper briefly reviews the literature related with business support and an analysis of the Business Growth hub programme in it's initial inception period.  It then reports on a project the authors were engaged in which applied a sociotechnical systems framing of the problem utilising a Living Lab model approach to change. Exploring the application of sociotechnical theory and co-production approaches to a long-standing issue in the support of Enterprise and Entrepreneurship in Business networks and SMEs.

Implications for policy, if applicable

The implications of the model proposed contributes to the current debates on business support by proposing a change in the role of the businesses from merely customers to potential co-producers of advice and services. This would require a movement towards a shared vision and infrastructure for development of business support based on the agents/institutions involved in a long-term governable and sustainable progress.

Implications for practice, if applicable

This new approach was aimed at engaging the stakeholders in a co-creation process with the LEP to work with the ‘installed base’ of business support activities in a northern region of England, UK. This allows a long term planning based on the interests of the member of the network, rather than on often narrow prescriptive understandings and interests of the policy makers or the organisations enacting such programmes and has the added benefits of moving beyond reductive notions of ‘what works’. The model contributes to the current debate in regional economic development about business support by proposing a change in the role of the businesses from merely customers to potential co-producers of advice and services in tandem with a shared vision and infrastructure. This allows the diverse development of a region based on the agents/institutions involved in a long-term governable and sustainable progress meeting business and community needs rather than a centralised and sporadic investment from national government.

**Conference Track**

Business Support, Strategies and Practice

**Presentation**

Full Paper

### 103

### Mapping Entrepreneurship Support Provision in Entrepreneurial Ecosystems

Michaela Hruskova, Colin Mason

University of Glasgow, Glasgow, United Kingdom

**Abstract**

**Topic**

The concept of entrepreneurial ecosystems has been gaining significant traction in the literature. In summary, an entrepreneurial ecosystem comprises “a set of interconnected entrepreneurial actors, organisations, institutions, and processes” (Mason and Brown, 2014, p. 5) that support the creation and growth of businesses in a local entrepreneurial environment. It has already been recognised that ecosystem studies should combine broad and deep inquiries. In other words, it is necessary to study both the macro and micro levels of entrepreneurial ecosystems to understand not only the constituting elements of ecosystems but also their complexity and interdependence (Simatupang, Schwab and Lantu, 2015). However, the majority of ecosystem studies to date has focused on the macro perspective (Cunningham, Menter and Wirsching, 2019) in order to identify the key attributes of entrepreneurial ecosystems, which can be broadly categorised as material, social, and cultural (Spigel, 2017). Consequently, this has resulted in a lack of deeper insight into the nature of the individual elements and their importance for the ecosystem (Spigel, 2016).

In particular, one of the critically important elements of entrepreneurial ecosystems is the “supporting entrepreneurial infrastructure” (Brown and Mason, 2017, p. 6). Indeed, it has been recognised that entrepreneurship is vital for economic development, but our understanding of supporting entrepreneurship effectively is still limited. Traditionally, business and entrepreneurship support was considered synonymous with outsourced professional services, typically provided by lawyers and accountants. However, one of the most important implications of the concept of entrepreneurial ecosystems is the recognition that most entrepreneurs, regardless of their industry, face common challenges that pertain to the general entrepreneurship process of starting and growing a business (Spigel and Harrison, 2017). Therefore, it is important to equip entrepreneurs with broad entrepreneurial skills, resources, and knowledge to support them on their entrepreneurial journey (Spigel, 2016).

These key entrepreneurial competencies are provided by ‘entrepreneurship support organisations’ (ESOs), which were previously neglected in the ecosystem literature (Motoyama and Watkins, 2014). Entrepreneurship support organisations are conceptualised as providers of training and resources to entrepreneurs and their ventures (Spigel, 2016) across the entire entrepreneurial ecosystem, regardless of the industry (Pitelis, 2012). Furthermore, as an entrepreneurial venture develops, its needs for support and resources evolve, and it is therefore important for the entrepreneurship support infrastructure to cover businesses at all stages of growth (Spigel, 2016).

However, entrepreneurship support research to date has focused on isolated, individual initiatives or the experiences of participants without accounting for the broad range of support provided within a given entrepreneurial ecosystem. Whilst a few recent studies (namely Spigel, 2016; and Motoyama and Knowlton, 2017) have explored this topic more structurally and have developed a new typology of entrepreneurship support, their approach was rather siloed and their scope limited to a particular group of businesses or a single sector. What is more, such an approach makes it difficult to obtain an understanding of the holistic role of ESOs within a particular ecosystem and to investigate whether the ESOs jointly support the creation and growth of businesses. As a result, more work about ESOs is required, both theoretically and empirically, particularly with regard to the typology of entrepreneurship support.

**Aim and applicability to conference theme**

This research aims to contribute to closing the gap in the ecosystem literature pertaining to a more in-depth understanding of a particular ecosystem element – entrepreneurship support organisations. Specifically, it investigates the provision and typology of entrepreneurship support in the entrepreneurial ecosystem of Glasgow, Scotland. Also, by adopting a holistic, sector-agnostic approach this study overcomes the siloed approach of previous studies. Therefore, this paper is highly topical for the conference theme pertaining to space because it not only explores a relatively new conceptual frontier, the concept of entrepreneurship support organisations, but it also studies an emerging entrepreneurial place – the entrepreneurial ecosystem of Glasgow.

**Methodology**

This study was grounded in critical realism, which allows for the study of both observable and unobservable entities, such as people, resources, relationships, and (entrepreneurship support) organisations. It used the single case study methodology of the Glasgow entrepreneurial ecosystem, and it relied on secondary data in the form of publicly available information from websites, brochures, reports, and other documents. Data analysis was conducted through the abductive approach, which begun with an existing framework and then relied on empirical findings and theoretical insights to modify the framework. In practice, this involved the process of thematic analysis, summarising, and categorising. This back-and-forth approach between data and theory is particularly suitable for concept discovery and theory development, rather than theory generation or confirmation, and was therefore highly appropriate for this study.

**Contribution**

This paper makes five important contributions. First and foremost, it addressed the gap in ecosystem research pertaining to the lack of insight into individual ecosystem elements, specifically entrepreneurship support provision. Secondly, it builds on previous entrepreneurship support studies whilst also addressing their shortcomings by adopting a broader, sector-agnostic perspective. Thirdly, this study proposes a more comprehensive definition of the concept of entrepreneurship support organisations that captures the diverse nature of entrepreneurship support provision and facilitates the operationalisation of the concept. Fourthly, it proposes a more nuanced typology of not only entrepreneurship support activities, but also entrepreneurship support organisations themselves. Finally, this paper has important implications for the diversification and segmentation of entrepreneurship support in entrepreneurial ecosystems.

**Implications for policy and practice**

It has been recognised that easy access to and effective provision of entrepreneurship support has an impact on the performance of entrepreneurial ecosystems (Spigel, 2016). This study devises a new typology of entrepreneurship support activities and entrepreneurship support organisations. In doing so, it has practical policy and practice implications because the proposed typology can be used as a practical tool for the purposes of evaluation and assessment of entrepreneurship support provision in entrepreneurial ecosystems.

**Conference Track**

Business Support, Strategies and Practice

**Presentation**

Full Paper

## Creative Industries Entrepreneurship

#### Creative Industries Entrepreneurship

#### Time: 14:00 - 15:30

#### Date: 14th November 2019

#### Location: UTC: 101

### 133

### Tax incentives for the Creative Industries in Ireland: challenges or opportunities.  The case of the AV sector and Section 481 Finance Act.

Josephine Browne, Avril Dwyer

IADT, Dublin, Ireland

**Abstract**

[Creative Industries Entrepreneurship](https://isbe.org.uk/isbe-2019/tracks/creative/)

**Topic:**  Tax incentives for the Creative Industries in Ireland: challenges or opportunities.   The case of the AV sector and Section 481 Film relief.

**Applicability to conference theme:**This paper aligns with the conference theme of exploring new frontiers and entrepreneurial places. The paper critically explores the challenges and opportunities presented through Section 481 of the Taxes Consolidation Act 1997(as amended).   Section 481 was  widely celebrated and welcomed by the AVI sector initially. In the interim this tax relief has evolved from being a massive ‘gift’ to the film industry to being a major challenge to those in the industry interested in availing of the Section 481 incentives.

Worldwide screen content production is one of the fastest growing industries in the world. Consumer spend on internet video content in North America will grow from less than $5 billion in 2012 to over $20 billion in 2021. It will double to over $7 billion in Europe, the Middle East and Africa in the period from 2017 to 2021.  Much of this is on high end feature film, TV drama and animation content.  As a small country, Ireland is uniquely placed to participate in this great opportunity for growth and is based on Ireland's track record of creative and technical skills across feature film, high end TV drama, TV animation and potentially computer games. Examples include Brooklyn, Room and Henry Hugglemonster; In addition Ireland’s clear and transparent government support across film tax credits, cultural funding and an ability to bring all the resources of the country to bear in making solutions work for indigenous and inward production as happened with, for example, Vikings.    At one level there is the appearance that Ireland is a primary location for content production and at another level there appears to be a challenge for content makers when availing of Section 481 tax incentives.

This working paper is a critical exploration of the opportunities and challenges faced by Irish AV sector under Section 481 of the Taxes Consolidation Act 1997 as amended ("Section 481"). The scheme is a fiscal incentive to taxpayers as it allows tax relief in film projects certified under the Act.

**Methodology:**  This paper will provide a critical review of the international literature on tax relief for creative industries, as well as a critical review of current industry reports in relation to Section 481 tax relief in Ireland. The paper also has interviews with key industry stakeholders and will also provide an analysis of these interviews in relation to the challenges and opportunities presented by Section 481.

**Contribution:**There is very little research available on the AVI sector in Ireland in relation to the operation and challenges arising from Section 481. This working paper will make a significant contribution to this emerging field of research and aims to start a conversation that may identify solutions for the removal of perceived challenges identified by creative entrepreneurs working within the AV sector in Ireland.

**Implications for policy, if applicable:**The aim of this paper is to explore the challenges and opportunities arising from Section 481 for the AV industry in Ireland. While changes are afoot arising from amendments to Section 481 and the most recent Finance Act 2018,  concerns persist within the AVI sector around the operation of the revised tax incentives.  Creativity is at the centre of Irish government policy and the creativity of screen content across feature film, TV drama, TV animation and computer games will deliver a cultural, as well as an enterprise dividend for Irish and international audiences.  This will generate, for the next generation, Ireland’s contribution to world culture, creating jobs and inward investment, promoting Ireland as a place to visit for tourists and creating for that generation a sense of pride in living in Ireland and being Irish abroad. This paper will therefore be of interest to policy development for the creative industries in Ireland.  In particular the paper highlights the key challenges   arising from the operation of Section 481.

**Implications for practice, if applicable:**This paper will also be of interest to creative industry practitioners in Ireland.  The paper will inform and prepare creative industry practitioners of Section 481 challenges and potential solutions.

**Conference Track**

Creative Industries Entrepreneurship

**Presentation**

Working Paper

### 140

### Social Justice through the Digital Economy; ‘Fairer Futures for Business and Workforce’. People, Innovation and Regional Development, North of the Tyne.

Dr Dominic Smith1, Dr Sharon Wilson 2

1Sunderland University, Sunderland, United Kingdom. 2Northumbria University, Newcastle upon Tyne, United Kingdom

**Abstract**

Dominic Smith and Sharon Wilson

This paper will discuss the initial planning, development and innovatory practices of an artist led pilot scheme that seeks to design an interruptible working environment to deliver creativity, agency and employment in the North of the Tyne, North East. Through deployment of an emergent and experimental Action Research methodology we will follow cycles of enquiry, action and reflection, in the creation of a project that seeks to understand the barriers faced by individuals from diverse working class communities who seek the skills and knowledge to access work within the creative digital economy. This paper seeks to consider the potential of a creative working environment to innovate new strategies that support, motivate and enable individuals from communities that find social cultural and economic barriers, to access environments and resources. Through grassroots development we will examine a practical ‘bootstrap economy’ model by developing a space that will lead to improved fairness amongst the digital workforce.

The realised project will involve setting up a creative digital lab environment in North Shields, North Tyneside. We envisage it will include hot desking and mentorship. It will have resources such as a project space, a small workshop whose use will be catalysed by a creative programme that supports a flat collaborative structure in which to explore emerging technologies. Through this activity we aim to support and better understand the economic potential, the social impact and the business potential of this scheme.

This paper will explore the planning and development of this project through collaboration and conversation with a focus upon social efficacy and economic impact.  Project partner Helix Arts is based in North Shields and has an established system to encourage collaborative practice between the digital and the cultural sector in the form of HADADi (Helix Arts Digital Arts Drop in sessions (<https://www.helixarts.com/hadadi.php>) it has a simple aesthetic of targeted invites, drop in, encouragement and showcasing. This model will be expanded upon to inform and invigorate the idea of the creative digital lab by inviting people with emerging and established creative digital practices to work alongside local start-ups and small enterprises to foster this productive ‘interruptible’ environment. Helix Arts are an active part of the regions network of cultural and socially engaged organisations and are uniquely positioned to recruit participants from all sectors. From this context, this paper seeks to problematize the challenges in the terrain and explore contemporary theories and exemplar studies that have proved successful towards emergent, ethical business model. Through animated discussions at the conference, this paper will explore how mixed, creative digital workspaces can be used as an agent of economic regeneration in areas deeply affected by austerity. Seeking to use new methods and practices towards project planning and identify potential strategies to these barriers. It will also use the academic debate forum to share and develop further understandings of the barriers working class communities can face when it comes to fairly representing their economic needs on digital platforms; to better interface with communities whilst generating innovation practices within the digital economy sector that have social justice at the forefront of their approach.

Through this pilot, we aim to gain a greater understanding of how academic thinking in situ can play a role in economic regeneration by informing local economies and navigating challenging start-up environments . Addressing the need for digital working practices to become part of local economies. Growing to become part of the texture of the regional eco system rather than top down, pervasive and potentially exploitative ‘gig economy’ nature of large digital platforms. It will inform future knowledge about how we include participants in economic digital platforms during their ideation, design cycle and ongoing growth. The impact of this thinking in creating new economic territories will be at the forefront of our planning throughout and will have tremendous potential to inform future work and research.

**Conference Track**

Creative Industries Entrepreneurship

**Presentation**

Working Paper

### 208

### Digital Gaming Industry in Global-Local Crossings: Comparative Study of UK, China and Brazil

Zimu Xu1, Gideon Maas1, Paul Jones2, Joan Lockyer1

1Coventry University, Coventry, United Kingdom. 2Swansea University, Swansea, United Kingdom

**Abstract**

•    Topic

The emergence of digital gaming industry is often seen to be associated with the development of other multimedia creative or technology driven industry such as film and software development (Mateos–Garcia, Bakhshi and Lenel, 2014; Darchen and Tremblay, 2015). Clustering is a common scene observed in digital gaming industry to benefit from locational resources (Pilon and Tremblay 2013; Ruggill et al, 2016). This location concentration can take advantage of the existing resources such as skilled workers, spill-over, already formed formal or informal networks to facilitate better information and knowledge sharing (Ruggill et al, 2016). However, as the world becomes increasingly connected, more and more virtual collaboration and knowledge exchange take place which go beyond regions, countries and continents (Cabras et al, 2016). For instance, publishers or investors can work with the studios for game development and publishing from all over the world. Developers can also work on the same project from different regions and countries. The born-global nature of gaming businesses also reflect on the distribution channels. Platforms such as Steam, Apple App Store and Google Play Store makes the distribution of games revolutionary easier: with a click of button, the game can reach audience all over the globe. This born-global nature strengthens the global-local crossings in development. Under this global-local structure, the line between local and global resources and supports are increasingly blurry.

While the digital gaming industry is getting increasing connected globally, there are still variations induced due to differences in areas like culture and social-economic conditions. For instance, UK’s gaming industry is known for its quality and creative contents. British digital gaming companies generally value more about the novel business models and other innovation as path for the future rather than harsher enforcement of IP protection (Dredge, 2013). On the contrary, piracy persists as one of the major concerns for a variety of reasons in both China’s and Brazil’s digital gaming industries (Jou, 2013; Teixeira, 2015).

•    Applicability to the conference theme – ‘SPACE - exploring new frontiers and entrepreneurial places

It is applicable to the conference theme as it discusses the digital gaming industry in both local and global context. It expands the concept of ‘space’ and ‘locality’ from a regional level to a global level. Moreover, the shared insights and lessons from a particularly places, UK, China and Brazil, may then inspire academics, policy makers and practitioners to address their challenges in other localities. A comprehensive understanding of the three distinctive economies will also help with future international collaborations.

•    Aim

In this paper, reflecting on the global-local structure, a conceptual framework on digital gaming industry ecosystem will be proposed. A comparative analysis will be performed against the digital gaming industry in UK, China and Brazil. The analysis will be focusing on the similarities and differences of the digital gaming industry from perspectives such as policy, culture, funding, talents, market, infrastructure and other supports.

•    Methodology

This paper adopts an exploratory qualitative research method using documents analysis in investigating the gaming industries in UK, China and Brazil. As an efficient, cost and time effective way of obtaining data, documents analysis is used by many researchers either as a commentary to other methods or as a standalone method (Gaborone, 2009). In particular, documents are often helpful when providing background information, ensuring wide coverage of data and assisting with understanding context especially when it is under-researched (Bowen, 2009). However, there are limitations in using this method such as bias, data accessibility and quality (Bowen, 2009). However, document analysis still remain a useful method to provide a broad understanding of the study context particularly at the early stage of the research. Documents will be in this paper include academic articles, industry articles, newspaper articles, news, reports and videos. Thematic analysis will be used to analyse the documents with key themes identified.

•    Contribution

From a theoretical perspective, the paper discusses the digital gaming industry in the global-local context and proposed a conceptual framework of digital gaming ecosystem. The proposed conceptual framework enhances the current theoretical discussions on entrepreneurial ecosystems by taking into consideration of the global context particularly facilitated by digitalisation. From a practice perspective, the paper contributes the current understanding of the digital gaming industry and the challenges facing in three distinct economies.

•    Implications for policy

Strong and sustainable digital gaming ecosystems and industry need to be nurtured through collaborative efforts from all shareholders. Within which, policy plays an important role in various forms like influencing on the legislation and culture, improving on infrastructure, providing funding, training and various other support. A more comprehensive understanding with theoretical underpinnings can guide policy makers for their future practices.

•    Implications for practice

A comprehensive theoretical understanding can provide foundation for practices. In particular, the comparison among three distinct economies can not only provide lessons learned but used as a basis for understanding the industry beyond their locality. An understanding of the differences and similarities can better facilitate future collaborations.

**Conference Track**

Creative Industries Entrepreneurship

**Presentation**

Working Paper

## Entrepreneurial Finance

#### Entrepreneurial FInance

#### Time: 14:00 - 15:30

#### Date: 14th November 2019

#### Location: Rocket

### 108

### Social ties and business angels' investments in emerging economies: evidence from Saudi Arabia

Batoul Banjar1, Ciarán Mac An Bhaird2, Ruchira Sharma2

1King Abdulaziz University, Jeddah, Saudi Arabia. 2Dublin City University, Dublin, Ireland

**Abstract**

**Social ties and business angels' investments in emerging economies: evidence from Saudi Arabia**

**Conference paper**

**ISBE 2019**

**Space - exploring new frontiers and entrepreneurial places**

**Research aim**

Entrepreneurial businesses are very significant for the development of economies. Therefore, it is very important to support entrepreneurs for the improvement and development of the economic situation of the countries. One of the main challenges that entrepreneurs face is funding their businesses. There are several financial resources that entrepreneurs can select to fund their business such as business angels, venture capitalist, and banks loans. However, in the early stage of entrepreneurial businesses and after spending the personal savings and the funds from family and friends, entrepreneurs seek for funds from business angels. This is because at that early stage, it is difficult to get funds from banks as these businesses are very risky, while venture capital firms focus of funding entrepreneurial businesses in later stages. Thus, the funds of business angels are very essential for the growth of entrepreneurial businesses as business angels do not only provide the entrepreneurs with the required funds to develop their businesses but also provide entrepreneurs with consultation and directions to improve and manage the businesses which help entrepreneurs to take their businesses to the next level. Therefore, this research analyse the investment process of business angels who invest in the entrepreneurial businesses, focusing on the role of social ties in this investment process. The research raises the question of how business angels use their social ties in their investment process including accessing to investment opportunities, investigating about the entrepreneurs and the market, adding value to the invested businesses, co-investing with other business angels, and exit from the investments. Based on the theory of social network, this research provides detailed information about benefits of social ties for the angels’ investment at different stage of the investment process, particularly in emerging economy where the legal and financial institutions are not well-developed.

**Methodology**

The methodology of this research is based on the data gathered through interviews with Saudi business angels, in order to make a detailed analysis of the role and use of social ties in the process of the investment of business angels. In-depth semi-structured interviews were used to analyse how business angels used their social ties in the investment process and how these ties helped business angels evaluate investment opportunities and make investment decisions. The sample of this research included business angels and key managers in two Saudi business angel networks (BANs) as well as some business angels from outside BANs, forming a sample of 30 interviewees. the sample is formed using the non-probability sampling technique i.e. snowball technique or convenience sampling technique.

In this qualitative study, interviews are the main method used for collecting information from a diverse perspective with regard to the research questions. The thematic analysis can significantly contribute to the nature of the study focused on the evaluation of social tie roles in the investment process of business angels. In simple words, thematic analysis is defined as the assessment which highlights, identifies, investigates and records various patterns present in the collected data. The patterns in the data are referred as themes which describe the study phenomena in correspondence to the particular study question. Themes are generated based on the core objective of the research. The thematic approach is applied for conducting a deep analysis providing the answer for the determined questions for the qualitative research.

**Research Findings**

The research findings show that business angels use their social ties to facilitate their investment process when investing in entrepreneurial businesses. Based on the data from interviews with Saudi business angels, the research findings indicate that business angels use their social ties to access information about investment opportunities. The research participants emphasised on the importance role of social ties in accessing information about recent and updated investment opportunities in less time and less cost. Therefore, research participants stated that they were motivated to join business angel networks (BANs) to expand their social ties and increase their deals flow. Because the population of business angels are invisible as business angels prefer to keep their anonymity, the research findings that BANs in Saudi Arabia play a significant role to match between entrepreneurs and business angels. The main service that Saudi BANs provide to their members is to provide high quality and filtered investment opportunities in different markets and sectors.

In addition, the research findings show that after receiving investment opportunities, if business angels are interested in one of the investment opportunities, they conduct further investigation and evaluation of these interesting opportunities. Research participants indicated that they use different tools to investigate about the investment opportunities and to evaluate the entrepreneurs and the market. Such tools include evaluating documents provided by entrepreneurs, conducting several meeting with the entrepreneurs, market research, and using social ties. The research participants emphasised on the importance of social ties to collect information about the market and the entrepreneurs as these social ties reduce the time and cost of conducting market studies. The research participants indicated that they seek to professional people in their social networks to ask them about the regulation and recent policies in the sector, knowing about the updated businesses and the challenges that they might face when investing in the target sectors as well as having a clear view about the growth opportunities in such markets.

Regarding adding value to the invested businesses, the research findings show that business angels use their social ties to facilitate issuing the licenses of their invested businesses especially when they invest in innovative entrepreneurial businesses that are new to the country, which mean that there are not clear regulations about the activities of these new businesses. Therefore, relationships of business angels with policy makers and public authorities can facilitate the process of operating and expanding the activities of the innovative businesses. In addition, business angels use their social ties in the market to develop the invested businesses through connecting entrepreneurs with suppliers and facilitations that help the businesses to be improved and developed.

Besides using social ties to add value to the invested businesses, the research findings indicate that business angels use their social ties to look for other investors and co-invest with other investors. Many business angels prefer to invest with other investors because this will help them to exchange experiences and cooperate in the process of consultation and managing their investments. For this reason, business angels benefit from their social ties to strengthen their relationship with other investors which allows them to invest collectively. What is more, the research findings show that business angels use their social ties to look for potential venture investors who can buy the shares of business angels in the invested businesses, allowing business angel to exit from their investments.

**Research contribution and originality**

Previous research had indicated the important role of business angel investment in supporting entrepreneurial businesses. However, it is very hard for entrepreneurs to find and locate those investors. Therefore, previous research focused on the use and benefit of social ties to support entrepreneurs and help them to access the required funds for their businesses. However, there is very limited research that discussed the use and benefit of the social ties for the business angels who invest in entrepreneurial businesses. Therefore, this research is contributing to the previous literature through using the social network theory to analyse the role of social ties in facilitating the investment process of business angels. In addition, this research is providing a clear picture about the investment process of business angels in emerging market focusing of Saudi Arabia, where the legal and financial institution are not well-developed which maximise the role of social ties in the investment process. In fact, this research is one of very few research that analysed the angel market in Saudi Arabia.

**Limitation and future research**

This research has some limitations which, however, provide suggestions for potential future studies. This research analysed the role of social ties in the investment process of business angels located only in Saudi Arabia. The research results are limited to the market of Saudi Arabia where the angel market is still immature. Thus, future research can analyse the uses and benefits of social ties for business angels’ investments in other emerging countries where the legal and financial institutions are not well-developed.

This research is based on qualitative data collected by interviewing 30 participants. Therefore, future research can increase the sample and use other tools for qualitative data collection such as focus groups or case studies. Moreover, further research can apply quantitative research and conduct survey to validate the findings of this research with a larger sample.

**Research Implications**

This research is also contributing to the practical view because practitioners in the business angel market will benefit from understanding the investment process of the business angels as well as highlighting the difficulties that they face, especially in the immature market of Saudi Arabia. The value of the study for policymakers is created by providing important insight about the investment process of business angel when selecting and evaluating entrepreneurial businesses, which will help policymakers in reducing the difficulties faced by those business angels and by entrepreneurs, as well as creating the suitable support programs to help business angels to be more effective and influence the market by increasing their investments. This will help policymakers to identify the required form of support for these business angels as well as for BANs and entrepreneurs.

**Conference Track**

Entrepreneurial Finance

**Presentation**

Working Paper

### 118

### Towards a Green New Deal: Lowering the Financing Barriers for CleanTech Ventures

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**Abstract**

**Title: Towards a Green New Deal: Lowering the Financing Barriers for CleanTech Ventures**

Key words: Green New Deal, Early stage Cleantech, Low Carbon, SME Finance

**Applicability to conference theme: Space – exploring new frontiers and entrepreneurial places**

**Abstract**

How might a Green New Deal be applied to the early stage financing of Cleantechs? Amidst rising interest and adoption of Green New Deals in the US, the paper explores the need for more focused policy to address early stage long horizon financing of Cleantechs. We argue that insufficient focus has been applied to early stage investing into these types of SMEs that could lower CO2 emissions across a range of sectors through innovations (including renewable energy, and also for example recycling, advanced manufacturing, transport and bio-science). Adopting a resource complementarity lens and borrowing from transaction cost theory, we illustrate and build theory through longitudinal UK case studies how government policy can scale-up through international collaboration public-private co-finance in order to facilitate cleantech innovation with potentially game changing impacts on reducing CO2 emissions in order to meet the Paris 2015 Climate Change targets.

**Topic Background**

Over 100 national governments have signed up to the Paris 2015 agreement to work together to form a more cohesive approach to tackling climate Change (UNFCCC, 2019).  The major contributors to CO2 emissions in developed countries like the US are energy, heavy industry and transport (81%; EPA, 2017). Therefore, arguably, a key issue is to raise investment and overcome current market failures whereby private investors perceive that the risks of investment outweigh potential returns and investors are not appropriately remunerated for green investments (Lehner, 2016; Owen et al, 2018; Polzin, 2017). Whilst efforts have focused on developing Green Investment Banks and tackling larger infrastructural renewable energy projects, such as wind farms (Mazzucato and Semieniuk, 2018), less attention has been given to early stage Cleantech SME investment (Owen et al, 2018).

**Aims**

The paper focuses on early stage investment in Cleantech, which is broadly defined here as private for-profit SMEs which may be pre or early trading that have a mission to develop innovative technologies to reduce CO2 emissions in their products and processes (Kenton, 2018). They typically undertake long horizon R&D and struggle to obtain sufficient, often high, levels of private investment required to reach commercialisation (Owen et al, 2019; BEIS, 2017; Rowlands, 2009). Focusing on the example of the UK, post the GFC, we examine the role of the UK Innovation Investment Fund (UKIIF) as a leading example of government intervention to address market failure through public-private co-financing to raise the level of early stage VC investment into Cleantechs. Adopting a resource complementarity lens we are able to examine the operation of the UKIIF programme to establish what works well or less well and address the question as to how a GND approach might be applied to improving the under-developed Cleantech early investment market.

**Methodology**

We adopt a mixed methods approach (Creswell, 2003) in order to triangulate primary evidence drawn from in-depth longitudinal case studies of two UKIIF assisted Cleantechs (in renewable energy and advanced manufacturing) with other relevant contextual sources. These include, interviews with UKIIF fund managers and other UK seed VCs and early stage investors (angels and equity crowdfunders), case studies of other comparable non-assisted UKIIF Cleantechs and consideration of the wider UK early stage government co-financing market, post GFC.

Data collected provides a rich source of qualitative information on the financing requirements of early stage Cleantechs and the extent to which public-private co-financing programmes are meeting these needs. The data gave rise to the possibility to consider a-posteriori how a GND could establish a more systematic and institutionalised approach to assisting Cleantech early stage investing, leading to lower corresponding transaction costs through the standardizing of the search, contracting and monitoring phases (Lubell, Mewhirter, Berardo and Scholz, 2017).

In addition, we apply a resource-complementarity lens to understand how a public-private collaboration (Shi, Chong, Liu and Ye, 2016) based on a GND can result in effective, optimized value-creating solutions towards the climate goals that far out-weigh the involved costs (De Schepper, Haezendonck, and Dooms, 2015). In this, we understand resource-complementarity lens (Sayeed and Onetti, 2018; Soda and Furlotti, 2017) as the degree to which the joint use of distinct sets of resources (e.g. the innovative mindset and skills and the financing power) produces a higher total return than the sum of returns that could be achieved if the resources were only utilized independently.

**Contribution Findings**

Whilst prior findings (Owen et al, 2018; Lerner, 2012) have demonstrated that early stage long horizon R&D investing is underserved, with VC and government programmes failing to meet the demands of the sector due in particular to investors’ short-term investment priorities into digitech, exacerbated in the UK by short-term tax-break incentives (e.g. seed/enterprise investment scheme), this paper demonstrates that co-financing can make a global game changing difference. However, there are important lessons to learn. Building on Lerner (2010) and Baldock (2016) we demonstrate that effective early stage Cleantech financing requires the type of long-term strategic planning and programmes that a GND could underpin. This fundamentally requires greater understanding of the resource complementarity that exists between government, financiers and innovators, particularly concerning greater clarity over assessing societal value on the environment and how this translates to incentivising private investment (Bak, 2017). Furthermore, our evidence suggests that to meet investments needs larger transnational VC funds (like UKIIF) and greater investment collaboration (nationally and internationally) will be required through syndication and investment bundling in order to optimise the early stage Cleantech financing market.

**Implications for Policy and Practice**

This paper provides insight into early stage cleantech finance gaps and how these may be addressed. Our findings demonstrating that public-private co-financing can work effectively for early stage cleantechs, provided that there is effective long-term joined up thinking and funding scale. This suggests the need for a GND with an effective SME financing arm for policy oversight and implementation - a Green Investment Bank or wider role in the UK for the British Business Bank (Mazzucato and Penna, 2016).

The paper will be of value to practitioners in terms of assisting young Cleantechs in finding appropriate public funding programmes, but also in encouraging earlier stage private investment from seed VCs, and emerging alternative crowdfunding equity sources, and encouraging international collaboration, syndication and finance bundling, in order to optimise the early stage private risk finance market scale and investment skills.

**Implications for Theory**

Cleantechs often suffer from a higher Liability of Newness compared to the already known issues of traditional new ventures (Lehner and Harrer 2018; Lehner and Nicholls, 2014). This may be because of the so-called hybrid business-models in Cleantechs (Quelin 2017) that aim to combine a commercial logic with an environmental mission (Doherty, Haugh and Lyon, 2014). As a result, there is an increasing resource-scarcity in these ventures with large funding-gaps (Lehner, 2016). We show that in these cases, public-private partnerships (PPP) based on a Green New Deal (GND) can be of particular relevance because of the effects on the standardisation and institutionalisation of the search, contracting and monitoring phases of such hybrid ventures (Lehner, 2016; Lehner and Nicholls, 2014; Lehner, Harrer and Quast, 2018). Such standardisation may also be a catalyst for subsequent funding from private institutional investors as a successful PPP enhances the legitimacy of both involved parties and lowers the transaction costs in order to create a functioning market (ibid). With this we contribute to the ongoing research and discussion on hybrid business models and public-private collaborations (Achard and Di Berardino, 2018).  
 

Finally, to demonstrate that the costs incurring from a GND can be offset by the created value through such a partnership, we use a resource-complementarity lens ( Sayeed and Onetti, 2018, Soda and Furlotti, 2017) in a cross-sectoral setting and discuss how this lens can help scholars to understand the pareto-optimized value creation of such unlikely partners as entrepreneurs and the state with their different sets of resources, when compared to individual efforts.

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**Conference Track**

Entrepreneurial Finance

**Presentation**

Full Paper

### 121

### Does Access to Finance Lead to Improved SME Growth, Productivity and Competitiveness of UK Regions?

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**Abstract**

**Does Access to Finance Lead to Improved SME Growth, Productivity and Competitiveness of UK Regions?**

**Applicability**

The paper focuses on issues affecting UK SMEs’ access to external finance and explores the extent to which these impact upon their growth and productivity. A core focus is whether the redistribution of wealth promised by the UK’s Industrial Strategy white paper through business finance public policies such as Regional Investment Funds can increase the performance of SMEs and the economic competitiveness of UK regions.

**Topic**

“The UK is the world’s sixth largest economy. But… outside of London, the South East and a handful of major cities, many areas of the UK are just as poor as swathes of Eastern Europe?” Abreu (2018)

The UK government has become increasingly concerned with SME productivity. The Industrial Strategy (2017) white paper points to uneven regional performance and the long tail of poor productivity amongst the UK’s SMEs. It puts productivity at the heart of current UK government business strategy, promising £2.5b to the British Business Bank to finance SME innovation and Sector Deals to enhance key sectors such as life science, artificial intelligence (AI), construction and the automotive industry. Furthermore, in an era of relatively high employment, there are major concerns that the focus of public policy supporting businesses should be focused on raising productivity and competitiveness (Henley, 2018; SQW, 2018), suggesting a need for a shift of emphasis from job creation to upskilling of management and labour to optimise the use of externally financed investment (Keep et al, 2006).

**Aims**

Following initial baseline research of Owen et al (2017), examining the characteristics of UK SME external finance seekers in 2015, barriers to accessing finance, and the relationship between external finance and growth in sales turnover and employment, the current study follows a longitudinal panel of SMEs over 3 years (2015-2017), with an additional focus on examining the relationship between access to external finance and productivity change. The study addressed three research questions:

RQ1 – What are the characteristics of SMEs that determine their funding and discouragement?

RQ2 – What are the impacts of external finance on SME performance and productivity?

RQ3 – What are the implications for theory and policy?

**Methodology**

A mixed methodological approach is adopted (Creswell, 2003) in order to triangulate quantitative telephone survey findings with qualitative interviews to provide insightful explanations from 6 Oxford Innovation business finance advisors.

The study adopts a similar methodology to Owen et al (2017), analysing data from 4,165 surviving panel SMEs which responded fully to all three annual survey waves of the UK Longitudinal Small Business Survey (LSBS), conducted in Autumn 2015, 2016 and 2017. This is the largest current SME survey of UK-based businesses with under 250 employees and was originally sampled to provide sufficiently broad coverage of UK regions, sectors and size, but is underrepresented in younger established unregistered businesses (see BEIS, 2016).

Initial descriptive analysis revealed significant support for the previous study of Owen et al (2017). Additionally, data relating to business performance change over the 3-year panel study provided insight into the relationship between external finance and employment, sales turnover and productivity change that took place. Productivity is crudely calculated as the average annual sales turnover per employee at the time of survey (avoiding seasonal variation) and the proportional change in this figure between 2015 and 2017. A series of binary logit regression models explored the relationship between productivity change, using above median and upper quartile percentage change as the dependent variables and 3 groups of independent variables (business characteristics, including broad UK region, sector, employment size and establishment age; business management characteristics, including innovation and use of external assistance; business finance seeking characteristics, developed from Fraser, 2014). The independent variable groupings provide robust models of interactions between key characteristics, with no problems of multicollinearity.

The findings were tested with a group of 6 Oxford Innovation specialist business finance advisors who predominantly work in the South West region of England on programmes to support start-ups, SME innovation, scale-up and sustainability. These qualitative semi structured interviews provided insight into why the findings were occurring and their implications for business finance support services. Additionally, 2 strategic level interviews with Directors of Oxford Innovation and St John’s Innovation Centre in Cambridge, helped provide further policy guidance.

**Contribution**

This is the first major study of UK SMEs to examine the relationship between external finance and productivity change. Whilst it has a number of technical deficiencies (outlined in the methodology), it provides strong longitudinal evidence to suggest that access to external finance is not in itself sufficient to guarantee higher order productivity growth.

First, we find, in confirmation of the previous study of Owen et al (2017) that SMEs are heterogeneous, leading to highly nuanced findings, but that strong correlations (<.05 level) exist:

* Seeking and accessing formal external finance, along with borrower discouragement is highly associated with the resource base of the firm. Larger, longer established SMEs with larger, more experienced management teams and better self-perceived access to external finance skills were significantly more likely to be successful in accessing the finance that they required. There is also a strong correlation between successful access to finance and current and future positive growth orientation.

Second, the longitudinal data enabled tracking of externally financed SMEs and comparison between different financed and non-financed groups. The most significant (<.05 level) findings from the binary logit tests indicate:

* Only SMEs accessing over £100k were positively associated with above median level productivity change. Higher level innovation (where R&D tax credits were received) was also associated with higher productivity change, as was access to leasing finance for equipment. Conversely, not seeking external finance, applying and not receiving external finance, poor perceived capabilities to access external finance, lack of a business plan and family business ownership were all associated with lower productivity growth.
* When all key independent variables are modelled, the strongest positive factor is younger age (established under 6 years), whilst the strongest negative factor is being smaller, with less than 50 employees. Concerningly, access to finance overall appears as a significantly negative factor.

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**Implications for Policy and Practice**

There is strong evidence that access to finance alone, is insufficient to guarantee productivity growth at above the typical level for comparable UK SMEs. The implications for policy are that business finance advice is essential for SME development (Mole et al, 2017) and is a significant factor in enabling timely access to appropriate types of finance. Furthermore, SME finance advice is likely to be most effective when it is ongoing, regular and integrated with mentoring and management skills (Owen et al, 2019) development which can enable closer to optimal financial investment and management activities which will provide greater sustainability, growth and access to follow-on growth funding.

As Abreu (2018) highlighted, uneven supply of business support across the 38 English Local Enterprise Partnerships (LEPs) suggests a need for better integrated and more consistent delivery of business finance support in order to assist with SME productivity development in the regions. The delivery of targeted regional funds such as the British Business Bank’s Investment Funds (e.g. Northern Powerhouse and Midlands Engine), or planned UK government Shared Prosperity Fund to replace EU structural investment (e.g. European Regional Development Funds) after 2020 should the UK Brexit (IPPR, 2019), therefore needs to deliver more than just finance.

**Implications for Theory**

The findings from Owen et al (2017) and the current study firmly support the resource-based theory of business development (Barney, 1991) and its application to the external financing of SMEs (Mac an Bhaird, 2010). The paper demonstrates a demand failure in SME access to external finance (Mason and Harrison, 2003; Mason and Kwok, 2010), but also the need for ongoing support to ensure smart investment (Mason and Harrison, 2015) bringing a novel and complementary perspective to management theory contribution to SME productivity.

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**Conference Track**

Entrepreneurial Finance

**Presentation**

Full Paper

### 141

### A critical view on equity crowdfunding

Jesper Lindgaard Christensen

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**Abstract**

**A critical view on equity crowdfunding**

**Abstract for research paper**

**ISBE 2019**

**Newcastle, UK**

**November 14-15th**

**NN**

Keywords: financial constraints, crowdfunding, policies, geography

Abstract:

Topic.

In recent discussions in entrepreneurial finance there has been enthusiasm around new forms and layers at the financial market, especialy crowdfunding (Wright et al., 2016, Assenova et al., 2017, Bruton et al., 2015, Block et al., 2018). Potentially, these new ways of financing could alleviate some of the financing gap, which is said to hinder development of entrepreneurial ventures and innovation. Moreover, they appeared as part of the entrepreneurial finance landscape driven by market forces without much interference by government and providing opportunities for groups at the financial markets (nascent entrepreneurs) who are potentially otherwise marginalised and rationed (Estrin et al., 2018).

While crowdfunding has generally been praised as positively impacting early stage funding options (e.g. Mollick, 2014) the potential negative aspects have been ignored or downplayed amongst policy makers and researchers alike.

Aim and link to conference theme.

This paper takes a different perspective. Based upon literature studies and interviews with key actors in the entrepreneurial financing eco-system it provides a more explicit normative assessment of crowdfunding with a view to clarify potential problems in crowdfunding. It is argued that solving, or at least being aware of and alleviating these problems, is necessary.

A regional dimension seem to have little relevance, but some research indicates that even when investment takes place via on-line platforms, investors have preferences for close proximity and a home bias (among others, see e.g. Lin and Viswanathan, 2016, Giudici et al., 2018, Yu et al.,2017).

Therefore, the research questions in this paper are two-fold. First, it is discussed what existing literature point to regarding

Whether there are geographical effects even in direct financing mechanisms like crowdfunding?

Secondly, contrasting the widespread enthusiasm around crowdfunding,

  which problems are associated with the further development of crowdfunding, and building on the analysis of these two questions, what is a policy assessment of crowdfunding?

The policy assessment will include insights from the review of geographies of crowdfunding in order to establish whether there is a rationale for policies at a regional level of aggregation.

Contributions.

The paper offers three contributions to the existing knowledge in the field. Firstly, it discusses potential geographical aspects of crowdfunding hence tries to establish the existing knowledge on crowdfunding geographies. Secondly, and most importantly, six potential problem areas of crowdfunding are pointed out, contributing to a more nuanced perspective on crowdfunding. Specifically, these problem areas and question marks to established beliefs include Coordination and dilution, Investor protection and regulation, ‘Dumb money’?, adverse selection, promoting Innovation, Testbed for ideas. The discussion of these issues is essentially providing a research agenda for crowdfunding studies that address potential problems. Finally, the paper concludes by contributing to a normative perspective on crowdfunding in a policy context, including assessing the relevance of regional policies.

Context, Methodology and Data.

After a short introduction to the context and approach of the research, the paper is structured around these three contributions. Even if crowdfunding encompasses four distinct types (Guenther et al., 2018), equity crowdfunding is the main focus, although many of the arguments also apply to crowdfunding of rewards, donations, lending.

The research focuses on crowdfunding in Denmark where crowdfunding is a relatively new phenomenon and where policies and regulation is not yet very developed. The approach adopted in this work is two-fold, following the basic research questions. First, it is established whether and to which extent there is a regional dimension to crowdfunding. This is done through reviewing established academic literature in the field. Secondly, in order to obtain a nuanced picture of potential problem areas of crowdfunding interviews with key actors in the financial system is performed, especially among those actors that are expected to be a likely next step on the financing ladder after crowdfunding. Relevant public authorities are included in who is interviewed. Resumes of each interview are made and presented to informants. Information from Danish Crowdfunding Association is included. Additionally, policy documents, business angels associations, and business development agencies inform the policy discussion.

Implications for policy and practice.

Public policies have sought to alleviate (regional) funding gaps. It is, though, questioned if equity crowdfunding is an expedient way forward. The revealed six problem areas make up a research agenda that should be embarked on and resolved before potentials of new funding mechanisms are stimulated by way of policies. This is an area that policy-wise has primary interest on a nation state level of aggregation, however, potentially could be relevant at a regional level. Currently, there are discussions on common EU-regulations that balance investor protection and better framework conditions for crowdfunding platforms. However, there are disagreements on how this regulation should be pursued, and there are worries that some (small) countries cannot maintain national control over this instrument in the early stage of the funding escalator.

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**Conference Track**

Entrepreneurial Finance

**Presentation**

Full Paper

### 78

### The Impact of Non-financial Capitals on Entrepreneurs Preferences for External Financing

Ramchandra Bhusal, Ying Wang

Anglia Ruskin University, Cambridge, United Kingdom

**Abstract**

**The Impact of Non-financial Capitals on Entrepreneurs Preferences for External Financing**

Applicability to the conference theme - The theme of this paper closely aligns with the theme of the ISBE 2019 conference, as it explores new frontiers in understanding the demand-side issues of ethnic minority businesses financing, which have been largely undermined by previous researches.

**Purpose**

Adequate finance is the key to every stage of business development (Berger & Udell, 1998). Empirical evidence suggeststhat ethnic minority businesses (EMBs) face additional barriers in securing adequate financing (Bank of England, 1999; Biggs et al., 2002; Smallbone et al., 2003; Storey, 2004; Fraser, 2009).  The variation in the use of finance during the start-up and subsequent stages of business development is associated with entrepreneur’s preference to specific types of financing (Barker, Ruback and Wurgler, 2007; Baker and Wurgler, 2013) as well as deficiencies in the supply-side of external finance (Smallbone, Ram and Deakins, 2007). Desidero (2014) postulates that limited access to finance by EMBs is also related to their behavioral characteristics such as financing preferences. Furthermore, ethnic minorities are considered to be rich in the holding of non-financial capitals, such as (Gomez et al, 2015; Deakins et al., 2007; Basu and Altinay, 2002).  Under this context, previous studies suggest that entrepreneurs’ non-financial capitals are conducive in every stage of business development such as in fostering access to finance (Nofsinger and Wang, 2011; Heilbrunn and Kushnirrovich, 2008; Dana, 2007; Kim, Aldrich and Keister, 2006; Parker and van Praag, 2006; Uzzi, 1999; Sanders and Nee, 1996; Waldinger, Aldrich and Ward, 1990).

Non-financial capitals play a vital role in ethnic entrepreneurial ecosystem, particularly social, cultural and human capital. These expandable assets, with no limitation, can facilitate resource acquisition. Wider social networks and ethnic ties are identified as great source of invaluable assets in pursuing entrepreneurship (Ferri, Deakins and Whhittam, 2009; Heilbrunn and Kushnirrovich, 2008; Volery, 2007; Ram et al., 2000; Light and Bonacich, 1988). Substantial pool of information embedded in relational ties bridges information gap between entrepreneurs and finance providers (Kumar and Rao, 2015; Shane and Cable, 2002; Venkataraman, 1997). Resources businesses can procure from social capital, range from “tangible such as interest free loan from a relative to the intangible such as information sharing” (Jones and Ram, 2007, p. 442). Culture influences the human thinking (Hofstede, 1980) and the way individual process information has considerable implications in business success and acquiring resources (Angor, 1989). According to Bourdieu (1986), cultural capital as high cultural knowledge can be turned into economic profit for its owner. It assists to have a smoother flow of information such as ‘government policies that provides incentives for capital accumulation’ (Van Auken, 2002). Last but not least, human capital has direct and indirect influence in determining business owner’s preference to external sources of finance (Coleman and Cohan, 2000; Parker and van Praag, 2006; Nofsinger and Wang, 2011). Smallbone, Ram and Deakins (2007) recommended that ethnic minority entrepreneurs’ ability to develop and present appropriate business plan have implication in determining access to finance. The quality of entrepreneurs i.e. human capital is important in determining access to external finance (Nofsinger and Wang, 2011; Parker and van Praag, 2006).

However, to the best of our knowledge, there is a paucity of research that has explored the relationship of these vital entrepreneurial resources with entrepreneurs’ preferences to external sources of financing among EMBs. Thus, to address this dearth, this paper aims to explore the impact of non-financial capitals on entrepreneur’s preference for external financingsources by exploring the following research question:

What is the relationship between types of social, cultural and human capital and preferences for external financing among the entrepreneurs of major ethnic groups in England?

**Design/ methodology/approach**

The philosophical underpinning of this study is positivism. The data was collected by employing structured five-point Likert-Scale questionnaire. Data collection was conducted in a structured survey to test the underlying hypotheses developed after an extensive literature review. The questionnaire was conducted in three ways to ensure adequate representation of EMBs, namely online, postal and face-to-face, in order to capture a representative sample as some EMBs might not have their online presence and even operating informally. The average response rate of the survey was over 20%. The response rates for each of the strategies adopted have been 15%, 7% and 38% for online, postal and face-to-face surveys respectively. A total of 118 questionnaire were returned in which 4 questionnaires were substantially incomplete; therefore, excluded from the study. This resulted the final sample size as 114.

The reliability and validity of the constructs used to measure concepts was ensured and corroborated by recommended statistical tests, namely Cronbach’s alpha and principal component analysis (PCA). The score of the variables is the summated weighted (weighted by relevant factor loading score) averaged score of each construct as identified by PCA with SPSS.

Multiple regression analysis is adopted to analyse the impact of non-financial capitals on preferences for external financing using STATA. The regression models are also controlled for the effects of entrepreneurs’ personal attributes. The results of the multiple linear regression were further corroborated by performing a robustness test with binary logistic regression models.

To answer our research question, we design our regression models using the following equations:

PALTFIN, BF, AF=α + b1WSC + b2SSC + b3Control Variables + e

PALTFIN, BF, AF=α + b1EFC + b2ACCU + b3Control Variables + e

PALTFIN, BF, AF=α + b1EDU + b2EXP + b3Control Variables + e

PALTFIN, BF, AF=α + b1WSC + b2SSC + + b3EFC + b4ACCU + b5EDU + b6EXP + b7Control Variables + e

**Findings**

Results show that entrepreneurs’ propensity for wider social engagement has significant positive association with preferences for bank financing, meaning that entrepreneurs engaged in extensive network are likely to seek bank finance. But on the other hand, ethnic entrepreneurs’ propensity for acculturation has significant positive association with their preferences for alternative financing. This indicates that when entrepreneurs have desire to assimilate in the host country environment, they are likely to prefer other than conventional sources of financing. Entrepreneurs’ human capital has significant positive influence in shaping preferences for alternative financing. Highly educated and with specific work experience entrepreneurs have positive preferences for alternative sources of financing.

EMB owners external financing preferences did not adhere to financing pecking order as purposed by pecking order theory (POT). The most variance in preferences for external financing among group of EMBs was explained by preferences for alternative financing followed by Bank and Asset financing, respectively. Preference for external financing is substantiality low among the entrepreneurs of five major ethnic groups. Entrepreneurs with African background seem to prefer more external financing than their Asian origin counterparts. Pakistani origin business owners have least preference to external financing. Businesses with high growth aspiration and engaged in professional, scientific and technical services activities have positive preference for alternative financing options.

**Research limitation/implication**

The findings provide support to social capital theory, as it is found that wider social engagement positively impacts entrepreneurs’ preferences for bank financing, potentially due to the reduced information asymmetry. Furthermore, entrepreneurs’ propensity of acculturation has positive impact in the preferences for alternative financing, suggesting that cultural assimilation and acceptance in the host country does have impact in ethnic entrepreneur’s business financing behavior. The study highlights the implications of holding of non-financial capital in shaping finance seeking behavior. This study also provides insights in designing business support products and services relevant specifically to EMBs operating in the UK. This research focuses only on EMBs and with relatively smaller sample size; thus, generalisation in the wider context of small business financing should be done with caution.

**Originality/value**

This study contributes to the limited literature on EMBs financing by focusing on the impact of non-financial capitals on shaping preferences for external financing. Furthermore, this study contributes to the knowledge by informing the relationships that exist between entrepreneurial resources, particularly for marginalised (disadvantaged) group of entrepreneurs. EMBs financing is mainly studied from supply side point of view and this research provides fresh insight in some of the key demand side factors that has considerable implication in shaping financing behavior of ethnic minority entrepreneurs. This study highlights the consequences of wider social engagement and cultural awareness in financial decision making among EMB owners perhaps due to the positive experience in accessing desired financing option by embracing such non-financial resources.

**Key words**

Social Capital, Cultural Capital, Human Capital, External Financing Preferences, Ethnic Minority Businesses

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**Conference Track**

Entrepreneurial Finance

**Presentation**

Full Paper

## Enterprise Education

#### Enterprise Education

#### Time: 14:00 - 15:30

#### Date: 14th November 2019

#### Location: Invicta

### 81

### Cultivating Entrepreneurial Aptitude, Confidence and Self-Efficacy – The Impact of Entrepreneurial Education

Yvonne Costin, Michael P. O' Brien, Briga Hynes

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**Abstract**

**Topic:** The development of students’ entrepreneurial confidence, aptitude, and self-efficacy, irrespective of their discipline is strongly advocated by researchers, policy makers and the media as an important societal institution, indispensable for economic growth and development, social cohesion, job creation (Mitra, 2017), and indeed the changing world of work.  Frequently entrepreneurship education (EE) is a necessary response to the increasingly globalised, uncertain and complex world we live in, requiring all individuals and organisations to be increasingly equipped with entrepreneurial confidence and aptitude (Kuckertz, 2011). Besides the common economic and job creation related benefits of promoting such entrepreneurial characteristics, there is an increasing emphasis on the impact these characteristics have on students and employees perceived relevancy, engagement and motivation in both education and work life (Amabile and Kramer, 2011; Fayolle and Toutain, 2013). The overall goal of EE is to instil entrepreneurial confidence and aptitude, providing students with the knowledge and skills to act in an entrepreneurial way by incorporating the acquisition of a varied set of entrepreneurial characteristics. Through participation in EE, and the acquisition of entrepreneurial knowledge and skills, researchers (Garavan and O’Cinneide, 1994; Miller and Acz, 2017; Esmi et al., 2015) propose that entrepreneurial confidence, aptitude and self-efficacy is enhanced, fostering greater enterprising and innovative behaviour, and so is the focus of this particular study.

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’:**This study addresses very current and  topical issues of interest and significant importance to academia, policy makers and educators- entrepreneurship education, entrepreneurial confidence, aptitude, and self-efficacy. Kuratko (2005) asserted that since the industrial revolution, the 21st Century younger generation are becoming the most entrepreneurial generation. Consequently, EE is a growing field of interest for universities, positioned not only in business schools, but receiving increased attention across all disciplines. Universities across the globe are now offering EE programmes across faculties and institutions to equip graduates with the necessary knowledge, skills, confidence, and aptitude for the changing world of world. Curriculum content for EE is continuously being developed, refined and debated for numerous disciplines given its associated benefits, and so is the driver of this study. This study adopts the view that EE programmes are a core, vital research space that warrant continued, and consistent investigation given their significant role in fostering entrepreneurial mind-sets and encouraging entrepreneurial behaviour. It is imperative that the relevancy and appropriateness of EE programmes are ensured, achieving their intended outcomes with regard to knowledge and skills-development but more importantly fostering and encouraging entrepreneurial confidence, aptitude, and self-efficacy- the catalytic agents for entrepreneurial behaviour.

**Aim:** The driving force of this particular study is to evaluate and measure the impact of entrepreneurship education on entrepreneurial confidence, aptitude, and self-efficacy. Firstly, the study investigates if participation in EE influences or changes students’ perception of entrepreneurship as a career choice, and their confidence, aptitude and self-efficacy towards this career. Secondly, it investigates what aspects of EE impact student’s entrepreneurial confidence and aptitude. Thirdly, the research investigates the impact of EE on self-efficacy, and student’s belief in their ability and motivation to start an entrepreneurial venture, having completed a specialist EE programme.

**Methodology:**This study involved a diverse cohort of students undertaking a specialist and dedicated postgraduate programme in entrepreneurship. The students had been participating in the entrepreneurship programme for one academic year, over 3 semesters. A quantitative research approach was utilised whereby a self-report questionnaire was administered to postgraduate students at two intervals during the programme. A pre-questionnaire was administered to students at the outset of programme participation, and a post-questionnaire was administered on completion of the programme. Guided by the themes outlined in research by Bellotti et al., (2014), the questionnaire contained unstructured, descriptive questions along with closed questions using Likert scales.   Key themes explored included entrepreneurial perceptions, skills, knowledge, entrepreneurial confidence, aptitude and self-efficacy. Participation was voluntary and took place during regular class time. Questionnaires were completed with no personal identification to insure anonymity, and increase the probability of honest responses.

**Contribution:** Building on previous research (Gibb, 2002; Kyro, 2008; Gondim & Mutti, 2011; Oganisjana and Koke, 2012; Lackeus, 2014) advocating the importance of   developing entrepreneurial confidence, aptitude, and self-efficacy, this research highlights that EE is  effective means of doing so. Attention is drawn to how EE is clearly linked with entrepreneurial confidence and aptitude, building a stronger foundation for embedded EE for students of all disciplines, and so offers a number of contributions. Firstly, the research highlights an overall increase and improvement in student’s entrepreneurial confidence and aptitude highlighting the clear benefits with regard to specific knowledge and skills accruing to them from their participation in EE. Secondly and conversely, the research also points to a wavering self-efficacy amongst students, having completed the programme. This is significant, and quite conflicting given that entrepreneurial confidence and aptitude increased amongst students, it is could be assumed this would have a direct relationship with self-efficacy, however an inverse relationship emerges. This brings to the fore various issues for consideration for EE and entrepreneurial learning.

**Implications for practice, if applicable:** A number of practice implications arise given the conflicting and varied emergent research findings. In the first instance, while the findings are very positive and complementary to the knowledge and skills acquired through EE, the research also suggests that although confidence and aptitude increase, self-efficacy does not, and so should be afforded further attention. Perhaps it is attributable to the numerous roles that students are expected to assume (i.e. problem solvers, decision makers, negotiators, conflict managers and communicators) in EE. It is important for educators to recognise and acknowledge that some, or indeed all of these roles may be unfamiliar or often uncomfortable for students and may invariably have an overall negative impact on self-efficacy. Educators need to be particularly cognisant of self-efficacy when designing, delivering, and assessing EE programmes. Students should be afforded the opportunity to gain a better and clearer understanding of self-efficacy and its role, influence, and impact on their individual entrepreneurial journey. Whilst this study highlights that students are skilled and knowledgeable having completed EE, they appear to be lacking in self-efficacy. This issue deserves and warrants explicit attention given its influence on fostering entrepreneurial mind-sets and behaviour.

**Conference Track**

Enterprise Education

**Presentation**

Full Paper

### 114

### Using concept maps to evaluate the effectiveness of entrepreneurship education

Lucy Hatt

University of Northumbria, Newcastle upon Tyne, United Kingdom

**Abstract**

Title:  **Using concept maps to evaluate the effectiveness of entrepreneurship education**

Topic: **Enterprise Education**

Assessment in entrepreneurship education is a challenging activity and the temptation has been to resort to assessing what is easily measurable.  This has led to a bias towards educating students in entrepreneurship knowledge which has instrumental value, that which we know to be useful, in preference to that which has intrinsic value in its own right.  Consequently, there is space for a more conceptual approach to entrepreneurship education. Concept mapping is used here to explore a new frontier in entrepreneurship education and the threshold concept framework also used here reveals a new, more conceptual entrepreneurial place.

A staged stakeholder curriculum inquiry has been undertaken to identify the threshold concepts of entrepreneurship and how to best educate students in them. The concepts which are critical to thinking as an entrepreneur, and consequently to entrepreneurship, can be called “threshold concepts” (Meyer & Land, 2003, 2005). Threshold concepts may be described as ‘conceptual gateways’ or ‘portals’ that lead to previously inaccessible ways of thinking about something, particularly in the context of academic disciplines (Meyer & Land, 2005).

In the first two stages of this research study, entrepreneurship threshold concepts have been identified with entrepreneurs and entrepreneurship educators.  This paper is concerned with the third and final stage of this research; the concept mapping workshops which were undertaken with students on a specialist entrepreneurship programme to identify how entrepreneurs think and see the world (in other words, to identify the threshold concepts of entrepreneurship) from the students’ perspective. The research objective of the workshops was to evaluate the level of awareness in students of the threshold concepts of entrepreneurship; in other words to find out if students studying entrepreneurship had knowledge of the threshold concepts of entrepreneurship identified in the preceding two research stages.

Concept mapping is a tool for visualising the interrelationships between concepts in an integrated, hierarchical manner and requires the identification and prioritisation of key concepts and principles.  It is informed by assimilation theory (Ausubel, Novak, & Hanesian, 1968) and constructivist epistemology.  It allows attention to be paid to both how material is taught and how it will be learned, and enables a conceptually transparent curriculum (Novak, 1991).  Concept mapping has been highlighted as a particularly useful approach to interdisciplinary and multidimensional curricula development enabling the integration of content from several disciplines.  The act of mapping has particular benefits to participants as it allows individuals to examine and reflect on their own beliefs and assumptions.

The maps produced by the students in the workshops were analysed.  This paper details the novel approach taken to the analysis of the resultant concept maps informed by and building on the work of Kinchin (2016), which will be of interest to enterprise and entrepreneurship educators looking for ways to evaluate the effectiveness of their educational initiatives beyond student assessment, in order that they may be enhanced.  A number of interesting findings were made from the analysis of the students’ concept maps, indicating in an explicit and graphic way, the development of their entrepreneurship knowledge construction.

Two concept-mapping workshops were conducted with thirty nine students across three years of an undergraduate entrepreneurship programme.  The workshops were attended by students from one undergraduate entrepreneurship programme, which was owned by the Business School of the participant university.

Students were asked, “What do you need to understand in order to understand entrepreneurship?” and constructed concept maps around the central concept of “Entrepreneurship”.  When the maps had largely been constructed, the students were asked to indicate if each concept on their map was easy or difficult to “get their head around”, and also if they felt they themselves had understood each one or not. Finally, the threshold concept framework was introduced to them and they were asked to indicate if any concepts on their maps were threshold concepts.

Each group in each workshop generated a concept map of entrepreneurship which also gave an indication of which concepts were considered hard, which were considered easy, which the students had understood and which they had not, and which might be threshold concepts, by year of study.

The resultant maps were labelled, photographed and replicated electronically using CMap software to enable manipulation and reproduction.

The quality of structure of each map was evaluated based on the topography of the map and its explanatory power.  Bearing in mind the size of the sample, it is worth noting that the two ‘best’ maps were produced by groups of third year students, and the ‘worst’ by a group of first year students, indicating development in understanding over the course of the programme of study.  It may also be said that the students’ development of the understanding of the knowledge content developed more rapidly than that of the knowledge structure, which might be expected.  There were a number of interesting findings resulting from analysis of the concept maps. There was a jump in the number of concepts constituting the maps created by students in first year and students in the second and third years.  In constructing their concept maps, there was an increase in the use of causative dynamic propositions (explanatory linking phrases or words that indicate one concept results from another) between third year students, and first and second year students, indicating a more sophisticated understanding of the relationships between the concepts on their maps.  There was a jump in the number of concepts constituting the maps created by students in the first year and students in second and third years.  This may indicate a growing understanding of the depth and breadth of entrepreneurship, and its complex nature.

Across all years, students were more inclined to code concepts Easy than Hard, at about the same ratio.  This could be for a number of reasons.  Confidence was regarded as an essential attribute for students of entrepreneurship according to the educator data, so this could be an indicator of an existing strong base of confidence in the students, or evidence that the educators at this particular institution were positively influencing the confidence of their students.  Alternatively, it may be because the students could not identify concepts that they found hard or did not understand because of these very same attributes.  First year student groups were more likely to indicate that concepts coded Hard were also Not Understood, than those coded Easy, as might be expected.  However, the second and third year students groups were more likely to indicate that concepts coded Easy were Not Understood, than those coded Hard.  This may be an indication that the students were starting to appreciate the threshold nature of some of the concepts, despite apparently being easy to “get your head around” they were more challenging to put into practice and enact than had first been assumed.  The number of concepts marked as Threshold Concepts increased from year to year.  This may indicate that students were becoming more confident in their ability to be able to distinguish the concepts that make a significant difference to their understanding of entrepreneurship as a whole, from those that are less significant.  The nature of the concepts themselves on the students’ maps were also analysed.  Each concept was reviewed and, where possible; associated with an entrepreneurship threshold concept, developed from the entrepreneur and educator data.  Evidence was found for a developing understanding for all but one of the entrepreneurship threshold concepts.

Given the extremely small data set, any patterns observable cannot be claimed to be in any way representative of a larger population.  However, the findings suggest that this approach offers great promise as a method to examine the effectiveness of entrepreneurship and enterprise curricula, and to determine what improvements might be made in the curricula.  Concept maps have great potential for entrepreneurship and enterprise educators as artefacts to reveal the level of awareness in the students of concepts important to understanding entrepreneurship, and consequently as a tool for the enhancement of curricula.

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**Conference Track**

Enterprise Education

**Presentation**

Full Paper

### 145

### On the Matter of Evidencing Transformative Learning in Enterprise/Entrepreneurship Education

Elinor Vettraino1, Colin Jones2

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**Abstract**

**Topic**

There is a wide held belief that enterprise/entrepreneurship education can produce transformative learning outcomes (see Gibb, 1993; Corbett, 2005; Hannon, 2005; Lourençoand Jones, 2006; Jones, 2011; Krueger and Welpe, 2014; Bell, 2016; Jones, 2019) due to its focus developing personal attributes, competencies and deep changes in one’s perspective of self and society. Disappointingly, there is very little empirical evidence confirming that transformative learning outcomes are indeed common arising from enterprise/entrepreneurship education. This dilemma is not entirely unique to enterprise/entrepreneurship education, with the broader education literature also challenged around this issue. Indeed, it would seem easier to explain how transformative learning might occur than to evidence that it actually did occur (Taylor, 2007; Gunnlaugson, 2008; Snyder, 2008).

“Transformations may be epochal– sudden major reorientations in habit of mind, often associated with significant life crises or cumulative, a progressive sequence of insights resulting in changes in point of view and leading to a transformation in habit of mind” (Mezirow, 2008, p. 28). Mezirow’s process of transformation is aligned to ten distinct phases, beginning with a disorienting dilemma, stages of critical self-examination, exploring and trying new roles, and developing self-confidence to facilitate the reintegration into one’s life using newly gained perspectives. However, a clear challenge in evidencing transformative learning is recognizing that such learning outcomes are likely to occur via different experiences and learning processes, from one individual to the next. It is difficult to measure learning outcomes when “learner may skip one or more phases, return to a phase, or experience one phase in a more pronounced manner than another” (Cox, 2017, p 12).

**Applicability**

**​**

The authors view space in the context of the physical landscape, the psychological environment and the aesthetic space in which the learning occurs. Transformative learning often requires the challenging of sometimes deeply held assumptions.  Finding ourselves in the place of ‘not knowing’ can be anxiety-laden (Warne and McAndrew, 2008) and yet it is the key to rich and deep experiences that can shape future possibilities (Eisner, 1994).  Aesthetic space refers to the sensory connection that we have to our actions and experiences.  Within the realm of transformative learning, aesthetic space speaks to our embodiment of knowledge, where meaning is physically felt and experienced.  Jones (2007) connects learning and reflective processes when he considers that body is often the conduit for understanding self; that our learning is understood through embodied action.

**Aim**

This empirical paper aims to evidence transformative learning outcomes that have occurred in the domain of enterprise/entrepreneurship education. The deep learning processes of the Team Academy approach used at Bishop Grosseteste University, Lincoln, UK, has its origins in the Tiimiakatemia model created in 1993 by Johannes Partanen in Jyväskylä, Finland.  This applied model of entrepreneurship education has self-determinated (or heutagogical) learning at its core, along with a strong focus on collaborative action and shared jeopardy. Fundamental to this model is the use of coaching as the delivery mechanism, putting the Team Entrepreneurs (students) in charge of their knowledge and skills acquisition in order to facilitate their own experiential learning process.

In order to explain the effectiveness of this coaching approach, we use Mezirow’s (1991) stages of transformative learning to frame our consideration of the required conditions for transformational learning to occur. By truncating Mezirow’s ten stages into four (see Cagney, 2014), a focus on 1) experience, 2) alienation, 3) reframing, and 4) reintegration is found. Through this lens, the development of entrepreneurship students in evaluated in terms of the reconstruction of ‘meaning’ perspective (Mezirow, 1978). Through this process, the conditions required to support transformative learning are revealed and their relationship to the process of enterprise education/entrepreneurship education considered. Importantly, the use of different types of critical reflection and critical self-reflection is balanced against the students’ lived experiences, their readiness to learn through difficult challenges, and ultimately, their capacity to deconstruct their habits of mind in order to reintegrate their selves into their studies with new found perspectives.

**Methodology**

This paper uses a single case study to provide a descriptive account (Babbie, 2005) of the specific teaching methods used to support transformative learning outcomes within three distinct student cohorts. Using triangulated data (Denzin, 1970) acquired from the direct observations of academic coaches employed facilitate the Team Academy approach. The chosen method is considered ideal when “close-up descriptions of events, activities, and incidents that detail what happens in a particular context” (Simons, 2014, p. 462).

**Contribution**

Implications for educators:This paper contributes to the domain of enterprise/entrepreneurship education by demonstrating just howenterprise education can be “an excellent tool to prepare students for changing environments” (QAA, 2018, p. 2). The development of student agency should not be assumed to be epiphenomenal vis-à-vis the engagement of students with enterprise curriculum. There are very specific student-, educator-, and institution-based factors that must align for transformational learning outcomes to be realized. Drawing on activity theory (Engeström, 1999), this paper outlines the common impediments to transformative learning outcomes.

Implications for policy:Extending the use of activity theory, the paper outlines a series of policy challenges that surround the increasing provision of enterprise/entrepreneurship education in society. We propose several threshold levels under which transformational learning outcomes should not automatically be assumed to occur. Our concern is not with those student outliers whose achievements can make ordinary teaching look very effective. Rather, our concern is with the conditions required at the level of the student cohort to support the possibility of transformational learning outcomes. While the development of such thresholds may provoke degrees of controversy, in the spirit on Bloom (1956, p. 27) we argue that policymakers, institutions and “faculty must distinguish goals that are feasible from goals that are unlikely to be attained in the time available, under the conditions which are possible and with the group of students to be involved”. The nature of the student learning discussed in this paper shines light directly onto the time constraints, typical conditions, and types of students for which enterprise/entrepreneurship education may be of great value.

**Conference Track**

Enterprise Education

**Presentation**

Full Paper

### 166

### New frontier? The changed face of Welsh schooling integrates enterprise

Andy Penaluna1, Kathryn Penaluna2

1xAndrew Penaluna, xSwansea, United Kingdom. 2UWTSD, Swansea, United Kingdom

**Abstract**

**Topic**

According to Eurydice (2016) Wales has for some time led the march towards integrating enterprise into its education system, and HEBCIS data suggests that whilst they educate one in 20 UK University students, Wales takes the lead as it produces more than one in 10 graduate start-ups. University-led entrepreneurial teacher training for school teachers commenced in 2010 (Penaluna et. al, 2015), and has culminated in a semi taught Ed Doc that has received acclaim across Europe (EU-Joint Research Centre, 2018).

Donaldson’s ‘Successful Futures’ education policy proposal (Donaldson, 2015) was accepted in its entirety by Welsh Ministers in 2015, and has culminated in a new approach to schooling at all levels. Supported by the Furlong (2014) into teacher training provision, plus direct experience of teaching educators to be more entrepreneurial through central funding in 2009-10 (Penaluna et. al., 2015), all Welsh Schools will now have the goal of creating pupils who are “Enterprising Creative Contributors” (Education Wales, 2019). In April 2019, the draft provision was published by Welsh Government, with an intended start date of 2022.

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

 England Scotland and Wales have devolved responsibility for their education systems, and this has led to different political influences and characteristics. England, yet to develop a policy for entrepreneurial forms of education (Eurydice, 2016), is arguably falling behind other countries in the UK, and is one of only 9 countries surveyed in Europe that has not considered this a policy agenda. Whilst England has pockets of excellence (All Party Parliamentary Group Microbusiness, 2014), the lack of policy drivers may be stunting growth, whilst just across its borders policies are in place, strategies have been developed and new curricular approaches are about to commence.

**Aim**

To provide an insider view into the historical development, influences and decision making that led to the adoption of enterprise - as one of four ‘purposes’ of the new schooling system in Wales. The paper also aims to offer insights as to what practical measures are being taken to prepare teachers at all levels of schooling.

**Methodology**

The paper presents an ‘insider view’ case study, illustrated through first-hand experience of supporting the educational policy and practice environment (Green, 2014).

**Contribution**

As Wales is only the second country on the wider European stage to introduce a compulsory form of Enterprise in its education system, the paper will provide insights that may help other to press their case in other countries.

**Implication for Policy**

This paper provides insights into a policy driven environment where significant change has taken place, and practical measures are being put in place. It may provide a model that can be evaluated by researchers, and considered in the context of assisting those who wish to encourage policy development in England and other countries. In the case described, policy has moved from a ministry responsible for business and finance, to one responsible for education.

**Implications for Practice**

Welsh schooling may provide a model for others to consider, for example teacher training that spans CPD Certification through to full doctoral level studies (EU Joint Research Centre, 2018).

**Conference Track**

Enterprise Education

**Presentation**

Full Paper

## Entrepreneurship in Minority Groups

#### Entrepreneurship in Minority Groups

#### Time: 14:00 - 15:30

#### Date: 14th November 2019

#### Location: Locomotion 1

### 137

### Developing a conceptual model for Minority Entrepreneurship

David Rae

De Montfort University, Leicester, United Kingdom

**Abstract**

**Developing a conceptual model for Minority Entrepreneurship**

* Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places        The paper aims to demonstrate how entrepreneurial ‘spaces and places’ can be enriched and culturally refreshed by contributions from diverse minority groups through open and inclusive approaches.
* Aim: This paper aims to demonstrate how diverse minority groups develop entrepreneurial capabilities through learning processes and which create value for their own and other communities.  It provides a self-standing conceptual contribution to the field.  
  There are vibrant bodies of research on entrepreneurship in different minority groups. Some of these, such as ethnic minority and gender entrepreneurship, are comparatively long-established over more than 20 years. Others, such as entrepreneurship in LGBT+ communities, people with disabilities, ex-offenders, migrants, different faith groups, and socially disadvantaged and marginalised groups, are more recent. The paper brings these together and suggests how entrepreneurial learning enables minority entrepreneurship.   
  Methodology  
  This paper proposes a conceptual model for minority entrepreneurship, and associated entrepreneurial behaviours, both for conceptual research, and for related fields such as public policy, education, and initiatives to enhance and support minority entrepreneurship. It recognises and draws on several bodies of prior work. It defines ‘Minority Entrepreneurs’ as any group who may be considered as disadvantaged or under-represented in terms of entrepreneurial activity within a given national, social or cultural context. Finally, it recognises that minority entrepreneurship is a contested space, in several dimensions. Yet its increasing significance means that these tensions and conflicts must be recognised and addressed.   
  Contribution  
  The contribution of the paper is to propose a unifying approach to minority entrepreneurship which supports and advances its theoretical, as well as practical, advance as a field of study. Prior work has not addressed in depth the contribution of learning, especially social learning, to developing entrepreneurial identity and capability in minority communities. The proposed model addresses this gap by considering entrepreneurial learning as a dynamic agent for enhancing the capabilities of minority entrepreneurs.  
  The model integrates prior work and adds to it the distinctive contribution of entrepreneurial learning to minorities entrepreneurship, which has previously been absent. Its contribution is as a conceptual ‘capstone’ across prior work which addresses entrepreneurship within specific minority groups. It provides a set of concepts and dimensions which can inform the development of the field, both for research as well as potentially for policy, education and practice.   
  Implications for policy and practice  
  The paper suggests ways in which the proposed model can inform and enhance policies for entrepreneurship and economic development through minority entrepreneurship, primarily at regional, city and local levels. It demonstrates how entrepreneurial ‘spaces and places’ can be enriched and culturally refreshed by contributions from diverse minority groups through open and inclusive approaches. It will also recommend ways in which advisers, practitioners and educators can develop projects, studies, teaching, interventions and new venture proposals which can draw on the proposed model and its dimensions.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Full Paper

### 146

### It Took A Riot….UK Policymaking for Ethnic Minority Entrepreneurship

Richard Roberts, Monder Ram, Trevor Jones

Aston Business School, Birmingham, United Kingdom

**Abstract**

**Aim**: this paper reviews the development of UK policy-making for ethnic minority businesses from the 1970s until the early 2000s

**Applicability to the conference theme- SPACE –exploring new frontiers:** the paper outlines and tests a new approach to the study of small business policy development using ethnic minorities as a case study; this, in turn, widens the boundary of our current understanding of how enterprise policy evolves over time.

**Methodology:** The methodology used is a mixture of a significantly upgraded technique to generate observations as the input to a quantifiable time line of political events; the raw data is drawn from the online version of Hansard. This is combined with qualitative analysis from contemporary sources, notable government records in The National Archives.

**Contribution**: The contribution of this paper is threefold. First, we add to the literature on policy development in entrepreneurship, especially in minority groups. Second, our approach allows us to consider whether policy on EMBs has kept abreast of the fast developing literature on ethnic minority entrepreneurship, notably in relation to the influential perspective of mixed embeddedness. Finally, we highlight the potential that exists to utilise our methodological approach in other policy domains (for example, gender or young people).

**Implications for Policy:** The current shortcomings in policy for ethnic minority business support are clearly linked in our research to mistakes made and motivations existing at the time when central government first started working in this area in the early 1980s.  We also identify changes that could be made to address this situation.

**Implications for Practice:** The new approach of mapping and confirming turning points in public policy, creating the opportunity to cross reference these developments with contemporary sources and records, has significant potential to be adopted across a many research areas linked to the political economy.  In the case of enterprise policy, for example, it could be replicated in a number of parallel topics such as policy linked to gender, high tech/growth firms, export support or specific industry sectors.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Working Paper

### 168

### Gendering of symbolic capital and lived experiences of Eastern European migrant entrepreneurs in the UK

Natalia Vershinina1, Peter Rodgers2

1Audencia Business School, Nantes, France. 2University of Leicester, Leicester, United Kingdom

**Abstract**

**Aim:**

Over the past decade, despite the large growth in ‘new’ migrants in the UK (Jones et al. 2014), such groups have rarely figured in contemporary debates on entrepreneurship, other than in a few notable studies (Barrett & Vershinina, 2016; Ram et al, 2008). This article contributes to academic debates exploring the lived experiences of migrant entrepreneurs (Koning and Verver 2013), seeking to move beyond the tendency to essentialize ethnicity in a way that both Carter et al (2015) finds to obscure shared challenges and barriers. Instead, using Bourdieu’s ‘forms of capital’ approach (Bourdieu, 1986), this article explores how Eastern European migrant business owners in the UK have leveraged capital often in divergent ways, in order to set up and sustain businesses.

Social capital (McKeever et al. 2014) is often seen as a resource, enabling migrant entrepreneurs to access co-ethnic social networks in order to gain finance (Vershinina et al. 2011). However, Sepulveda et al. (2011) argue that the importance attributed to social capital as a means to facilitate migrant entrepreneurial business operations is over-stated. Related to this point, Ram et al. (2008) found that the social capital, which Somali migrants in Leicester utilised was a two-way resource, on the one hand providing critical forms of economic capital to assist business start-ups in the UK, while simultaneously forcing migrants to send remittances back ‘home’. This recognition of the importance of the ‘home country’ has led to growing academic focus on how migrant entrepreneurs take advantage of such access to knowledge, capital and technology (Kariv et al. 2009).

This article focuses on the under-explored form of symbolic capital understood as the prestige, status and positive reputation individuals possess in the eyes of others (Terjesen and Elam, 2009). We focus on how symbolic capital accrued both in the host and home countries sustains entrepreneurial journeys. Moreover we shed light on the gendered nature to how male and female Eastern European migrants, as a result of a variety of social and cultural norms in their home culture, negotiate the gaining of symbolic capital to aid their entrepreneurial activities in a variety of ways. To address this gap in the extant literature, we address two core research questions: What are the mechanisms that enable symbolic capital to act as a facilitator of entrepreneurial activities for Eastern European migrants in the UK? To what extent does gender play a role in how Eastern European migrants accrue and utilise forms of symbolic capital in order to develop their entrepreneurial activities?

**Methodology:**

As Mallett and Wapshott (2015) identify, despite the current policy focus upon harnessing entrepreneurship as a primary means of fostering economic development and growth, there is a lack of in-depth empirical work on the everydayness of entrepreneuring. This is even more the case in relation to migrant entrepreneurs. Responding to this, the article examines the everyday practices of Eastern European entrepreneurs operating in three UK cities. Between 2011 and 2014, forty-seven in-depth qualitative interviews were undertaken with Latvian, Russian, Ukrainian and Lithuanian entrepreneurs aged between 25 and 55 years old, including twenty-five men and twenty-two women. Our sample was developed using a variety of means, including contact with migrant groups, community organisations, and personal contacts across Eastern Europe and in the UK.

**Contributions:**

This article makes the following contributions to the literature. Firstly, we highlight the shift amongst Eastern European migrant entrepreneurs towards reliance on co-migrant rather than co-ethnic networks and the temporal nature of co-ethnic social capital in business development. Our findings demonstrate how forms of social and cultural capital based around language use (Russian language) and legacies of a shared Soviet past, are just as important as the role of ‘co-ethnics’ in facilitating small business development. Rather than assuming that migrants have ready-made social networks within the host country embedded within co-ethnic communities to utilise to develop their entrepreneurial activities, our findings highlight how ‘new’ migrants from Eastern Europe have shied away from nurturing links with pre-existing co-ethnic communities in the UK. In contrast, these individuals are engaged in developing broader co-migrant communities within UK cities, thus highlighting the importance of differences across generations in the experience of migrant entrepreneurship.

Secondly, this article highlights the significance of the under-researched notion of symbolic capital being leveraged across transnational entrepreneurial environments. Previous literature essentialises social capital as the primary engine for the creation of economic capital of migrant entrepreneurs. We see the significance of symbolic capital in fuelling entrepreneurial activities, outlining a more nuanced understanding of the role that symbolic capital plays in migrant entrepreneurial journeys and its multifaceted, often gendered nature. Rather than entrepreneurs maintaining links with the home country as a ‘backup option’ if their businesses in the new, host country fails to develop (Brzozowski et al., 2014), we find that existing networks in the home country play a significant role in facilitating new business development in the UK.

Our empirical findings reveal a highly gendered nature of how Eastern European migrants utilise symbolic capital to harness their entrepreneurial activities in the UK. For women, developing a successful business in the UK acts as a form of ‘symbolic capital’ asset at home, which bestows onto them ‘legitimacy’, enables them to move away from their ‘traditional’ gendered roles towards looking after the children and the family back home. Our findings challenge the embedded social and cultural norms in their home culture vis-a-vis the role of women in society. In contrast to the role of the ‘carer’ for women, men perform traditional gendered roles as the ‘breadwinner’ in order to leverage ‘symbolic capital’. We demonstrate that men utilise forms of symbolic capital, based around concepts such as ‘status’ and ‘prestige’ of being a ‘successful businessman in the UK’ in order to legitimate economic capital being transferred and invested into the development of their business operations in the UK.

Finally, this paper also contributes to work on the everyday lived experiences of individuals within the UK’s ‘ethnic economy’ (Batnitsky & McDowell, 2013). Rather than Eastern European migrant entrepreneurs being excluded from formal labour markets on the basis of ethnicity and being concentrated in enclaves defined by their ethnicity, our findings highlight how new migrant businesses act as important mechanisms in maintaining positive community and social relations, driving forward local economic development in often ethnically mixed, low income urban areas and are beginning to reshape the urban communities in which they live.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Full Paper

### 212

### Entrepreneurial Strategy and Social Mobility: Analysis of Two Forms of Self-employment in the Migrant Economy

Tayo Korede

Newcastle University Business School, Newcastle upon Tyne, United Kingdom

**Abstract**

**Topic:**

**Entrepreneurial Strategy and Social Mobility: Analysis of Two Forms of Self-employment in the Migrant Economy**

This paper presents two models of self-employment among Nigerian migrants practicing self-employment in the UK. It analysed twelve self-employed independent professionals (contractors) and sixteen self-employed small business owners. One of the reasons migrants venture into entrepreneurship is in pursuit of upward social mobility. However, little is known of how the difference in the self-employment route produces different social mobility trajectory for migrants. This study compares and contrasts their entrepreneurial strategy and their socio-economic mobility based on their financial mobility and occupational mobility. Research findings show that self-employed contracting offers a quicker pathway towards upward social mobility than self-employed business ownership. However, there is the possibility that business ownership may provide a future-oriented or long term pathway to upward social mobility because of the uncertainty and temporality associated with contracting. Research evidence also suggests that contracting offers a better strategic option for migrant entrepreneurs for doing business in the mainstream economy. Rather than starting in the migrant economy and considering breakout strategy to the mainstream economy; contracting facilitates the establishment of migrant businesses in the mainstream economy. While the professional self-employed migrants are pursuing a diversification strategy, the self-employed small business owners are pursuing a breakout strategy. This study contributes to the debate on migrant social mobility and entrepreneurship.

**Keywords:** Self-employment, entrepreneurial strategy, diversification strategy, breakout strategy, Nigerian migrant entrepreneurs, social mobility.

**Applicability to the conference theme**:

This research is applicable to the conference theme as it demonstrates how the entrepreneurial space and context can significantly affect entrepreneurial outcomes and consequent upward social mobility. The scholarship of migrant entrepreneurship has differentiated between the ethnic economy and the established mainstream economy. This research establishes the ethnic economy and the mainstream economy as two separate entrepreneurial space for different entrepreneurial and socioeconomic outcomes.

**Aim**:

The aim of this research is to analyze two distinct forms of self-employment observed during the data collection of my PhD research among migrant entrepreneurs. It focuses on the entrepreneurial strategy and the social mobility outcomes of different forms of self-employment. My analysis focuses on the research question: do different forms of self-employment creates specific social mobility outcomes for migrants?

**Methodology:**

This research uses in-depth interviews, observations and repeat interviews to collect data from research participants. Research participants were first generation Nigerian self-employed migrants in the UK. Preliminary research into the migrant economy and entrepreneurship among African migrants in the UK has shown distinct pathways to upward social mobility especially among Nigerian migrants who practice two forms of self-employment (i) migrants in professional contracting and (ii) those who are into small business ownership. The difference between the socio-economic trajectories of these two groups became apparent during the initial analysis of my PhD data. Since then, more data has been collected and repeat interviews done to explore this concept more closely. The self-employed independent professionals (contractors) are engaged in businesses such as business analysts, project managers, investment analysts, construction engineers, cyber and information security analysts, financial crime analysts, HR consultants, etc. On the other hand, the self-employed small business entrepreneurs (solo entrepreneurs) are engaged in such businesses as barbing salons, facility management, catering and restaurants, food manufacturers and suppliers, childminding, social enterprise, etc. Data were collected across major cities in the UK as I intend to explore specific realities associated with these two groups of migrant entrepreneurs across the UK. Data analysis was done using content analysis.

**Contribution:**

This study contributes to the debate on migrant social mobility and migrant entrepreneurship. It shows how entrepreneurial strategy influences the social mobility outcome of migrants in entrepreneurship. The difference in the observed social mobility outcome shows the temporality and relatedness of social mobility. It draws attention to the importance of both market positioning and social positioning as determinants of social mobility. It identifies how the agency of human capital facilitates the establishment of migrant businesses in the mainstream economy and how entrepreneurial strategy can enhance a breakout strategy. Lastly, it contributes to the debate on entrepreneurial legitimacy as it is easier for professional migrant entrepreneurs to gain trust and acceptance from the market in comparison to migrant small business owners in the ethnic economy.

**Implications for policy:**

This research gives insight into how policymakers may rethink social mobility among migrants in self-employment. It provides recommendations for scaling, and how migrant can achieve breakout strategies from the ethnic economy. Policymakers may consider professional contracting as a strategic route for supporting skilled migrants with high human capital to attain upward social mobility. Since evidence from this research suggests that contracting increases the chance of migrant social integration, policies and strategies can be developed that support contemporary migrants with high levels of human capital to become independent self-employed professionals.

**Implications for practice:**

It encourages researchers to look beyond the traditional forms of entrepreneurship in the ethnic economy and explore professional forms of migrant entrepreneurship to identify strategic and useful ways of scaling migrant enterprises and achieving breakout strategy.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Full Paper

## Entrepreneurial Governance

#### Entrepreneurial Governance

#### Time: 14:00 - 15:30

#### Date: 14th November 2019

#### Location: Victory

### 126

### Entrepreneurial Governance

JOYCE LIDDLE

northumbria, newcastle, United Kingdom

**Abstract**

**ABSTRACT**

Over ten years ago, Hudson (2007: 1149-1160) reflected on the resurgence of interest in the region and argued that territory occupied a central place in social scientific discourse. Porter (2003) had recognised the significance of territory and space to economic development and social well-being. Additionally, an evolving body of research on ‘place branding’ (Kavaratzis, 2018); public leadership and entrepreneurship (Liddle, 2010, t’ Hart, 2014, Liddle, 2016) and multi-disciplinary place leadership (Sotaurata, Horlings and Liddle, 2012) has added to the debate. Leadership is regarded as critical to growth of places (Beer & Clower, 2014, and Sotarauta, Beer and Gibney (2017: 188) and the re-insertion of agency has enabled deeper examination of what people actually do to influence other people, formally and informally, in particular settings.

In this paper the authors provide an overview of how ‘novel’ institutions, strategies and actions are being introduced to shape places, in response to ambiguous, turbulent and diverse global, national, regional, and local environmental forces. Places are products of complex condensations of varied and dense social relationships, combining contingently in speciﬁc time/space couplings to produce unique fuzzy and permeable boundaries and uneven development (Hudson, 2007). At this point in time, in England, Mayoral and non-mayoral Combined Authorities (CAs) have been created as strategic bodies for dealing with cross-cutting issues such as transport and economic regeneration, housing and skills, but their introduction has added to an already complex local government system. LEPS are being absorbed into the Combined Authorities as with Cambridge and Manchester (Shutt and Liddle 2019). Newly elected Mayors are expected to provide city regions with a greater voice on national and international stages and to improve accountability. However, Mayors and public officials need to work alongside other public leaders in collaboration if they are to have any real chance of transforming places, delivering on promises and achieving outcomes. There have been numerous earlier attempts at driving economic growth and sustainable social justice and equality, but these Mayoral and non-Mayoral Combined Authorities will need to demonstrate accountability, responsiveness and transparency, as well as showing demonstrable outcomes and impacts for **all**local areas, not just those areas within urban conurbations. In Greater Manchester, an area with a history of joint working, devolved powers have been grafted on to existing joint working arrangements, but not all local authority areas have the capacities and resources to drive sustainable change on the Greater Manchester model (which is regarded as the ‘ideal’ CA).

We examine the changing governance arrangements and LEP and Combined Authority Business support arrangements across England to add to the debate on entrepreneurial governance, and draw lessons for understanding entrepreneurial governance in other international jurisdictions. The changing context of Combined Authorities (CAs) allows us to examine the ways in which multi-sectoral leaders work collaboratively and entrepreneurially to identify and implement a range of different strategies for transforming places. We also discuss some of the barriers preventing an achievement of early promises made to central government. We believe that an examination of CAs in an English context, has much wider appeal for other global settings; places in which leaders work entrepreneurially alongside other actors to achieve common aims.

We raise issues which need considering for the future of Business Support arrangements post BREXIT and post the demise of European  funding.

**Conference Track**

Entrepreneurial Governance

**Presentation**

PowerPoint Presentation

### 42

### The role of public sector actors in shaping entrepreneurial governance: collaborative heroism or thuggery?

Kate Broadhurst

Loughborough University, Loughborough, United Kingdom

**Abstract**

**Applicability**

The abolition of Regional Development Agencies (RDAs) in 2010 in favour of 38 voluntary Local Enterprise Partnerships (LEPs) alongside the construction of a growing number of Combined Authorities has created a complex place-based economic landscape in England (Pike et al., 2016; Broadhurst, 2018). A host of drivers underpin the moves towards increased decentralisation including modern globalisation, a need for spatial rebalancing of the economy, promoting public sector reform and addressing societal challenges.

Across the changing landscape of institutional architecture designed to promote economic growth, the LEPs, in collaboration with the Combined Authorities where they exist, have been set the challenge of producing and delivering on Local Industrial Strategies that will drive sustainable economic growth (Her Majesty’s Government, 2017). This is against the ongoing backdrop off nearly a decade of austerity that has adversely affected all aspect of public services.

Mackintosh’s (1992)budget enlargement model of partnership working argues that by working collaboratively partners can access additional resources. Hastings (1996)similarly notes the added value accrued from resource synergy through the co-ordination of partners resources. If these place-based partnerships are to succeed with their Local Industrial Strategies that they will need to unlock the synergistic benefits of collaborative governance between the public, private and third sector and yet to date there has been limited evidence of innovative and entrepreneurial solutions to the complex problems associated with economic development.

**Aim**

This paper draws on the PhD research data compiled by the author between 2016 and 2018 and aims to review the role and contribution of public sector actors within these place-based partnerships. It explores whether or not they display the (entrepreneurial) qualities to motivate their fellow city and regional actors to unlock the synergistic benefits of collaborative governance and develop these innovative and entrepreneurial solutions and deliver transformational Local Industrial Strategies.

**Methodology**

The research adopted a Soft System Methodology (SSM) to systematically guide the data collection. SSM is widely used as a learning and development tool to intervene in complex problems (Checkland and Poulter, 2010). Unlike Hard Systems Methodologies that assume problems are clearly defined with agreed goals, SSM deals with problems that are ‘fuzzy’ in nature with less clear objectives. The methodology accommodates different perceptions of a situation and so works well in the study of partnerships.

The empirical research was undertaken with the 10 LEPs based within the Midlands including LEPs that sit within a Combined Authority area. The data was collected via a series of semi-structured interviews with LEP Chief Executives, Chairs, and Boards Members from the public, private and education sectors. Interviews were supplemented with none-participant observations of Board meetings. Data was thematically analysed.

**Findings**

The lack of core funding provided by central government for LEPs has resulted in a reliance on diminishing public sector resources (human and financial) to do the ‘heavy lifting’ and there was little evidence in the study of other partners contributing to the LEP financially which hampered their ability to unlock the synergist resource benefits of collaboration. The lack of shared resources also resulted in an over reliance on local authority staff to manage and drive the business of the partnership. Carley et al. (2000) argued that effective collaborative governance required partners to have strong personal skills to engage in complex interpersonal and organisational interactions. In areas where the local authority staff seconded to the LEP have the skills, autonomy and power to develop and deliver complex growth programmes the wider partnership recognised the benefits these staff brought to driving the partnership forward. Several interviewees observed that staff turnover in the area of economic development was low which enabled localities to retain an established body of local experience and knowledge that was adaptable to changes in leadership and policy. Many of those interviewed had worked in a variety of economic development positions across the same area for some considerable time as economic development officers, regeneration and growth co-ordinators. As such the knowledge and experience built over time had been retained in the local staff. This included both explicit knowledge but also the less conscious ‘know-how’ embodied within these key human resources that was valued by interviewees.

This finding supports a body of research that highlights the value of tacit knowledge as a key determinant of  the geography of innovation (Polanyi, 1966; Nelson and Winter, 1982; Gertler, 2003). This implies that the skills and overt but also tacit knowledge held by the local authority staff seconded to the LEP is of considered value. Echoing the work of Polanyi (1966, 1997)in his seminal work the Tacit Dimension, these staff know more than they can tell and provide valuable human capital. With that comes an established level of trust which enables the LEP to absorb and respond to central government changes and requirements more easily; supporting the literature on institutional thickness whereby LEP areas founded on existing collaboration have embedded networks of interpersonal relations with established legitimacy and trust (Amin, 1999).

Recalling the literature on successful ecosystems and ‘sticky places’ (Markusen 1996; Feldmanet al.2005) these key public sector staff are knowledge-enablers that function as a glue between partners encouraging them to collaborate beyond their institutional boundaries which enables partners to reconfigure more easily when new spatial constructs are required by government. This is evidenced by the speedier set up and approval of LEPs that had these staff in key posts and also by their subsequent ability to collaborate with the Combined Authority.

Conversely in other areas the reliance on local authority staffing appeared to be less productive and in some cases local authorities were suspicious of the need to work collaboratively from the outset and had resisted providing any support for the newly forming LEPs which inhibited early progress. Comments from interviewees implied that the reliance on public sector resources in these scenarios resulted in the LEP adopting a local authority culture that was often less ambitious, less entrepreneurial and more risk averse. This in turn meant that the LEP was less transformational in its approach which went against the original ethos of the LEPs that were intended to be business led and dynamic in approach. Interestingly, in areas with a weaker history of collaboration, devolution plans failed to progress so smoothly (for example the North Midlands and the Greater Lincolnshire Combined Authority proposals collapsed). The retained tacit knowledge and trust between partners within the lower spatial context of the LEP appears to provide a solid foundation for devolution talks to progress and offers one explanation for the disparity in devolution deals to a Combined Authority.

**Contribution**

The paper adds to the growing body of research on entrepreneurial governance at the local and regional level and provides new insight into the role played by key public sector actors within place-based partnerships. From Polanyi’s (1966) first exploration of tacit knowledge, there has been debate and disagreement regarding its nature. Nelson and Winter (1982) argued that the customs and routines that governed economic development contained a strong tacit component and subsequent theoretical developments around Learning Economies and Learning Regions (Storper, 1995,1997; Maskell, 1999)claim tacit knowledge is geographically dependent whilst the Communities of Practice theory (Amin and Cohendet, 2000)regard it as organisationally dependent. The finding from this research suggest a geographic dependence and concurs with Von Krogh et al.(2011)that these individuals play a key role of knowledge-enabler or knowledge-activists acting as agents for the diffusion of tacit knowledge. **Implications for policy and practice**: The Industrial Strategy (HM Government, 2017) confirms Government’s commitment to LEPs, but the subsequent ministerial review (MHCLG, 2018) called for increased scrutiny of their performance with the threat of funding withdrawal if they are deemed to be under-performing although there remains little clarity as to how performance and effectiveness might be gauged. This paper reveals the power held by the key public sector actors who hold considerable influence over the effectiveness of the partnerships for joint working on economic development.

At a policy and practitioner level, if LEPs are to succeed as place-based partnerships and fill the missing space between central and local government, they need a greater level and consistency of guidance to support long-term strategic planning, development and governance by central and local actors (Pike et al., 2016). This paper suggests that at their best these local actors are the collaborative heroes forging new and innovative approaches to local delivery; at worst they are guilty of collaborative thuggery (Vangen and Huxham, 2003)and can manipulate and mould the partnership to their will.

More broadly the paper contributes to the wealth of academic and policy literature on the geography of economic development. The literature on effective ecosystems and systems of innovation demonstrates a dependency on the involvement and interaction between a number of key institutions including industry, public sector authorities and local universities (Morgan, 1997; Nelson and Sampat, 2001; Rodríguez-Pose, 2013; Audretsch and Belitski, 2016; Hincks, Deas and Haughton, 2017). Alvedalen and Boschma (2017)note a gap in understanding how these different types and scales of institutions might impact on the structure and performance of the ecosystems. This research reveals the significant impact these local government actors have on the LEPs in their role as drivers of the ecosystem.

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**Conference Track**

Entrepreneurial Governance

**Presentation**

Working Paper

## Family and Community Business

#### Family and Community Business

#### Time: 14:00 - 14:30

#### Date: 14th November 2019

#### Location: Planet

### 31

### When being different matters: A study of specialty coffee family farms in three Central American countries.

Allan Discua Cruz1, Leonardo Centeno2, Marco Vega3

1Lancaster University Management School, Lancaster, United Kingdom. 2CEPRODEF, San Jose, Costa Rica. 3PRENDHO, Guayaquil, Ecuador

**Abstract**

Coffee embodies different aspects of a place – its history, the weather, cultural identity, the farmers, a region and its expertise in coffee production – which shapes the way coffee is produced and differentiated. There is a growing interest in understanding the strategic behavior of family firms in contexts where decisions about what products to sell, where to commercialise them and how to promote them appears to be highly based on business aspects. The aim of this paper is to explore product differentiation strategies in family firms in the coffee industry.The study relies on in-depth interviews, case studies, and an interpretative approach to unpick the dynamics of product differentiation by families in business dedicated to produce specialty coffee in Central America: Guatemala, Honduras, and Nicaragua. The findings show that product differentiation in specialty coffee family farms is influenced by both business and family aspects and driven by entrepreneurial stewards. Coffee farming families can engage in product differentiation through a shared vision, a combination of traditional and specialized knowledge, and through the continuous development of an exchange network. The study contributes to the literature on stewardship and strategic behavior in family firms when families in business engage in differentiating their products in a highly competitive industry. More specifically, this study focuses on companies across countries where coffee is of crucial socioeconomic importance and that are owned and managed by families and provides avenues for future research.

**Conference Track**

Family and Community Business

**Presentation**

Full Paper

### 163

### ****THE ROLE OF FAMILY IN EFFECTUATION PROCESSES: EVIDENCE FROM NIGERIAN AGRICULTURAL ENTREPRENEURS****

Tigan Daspan, James Cunningham, Abhishek Agarwal, Simon Fraser

Robert Gordon University, Aberdeen, United Kingdom

**Abstract**

**Topic and applicability to conference theme**

The study of entrepreneurship has increased exponentially in the last three decades (Kuratko, Morris and Schindehutte, 2015) with an increasing gravitation towards more contextualised approaches (Welter, 2011; Jack and Anderson, 2002; Anderson and Ronteau, 2017; Fitz-Koch et al, 2018). In sub-Saharan Africa, the context in which entrepreneurship occurs is especially impacted by the quality of supportive institutional infrastructure crucial for effective entrepreneurship. The limited availability of affordable finance, electricity, transportation networks, telecommunication, and the quality of political governments directly influences the profoundness and quality of the African entrepreneurial ecosystem, particularly in relations to the rural agriculture sectors (Atiase et al., 2018; Andersson and Andersson, 2016). The resource restrained context in which the entrepreneur operates in impacts on the decision making logic that the entrepreneur employs in the pursuit of a sustainable and developed enterprise. Family and culture play a significant role in determining business practices,  providing the resources required to start the business, but also crucial for the sustenance of the family and the socioeconomic development of the business area (Berrone et al., 2012; Sirmon & Hitt, 2003). This is particularly relevant in an African rural context where the obligation of family and involvement in entrepreneurial activities are closely entangled (Xiong, Ukanwa, and Anderson, 2018; Ukanwa, Xiong, and Anderson, 2018; Nwosu et al., 2018). We argue that a fresh understanding of entrepreneurship needs to be developed, away from an assumption of entrepreneurs as choice, and more towards context driven forms of entrepreneurship, informed by the critical contingencies of space, place and relationships.

**Aim**

In such a context, traditional approaches to opportunity seeking behaviour do little to explain the entrepreneurial process (Shane & Venkataraman, 2000). Instead, we look to more organic and developmental process of effectuation to explain how enterprises come to be despite a critical lack of resource (Sarasvathy, 2001). However, while such theories do much to explain the   entrepreneurial event in Western settings, where decision making logics are presented as a choice, in an often abundant environment (Lingelbach et al., 2015), we suggest that effectuation logics dominate when resources are scarce and future environments are unclear. By using effectuation theory as an explanatory mechanism, we are able to fully investigate the role context plays in determining how the enterprise develops through the configuration of means and contingencies (Read & Sarasvathy, 2005). One such contingency we focus on is the influence of family, which in the context of sub-Saharan Africa it found to be integrated in much of what an entrepreneurial business entity is and does (Khavul et al., 2009). In this paper, we look to develop our understanding of this process further, by investigating how the influence of family impacts on decision making logics when resources are constrained and the environment is uncertain. Essentially we ask the question: how do family interventions shape the decision-making logic of agricultural entrepreneurs in a resource constrained environment?

**Methodology**

We used in-depth interviews with 15 Nigerian agricultural entrepreneurs in order to address the research question. A research strategy proposed by Becker et al. (2017) was applied, where an inductive approach that combines ‘priori assumptions’ based on previous empirical research is used to develop themes from the research data. The preliminary analysis framework stemmed from the analytical concepts intrinsic in the literature with modifications emerging from the data (Karmowska, Child and James, 2017). Our objective was to determine how agricultural enterprises emerge and evolve given the significant resource constrained environment in Nigeria. Therefore, we coded the qualitative data in respect to the entrepreneurs’ decision-making orientations and the involvement of family throughout the new venture creation process (Servantie & Rispal, 2017, Engel et al., 2017, Jones & Li, 2017). The process required revisiting empirical groupings and the literature to clarify our inducted constructs by searching for unknown insights that were not previously explored (Karmowska, Child & James, 2017; Engel et al., 2017). Next, we used the inducted constructs to analyse the data using three-level analysis (Engel et al, 2017; Matthews, Chalmers and Fraser, 2018): first order data, second order theme and finally to aggregate the themes. We use comparative tables in a cross case analysis (Engel et al., 2017) and diagrammatic data structures to summarise and present our findings.

Subsequently, our study shows entrepreneurial behaviour can be impacted by the entrepreneurial environment, family background or general motivations of an individual or community (Shirokova et al., 2017). Unlike previous studies on how entrepreneurs use pre-commitments and strategic alliances to generate resources from external sources to support their new ventures (Eyana, Masurel & Paas, 2018; Sarasvathy 2001), we look to the leveraging of resource contingencies and affordable loss as the dominant decision-making logic used by agricultural entrepreneurs in a resource lean environment context. This study therefore expands on the antecedents of entrepreneurial decision making logic and responds to the call for more empirical data in a real-life setting to supplement our understanding of the entrepreneurial process in research (Gupta, Chiles & McMullen, 2016), particularly in the context of an emerging sub-Saharan African economy (Lingelbach et al., 2015; Eyana, Masurel & Paas, 2017).

**Contribution**

We find that, in the context of resource constraint, entrepreneurs rely on effectuation logic to plan and develop their enterprise. While at times this is in combination with causal thought processes of opportunity recognition and exploitation, the dominant logic is one of means application, contingency leveraging and calculating affordable loss. This supports much of the literature of effectuation (Sarasvathy 2001, 2009, Fisher 2012; Perry, Chandler, and Markova 2012). However, we have further our understanding of this by viewing the decision-making logics in a tight , and specific context, thus demonstrating that enterprise approaches may not be one of choice, but more directly determined by the characteristics of the surroundings. By focusing more specifically on the role of family involvement…

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**Conference Track**

Family and Community Business

**Presentation**

Working Paper

## Gender and Enterprise

#### Gender and Enterprise

#### Time: 14:00 - 15:30

#### Date: 14th November 2019

#### Location: Northumbrian

### 95

### Lived experiences of female social-housing residents: Stories examining entrepreneurship support needs

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**Abstract**

**Lived experiences of female social-housing residents: Stories examining entrepreneurship support needs**

Conference theme:

This relates to the conference theme through the exploration of entrepreneurship in a deprived neighbourhood, where such opportunities are not accessible by socially disadvantaged groups, such as female social-housing residents. This paper explores how entrepreneurship can be provided to this demographic as an alternative to employment particularly in an environment that is impacted by funding cuts to several organisations and communities, and the local council having scarce resources to support entrepreneurship amongst this demographic.

Abstract

Aim: This paper presents the lived experiences of a, arguably socially disadvantaged, group of women, to recognise their existing levels of education, training and experience. It examines how they can be supported in this area as part of entrepreneurship support provision. This work presents stories of female social-housing residents residing in one of Birmingham’s most deprived neighbourhoods: Balsall Heath (BCC, 2015; Russell, 2018). These findings are one part of a larger study examining entrepreneurship support needs and barriers of social-housing residents.

Context: This work stemmed a Birmingham-based housing association who recognised the potential for entrepreneurship as a means of economic empowerment for their female housing residents (Rafiq, 2014). In addition a need to examine female entrepreneurs in the context of entrepreneurship education and training programmes had been identified (Bullough et al., 2015) as most entrepreneurship education studies focus on academic and higher education environments (Rae, 2003, 2005; Galloway et al., 2015; Scott et al., 2016). Therefore, this work co-creates knowledge with a critical lead partner in which it was envisioned that an entrepreneurship support programme inclusive of training and education could be developed for this female demographic.

Method: Five data sets informed the results of this work; a local Housing Association (a critical lead partner) through participant observation and semi-structured interviews, female social-housing residents’ stories, a freelance Virtual Assistant housing association resident, stakeholders in the form of five local community organisations and researcher observations and insider perspective. Stories were collected from these data sets, as people are naturally narrative thinkers by which they arrange their lived experiences through stories (Graham et al., 2015). Grounded theory analysis drew out the core themes prevalent within the data to derive theory using Rae’s practice-based theory (2004). In particular, constructionist grounded theory was used as it enables the researcher to acknowledge preconceived conceptions during research (Charmaz, 2008). This interpretive philosophy was able to achieve the exploration of lived experiences and social-housing residents’ interpretations of their social realities and structures (Saunders et al., 2016).

Findings: An emergent model termed as ‘Lived Experiences’ is presented which categorises three variables; tangible experiences, capabilities & supporting factors. This conceptual framework seeks to define education and experience-based opportunities that are required for socially disadvantaged groups such as female social-housing residents, whilst recognising other sources of entrepreneurship support.

Contribution: There appears to be few entrepreneurship studies examining housing residents. This work contributes to knowledge on housing association residents and their entrepreneurial potential within the context of local-level entrepreneurship education targeting adults outside of academic environments (Rae, 2005; Alberti et al., 2004). This paper contributes on a micro level to entrepreneurship and meso level, through entrepreneurship support providers and trainers and housing associations looking to diversify their residents’ capabilities through entrepreneurship.

Keywords: lived experience, entrepreneurship support, female ethnic minority entrepreneurship, socially disadvantaged groups.

Implications for policy:

This work will support policymakers in constructing entrepreneurship support programmes and influencing the design of education and employment skills programmes (Belt and Richardson, 2005) in promoting entrepreneurial activity. Arguably, existing policies do not adequately support ethnic minorities nor women (Fadahunsi et al., 2000; Hytti and O'Gorman, 2004; Marlow, 2006; Thompson et al., 2009; Pardo-del-Val, 2010) and this work provides policymakers extracts of female social-housing residents’ lived experiences.

Implications for practice:

This work will provide housing associations, like the Critical Lead Partner, with context of female social0housing residents’ lifestyles, economic circumstances and local environment. They can identify existing enterprise support providers in either outsourcing services or sharing resources and build partnerships and collaborations. Community organisations can act as a tool for wider support services through pooling resources in jointly meeting the aims of fostering local entrepreneurial activity, particularly with budget cuts to housing associations and community organisations. The mapping of local support, could provide access to wider support services, used for signposting female residents to or outsource services, education or training.

**Conference Track**

Gender and Enterprise

**Presentation**

Full Paper

### 72

### Resilient identities: Refugee women defining their entrepreneurial selves

Ketch Adeeko

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**Abstract**

**Topic**

The global refugee crisis has prompted mass displacement and significant global socio-economic implications as migrants journey within and beyond local borders. While the effect of this phenomenon is most evident in neighbouring countries within the global south, a proportion of forcibly displaced migrants make transnational journeys to the global north (UNHCR, 2018). In addition to the institutional and legal frameworks that must be navigated in the host country, forcibly displaced migrants also encounter liminal spaces in order to renegotiate their identities and assume new roles. This is an ineluctable endeavour as previous personal and professional identities tend to be disregarded by host countries in favour of the more dominant labels of asylum seeker or refugee (Burnett, 2013).

The refugee experience is generally understood to be one of marginalisation and poverty. Women refugees are potentially subject to further subordination, vulnerability and disadvantage based on their gender (Refugee Council, 2012; The Women and Displacement Working Group, 2018). For example, they are more likely to have been subject to gender-based violence and experience patriarchal structures. Furthermore, the experience of displacement can result in the fragmentation of families, leaving some refugee women with sole responsibility for income generation within the family.  Popular discourse suggests that self-employment is a means to integration and empowerment for marginalised people; an option pursued by many refugees to avoid difficulties such as negotiating rights in employment, language barriers and lack of recognised credentials (Fong et al., 2007; Wauters and Lambrecht, 2008). However, we know very little about how refugee women engage with entrepreneurship in the UK; nor how this influences and is influenced by, identity construction and the nature of the resilience required to pursue entrepreneurial activities.

Resilience refers to the psychological ability of an individual to rebound from adversity, uncertainty, conflict, failure or increased responsibility. Given the challenges faced by refugee women, it might be supposed that resilience is integral to the efforts of refugees to emerge from adversity and pursue entrepreneurial activities (Vogus & Sutcliffe, 2007; Youssef & Luthans, 2007). This notion of resilience can be used to better inform the connections between entrepreneurship and identity construction in the case of refugee women entrepreneurs.

**Applicability to the conference theme ‘SPACE – exploring new frontiers and entrepreneurial places’**

Drawing on the work of Shapero (1975, 1982) who notes a connection between displacement (triggers such as migration, loss, trauma) and the decision to become an entrepreneur, Bernard and Barbosa, (2016) suggest that there is an implicit notion of resilience within the experience of displacement. As refugee women transition between physical transnational locations (global south to global north), in addition to the associated psychological liminal spaces encountered leading to their engagement in entrepreneurial activities, there is scope to explore resilience as an aspect of their identity construction.

**Aim**

The aim of this paper is to deepen our understanding of the complexity of identity construction for women refugee entrepreneurs in the UK.  Drawing on notions of gender, refugee entrepreneurship, identity and resilience, it proposes an examination of the relationship between entrepreneurial activity, identity construction and entrepreneurial resilience.

Responding to calls for a more process-oriented view of identity work that captures temporal and contextual influences (Leitch and Harrison, 2016), this paper uses intersectionality and positionality to examine how multiple exclusionary social categories such as gender, race/ethnicity, refugee status and class are managed in the process of (re)constructing an entrepreneurial identity (Essers and Benschop, 2007; Romero, 2008; Villares-Varella, 2018). It considers the complex agentic dialogue negotiated with institutional and social structures within different settings of power dynamics (Villares-Varela and Essers, 2019) and reflects on the role of a parallel resilience process (Bernard and Barbosa, 2016) in developing resilient (entrepreneurial) identities. In using the under-researched focal group of women refugees, this paper seeks to offer a gendered perspective to refugee entrepreneurship and raise the profile of a group that remains largely invisible in the literature.

**Methodology**

This is a conceptual paper that highlights the need for further empirical studies and a deeper contextual understanding of identity work among forcibly displaced women entrepreneurs. It proposes a theoretical framework that combines intersectionality and the related notion of transnational positionality and identity work. Based on preliminary exploratory interviews, a small selection of vignettes is used to demonstrate the potential of empirical work in this area.

**Contribution**

This paper makes three key theoretical contributions to the literature on entrepreneurship:

First, it challenges the presumed homogeneity of women entrepreneurs which is critiqued for its westernised normative assumptions (Marlow and Al- Dajani, 2017). In presenting refugee women as valuable subjects within entrepreneurship research this paper promotes a broader understanding of the experience of women entrepreneurs, particularly in its capture of the experiences of global south women within a global north context.

Second, in its use of an intersectional and positionality framework, it contributes to greater contextualisation within entrepreneurship, acknowledging institutional, temporal, social, cultural and gendered influences that enable and constrain the entrepreneurial process (Martinez-Dy and Marlow, 2017; Pogessi et al. 2016; Welter et al., 2014).

Third, it develops understanding of resilience as a ‘contextual embedded dynamic process’ (Korber and McNaughton, 2017 p.1142), a relevant aspect of the construction process of entrepreneurial identity. Building on previous studies which focus on resilience and entrepreneurial intention (Bullough et al., 2014; Bernard and Barbosa, 2016), and recovery from failure (Corner et al., 2017) it addresses a gap in the literature by exploring (entrepreneurial) resilience as a consequence of the trauma and adversity associated with the refugee experience.

**Implications for policy**

Greater understanding of resilience and identity construction among refugee entrepreneurs has the potential to guide policy makers who are trying to integrate women refugees into the host country and support their involvement in the economy. Through understanding the experiences, behaviours and needs of women refugee entrepreneurs, prevailing assumptions can be challenged and enabling policies can be implemented. This has the potential to lead to a review of services, training programmes and engagement strategies offered to refugee women entrepreneurs.

**Implications for practice**

Increased knowledge of resilient entrepreneurial identities can inform entrepreneurship training programmes providing guidance to refugee women entrepreneurs. In particular, specific training might focus on harnessing and further developing resilience resulting from traumatic events and adverse conditions and transferring it to an entrepreneurial context.

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**Conference Track**

Gender and Enterprise

**Presentation**

Full Paper

### 247

### Investigating the Performance of Women-Owned Home-Based Businesses

Victoria Price, Darja Reuschke

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**Abstract**

**Aim**

This paper explores gendered variations in the business performance of home-based businesses across different residential environments. The study aims to make a contribution to the broader debate on the underperformance of women- owned small businesses, by linking this with the growing home-based business literature and investigating the significance of spatial context. A critical view is taken to the concept of business performance, and several new measures more suitable for micro-scale business activity than are used in existing growth-orientated approaches, are put forward.

**Topic**

Home-based businesses (HBBs) are now estimated to represent over 50% of small enterprises in most mature economies (Mason et al., 2011; Mason & Reuschke, 2015) and despite being some of the smallest businesses in the UK, they make a significant contribution to the national economy (BIS, 2014). Despite this, HBBs remain a relatively understudied sector, and although interest has grown within the small business and management literature, it has been largely absent elsewhere. However, this business type has long been associated with female owners, which has been suggested is an extension of the traditional perception of the home as the women’s sphere (McDowell, 1999; Di Domenico, 2008). HBBs are therefore of interest to those studying gender and family business, who have interpreted HBB ownership as a means of balancing family life with income generation, particularly in rural areas (Carter et al., 1992). The feminised narratives surrounding work in the home may have led to the continued perception of home-based enterprises as low paid “hobby” businesses run by women, with limited potential for income generation, growth or innovation (Mason, 2010).

In contemporary empirical studies there is some evidence to suggest that women are indeed over-represented in home-based businesses (Mason et al., 2011). Most studies of HBB performance and outcomes however, have also found that their perception as non-serious enterprises has been misguided (Walker & Flinders, 2003; Walker, 2004; Mason, 2010; Anwar & Daniel, 2014). The majority of home-based business owners do have growth ambition (Mason et al., 2011; Clark & Douglas, 2010; Reijonen & Komppula, 2007), and this includes female owners (Breen & Karantonis, 2010). HBB also show a wide spectrum of entrepreneurial thinking (Kapasi, 2015), and in cities (but not rural areas), have demonstrated potential for actual growth into medium sized enterprises (Houston & Reuschke, 2017). However, women- owned home-based businesses have also been found to be run part-time and with low turnovers (Thompson et al., 2009). Reasons for this are linked in the literature with work-life balance that women appear to seek with running a business from home, and motivations for starting a HBB which depart from pecuniary explanations (Hughes, 2006; Walker et al., 2008). This suggests that although HBBs bring significant benefits to women from a life-style perspective, women-owned businesses may underperform comparative to their male counterparts, and their growth ambitions may be limited by the home (Loscocco & Smith-Hunter, 2004) and the wider locational context. Existing research on gender and home-based businesses has often utilised women only samples or studied HBB in one locational context, thus little is known about whether the low sales performance found in women owners is reflected across the board in men or co- owned HBB, and if there are distinct patterns of gendered business performance across different area types.

What is known from the entrepreneurship and business literature, is that the businesses of women and men have some distinct characteristics (Jennings & Brush, 2013). Specifically, it is relatively well-established that women-led or owned businesses are smaller and concentrated in less profitable, lower-paid industries (Sappleton, 2009; 2018). Women owners have also been shown to work less hours in their business and are more likely to be part-time. All of these characteristics have been associated with lower financial outcomes for women owned businesses (Fischer et al, 1993; Cabrera & Mauricio, 2017). The female underperformance hypothesis, however, has been contested, and evidence has been presented which suggests that methodological and inherent gender-bias within studies has led to the underestimation of women- owned business performance (Zolin, 2013; Yousafzai, et al., 2018). This has led many authors to call for the reconceptualisation of performance and success, and for researchers to work towards novel methodological and conceptual frameworks that seek to remove embedded gender bias (de Bruin et al., 2007; Henry et al., 2016). For many, this means taking a multi-dimensional approach to business performance and moving away from a sole focus on high growth-orientated businesses, as it is believed that this may exclude a large proportion of female business activity - and this seems to apply particularly to home-based businesses.

**Applicability to the conference theme**

This research sits at the nexus of small business research and economic geography. This work addresses calls to develop a greater appreciation of the diversity of entrepreneurship and business across all spaces in society (not just the economic) (Welter et al., 2017). The home is a neglected business space within research, as it has often been excluded from or under-represented in analyses and data sources. Geographical and spatial perspectives which have often been the focal point of interdisciplinary studies of entrepreneurship or economic geography have rarely been integrated into studies of HBB. It is theorised, that just as the entrepreneur is not tightly bounded within the spatial parameters of the home, neither is the business (Steyaert & Katz, 2004). The role of location in business performance is often studied at larger regional geographies, excluding many distinct entrepreneurial places such as suburbs and rural towns, which are usually subsumed into higher scales of analysis. A closer look at the spatial context below the national scale, however, is important. For example, it was found that HBB perform better in terms of employment and turnover growth in urban areas, and that HBB in rural areas are limited by their lack of resources and capital (Houston & Reuschke, 2017). These distinct sub-urban and sub-rural residential environments are where a great deal of small business activity (both in and outside of the home) is concentrated in mature economies, and this paper addresses this directly by studying these small area residential environments and their characteristics.

**Methodology**

The empirical analysis draws on data from the 2015 wave of the UK Longitudinal Small Business Survey (LSBS). The LSBS is a representative, stratified random sample of small and medium sized businesses across the UK. The 2015 wave provides one of the largest samples of HBBs of any UK business survey to date, and in fact, is one of the few business surveys which collects any data on the home-based sector. The LSBS is a rich dataset for exploring business performance due to the wide and detailed variety of topics the survey covers, including turnover, employment, innovation, and exports. Equally, through the UK Data Service, it is possible to access the postcode data for the businesses, and therefore data merged with census and labour market statistics can be utilised to provide small areas geographies and their characteristics (i.e. major metropolitan, small city, suburban, town, village, remote rural). One of the main topics of the survey is gender, and therefore it contains unusually detailed variables on gender composition, allowing for the exploration of gender roles in the business to go beyond the male and female categorisation if appropriate, and consider the 25-30% of home-based businesses with multiple owners and directors. Crucially, the LSBS includes unregistered businesses, which make up 60% of the home-based business sample. UK business surveys usually only collect data on VAT registered businesses, excluding the smallest businesses, and thus potentially creating a gender-bias and imbalance.

The paper derives novel business performance measures for comparison with traditional employment and sales measures. Specifically, the study adds subcontractors/temporary employees, VAT registration, exports, and a measure of innovation. These appropriately capture performance in the context of small and micro business. The inclusion of non-permanent workers appreciates that home-based businesses may innovate through collaborations, rather than taking on employees. (Kapasi, 2015). This is linked to the jobless growth hypothesis, where businesses grow in turnover but not employees, which has been evidenced in studies of HBB which may be unable or may not wish to take on employees in the spatially constricted environment of the home (Mason et al., 2011; Houston & Reuschke, 2017). VAT registration is a particularly important measure due to the high numbers of zero-employee unregistered HBB. Exporting is included as there is evidence to suggest that despite their small size, home-based businesses utilise the virtual sphere to tap into extra-local and international networks (Folmer and Kloosterman, 2017; Clark & Douglas, 2010). And finally, innovation is measured to empirically assess the hypothesis that the home could act as an incubator for the development of novel business ideas (Dwelly et al., 2005). These performance measures are used as dependent variables in logistic and linear regression models. Control variables, including industry and business age will be included alongside key measures of gender, ownership, and residential environment, to ensure entrepreneurial segregation and the younger or smaller businesses of women, do not create undue gender-bias in the results.

**Contribution**

This study seeks to provide new insights into the gendered business performance within the home-based business sector, and to challenge common views (both in academia and policy) about the performance potential of HBB. The study makes an empirical contribution to small business research more generally, by reflecting on the implications of multi-dimensional performance measures for the female underperformance hypothesis, and identifying if traditional measures are appropriate in studies of gender and small business. This in turn, may have implications for debates surrounding the obstacles to higher levels of business performance for women. As home-based businesses are a crucial and growing part of the small business sector with a wide spatial distribution, the project contributes to understandings of the role of location and spatial context in producing gendered business outcomes. This speaks more widely to debates about the influence of the local environment on businesses, particularly in lesser studied residential areas, which are increasingly being recognised as key spaces for a great deal of business activity and creative, innovative entrepreneurial thinking.

Studies of business and entrepreneurship need to include businesses which do not fit the traditional mould of a “successful” business. Excluding micro-scale businesses disregards the livelihoods of millions of men and women all over the world, but also risks excluding distinctive business types such as HBB, which make significant contributions to the economy, and may have the potential for performance and growth in ways which are not included within most high growth orientated analyses. The small business world is more diverse than ever before, and the inclusion of alternative entrepreneurial spaces and actors has a key role to play in the understanding of diversity, particularly for female business owners (Steyaert & Katz, 2004; Welter et al., 2017).

**Implications for Policy**

The results of this study are of direct relevance to business support policy, including gender specific programmes. The results from this study contribute by showing which areas home-based businesses perform well in versus which areas they underperform, and where specific business services could be targeted. Furthermore, as it is well-established business services and support are not a “one-size fits all” design (Coleman & Robb, 2012), putting gender and the heterogeneity of women’s business at the heart of this study, will give a more detailed and gender-sensitive context for policy makers looking at the provision of services for HBBs.

**Conference Track**

Gender and Enterprise

**Presentation**

Full Paper

### 13

### Forging the Entrepreneur and Entrepreneurship as Masculine in a Rural Industrial Community

Annie Roos, Katarina Pettersson

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**Abstract**

This paper interrogates the masculine discourse of entrepreneurship. We focus on how masculinity is intrinsically integrated into the social construction of the entrepreneur and entrepreneurship. That entrepreneurship and the entrepreneur are masculine phenomena, found in both research and in media representations, is well-established. In addition, how individuals interpret and present what they believe to be the appropriate representation of an entrepreneur has been researched before (Aure and Munkejord, 2016; Giazitzoglu and Down, 2017). We, instead, focus on how business owners in a community construct ‘the entrepreneur’ and ‘entrepreneurship’ through their stories about the community, which is a novel approach to the study of social constructions of masculinity in relation to entrepreneurship.

Keywords: Gender, Masculinity, Entrepreneurship, Ethnography, Discourse, Social construction

"We need an old-timer that can run this business. We need an old man to believe in. And that we can trust. An older person that have the routines: An experienced entrepreneur."

The above statement was made by a business-owner, a man owning one of the two largest businesses in the rural community, focused in this paper. On one level, the business-owner is talking about who would be best suited to be the front figure and driving force at the local tourist attraction, a garden that has been developed over the last 20 years and is situated in a closed down ironworks. On another level, the business-owner is also talking about who he considers as the archetype of an entrepreneur, and even more interestingly, who is not. Statements like this on who is an entrepreneur and what entrepreneurship is, were made again and again when we ethnographically studied the rural community entrepreneurs and their business networks. Firstly, the business-owner sees one, single, individual as the entrepreneur. Portraying the entrepreneur, as an individual actor, performing  entrepreneurship individually, on his own, is common among entrepreneurship scholars and in media (Drakopoulou Dodd and Anderson, 2007). The business-owner is trying to make sense of who would be best fitted as an entrepreneur, in a similar manner as mainstream entrepreneurship research has done (Ahl, 2006). The entrepreneur also touches upon the age of the entrepreneur, the gender and he portrays the entrepreneur as a saviour.

Previous research has found the social constructions of ‘the entrepreneur’, and entrepreneurship, as masculine, in analysing mainstream research (Ahl, 2004, 2006; Berglund and Johansson, 2007; Ogbor, 2000), and the media (Hamilton, 2013; Pettersson, 2004). It was concluded that much mainstream research view the entrepreneur as a he, leaving the she to be an antithesis of the entrepreneurship norm (Ogbor, 2000). The entrepreneur is often portrayed as a man who is strong and an active leader, who, in turn, is a man (Ahl, 2004), in the discursive constructions of defining of who is an entrepreneur and who is not an entrepreneur. This entrepreneurial man and the masculinity the entrepreneurship process carries have however been to a large extend been taken for granted as “given” within research (Marlow, 2014). How entrepreneurs adhere to, and construct their own entrepreneurial masculinity has been researched before (Aure and Munkejord, 2016; Giazitzoglu and Down, 2017). In this paper we therefore move beyond how academics and the media have portrayed the entrepreneur in terms of gender, and also beyond how individual entrepreneurs construct their own identities, and explore how a local community collectively constructs ‘the entrepreneur’ and ‘entrepreneurship’. The aim of the paper is to analyse how an entrepreneur and entrepreneurship is socially forged by other´s in the community. As entrepreneurship and the entrepreneur is cast within a masculine discourse it socially constructs entrepreneurial masculinities (Smith, 2013). These are also in focus for our paper, but whilst previous studies have either focused on entrepreneurial masculinities in suburban contexts (Smith, 2010, 2013), or within the agricultural sector (Brandth and Haugen, 2000; Bryant, 1999; Dessein and Nevens, 2007; Laoire, 2002), we set focus on masculinity in a rural community. Thus, we argue for analysing gender structures and rural structures intertwined (Roos, 2017). In order to analyse the male gendering of the entrepreneurship discourse we apply the feminist social constructionist theory because it allows for an analysis of how a community discursively constructs the entrepreneur and entrepreneurship as gendered phenomena (Calás and Smircich, 1996). The local community is interesting since it has been shown that local engagement can be a driver for provoking gender structures (Roos, 2019). The guiding question in relation to our study of discourses on the entrepreneur and entrepreneurship, following a feminist social constructionist view is: What underlying assumptions are made about the entrepreneur and entrepreneurship, and how are these assumptions gendered?

**Conference Track**

Gender and Enterprise

**Presentation**

Full Paper

## Networks, Innovation and Policy

#### Networks, Innovation and Policy

#### Time: 14:00 - 15:30

#### Date: 14th November 2019

#### Location: UTC: 102

### 165

### Innovating the Missing Middle in Wales - Are medium-sized enterprises open or closed to innovation

John Barker, Nick Clifton, Gareth Loudon

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**Abstract**

**Topic**

Innovation activity of SMEs within the Welsh Economy

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

Understanding how Welsh medium-sized businesses engage in innovation activity has a significant impact for both small companies in their supply chain and for the development of regional systems of innovation and entrepreneurship. This is an in-depth and specific look at an under-explored part of a peripheral region’s economy.

**Aim**

The study will explore how medium-sized enterprises utilise models of open innovation in Wales. The overarching research questions which this study hopes to answer are as follows:

1)    How is innovation used and modelled in Welsh medium-sized businesses?

2)    How and why are models of open innovation adopted by Welsh medium-sized businesses?

**Contribution**

The Prosperity of for All: Economic Action Plan (Welsh Government, 2017) outlines both the dearth of productivity in Wales ( see also Edwards, Delbridge, and Munday (2007) Pugh, R. et al. (2018), compared to the rest of the UK, and the importance of innovation in arresting this decline. One such instrument for driving growth within the economy is open innovation, which is being experimented with currently by the Welsh Government through its SMARTCymru Open Innovation Feasibility call (Business Wales, 2018), which allows businesses to explore the feasibility of conducting this form of externalised research and development activity. Therefore, gaining a better understanding of the business impact of open innovation within the Welsh context has value for both the private and public sector.

There is also a wealth of literature on how small businesses and start-ups use and benefit from open innovation to drive R&D activity (for example; Hutter et al., 2013; Brem, Nylund and Hitchen, 2017; Usman and Vanhaverbeke, 2017; Nestle et al., 2018; Park, 2018; Santoro et al., 2018) . But there is scant literature on the use of open innovation and it’s particular applicability for medium-sized enterprises (Lichtenthaler, 2008) to see if this “missing middle” needs further policy intervention (Federation of Small Businesses, 2017). Understanding how medium-sized enterprises use open innovation through variables such as sector, number of employees, and turnover to create a potential model for the utilisation of this form of innovation in other economic regions has tremendous importance for understanding in the field.

Existing literature on open innovation focuses, in the main, on the two foci in terms of size; namely SMEs as a collective entity and large organisations (Chesbrough, 2003; Chesbrough and Crowther, 2006). This is potentially problematic in the case of generalisation of SMEs as a collective. There are distinct differences in resource, staff, innovation diffusion, and absorptive capacity between micro or small enterprise with only 2-49 staff, compared with a medium-sized enterprise which can have 50-249 staff.

Briefly, it is also worth adding that  “open innovation has so far been studied mainly in American enterprises” (e.g Chesbrough, 2003; Chesbrough and Crowther, 2006; Hossain and Islam, 2015; Ettlinger, 2017)(van de Vrande et al., 2009, p. 424). While studies have also taken place across Central Europe (Kirschbaum, 2005; Keupp and Gassmann, 2009; Faems et al., 2010; Podmetina et al., 2011),   the opportunity to study in the diverse economic and social terrain in Wales is both novel and important for policy and practical development within this sphere of knowledge.

Several authors have outlined the gaps in knowledge as there is “relatively limited research on open innovation in SMEs” (West et al., 2014, p. 809). Author, van de Vrande et al. (2009) puts this down to a lack of market need in this business demography as SMEs have a “lack of financial resources, scant opportunities to recruit specialized workers, and small innovation portfolios so that risks … cannot be spread”. This generalisation describes the issues for the smaller employers, although studies such as Freel and Robson (2017); Radicic and Pugh (2017); Park (2018); Santoro et al. (2018) have since challenged this theoretical hegemony. But suitably sized medium-sized enterprises have the resource and innovation portfolios to reduce these barriers and require further exploration of the opportunity within the research environment.

Exploring open innovation in this specific size of business in this particular country is new ground for the literature, and in utilising a representative qualitative survey gives a robust set of results of which to understand and compare against other similar regions.

**Methodology**

**Quantitative Data Capture**

In order to establish a response to the aforementioned research questions, a large-scale quantitative survey of MSBs in Wales was conducted. The survey seeks to explore, not only whether open innovation is used within commercial settings, but whether they utilise inbound, outbound, or coupled innovation.

The responses were captured using Qualtrics software. The measurement of innovation is outlined in the seminal texts from (Amabile, 1988; Amabile and Pratt, 2016) which is where this survey’s question and measurement framework are taken from. The wider body of literature illustrates wide use and heavy citation of Amabile’s original model of creativity in over 8000 articles (Scopus, 2018). Specific use of the model to assess creativity is incorporated into Moneta et al., (2010), Baron and Tang, (2011) and Ghosh's (2015) studies, which shows wider use of this model and the robustness of its application.

### Population

The population of MSBs in Wales is drawn from the FAME database (Bureau Van Dijk, 2019) which uses Companies House data of registered businesses that return accounts on an annual basis. In order to select this total population the following criteria was used:

* All active companies (not in receivership nor dormant) and companies with unknown situation
* Number of employees: >=50, <250 (utilising the EU (2005) definition of Medium-sized enterprise)
* Year: 2017 (01/01/2017 – 31/12/2017)
* Registered address: Wales

Currently, the total population of medium-sized enterprises recorded on the FAME database in Wales is 664, and of this number 438 have a published email address and website for the purpose of contact, forming our accessible sample.

This methodological approach provides a bridge between statistically robust probability sampling to more randomised and less robust non-probability samples (O’Dwyer and Bernauer, 2014). The target response rate of 20% aligns with Mertler and Charles (2010) recommendations on response rates giving the quantitative results a wider relevance (Singh, 2007; Lampard and Pole, 2016).  The stratifying of the population by employee number also allows us to look in more depth at particular approaches to innovation dependant on the relative size of the medium-sized enterprise.

**Results**

Preliminary results from the data capture have been received by 39 organisations and illustrate that the majority of respondents engage in either closed innovation or both open and closed innovation. Only 16% of the sample captured engage solely in open innovation which potentially highlights the importance of policy interventions such as SMARTCymru Open Innovation Feasibility call (Business Wales, 2018) for both driving engagement in open innovation with SMEs and supporting the further development of activity in the area. Other interesting insights include the reasons for engaging in open innovation which most respondents indicated where to build or extend a culture of collaboration. The measurement of success of innovation was also captured to enrich the insight which indicated unsurprisingly that financial returns and new products and processes are the major indicators of innovation success. Interestingly, patents which are widely used in the research domain (for example; Baesu et al., 2015; Brem, Nylund and Hitchen, 2017) to illustrate and measure innovation are viewed as a less important measure of success by the majority of companies completing this survey.

**Implications for policy, if applicable**

The implications of this research should help inform innovation discussion contained within the Economic Action Plan and Prosperity for All (2017) policies that have been published by the Welsh Government. This policy focus and the recent report Research and Innovation in Wales (National Assembly for Wales Economy Infrastructure and Skills Committee Research, 2019, p. 9) has set the tone for both inviting the private sector to play a greater part in innovation funding and opening the doors to greater SME involvement; “there is a need for a vision for Welsh research and innovation that encompasses everyone”. This concept of involving ‘everybody’ could be enhanced and made a reality by open innovation which would also align with the policy push to move publicly funded R&D  away from universities into a more equitable relationship with the private sector (National Assembly for Wales Economy Infrastructure and Skills Committee Research, 2019).

**Implications for practice, if applicable**

The research will enable practitioners of open innovation, and research and development managers to understand how models of open innovation can influence and benefit the private sector in Wales. The evidencing of the relational tensions and drivers in this innovation ecosystem will also allow practitioners to navigate the needs of their particular customers/suppliers more effectively leading to better innovation outcomes.

**Conference Track**

Networks, Innovation and Policy

**Presentation**

Working Paper

### 227

### University Engagement and Productivity in Innovative SMEs: An Empirical Assessment

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**Abstract**

**University Engagement and Productivity in Innovative SMEs: An Empirical Assessment**

From the perspective of Small and Medium-sized Enterprises (SMEs), open innovation allows the firm to leverage additional resources from external sources in order to diversify its offering (Colombo, Piva, and Rossi-Lamastra 2014). Within debates around open innovation, universities have become recognised as significant sources of external knowledge leading to their portrayal as key nodes within innovation systems (Ghio, Guerini, and Rossi-Lamastra 2016; Goddard et al. 2014). Indeed, collaborating with universities enables firms to leverage the knowledge and expertise they lack in order to enhance their competitiveness (Bishop, D’Este, and Neely 2011).

In light of this, it would appear that the strategic decision for SMEs to collaborate with universities is a simple one, given the benefits. However, in reality the engagement of innovative SMEs with universities is lower than for larger firms, and they are also more prone to developing collaborative links with other actors such as customers and suppliers (Hughes and Kitson 2012; Laursen and Salter 2004; Lee et al. 2010; Scandura 2016). This may result from a lack of information regarding the knowledge and expertise possessed by potential university partners as well as their overall trustworthiness, compounded by the fact that SMEs do not possess sufficient resources to accurately assess the credibility of a potential university partner (Hemmert, Bstieler, and Okamuro 2014; Johnston and Huggins 2018).

In order to contribute to the debate around the engagement of innovative SMEs with universities, this paper explores a new direction in understanding this phenomenon through examining potential links between their productivity and collaboration with universities. Specifically, the paper investigates whether variations in productivity among innovative SMEs both influence their propensity to collaborate with universities and their subsequent productivity levels. As little is known about the productivity of SMEs and how this may affect their propensity to engage with universities this appears to be a pertinent line of investigation. In addition, the close relationship between productivity and innovation (Griffith et al. 2006) suggests that firm performance and innovativeness are interdependent. Indeed, solving 'the productivity puzzle' has been a persistent concern of the UK Government for a number of years (HM Government 2017; Porter and Ketels 2003). Yet, in an SME context, there is still much that is not known regarding potential drivers of productivity or how productivity levels may determine firm strategy, particularly with regards to open innovation (Henley 2018).

Utilising data on UK SMEs from the Longitudinal Small Business Survey (LSBS), the analysis in this paper tests a set of hypotheses which test three alternative perspectives on the nature of the relationship between productivity and university collaboration among innovative SMEs: 1) a linear relationship exists such increasing productivity is related to an increased propensity to collaborate with universities. Thus, university engagement among SMEs is a function of performance. 2) A non-linear U-shaped relationship, where the propensity towards university collaboration is highest among innovative SMEs at either end of the productivity spectrum, i.e. those whose productivity is either relatively weak or relatively strong. 3) A non-linear inverted U-shaped relationship, where the propensity to collaborate with universities among innovative SMEs is lowest for those whose productivity is relatively weak or relatively strong.

The paper presents several important contributions. Firstly, we find that productivity is not a determinant of collaboration with universities for innovative SMEs; thus, collaborating with a university is not driven by the firms’ relative performance. As such, it is not the case the collaboration with universities is the domain of either relatively weak or relatively strong firms, it is a process that embraces all innovative SMEs regardless of performance. The second contribution of the paper is that the subsequent productivity of innovative SMEs in the years after engaging with a university where we find evidence of a curvilinear, U-shaped, relationship between the initial productivity of the firms and their productivity in the following two years. Thus, for those innovative SMEs that had collaborated with universities in the previous three years we see higher subsequent productivity for those that started out with either relatively high or relatively low productivity.

The analysis also suggests that the propensity for SMEs to collaborate with universities is affected instead by the characteristics of the firm and its location. We find that higher levels of employment, exporting, engagement in social networks, and openness all have a positive influence on the propensity to collaborate with a university. Conversely, family firms and those located in regions with higher levels of R&D expenditure were less likely to collaborate with a university. Finally, the propensity to collaborate with universities varies according to the SMEs' sector, while the openness of the firms had a significant effect, we found no evidence to suggest this is a curvilinear relationship; thus, there is no optimum level of openness for innovative SMEs.

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**Conference Track**

Networks, Innovation and Policy

**Presentation**

Full Paper

## International Entrepreneurship

#### International Entrepreneurship

#### Time: 14:00 - 15:30

#### Date: 14th November 2019

#### Location: Locomotion 3

### 147

### Impact of Language Competencies on International Business Performance: Small and Medium Enterprise Perspective

Ankita Tibrewal1, Prof Ad de Jong2, Dr. Geoff Parkes1, Dr.Iftakar Haji1, Prof. Christof Backhaus1

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**Abstract**

**Topic: Impact of Language Competencies on International Business Performance: Small and Medium Enterprise Perspective**

**Applicability of Research Theme**: Research suggests that around 75-80% of  small and medium enterprises (SMEs) close within ten years (Wright et al, 2015) of commencement in United Kingdom due to a lack of growth.  One way to generate growth is to export products and /or services and venture into international markets. Research studies emphasize there is strong link between exports and growth in UK and internationalisation is becoming critically important for business survival and growth (Lu and Beamish, 2001, Webster and Deshpande, 1989). Going international often requires knowledge of the languages in the countries to which the products are to be exported. However, little is known about the role of language competences within SMEs. In this paper we explore the role of languages/linguistic competencies using new scale ‘language operating Climate’ for SME’s growth and exports in United Kingdom.

**Key words:** International marketing, Market orientation, Export performance, SMEs, Scale Development, Linguistic competence

**Abstract**

The purpose of this research project is to explore the role of languages in international business performance specifically for export oriented Small and Medium Enterprises (SMEs). The research reviews existing literature on Small and Medium Enterprises export process and capabilities (Cadogan et al,1995, Cavusgil and Zou 1994, 2017, Olejinik and Swoboda, 2012; Hessels and Terjesen, 2010; Zahra and George,2002; Sapienza et al,2006), internationalisation (Johanson and Valhne, 1977,2009,Knoght and Cavusgil,2004, Oviatt and McDougall, 1994) international marketing capabilities perspective (Morgan et al, 2018) and export performance (Cadogan, Diamantopoulos and Siguaw,2002, Chung 2012, Singh and Mahmood 2013, Pascucci et al, 2016) literature to study the role of languages in international marketing and business performances.

In the realm of international business/marketing literature, culture and languages have been described as one of the important and ‘distinct’ factors for business performance (Johanson & Valhne, 1977, p.23-32) in as early as 1970’s.  However until very recently, language has been conflated with culture and not recognized a separate factor (Kassis, 2005). Languages in international business have been sparsely and dispassionately addressed as a barrier/hindrance to be managed (Piekkari & Zander, 2005) and “forgotten factor” (Marschan-Peikkari et al, 1997). In recent years, role of language has been studied from a Headquarter-subsidiary relationship (Barner- Rasmussen and Bjorkman, 2007), flow of knowledge, power structure (Marshan-Peikkari et al. 1999a, b, Tenzer and Pudelko, 2017) Trust & cooperation (Tenzer et al, 2014) perspective. The focus of these studies has been necessarily on Multi-national Corporations exploring within organisation dynamism when operating in multiple global locations. In international marketing, language complexities have been sparingly and specifically studied in context of branding and advertising (Pompeo, 1967; Noriega and Blair, 2008; Hornikx et al, 2017; Nederstigt and Hilberink-Schulpen, 2018).  While   research has focused on Multi-national corporations, little is known about the role of language competences in SMEs that aim to engage in international business. While globalization and ICT facilitate internationalisation, it is contingent on SMEs to develop skills and competence to fully explore and exploit international markets. Given that SMEs often face limited human and financial resources, it is harder for them to effectively organize and learn/utilize language competences. Understanding the language and culture is fundamental to effective communication in international markets. As Marshan-Peikkari et al. (1999) states, language is implicitly and deeply embedded in all aspects of international business. While language and culture are linked, language poses challenges in international markets beyond cultural awareness (Welch and Welch, 2008). That leads to structural challenges for   communication, social networks, and for business exploration and performance in international markets. Hence, the focus of this research is to identify the role of languages and language competencies independently of concepts like culture or psychic distance as recommended by Welch et al, 2005 for internationalisation of SMEs, specifically exports.

The value of Languages and/or linguistic competency will be explored for international business performances specifically for Small and Medium Enterprises in United Kingdom. One goal is to develop a concept, “Language operating climate” (LO-C). We conceptualize language operating climate (LO-C) as “perception and belief towards the role of linguistic competence in international business and marketing strategy and language policies and systems that facilitate development and effective utilization of such competence and capacity.” The project not only aims to quantify the impact of linguistic competency on SMEs exports and growth but also to integrate applied linguistic, international marketing, Small and Medium Enterprises and international business stream of research.  A second goal is to examine drivers of Language Operating Climate in order to gain deeper understanding of the concept and conditions required for LO-C.

More specifically, we use two-stage Scale development process to conceptualize and measure Language Operating Climate. In Stage 1, we use literature review and interviews with SMEs business owners/marketing managers to generate items, item shall then in consultation with academicians be checked for face and content validity. Next, we shall use the EFA to further refine the scale with the use of 100 responses collected from SMEs' managerial personnel responsible for international marketing/exports. In stage 2, CFA factor analysis and Structural Equation Modelling (SEM) is carried to understand the relationship between LO-C and export performance. We also study linguistic identity distinctiveness of the export market as a moderator which defines the strength (slope) of relationship between key variables.

This study modestly aims to contribute to SMEs internationalisation and growth, international marketing capabilities literature and provide insights for government policy makers and export promotion institutions in United Kingdom on some interventions necessary to promote UK’s SMEs export performance.

**Conference Track**

International Entrepreneurship

**Presentation**

Working Paper

### 196

### Moving Beyond Exporting: Strategic Internationalisation Models

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**Abstract**

1. **Introduction.**

Companies follow their own firms specific path to becominging global..  However, there are many different routes to accomplishing a global vision and strategy. With the increasing number of businesses that are considering internationalising (see Slow and McAllister, 2018, for Scottish data) this complexity makes it problematic for agencies such as Scottish Enterprise (SE)/Scottish Development International (SDI) that work with businesses to support internationalisation,  to engage in a strategic way.

In Scotland, although there are unique elements for all internationalising companies, they have gone through the stages of the ACE Framework (Slow and Fletcher, 2017, 2018), there are similarities also around underlying strategic mindset (Anderson, Evers and Griot, 2013).

These commonalities allow a number of typologies to emerge.  These typologies represent strategic approaches to approaching deeper internationalisation and the global structure and operational capabilities ‘best’ for the company.  Moreover, the way technology is changing markets, increasing competition (abroad and at home), and providing more growth opportunhities for businesses and/or allows success to be less dependent on scale – especially for internet-based businesses.

1. **An under-researched area?**

There has been a focus on deeper internationalsition for some time; however, it can be argued that the literature on this is less developed, tending to either look at the ‘mode of entry’ – e.g outward investment, joint venture or acquisition – rather than the strategic approach taken by the businesses.  Another approach is the geographic country level – e.g. investment by companies into China. When viewed from a practitioner level, it is difficult to integrate these elements.  This will be developed further in the final paper.

1. **Approach**

This paper is practitioner-based; we aim to capture elements of internationalistion  literature and combine it with the knowledge and experience of SE/SDI at a practical level. The data and analysis is derived from SE databases of over 10,000 companies that have participated in internationalisation support progammes since 2000.

1. **Deeper Internaitonalisation in the ACE Framework and a developing Global Mindset**

At ISBE 40 (Belfast) and 41 (Birmingham) papers were presented outlinging why and how Scottish Enterprise has developed and impletmentd the ACE framework to consdider international support to companies (Slow and Fletcher, 2017, 2018).  In the second of these, the effectiveness of SE support to businesses was outlined.  The support offered is effective and evidence exists of how companies have grown as a result (Slow and Fletcher, 2018; Slow and McDonald, 2017; Perry, 2018).

**Figure 1: The ACE Framework for International Company Development**

Source: Slow, 2014, Slow & Fletcher, 2017,2018 (and in a policy setting see Scottish Government, 2019, section 7.1)

**At the risk of over-emphasising, the part of the framework this paper is primarily concerned with is the lowest right hand ‘box’ (More Complex Forms).**

However, the nature of internationalisation and the decision to take that step is becoming more common, by more (especially smaller) businesses and earlier in their existence.  We can speculate that global mindset is a reflection of the strategic psychology companies adopt in approaching deeper internationalisation – and from that strategic psychology will come their ‘answers’ to the strategic issues and questions they face at a practical level.

Mode of entry is a tactical decision that, to some extent, is the answer to the other questions.  Some of this thinking can be summarised in the sytlised figure 2 below:

Source: from Slow, 2014, 2019a, b

1. **Findings: Strategic Internationlisation Models**

Three primary market-based drivers of deeper internationalsiation have been identified (Slow 2013a, b; Slow 2019c, d):

* Market Push
* Customer Pull
* Internet-based

However, each of these drivers is a reflection of the market and its development rather than the specific model a company may follow (Slow, 2018).  Each driver, therefore, contains within it a number of different models.  Although it can be argues that some fo these models are strongly related, when you explore them further it can be noted that there are subtle, but important, differences between them.

This section will consider each model in turn against the specific charateristics outlined in figure 2 above; these are shown in figure 3.

Source: from Slow, 2014, 2018, 2019a and 2019b

1. **Market Push Models**

These models of deeper internationalisation hasve emerged in response to developments in the market as a whole.  For example, although a product may be broadly similar across countries, local technical requirements mean that slight ‘tweaks’ are necessary amongst markets.   The driver is the globalisation of markets, but one-size-doesn’t-necessarily-fit-all.

**4.1.1 The Systems Model**

This is a driven by a need to expand to build barriers to entry and gain economies of scale.   Barriers once achieved drive further economies of scale and technological ‘lock-in’; some cases can lead to a large market share of or robust niche position, especially when intellectual property has been secured.  This model has a number of similarities with the global brands model below.

**4.1.2 The Concept Model**

This is perhaps a little more obscure at this stage, although we believe it will increase in importance over time, especially reflecting social media useage.  This model is driven by a company pursuing a completely new way of doing business rather than just a new mix of products and services: large numbers of customers will be vital.

**4.1.3 Global Birth**

This is perhaps the most well-known of the models.  In the Scottish examples we are aware of the key attribute to success is a global mindset inherent from the germination of the idea and its transformation into practice.  A key reason that global births are likely to be more prevalent to-date is the process of globalisation itself.

**4.1.4 The Global Brand Model**

It may seem odd that given the increasing importance of local sensitivities in companies offering products/services to many markets that some companies would deliberately wish to not change their product accordingly.  However, when that product is a symbol of something bigger: a lifestyle, an aspiration, a country even, there are many advantages from promoting the two approaches together.  This is the essence behind the global brand route.

1. **Customer Pull Models**

The primary driver for the models in this section is customer behaviour and demand.    This can come from two main sources: supply chains and actual people (i.e. B2B or B2C).

**4.2.1 The ‘Piggy Back’ Model**

Many of the companies who have globalised through this route have had little control over the course it has taken and the timings of their global expansion; this is because customers have requested they locate facilities to be close to them in various markets if they wish to remain a preferred supplier.  Generally, it is a model which has been used more in manufacturing industries, although the globalising company need not themselves be a manufacturing company.  It is a popular model in industries with long, complex value chains.

**4.2.2 The Innovation Model**

This model may appear to be similar to the systems model, but there are fundamental differences, especially the role R&D plays.  The route uses global R&D resources, and global distribution channels, and may see less need for production capability, especially if the final product is either easily transportable, downloadable, or localy manufacturable (printable).  A key component, however, will be intellectual property rights.

**4.2.3 The Face-to-Face model**

This model may seem strange. In all the models, customer linkage and the flow of information from that interface to the operation of the company is important; this model allows companies to expand by exploiting differences between markets and people to tailor individual solutions to complex problems.

**4.2.4 The Global Integrator**

In the mid 1990s, the global integrator model was seen as a strong route for economies with good manufacturing companies, but with relatively little R&D or innovation.   This model is still applicable, but has changed fundamentally in two ways: markets have opened up significantly to address global supply; falling prices for end product/faster product life cycles mean that volume of output may be more important than it was.

1. **Internet-Based Models**

To some extent, internet models can be considered special cases of some of the earlier models.  However, they have unique features that mean they should be considered separately: in other cases the internet is a support to the ‘primarly’ mechanism, here it **is** the primary mechanism. The models are still evolving but what is crucial are elements of:

* Security in operation
* The nature and strength of the relationships between company and customer and between company and suppliers/contractors
* A heavy requirement for advertising and well-delivered marketing message
* Strong ethics/good reputation

**4.3.1 the advertising model**

In this case, the company makes money  from advertising.  The aim behind the business model is to build a reputation and innovative presence which people will want to do business through or access information through or whatever the business is behind the site.  Such sites, which receive many visitors (and which can grow exponentially by word of mouth) are great opportunities for advertisers to get attention.

**4.3.2 the margin but deep discount model**

In a number of ways this is a variation on the advertising model above.  However, it is different in a fundamental way: a margin is still made on each product sold.  Advertising will still be important as a source of revenue, though, but increasingly security and ethics might be important to companies adopting this model.

**4.3.3 the auction model**

This model works well over the web because of the real-time information flow it allows.

**4.4.4 the Blockchain model**

This is an emerging model, and one probably that is more theoretical at the moment.   Companies that are using Blockchain technology to either internationalise or, more likely, offering Blockchain-based services to other businesses as a form of security to their transactions, for example, will grow in importance as the wider adoption of blockchain becomes normal.

1. **Conclusions**

The paper will then draw some conclusions across the different models.

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**Conference Track**

International Entrepreneurship

**Presentation**

Practitioner Paper

### 330

### The effect of outward and inward internationalisation on different types of innovation: is the relationship different in different-sized SMEs?

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**Abstract**

Abstract:

There has been an increasing interest in understanding the role of internationalisation on firm’s innovation. Existing research shows that both internationalisation and innovation contribute to firm’s performance, productivity and growth (Prashantham, 2008; Halilem et al., 2014; Abubakar et al., 2019). Since internationalisation and innovation are interlinked, increasing attention is being directed to the specific channels through which international trade can affect firm innovation (Altomonteet al., 2014). To this end, the international business (IB) literature suggests that firms that are engaged in international activities are more likely to gain substantial competitive advantages through the interaction with their customers and suppliers and the competitive conditions of the foreign market in which they operate (Salomon & Shaver, 2005; Damijan & Kostevc, 2010). In addition, the organisational learning (OL) theory suggests that firms that are exposed to different economic environments and conditions can enhance their creativity and innovative activities to overcome the competition and strengthen their market share. It can be argued, therefore, that internationalisation in the form of imports and/or exports can serve as a learning opportunity for firms to gain more market and organisational operation knowledge, which in turn can trigger innovation (Kiriyama, 2012). Especially for smaller firms, since they face limitations in their internal resources compared with larger firms, innovative activities may be affected more by knowledge factors that are external to the firm (Acs, 2002; Abubakar & Mitra, 2009; Abubakar et al., 2019).

Although a great number of studies provide evidence regarding the positive effect of internationalisation on innovation (e.g., Kafouros, Buckley, Sharp & Wang2008; Lecerf, 2012), most of these studies concentrate on larger firms (e.g., Kafouros et al., 2008) rather than on SMEs (Abubakar et al., 2019). This is perhaps surprising, since previous research shows that SMEs that are involved in international activities are ‘three times’ more likely to introduce products or services that are new to their sector than those SMEs that focus entirely on their domestic market (European Commission, 2010; Love & Roper, 2015). Although the available literature stresses the link between internationalisation and innovation, it still in its infant stage regarding the individual and combined roles of outward and inward internationalisation on innovation.

Specifically, most of the previous studies focus either on the link between outward internationalisation and innovation (e.g., Salomon & Shaver, 2005; Love & Ganotakis, 2013; Golovko & Valentini, 2014; Olabisi, 2017; Fassio, 2018) or on the effect of inward internationalisation on innovation (e.g., Goldberg et al., 2010; Grosse & Fonseca, 2012; Kiriyama, 2012; Liu & Qiu, 2016; Chen et al., 2017) to determine how firms accumulate and implement knowledge (Hernández & Nieto, 2016). However, this literature ignores the potential effect on innovation that can be generated by combining the two forms of internationalisation operations. To fill this gap, this paper investigates whether a combination of outward and inward internationalisation operations along with their individual effects can help SMEs to develop product and process innovations and, if so, to what extent. Theoretically, we adopt the OL theory (Senge, 1990; Gerschewski et al., 2018), and apply it to propose that the knowledge flow from international activities can stimulate SMEs’ innovation (Zahra et al., 2009). In contrast to a large body of previous work, we do not treat innovation as an overall construct capturing different types of innovation together (Azari, Madsen & Moen, 2017). In addition, instead of focusing on a single type of innovation (e.g., Cassiman & Golovko, 2011; Alegre et al., 2012; D’Angelo et al., 2013, for product innovation; and Golovko & Valentini, 2011; Monreal-Pérez et al., 2012, for process innovation), we follow limited but growing recent research (e.g., Love & Roper, 2015; Abubakar et al., 2019; Saridakis et al., 2019) and consider different types of innovation (i.e., product, process and a combination of product and process) and their potential association with inward and outward internationalisation.

We utilise data from the UK Small Business Survey (BEIS, 2017), conducted between August 2016 and January 2017 by BMG Research Ltd. The survey is a large-scale telephone survey conducted with 9,248 small business owner-managers (those with up to 249 employees) in the United Kingdom. By utilising such a large scale data, the aim is to provide a complete picture of the effect of different internationalisation operations on innovation for British SMEs (e.g., Seker, 2009; Hernández & Nieto, 2016). Moreover, the use of a large-scale data set allows us to examine the differences between larger-sized SMEs and smaller ones, which can be hidden when data is aggregated into a single size category (Idris & Saridakis, 2018).

The results show that both inward and outward internationalisation support product and process innovation in SMEs. However, such an effect is found to be stronger for the combined outward-inward internationalisation operations than for the single mode undertaken by SMEs. The results are found to be robust across the different types of innovation. However, sub-sample analysis shows that, although innovation responds to different internationalisation operations in micro and small firms, for medium-sized firms, only the combination of outward and inward internationalisation operations increases the probability of undertaking both innovations. Using the organisational learning theory, we argue that engaging in both internationalisation operations simultaneously enables firms to acquire a more diverse and richer set of knowledge and key information, which is translated into increased levels of innovation. Our results clearly suggest that undertaking both types of internationalisation operations may allow firms to increase their knowledge and access to information, thereby enhancing their absorptive capacity (Yao et al., 2013), which is ultimately related to firm’s performance (George et al., 2001).

From an academic point of view, this research contributes to the ongoing debate regarding inter-connected internationalisation strategies and their potential effect on firms (Hernández & Nieto, 2016). This paper advances our understanding of the importance of different types of internationalisation operations and their effect on SMEs’ innovation. Our argument points towards the idea that sharing related and diverse knowledge and information through different internationalisation operations can potentially increase firms’ absorptive capacity in the form of innovation. The results show that each internationalisation operation itself has a different effect on innovation; however, the effect of combined internationalisation operations has a greater effect on innovation in SMEs. From managerial and policy makers’ point of view, this research suggests that owner-managers of small firms should not limit their consideration to only the positive effect of undertaking a single type of international operation; rather, firms’ innovation is strongly affected by undertaking both outward and inward international operations simultaneously. The specific and diverse knowledge flow from these two operations may lead to a higher probability of introducing innovation, more specifically product innovation and a combination of product and process innovation. Hence, it can be suggested that our research is of importance for owner-managers of SMEs, because, despite their limited resources, these firms can benefit from different international operations, especially where intangible resources, such as knowledge flows, are fundamental to their operations. As for policy makers, this study argues, alongside previous studies (e.g., Korhonen et al., 1996; Hernández & Nieto, 2016) that governments should promote programmes that encourage not only entry into foreign markets but also international sourcing through importing.

**Conference Track**

International Entrepreneurship

**Presentation**

Full Paper

## Social, Environmental and Ethical Enterprise

#### Social, Environmental and Ethical Enterprise

#### Time: 14:00 - 15:30

#### Date: 14th November 2019

#### Location: Locomotion 2

### 312

### Social Enterprise Journeys

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**Abstract**

Academic study of social enterprise activity and social enterprises has grown exponentially reflecting international political support for making use of market mechanisms to create social value. In the UK social enterprises, and the language and policy mechanisms associated with the social enterprise concept, has been used by successive governments. Though the ambiguities of the concept have been recognised by national governments political discourse continues to present the idea of social enterprise as measurable, bounded concept that departments and institutions can define and count. While it is incumbent on academics studying the phenomenon to understand the multiple meanings, and the everchanging nuances, of the concept it is unclear how ‘social enterprise’ is understood by the general public, by practitioners, and professionals within local social enterprise ecosystems interpreting the rhetoric and implementing policy. It is unclear what values are attached to ‘social enterprise’, if and how it has entered the vernacular, and how the policies and policy mechanisms are interpreted and being understood on the ground. This paper addresses that gap.

As Cohen argues out in The Symbolic Construction of Community, (1985, p15) “those [social categories] whose meanings are the most elusive, the hardest to pin down, tend to … exist largely or only in terms of their symbolic boundaries  … their range of meanings can be glossed over … because it allows its adherents to attach their own meanings.” Social enterprise is one such category “variably interpreted according to historical, geographical, political, social, cultural and economic factors” (Teasdale et al 2013, p116).

This paper addresses how the ambiguity around the concept of social enterprises manifests at the local level, and asks how key stakeholders commissioning, organising and delivering economic and business regeneration, social enterprise (SE) and voluntary, community (VC) sector support react to and manage that ambiguity. Further, it finds that the fluidity and malleability of the social enterprise concept in the UK generates difficulties for the effective implementation of social enterprise support.

Using data gathered over three years of ethnography across a network, in one rural county in the NE region of England, this paper presents the wide range of reactions to the concept of social enterprises – from enthusiasm to frustration, pragmatic acceptance to outright rejection. Responding to calls to develop bottom-up conceptualisations of social enterprise (Defourny and Nyssens 2017), making use of the vernacular expertise of SE and VC support workers, different types of social enterprise journeys are identified, challenging propositions that social enterprises are a distinct and measurable type of enterprise. The metaphor of the social enterprise journey is developed and different processes of social enterprization across and between different economic sectors are contextualised.

Ethnographic methodologies ground this discussion in the lived experience and expertise of key stakeholders in one social enterprise ecosystem. Data was collected from collaborative working with intermediary support organisations; participant observation of regional and local SE networking and support events; and in-depth interviews with staff commissioning, organising and providing business, social enterprise and voluntary sector support.

Emergent design and analysis in this paper takes a novel approach. Rather than researching the social enterprise phenomenon based on self-identifying social entrepreneur, and the models and typologies devised by academics to make sense of social enterprises this inductive study facilitates inclusion of a more diverse population of organisations. And highlights complex realities between the rhetoric and realities of national and local government policy, and the vernacular. Tapping the expertise held ‘in-between’ the rhetoric and realities an understanding of processes of social enterprization across the public, private and third sector is built, one founded in the socio-economic and historical context of the social enterprise ecosystem. Organisations and processes which do self-identify as social enterprises, organisations on ‘the journey’ - one side or other of sourcing more than 50% of their income from trading.

This paper presents the flip side of the ‘mimicry’ (Dey and Teasdale, 2016) coin finding that not only do some individuals adopt, mimic, the language of social enterprise for its utility but that others reject or avoid the language. This is important because where language of policy and language of funding and support is not reflecting the language of those individuals and groups engaged in social enterprise activity – the targets of their funding and support - so-called ‘social entrepreneurs’ may be excluding themselves.

This paper argues a productive way to investigate and understand the realities of social enterprises is to ask SE support workers to delineate types. This approach brings into the frame context specific push and pull forces acting on, with, and against individuals, groups and organisations trying to start up, transition to, and manage social enterprises. Five types of social enterprise journeys are identified.

The UK is generally presented as having a well-developed ecosystem of support for social enterprises however this paper finds that values carried with the language of support may not reflect the values of different types of social entrepreneurs. It proposes social enterprise research and support be grounded in better understanding of the realities of the variety of social enterprise journeys.

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**Conference Track**

Social, Environmental and Ethical Enterprise

**Presentation**

Full Paper

### 318 Social enterprise and entrepreneurial intention: an empirical exploration in Scotland

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**Abstract**

**Topic and relevance to the theme ‘SPACE - exploring new frontiers and entrepreneurial places’:**

The paper explores the motivations for social entrepreneurship amongst a qualitative sample in central Scotland, a context in which there is strong support and infrastructure for social enterprise activity. The uniqueness of the support environment in particular makes the paper highly relevant to the conference theme

**Aim**

Research that focuses on opportunity recognition and the drivers of the entrepreneurship process remains relatively unexplored outside the domain of commercial entrepreneurship and, in particular, in the context of social entrepreneurship (SE) (Mair and Noboa, 2006; Shaw and Carter, 2007; Corner and Ho, 2010). Those in existence have focused on investigating individual characteristics of social entrepreneurs and tend not to take into consideration the importance of the social entrepreneurial process. In answering calls for further empirical research to examine this, the research reported in the paper explores the intentions and subsequent outcomes of venture creation in the context of non-profit enterprises. Using Shapero’s Entrepreneurial Event theory (SEE) (Shapero and Sokol, 1982) as a lens, the study finds that precipitating event(s) are often a key influence on the auctioning of social entrepreneurship, and in turn they are influenced by perceived desirability, perceived feasibility and credibility – all of which are socially influenced. Thus rather than understand social entrepreneurship as entirely values-driven and agential, the use of SEE affords us a more nuanced view of the influence of social and personal antecedents to the pursuit of social enterprise.

Different to their commercial counterparts, SE opportunities are focused on social problems in their attempts to create social value rather than financial profit (Dees, 2001; Thompson, 2002).  The relationship between social entrepreneur and opportunity is inevitably influenced by this alternative focus. Initial research into drivers of SE suggest some consistency of factors that may influence the opportunities perceived by social entrepreneurs. For example, Mair and Noboa (2006) suggest social entrepreneurs may perceive social enterprise as desirable due to specific emotional and cognitive attitudes. Dees (2001) suggest opportunities may be shaped and realized by the social mission, whereas Robinson (2006) argues social and institutional barriers to entry in a particular social market may be a catalyst. In addition, Drayton (2002) describes social entrepreneurs as creative individuals with ‘system changing’ ideas and Boschee (1998) asserts that personal traits such as passion, commitment and courage are requirements of being a social entrepreneur. Thus, investigations into the formation of new social ventures have been focused on the social entrepreneur and not on the process whereby the venture unfolds, and little is still known with regards to the opportunity recognition or the drivers behind the process of social entrepreneurship.

While most models of new venture creation focus on the internal activities within a firm, the act of creating an organisation, particularly a social enterprise, is a social embedded process and does not occur in isolation (Carsrud and Johnson, 1989; Corner and Ho, 2010). Robinson (2006) describes how SE opportunities are embedded in a social or community context where social networks and stakeholders within the community play a role not only in opportunity identification but also on the overall entrepreneurial process. The complex relationship between the personal value-based drivers of social entrepreneurs, and the socially embedded and socially contributory outcomes of social entrepreneurship is explored in this paper.

**Methodology**

The empirical work reported here is based on a qualitative, exploratory methodology. In particular, testimony and opinion of those who are engaging in social entrepreneurship activity was soughtand so a methodology to elicit narratives direct from those being studied was applied (Bryman, 2001; Duff and Bell, 2002). Specifically, 15 in-depth, semi-structured interviews were conducted that encouraged conversation and extended narrative testimony. As per Stake (1995), the rationale for this was to allow for rich exploration of themes identified in the literature, and also to enable and prompt issues not previously identified to emerge. Interviews lasted between 30 minutes to an hour, and all were recorded and transcribed verbatim. A thematic analysis that used the stratified process described in Miles, et al. (2014) of data reduction, data presentationand explanationwas conducted to explore itinerant issues, experiences and challenges. To reduce interpretation bias, the five researchers on the project followed this process individually. Thereafter consensus on results was achieved through collaboration, consultation and the process of retroduction.

**Findings**

Results include that motivations for social entrepreneurship are highly complex, involve the personal values and social missions of individuals, as these are informed by their social and otherwise experiential backgrounds, and their social networks. Motivations were seen to be clearly influenced by a social entrepreneur’s background and myriad experiences, including education, family, wealth, etc. and specific events such as trauma or some social barrier. In each interview, clear precipitating events were identifiable too, critical events that catalyzed actions, but which were informed also by the cumulative effects of background and experiences. Thus, drivers of social entrepreneurship were observed to be informed by both agential and social influences.

One particularly interesting result from the study includes that altruism, a much-asserted virtue of social entrepreneurship, was clearly evidenced, but was certainly not the only driver. Other, more classic, entrepreneurship drivers were observed also, not the least of which was opportunism. To elaborate, Scotland has a highly supportive and well developed institutional framework for the development and sustainability of social enterprises. This infrastructure is internationally celebrated and has been described as the best in the world. It is unlikely to be coincidental therefore that more than half of the social entrepreneurs in this sample did not come from Scotland, and instead had moved there from other parts of the UK or Europe in order to pursue their values-based mission. While the social issues with which the social enterprises included in the sample engaged were not peculiarly Scottish, the social entrepreneurship – the engagement with the cause and the contribution to social value – was being played out in a Scottish context. While this does not preclude altruism and values, it does suggests also an opportunity to engage in social issues in an environment where that contribution will be both enabled and supported. We contend that this resonates clearly with classic notions of entrepreneurialism.

**Contribution**

While investigations of the drivers of social entrepreneurship have focused on ‘the social entrepreneur’, research of social entrepreneurship as a business form and socio-economic contribution have focused on how they are embedded within social context to make contribution of socially meaningful value. This suggests a conceptual disconnect, on one hand focused on the agency of the social entrepreneur in terms of motivations, and on the other, on the social context of social entrepreneurship. To engage with this disconnect and make some contribution to the implied gap in our understanding of the social entrepreneurship process, we refer to SEE, since it includes scope for motivational drivers to be social and agential.

Other contribution in this paper is an initial interrogation of the altruism commonly associated with social entrepreneurship. While social mission and values did appear to have an influence on drivers, their expression was observably strategic in some cases, and this has implications for further research on the things that motivate those who would seek to make social contribution through social entrepreneurship.

**Conference Track**

Social, Environmental and Ethical Enterprise

**Presentation**

Full Paper

### 149

### Using collective impact and smart cities to tackle social challenges

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University of New Brunswick, Saint John, Canada

**Abstract**

**Topic**

Canada is recognized for its high quality of life and outstanding standards of living. But, current “statistics show that nearly 4.9 million people are living below the poverty line and 1.2 million of these are children under the age of eighteen” (Dallas-smith, 2018, p. 3). And while it is common to identify a specific income threshold as the demarcation line, amongst researchers there is a broad range of definitions of poverty. In particular, the definition can vary across different areas of studies and different objectives of the research. “The standard distinction in the literature is between absolute and relative definitions of poverty. The former approach focuses on the lack of basic necessities while the latter emphasizes inadequacy compared to average living standards” (Gyles, 2009, p. 19). Since 2016, the Government of Canada has chosen to define poverty in relative terms: “Living in low income and lacking sufficient financial resources to afford adequate food, shelter, clothing, transportation and other necessities of economic and social well-being” (Government of Canada, 2016, p. 18). Yet it is clear that poverty is a multidimensional construct (Alkire & Santos, 2013) and, therefore, studying poverty-reduction projects requires a multi- and an interdisciplinary vision. In other words, focusing on one dimension of the issue such as income, job opportunities or food insecurity cannot lead researchers and city authorities to reasonable and practical long-term solutions.

As a multidimensional phenomenon, poverty has significant impacts on various aspects of a community including crime rate, quality of life (Park, Turnbull, & Turnbull III, 2002), vitality, livability, domestic violence, health (Kim & Chan, 2013). These impacts are compounded with economic factors of local, regional, and national communities, including unemployment rate, inflation, income, and housing (Guillaumont Jeanneney & Kpodar, 2008). There is no doubt that these will have a negative effect on regional growth. In this paper, we look to a smart city approach to explore its potential role in economic challenges.

The smart city is a multidimensional concept with a focus on the urban infrastructure and quality of life, and is increasingly viewed as much more than just the application of technology (Batty et al., 2012). It typically employs a range of disciplines addressing various aspects of a community such as government, people, living, transportation, economy, and environment (Caragliu, Del Bo, & Nijkamp, 2011). Urban planners, designers, city managers, economist, and engineers have been using smart cities initiatives for decades. The approach is one where novel and innovative solutions are proposed to enhance the efficiency of the current system through the gathering and analysis of urban data. The classic case of employing the smart city concept is related to the traffic management (Lin et al., 2016) and its measurement methods (Mandal et al., 2011). For example, road and traffic engineers use the Wireless Sensor Networks (WSNs) (Nellore & Hancke, 2016) instead of manual and paper-based formats to measure, monitor, and ultimately, to better manage and control traffic in urban areas. (The result is more accurate data and the creation of a real-time and comprehensive database.) Therefore, smart cities initiatives such as these can offer practical solutions to policymakers in order to increase the reliability of their decisions and effectiveness of solutions (Anthopoulos & Reddick, 2016). In other cases, the approach involves collecting large sets of data across a wide number of dimensions and aspects of a community. Sometimes that data is already available; other times it needs to be generated afresh. Rarely, though, do smart city studies seek to address complex social issues such as poverty. In this paper, we attempt to do just that.

**Theme**

A significant challenge to both economic growth and entrepreneurship is poverty and the dampening influences economic struggle. Newcastle has the largest food bank in the UK (the West End Food Bank) which serves more than 46,000 individuals annually (British Broadcasting Corporation (BBC), 2018). This research is taking an entrepreneurial approach to solving urban social challenges using smart city concepts, collective impact methods and data analytics.

**Aim**

This paper aims to explore the ability of a smart city approach to solve the social challenge of generational poverty in the City of Saint John, Canada, working with the Saint John Community Food Basket (SJCFB) as a test case. Like many smaller food banks, the SJCFB has no electronic records kept about their daily operations. The story is similar across Canada– –food banks rarely have methods to systematically collect of data, whether for inventory purposes, to understand usage and needs, or to project future needs. Yet the first step of a smart city approach is the measuring and analysis of “traffic patterns” in order to understand behaviours. Combined with an analysis of poverty-focused initiatives, this paper, then, proposes the building of a data-informed, social network for improving the service of food banks and opening new communications between visitors and service providers, and among the local agencies working to understand and address poverty in their region. This paper will summarize this case example and our future plans for this proposed social network.

**Methodology**

The study employs two separate data-gathering exercises. The first set of data results from a survey of local stakeholders in studying and addressing poverty. This involved using a collective impact approach (Kania & Kramer, 2011), where key stakeholders were asked to: (a) identify the relationship between 30 smart city indicators and causes of poverty, (b) analyze the positive and negative aspects of local initiatives using the SWOT method.

For the initial survey, a purposive sample was conducted of entire population of those individuals with any kind of relationship to the generational poverty challenge of the City of Saint John. These individuals represented a broad range of backgrounds and experiences, from academics to city planners and authorities, as well as NGO service organizations. Given the smaller size of the city of Saint John, the number of potential academics, city authorities, and key stakeholders (including the City of Saint John, Saint John Energy, Enterprise Saint John, Human Development Council, and Living Saint John) totaled 66 individuals. For a second survey, the sample was selected from the population, with a 55% participation rate.

The second set of data (in progress) are collected at food banks. Clearly, food banks are one of the key places to have access to those struggling with food insecurity and economic disparity. In the spirit of smart city research, we are currently piloting a tool to collect inventory (usage) data, as well as key demographic characteristics of food bank visitors (at our small inner-city SJCFB). The goal is to create a data set that identifies historic usage (to bring efficiencies and planning to the food bank), as well as a deeper understanding of the regular and transient use of food banks and its population of users.

**Contribution**

Both sets of data provide a rich understanding of the various activities addressing local poverty. The unique contribution of this study, though, is the bringing together of these two data sets.

With the first set of data, we can identify the current situation of smart city indicators in use within Saint John, the role of stakeholders, and the relationships between smart city indicators and key elements of poverty. For example, through this analysis we found that “education” was identified as a critical challenge of those in poverty. Now the question becomes: what smart cities indicator/indicators can be related to education? For an answer, we employed a SWOT analysis to further highlight opportunities.

The second set of data serves a dual purpose: (a) for the food bank itself (inventory and usage planning), and (b) providing historic, current and real-time data for use and analysis by academics, government and NGOs working with these food bank visitors, and various service providers (for example, legal and health agencies). Along with these groups, municipal governments and planners will be able access these datasets and smart city ideas to bring greater focus to their poverty reduction initiatives. The result of this step will lead the research to identify the relationship between smart cities indicators and the poverty-oriented factors as well as to address responsibilities, tasks, and related projects of key stakeholders.

A subsequent phase of this pilot will see the development of social network for food banks, stakeholders and service providers (again, based on these two data sets). This social network is a unique and novel platform for key stakeholders, vulnerable individuals, city authorities, academics, volunteers, and experts to share their ideas, challenges, recommendations based on some mutual goals (e.g. poverty reduction in a specific community). The characteristics of this platform would be like other social media with some significant differences. It will target social challenges and its features will be designed to respond these issues.

**Implication for policy**

The public and private sectors dealing with the generational poverty challenge in of Saint John spend a significant amount of their human and capital resources to collect data related to vulnerable individuals annually. Yet it is either historic or soon-to-be out-of-date data. The value of on-going, real-time data that provides geo-location, demographic and economic measures was identified as transformational in their decision making and planning (as identified by local The Human Development Council).

**Implication for practice**

“Smart cities is a term that has gained traction in academia, business and government to describe cities ... whose economy and governance is being driven by innovation, creativity and entrepreneurship, enacted by smart people” (Kitchin, 2014, p. 1). We see this study as both unique and innovative, applying the use of smart city initiatives to address urban social issues and an unsustainable economic condition within a small-sized city in Canada.

**Conference Track**

Social, Environmental and Ethical Enterprise

**Presentation**

Working Paper

## Family Business SIG whisky-tasting and AGM

#### Family and Community Business

#### Time: 14:30 - 15:30

#### Date: 14th November 2019

#### Location: Planet

The annual general meeting of the Family Business SIG, preceded by a whisky-tasting session!

## Business Support, Strategies and Practice

#### Business Support, Strategies and Practice

#### Time: 16:00 - 17:30

#### Date: 14th November 2019

#### Location: UTC: 103

### 174

### An Examination of Accounting Practices and Challenges of Micro-Businesses: Empirical Evidence from Scotland.

Shaif Ahammed, Ahmed Beloucif, Heather Tarbert

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**Abstract**

**Applicability to the conference theme:**[Business Support, Strategies and Practice](https://isbe.org.uk/isbe-2019/tracks/business-support/).

**Aim:** This study examines the accounting practices of micro-businesses, their challenges.

**Methodology:** A qualitative approach of methodology has been applied in this study to investigate micro-businesses accounting practices. Purposeful sampling and referral (opportunistic approach) were used to recruit participants for this qualitative enquiry. 20 face-to-face interviews with micro-business owners were carried out in Scotland. The interviews were transcribed and analysed using a thematic approach.

**Contribution:** This study reveals that most of the micro-businesses used single entry bookkeeping and cash basis accounting. The knowledge of owners and time constraints emerged as key challenges of proper record keeping. In some cases, the calculation of profit and loss does not reflect the actual profit and loss for the business. It was found that the cost, time and complication of using an Accounting Information System (AIS) are the main barriers to its use.

There have been some studies relating to accounting practices in small and medium enterprises (SMEs) carried out in other countries, but hardly any related to micro-business has been explored. This study provides a better and clear understanding of micro-businesses accounting practice and challenges. Government and non-government agencies can use the information from this research to provide training in relation to accounting practices to micro business owners. It would help micro-businesses to do their own record keeping.

Therefore, this study provides a better and clearer understanding of micro-businesses' accounting practices and challenges. Local councils, Business Gateway, the Federation of Small Business in Scotland and the government can find out about micro-businesses accounting practices and challenges, which will help to introduce new schemes to support micro-businesses to improve their accounting practices. Accounting bodies (ACCA, ICEAW, ICAS) and educational institutes can gather in-depth understanding on how micro-businesses practise their accounting, which can help to train future accountants to improve the relationships and accounting practices in micro-businesses. Finally, micro-business owners themselves can gather a great deal of information about micro-businesses accounting practices, to help them to choose the right strategy for operating a micro-business.

Moreover, this study contributes to methodology because the way of identifying themes to carry out a thematic analysis was a combination of literature with the fieldwork. As a result, themes have been identified through a cyclical research process, as the researchers moved back and forward between the literature review and fieldwork, and at the same time re-structured and revamped the literature. Generally, these themes emerged in the analysis.

**The implication for the policy and practice:**

* Government, local government and other organisation such as Business Gateway should provide mandatory training to micro- business owners about basic accounting practices and the importance of record keeping, which would help micro- businesses to do their own record keeping. Moreover, it would help to improve the micro-business owners’ ethical perspective. Furthermore, some micro-business owners think that when people go to school and college, they need to be trained for operating micro-businesses. As a result, the recommendation is to provide basic accounting education to primary, secondary and college level to prepare future micro-business owners.
* A local trade association can arrange training about the importance of record keeping and using accounting information for decision-making purposes.
* The Institute of Chartered Accountants of Scotland (ICAS), Association of Chartered Certified Accountants (ACCA) and other accounting bodies should encourage accountants to be more helpful to micro-businesses, by providing advisory services to improve micro -businesses accounting practices.
* The curriculum in ACCA, ICAS, ICAEW and Hons degrees in accounting and finance should provide a focus on micro-businesses and their importance so that accountants can understand what products would be suitable for micro-businesses to improve their accounting practices and to deal with challenges.
* This study highlights that most of the research did not consider micro-businesses separately. Most of the studies conducted were mainly on SMEs and small businesses; they considered micro-business as part of the SMEs. However, in terms of their characteristics, micro-businesses are widely different from SMEs and small businesses. Therefore, it would be recommended not to treat micro- businesses as being the same as small business and SMEs.

**Conference Track**

Business Support, Strategies and Practice

**Presentation**

Full Paper

### 195

### Technology foresight for growth and productivity: Case study of UK digital health SMEs

Riccardo Vecchiato, Hang Do, Robert Blackburn, Yannis Pierrakis

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**Abstract**

1. **Topic**

Technological change represents a huge opportunity for those organisations that are able to identify new technologies early and anticipate their future evolution and impact. Mainstream scholars define as “first mover advantages” the main benefits that a firm might gain by anticipating – and thus by pioneering – technological changes and, conversely, the disadvantages encountered by late mover firms that fail to anticipate such changes.

On the other hand, technological change is a key challenge for organisations, particularly for those that have limited resources for monitoring and developing emerging technologies or for adopting technologies that already exist in other industries/sectors. Specifically, new technology adoption by SMEs faces barriers because new technologies create different layers of uncertainty which hampers investments and the commitment of resources. The first kind of uncertainty regards the evolution of a new technology (i.e., ‘state’ uncertainty): managers experience such kind of uncertainty when they do not feel able to understand the future pattern of evolution of this technology. A second kind of uncertainty relates to managers’ inability to predict the impact of a new technology on the organization (i.e., ‘effect’ uncertainty), with regard for instance to the development of new product or service features (or radically new product or services) or to the improvement of current features. Finally, a third kind of uncertainty relates to the difficulty of understanding what response options are available to the organisation and what is the value or utility of each option is (i.e., ‘response’ uncertainty). Coping with the uncertainty surrounding new technologies is generally difficult for large corporations but it is definitely more challenging in the case of SMEs because of their limited access to data and knowledge (both tacit and explicit) about the state, effect and response to new technologies.

1. **Applicability to the conference theme –exploring new frontiers and entrepreneurial places**

This research meets the call for the “Business support, strategies, and practice” track, the “Networks, innovation and policy” track, and the “technology entrepreneurship” track – in relation to the two following sub-tracks “factors influencing technology entrepreneurship development” and “sustaining innovation”. The main objective of this research work is to boost the productivity and long-term competitiveness of UK SMEs by helping them to cope with the uncertainty of technological change and benefit, at the same time, from first mover advantages. Precisely, our paper seeks to provide SME managers with an innovative methodological approach to technology foresight, tailored to the specific needs (and constraints) of SMEs. Our target audience of SMEs for technology foresight are SMEs that operate in clusters.

1. **Aims**

Since the early 2000s, a significant number of corporate organisations succesfully applied an innovative management approach to the monitoring of new technologies and the systematic analysis of their future evolution and impact. Such approach is commonly named under the umbrella of “technology (or strategic) foresight” and includes techniques like technology road-mapping and Delphi. Road-mapping consists of representations as interconnected nodes of major changes and events in the external environment, such as new technologies, products, and markets. Delphi involves a number of experts answering a questionnaire in two or more rounds. After each round, the experts are given a summary of average forecasts and the reasons for such forecasts, and are encouraged to revise their early answers in the light of this feedback.

Despite the growing popularity of technology foresight amongst large corporations, there is little evidence on its use in SMEs. However, foresight might be very beneficial to SMEs that are facing technological changes, by enabling them to pool their knowledge about new technologies and thus to set priorities and joint efforts, in a systematic way, for the optimal allocation of their resources.

This paper aims to develop and test a simple, effective and scalable foresight method specifically responding to the needs (and challenges) of SMEs in UK clusters. We illustrate the results of a foresight exercise that involved 16 SMEs in the London Digital Health cluster. The main novelty of this foresight exercise is related to the involvement of different entrepreneurs of different SMEs (rather than a team of managers from the same organisation, as it is usually the case of technology foresight in large corporations) and the adoption of a bespoke set of different techniques, tailored to the specific needs of SMEs.

1. **Methodology**

The results of this paper are based on an action research project. Precisely, we illustrate the results of the project “Technology foresight for growth and productivity: the design and implementation of a new foresight approach for UK SMEs” we implemented after we attained a research grant from Innovate UK, within the “Business Basics” programme that was launched in July 2018.

1. **Results**

The foresight project consisted of three different main phases. The first phase focused on the identification of the SMEs to involve in the project (overall, 16 companies), the identification of the technology experts to involve in the project (overall, 6 experts), the raising of awareness among the entrepreneurs and experts, the gathering of background information, the identification of a preliminary list of technologies that are potentially relevant for future SMEs’ productivity. The identification of such preliminary list of technologies was based on such techniques as: analysis of patenting activity by leading organisations (e.g., corporate firms and research centres) operating in the Digital Health sector, at an international level; b) a bibliometric analysis of publications; c) analysis of project proposals funded by public bodies (e.g. the Horizon 2020 of the EU); d) survey (involving all the SMEs entrepreneurs and technology experts). Overall, 26 technologies were identified.

The second phase of the project consisted of a 3-round Delphi process enabling the evaluation of the preliminary list of technologies selected in the previous phase and the identification of the most relevant technologies for the target cluster of SMEs. The Delphi involved all the technology experts and SMEs entrepreneurs. The Delphi allowed to identify 4 technologies as priorities for the future investments of the SMEs involved in the project,

The third phase consisted of two of workshops through which all the entrepreneurs and technology experts will meet and use the foresight technique of technology road-mapping to assess the evolution, impact (e.g. new products and process), and response options available for adopting/developing the critical technologies identified in the previous phase. In particular, it explored the joint actions enabling the SMEs to overcome the limitations - e.g., expertise, financial – of each individual firm.

1. **Contribution and Implications**

This research project produced three main outputs leading to improvement in the productivity of SMEs. The first, is a foresight methodology that proved to be effective, scalable, and easy to use by UK SMEs, especially those operating in clusters, for identifying and developing emerging technologies. The second is a list of critical technologies (e.g., artificial intelligence) specifically aimed at improving the productivity of the SMEs of the Digital Health cluster. The third output is a list of key actions enabling these same firms to concretely adopt these technologies and ultimately to enhance their productivity and growth. Furthermore, one of the most valuable outcomes of this foresight was the creation of a shared vision about future technological challenges enabling effective communication partnerships between SMEs and other cluster stakeholders (e.g., research centres, funding institutions) and the fostering of their networking and cooperation to accelerate productivity.

Overall, our research provides practitioners and policy makers with new insights into the needs and constraints of SMEs in the technology innovation, and the actions they might undertake for overcoming such constraints.

**Conference Track**

Business Support, Strategies and Practice

**Presentation**

Working Paper

### 211

### Title:  Addressing the business support needs for refugee ventures in Glasgow

Chanel Bikorimana, Geoffrey Whittam

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**Abstract**

**Abstract**

**Aim** – The aim of this paper is to evaluate the support provided by mainstream business support agencies to encourage refugee entrepreneurs to join the existing business support networks to benefit from their skills, knowledge, resources, advice and information.  Assisting this group is important because there is mutual benefit as entrepreneurs create firms, jobs and growth in our economy. Integrating refugee entrepreneurs in the wider Scottish enterprise networks can increase their participation, improve trust and take up of their services. There is little knowledge in the existing literature which examines barriers faced by mainstream agencies in Scotland to engage with refugee entrepreneurs and this paper seeks to reduce this gap.

**Objectives:**

To achieve the proposed aim, the following objectives could be undertaken:

1. To investigate barriers faced by mainstream business support agencies to engage with refugee entrepreneurs;
2. To identify influential factors which can contribute to increase participation of refugee entrepreneurs to take up services delivered by business support agencies?
3. To formulate recommendations to policy makers and local authority to implement a new strategy to engage effectively with refugee entrepreneurs.

**Methodology-approach** – A qualitative research that consists of semi-structured interviews with support agencies located in the City of Glasgow. Accessing business support agencies would be facilitated by the main researcher who has useful contacts with those agencies because of his professional employment for many years. All interviews with mainstream business support agencies will be recorded and analysed through using Nvivo software in order to identify emerging common themes that will be coded and discussed. Through this paper, the authors anticipate to use the following frameworks refugee integration and 3Ms model.

**Contribution**

This paper brings new contribution to the literature as the authors have previously looked at the demand side of refugee entrepreneurs and we feel that we need to focus on the supply side by examining barriers faced by mainstream agencies.  It is estimated that Scotland has over 22,601 refugees and asylum seekers (Mulvey et al., 2018). The city of Glasgow has a number of business support agencies which have been criticised for lacking a clear strategy to engage with ethnic minority businesses (Mwaura et al, 2018).  There is a need to identify barriers that prevent mainstream agencies to engage effectively with refugee groups. Over the past few years, several studies have already revealed that ethnic minority entrepreneurs do not take up services delivered by mainstream business support agencies (Deakins et al., 2007). The existing literature suggested that ethnic minority businesses rely on their own social and community networks for business advice and do not engage with mainstream agencies (Deakins et al., 2009). However, in the case of refugee entrepreneurs, it was found that they are hard to reach, are culturally isolated and tend to avoid making contacts with official agencies (Ram et al., 2010). Carter et al., (2015) suggest that there is market failure which justifies the provision of business support to member of ethnic minority and women.

This paper seeks to advance refugee entrepreneurship knowledge in order to fil the gap identified in the literature because there is limited knowledge on supply side of mainstream agencies to understand their challenges and barriers to engage with refugee entrepreneurs.

**Policy**

The policy implication of this paper is to understand the issues and challenges mainstream business support agencies have to ensure that they can adopt new strategy to engage with the hard to reach communities like refugee entrepreneurs. From a policy perspective, there is clear justification of why policy makers need to consider putting in place a new strategy for mainstream agencies in order to reach out to all communities they serve and tackle barriers to participation to ensure that there is a clear mechanism and support available to minority groups. This justification is centred on grounds of economic development and social equity reasons. In line with economic perspective, there is a need to engage with all communities to join existing enterprise networks and benefit from their expertise and support. Engaging with refugee entrepreneurs can be perceived as major shift in supporting and encouraging the groups to become entrepreneurs in their own rights. On grounds of social equity, this will fit with the overall integration strategy which needs to be strengthened to build solid social bridge, social links and build inclusive communities (Ager & Strang, 2008).

**Keywords:** Barriers, Business Support, Refugee Integration, 3 Ms and Refugee entrepreneurship.

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**Conference Track**

Business Support, Strategies and Practice

**Presentation**

Working Paper

### 88

### Connection between Entrepreneurial Ecosystem and the Creative Entrepreneurial sub-ecosystem

Gaëlle Dechamp1, Alexis Catanzaro2

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**Abstract**

**1.Introduction**

Since the seminal work of Isenberg (2010), the entrepreneurial ecosystem (EE), symptomatic concept of the question of the boundaries of entrepreneurship, is become a major topic of entrepreneurship research (Tsujimoto et al., 2018). Nevertheless, it still lacks of theorizing and need more research (Acs et al., 2017). Mason and Brown (2014) defined the EE as “a set of interconnected entrepreneurial actors (both potential and existing), entrepreneurial organizations (e.g. firms, venture capitalists, business angels, banks), institutions (universities, public sector agencies, financial bodies) and entrepreneurial processes (e.g. the business birth rate, numbers of high growth firms, levels of ‘blockbuster entrepreneurship’, number of serial entrepreneurs, degree of sell-out mentality within firms and levels of entrepreneurial ambition) which formally and informally coalesce to connect, mediate and govern the performance within the local entrepreneurial environment” (p.5). If the EE is dedicated to firms setting up in general, some authors underlined the EE can support sector‐specific sub‐ecosystems (Malecki, 2018) when it becomes more mature (Harrington, 2017). However, few authors studied the relationship between an ecosystem and its sub-ecosystems (Theodoraki and Messeghem, 2017), especially through a sector-specific lens. **How and why a specific sub-ecosystem is chosen? What about the specific support designed for it? How the EE in general and others sub-ecosystems are impacted?**

To answer these questions, we propose to combine the EE literature with the literature on creative territory (Florida, 2002, 2005 ; Cohendet et al. 2010) in order to study what we call the creative entrepreneurial ecosystem (CEE). We consider the CEE as a sector-specific sub-ecosystem defined as a set of local interconnected institutional organizations and private companies evolving in the sectors of technology, art, culture and education, together with individuals, groups, communities and associations involved into more informal creative activities such as painting, design, fashion or entertainment (Simon, 2009; Florida, 2005; Cohendet et al., 2011).

The entrepreneurial ecosystem, as a policy strategy, should be studied in different contexts (Simatupang et al, 2015). By studying the case of a French UNESCO creative city, we show how the CEE is connected, as sub-ecosystem at the meso-level (Theodoraki and Messeghem, 2017), to the entrepreneurial ecosystem (macro-level), and to other sub-ecosystems including micro- and nano-level ecosystems, and how it nurtures each of them. Therefore, we contribute to the entrepreneurial ecosystem literature in examining the sub-ecosystem phenomenon and its connection with the larger set.

Our proposition is structured as follow. First, a review of the literature on entrepreneurial ecosystems and creative territory. Second, a description of the methodology employed for the data collection and analysis. Third, a description and discussion of our findings and the formulation of propositions. And fourth, a conclusion describing the contributions, research limitations, and opportunities for future research.

**2.     Theoretical background**

Two theoretical frameworks will be studied and crossed: the entrepreneurial ecosystem (and its sub eco-systems) on the one hand and the creative entrepreneurial ecosystem on the other hand.

**2.1.Theoretical frameworks for understanding the entrepreneurial ecosystem and its sub-ecosystems**

**The entrepreneurial ecosystem**

We retain the synthesis of the work proposed by Theodoraki et al (2018) to characterize the EE, and particularly the approach of Spigel (2017). For analyzing the EE concept, this author proposes a configurational approach with 3 categories of attributes: cultural, social and material (Figure 1.). The cultural category reflects the local history of entrepreneurship (evolution, success stories) and the supportive culture. The social aspect is related to the local networks, relationships between different kinds of players (public or private), and resources available in it. The third attribute includes tangible attributes of the geographic area, such as infrastructures, organizations dedicated to entrepreneurship, universities, etc. These three attributes interact, which creates several overlapping sub-ecosystems (Theodoraki and Messeghem, 2017, p.51).

Figure 1 : Relationships among ecosystem attributes (Spigel 2017, p. 57)

**The sub-ecosystem concept**

Some authors showed how the EE itself, in its structuration (Spigel, 2017), is organized through different levels or sub-ecosystems. Letaifa et al. (2016) describe the ecosystem through three layers/levels of actors: the micro-level focuses on individuals, the meso-level involves the networks of people, and the macro-level adds formal organizations that enable institutional change. In the same vein but differently, applied to the case of entrepreneurial support and business incubator, Theodoraki and Messeghem (2017) propose the EE is a multi-level construct. For these authors, in the EE as macro-level, the entrepreneurial ecosystem can be a meso- one, whereas the business incubator ecosystem is a micro-level embedded into the previous one (figure 2).

Figure 2 : Three layers/levels of the entrepreneurial ecosystem (Theodoraki and Messeghem, 2017, p.61)

Thus, we retain that the EE must be studied at three levels: macro, meso and micro. In our context, the creative entrepreneurial ecosystem is, as the entrepreneurial support ecosystem is, one of the sub-ecosystem embedded into the EE.

**2.2.Theoretical frameworks for understanding the creative entrepreneurial ecosystem (CEE)**

**Organizational creativity and creative territory**

Creativity precedes innovation. Creativity is a necessary condition for innovation and is recognized as a key moment in the upstream phase of the new product development process - fuzzy front-end - (Hauser et al., 2006; Dechamp 2018). In this way, organizational creativity is the “development of a valuable, useful new product, service, idea, procedure, or process by individuals working together in a complex social system” (Woodman et al., 1993: 293). According to Mnisri (2007, p. 4), organizational creativity "represents the ability to effectively mobilize and combine within a group, the creative potential of an individual in a universe characterized by constraints to create new, useful and value-creating products, services or processes for the company". Organizational creativity is influenced by endogenous factors: the individual's commitment, the organizational context, and the organization's capacity to renew itself, but also exogenous factors: market, institutions, territory (Dechamp and Szostak, 2016).

Beyond organizations, the literature on creativity has also focused on the creative territory (Florida, 2005, Cohendet et al., 2009, 2010, 2011). The creative territory is defined as a space where diverse knowledge (scientific, industrial but also symbolic) is created, where ideas emerge by and for the actors concerned, i. e. organizations, communities and individuals, which benefits the development of territorial activities (Gilly, Kechidi and Talbot, 2014; Tremblay and Tremblay, 2010; Cohendet et al., 2011). It is composed of three levels: the upperground (institutions and well-known companies); the underground (independent and often informal individual artists); and the middleground (which links the two previous levels and is made up of groups, communities, associations). It allows the mobilization of different kinds of resources and is a strong incentive for organizational creativity (Dechamp and Szostak, 2016).

**Combine creative literature with entrepreneurial ecosystem concept**

Inspired by Theodoraki and Masseghem (2017) for the case of entrepreneurial support and business incubator, we mixed Letaifa et al. (2016) and Spigel (2017) for the EE literature with Cohendet et al. (2010) and Dechamp and Szostak (2016) for the creative literature in order to propose a new theoretical framework for analyzing the CEE (table 1). The macro-level is the entrepreneurial ecosystem, which included some elements of the upperground. The meso-level we study in this article (it exists others sub-ecosystems at the meso-level) is the creative entrepreneurial ecosystem at the upperground level. Finally, the micro-level is the creative community ecosystem, which includes formal creative groups, i.e. the formal creative community (middleground) but also some small informal creative groups, i.e. the informal creative community. The last is disconnected from the upperground, although its members generally come from the more formal community. These informal groups form the underground level of the creative territory. This distinction is also an answer to the creative individual needs of liberty and creativity, which push them to be disconnected to formal institutions and ecosystem. Nevertheless, they still nurture the ecosystem, but in a less formal and direct way. This last level doesn’t exist on the literature about EE and sub-EE, but it is very important on creative literature. We propose to add it, and name it “nano-level”.

Thus, by mixing the EE with the creative territory, we propose to complete the entrepreneurial sub-ecosystems approach by adding the consideration of **the nano-level as informal creative community** involved in the (creative) ecosystem.

Table 1: Theoretical framework for analyzing the creative entrepreneurial sub-ecosystem

**3.       Research design**

**3.1.Single case study**

Considering there are different ways of analyzing the entrepreneurial ecosystem (Stangler and Bell-Masterson, 2015), we developed a research design based on an explorative and comprehensive qualitative method on a single case study (Yin, 2013). Our field of analysis is the territory of Saint-Etienne, which has the specificity of being labelled Ville creative Unesco (international label) and French tech design (national label). The Creative Ecosystem Project in St Etienne aims to create a creative environment that facilitates innovation by building on the link between education, research and the world of the creative industries.

**3.2.Data collection and analysis**

The qualitative study uses a multi-level ecosystem analysis based on semi-structured interviews with main groups of actors in the creative entrepreneurial ecosystem (a part is a reuse of primary data (Chabaud and Germain, 2006):

-Places: Fablab, creative places

-Events: Moments, creative contests for any entrepreneur

-Entrepreneurs: Creative firms

-Support, Actors: Public authorities' support for the territory's creativity

-Secondary data

To analyse this corpus as well as additional documents and reports collected from the institutional sites of the interviewed actors, we carried out a thematic analysis (Huberman and Miles, 1991). This approach makes it possible to find recurring themes between the various documents or interviews in the corpus and the related content (Gavard-Perret & Helme-Guizon, 2008).

**4.       Findings and discussion**

The entrepreneurial ecosystem of St-Etienne city is very rich. The creative entrepreneurial sub-ecosystem is well developed and possesses its own support structures and programs (see Table 2). The different levels of the ecosystem interact with the one of the creative territory. The nano-level, although more informal, is clearly identified.

Table 2: Descriptive analysis of the entrepreneurial ecosystem of St-Etienne city and its creative entrepreneurial focus

Initially, the political will of the territory was for the existing entrepreneurial ecosystem to encourage the creative ecosystem, but as time went on, the relationship was reversed: it is increasingly the creative ecosystem that encourages the EE. Finally, we show how the entrepreneurial sub-ecosystems interact (Simatupang et al., 2015), here with the creative entrepreneurial sub-ecosystem and the entrepreneurial support one (see Figure 3). What can we learn from this situation ? What are the implications for EE and territorial policies to support entrepreneurship? We believe entrepreneurial ecosystems and sub-ecosystems evolve and mutually influence themselves. We can question when they become an entrepreneurial ecosystem in their own right.

Figure 3: Interactions and influences between EE and the creative sub-ecosystem

**5.       Conclusion**

As theoretical contribution, we propose an in-depth study of an entrepreneurial sub-ecosystem, and the identification of an EE dynamic. By combining the EE literature with the creative literature, we also have enriched the entrepreneurial ecosystems approach by proposing an additional level of analysis: the nano-level.

Our study has several implications for public decision-makers: do not underestimate sub ecosystems, promote their links with the EE in its broader sense, and share entrepreneurship support programs among sub-EEs.

For entrepreneurs, the implications are the following: to be located into a "large" territory, made up of sub-EEs, can open up to new frontiers in terms of support and collaboration.

**Conference Track**

Business Support, Strategies and Practice

**Presentation**

Working Paper

## Entrepreneurial Practitioner Learning

#### Entrepreneurial Practitioner Learning

#### Time: 16:00 - 17:30

#### Date: 14th November 2019

#### Location: UTC: 101

### 97

### Radically Reflexive Narrative: advising conversation as the co-construction of strategic space

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**Abstract**

**Radically Reflexive Narrative: advising conversation as the co-construction of strategic space**

**Abstract**

**Introduction**

This paper introduces a methodological approach that explores business advising taking place in a form of co-created ‘strategic space’. From this perspective, practice arises in interaction where small business owners and managers explore co-constructed, reality-congruent meaning from which future action for business development and improvement emerges. This view contrasts to much of the business advice literature which explains advising from a systems-based view,  where advising activity is often understood as engaging with and appropriating external expertise for implementing new business practices (Dyer and Ross, 2007, Mole, 2004, Dyer and Ross, 2008). Systems-based approaches present a structured view where past performance is used as a way of projecting possible (and often predictable) futures, however, what is often lacking is an understanding of how the unique context and social complexity of the everyday experience of the small business client will influence any future action. This paper addresses this gap in the literature.

**Aims of the research**

The idea of strategic ‘space’ has been discussed in the small business literature as ‘mechanisms to accomplish learning and transformation within small firms’ (Jones et al., 2010:661). The basis of this view is that ‘strategic space’ must be created through mechanisms that allow existing activities to be put under review for knowledge renewal to take place. Contrastingly, in this paper, it is argued that ‘strategic space’ and resultant learning arises in relational processes rather than as specific mechanisms that lay outside of the adviser-client relationship.

Here, a systems-based view of advising is challenged as being overly simplistic and not recognising the social, co-created nature of experiential learning. An alternative understanding of ‘strategic space’ is put forward here as a fluid and dynamic learning experience that arises ‘in and between’ adviser and client. This view resonates with current research where there is a convergence between behavioural sciences and neuro-biology that identifies the social construction of ‘mind’ as experience-dependent development (Siegel, 2008, Siegel, 2016). From this processual view, new neural connections induced by social experience enable individuals to make sense of ‘reality’ in the ‘living present’ (Loewen Walker, 2014, Shaw, 2002). This view of the present is not a point on a linear timeline between past and future, but reflects how learning and meaning arises as individuals are interacting with each other in their own local situations. Experience from this view is paradoxical as experience arises out of these activities, and is both formed by them, and forming them both at the same time.

**Methodology**

Taking a ‘radically reflexive narrative’ (Andrews, 2018) approach enables the concept of strategic space to be explored as arising in complex responsive process rather than something fixed.  As a practice-based approach, it is argued that reflective conversation in the form of ‘radically reflexive narrative’, offers a facilitative process where space for responsive, iterative, and exploratory enquiry can be sustained. It is in this relational process that exploration based on past experience and future aspiration and intentions of all participants will influence and shift understanding of the current situation as well as past experience in the context of the continually evolving present.

This methodology resonates with Cunliffe’s (2003)work that introduced a radically reflexive approach. However, Cunliffe’s description of this becoming a deconstructive process in turning the reflexive act upon the self is problematic as it lacks understanding of reflexivity as a radically social process. Responding to this critically the approach introduced here further draws on work by Stacey (Stacey, 1995, Stacey, 2000, Stacey, 2001, Griffin and Stacey, 2005, Stacey, 2011), Mowles  (Mowles et al., 2008, Mowles, 2011, Mowles, 2015, Mowles, 2017) and others (Flinn and Mowles, 2014, Filosof, 2017, Wenzel, 2012) who take up complexity approaches in exploring the relationship between individual and social and how this forms and is informed by organisational activity. These are not separate levels of enquiry as these are simultaneously evolving dynamically in social interaction. Orr and Bennett (2009:90) suggest ‘harnessing the insights of reflexivity, our reflections enable us to become more attuned to the dynamics of our research practices’ and a further rationale for radically reflexive research is that insights from practice can elucidate learning beyond individual practice and offer insight on broader influences and organisational patterning as we work together.

**Contributions and Implications of the Research**

A contribution of this research is to offer an alternative view of advising as a radically social practice, where meaning arises in and between adviser and client, from which a sense of strategic space can be experienced. This includes the exploration of social patterning that can be identified as the emergence of identy, recognition and power as relational processes that influence the adviser-client relationship.

**Implications for policy**: From a policy perspective there is a clear direction here that providing opportunities for advising that creates the strategic space for reflection and learning enhances a social, situated understanding of business need and opportunities that can enhance the skills and decision making process of small business leaders.

**Implications for practice**: Following the work of others taking a practice-based approach that challenges managerialist claims  (Mowles, 2011, Stacey and Griffin, 2005, Shaw, 2011), the approach taken here is to promote the value of understanding practice as a way of offering deeper understanding of the complexity of the situations that small business clients experience in their day to day work. This can provide a more reality-congruent perspective on making decisions on what to do next.

**Key words**: Radically reflexive narrative, practice-based, business advising, strategic space, living present, complexity

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**Conference Track**

Entrepreneurial Practitioner Learning

**Presentation**

Full Paper

### 144

### Conversations across the table: team decision-making

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**Abstract**

**Conversations across the table: team decision-making**

**Key words**: cognitive mapping, strategic decision-making, entrepreneurial team cognition, information processing, cognitive versatility

**Aim**

The aim of this study is to explore how entrepreneurial top teams arrive at strategic decisions; how they discuss, argue, make sense of and decide on actions to be taken. This study will examine the way individuals process information and engage in sensemaking, which allows us to understand how they negotiate new meanings and change their mind to make informed and better decisions (Eden and Ackerman, 2010). Furthermore, this will identify how team cognition emerges from the interplay between individual cognition and behaviours (DeChurch and Mesmer-Magnus, 2010), and how cognitive mapping is used to view these activated representations in the working memory space (Curşeu et al., 2008).

**Applicability to conference**

The notion of exploring mental representations as a ‘cognitive space’ has particular relevance for practitioners, as it helps them understand what influences the decision outcome. Entrepreneurial strategic decision-making is an intentional and goal directed process (Curşeu et al., 2008), involving high risk in uncertain and complex conditions. Thus, these specific task representations, comprising of implicit and explicit knowledge under the governance of both emotional and motivational factors, must be matched to the strategic decision situation for effective performance (Curşeu et al., 2008).

**Prior work**

Larger entrepreneurial organisations are managed and led by teams rather than by individuals (West, 2007), so the way in which a team works together is important for determining the successful performance and outcome of the business (Curşeu et al., 2010; Ensley and Pearce, 2001). Prior research has described team cognition in many different ways, but the concept of entrepreneurial team cognition still remains unclear (Mol et al., 2015). Research has examined, for example, shared cognition (Ensley and Pearce, 2001), collective memory (Bryant, 2012), collective cognition (West, 2007), group performance (Curşeu et al., 2010) or meta-analysis (DeChurch and Mesmer-Magnus, 2010). These different perspectives make comparison of findings across studies difficult, as well as a lack of agreement on a formal definition (Mol et al., 2015).

According to Mitchell et al., (2002: 97) individual entrepreneurial cognition is defined as “the knowledge structures that people use to make assessments, judgments or decisions involving opportunity evaluation, venture creation and growth”. However, Mol et al., (2015) argues that one cannot assume that individual cognition is the same as team cognition, as it does not consider the interactive nature of teams. As such they note that a team perspective is more than just the combination of the sum of the individual parts (DeChurch and Mesmer-Magnus, 2010; West, 2007).

Taking a cognitive perspective assumes that individuals perceive the world as mental representations.  According to Eden (2004), these can be drawn as easy to read graphical representations or maps, derived from the personal construct theory (Kelly, 1955) and can be used to “depict and explore the cognitive structures of members of organisations who are facing complex issues” (p674). The merging of maps derived from each team member illustrates how each of the concepts and relationships are linked to each other, thus showing the structure of the problem or issue.

However, Mol et al., (2105) note that an aggregate cognitive map does not constitute a cognitive team map, as it does not account for the fact that cognition has emerged “from the interplay of the individual cognition of each team member and the team’s process behaviours” (Mol et al., 2015: 235). In addition, Cooke et al., (2013) also note that team cognition has mostly been explained by the similarity of static knowledge structures between individual team members. They stress that this is not the best way forward for understanding team cognition and argue that it must be studied as an activity at team level as the task unfolds.  This exemplifies the importance of taking a dynamic process approach to any future study.

Most team cognition literature on entrepreneurial decision-making has examined how this facilitates decision-effectiveness (Mol et al., 2015), rather than look at how it emerges from the process itself.  Team cognition is described as an emergent phenomenon, embedded in team processes and sharing content related knowledge (Curşeu et al., 2010; Cooke et al., 2013; Mol et al., 2015). This suggests that the development of shared understanding and learning will be a result of the outcomes of discussions on strategic issues (Ensley and Pearce, 2001), which emerge from the complex interactions amongst individuals of the entrepreneurial team (Mol et al., 2015).

The main conclusion we draw from the literature review on team cognition is that in order to advance our understanding, we need to explore and examine cognitive processing at team level, and to move beyond the shared cognitive perspective more typically seen in the literature. We have noted three key propositions from our review; team cognition is a dynamic, interactive process, the result of cognitive interplay creates team cognition and that team cognition shares content related knowledge. In response to this we ask the question:

How do team members mentally organise, represent and distribute information for decision-making and how does the interplay of this information as team cognition emerge as an outcome for action?

**Methodology**

We propose the use of cognitive mapping techniques as a suitable approach for exploring team cognition. Curşeu et al., (2010) argues that methods used to evaluate group (team) cognition must take a holistic approach to this phenomenon, in contrast to prior studies which have focused on aggregation methods. They also note that methods based on aggregation do not consider social interaction and thus lack construct validity. Thus, exploring team conversations as a map will provide insight how team members amend, adapt and extend different ideas, resulting in decisions that are the outcome of all those involved.

We used a board meeting discussion as an example of a top team, based on a single agenda item, the Brexit implications for an internationally owned UK manufacturing company. This UK company manufactures and packages a product for the construction industry, which is globally distributed. The conversation between the five male directors was recorded and lasted for 28 minutes. Only one director was British. The discussion took place ten days before the original planned exit date of the UK from the EU.

The map was constructed directly from the transcribed recording, based on group mapping techniques derived from Eden and Ackerman (2010) and Curşeu et al., (2010). As the concepts and issues emerged from the discussion, they were written on post it notes as a short piece of text or statement and then attached to a whiteboard. Each statement captured as much of the true meaning as possible and was numbered to show the order in which statements surfaced. The transcript was re-read several times to ensure all statements were accounted for.

In accordance with map construction, these statements or concepts were arranged to show relationships and links as unidirectional arrows (Eden, 2004). The end result was an easily readable, two-dimensional map with a hierarchical structure of decisional outcomes and linked concepts. From this, further analyses were calculated for map complexity and connectivity. Central concepts or “the nub of the issue” (Eden, 2004:676) were identified and the interplay between these and other concepts examined.

**Findings**

The final consensus reached by the team represented the conceptual knowledge that had emerged as a result of information processing by the team members. The map illustrated personal agendas of each individual member and the distributed use of domain knowledge to assist information processing for reaching a consensus. Differing perceptions of risk influenced the negotiated outcomes and the social interactions that drove the cognitive interplay were also identified.

Two key issues emerged from the mapping process. These initially related to each individual team member's domain knowledge, but over the course of the conversation were adjusted and negotiated, resulting in new concepts based on two themes. These themes were identified as Brexit stock and tariff-imposed price increases. Another key issue, factory closure, emerged from the conversation. This created conflict within the group and was not resolved, despite some initial interplay between related concepts. Affective processes were also noted to impact on contribution. Furthermore, the mapping process indicated an unexpected, key driver of the team’s dynamic interplay. Cognitive complexity and connectivity calculations (Curşeu et al., 2010) provided insight into communication patterns and key concepts of the dynamic interplay.

**Contribution**

This study addresses the need for an alternative to aggregate methods, posited as critical for developing the field of group cognition (Cooke et al., 2013). It also supports the notion of team cognition as an emergent phenomenon (Curşeu et al., 2010). It demonstrates that a cognitive map can be successfully used to elicit and evaluate group (team) cognition (Curşeu et al., 2010) and adds to understanding team cognitions and concept connectivity. Finally, it identifies cognitive mapping as a way for practitioners to develop and improve cognitive performance (Curşeu et al., 2010).

**Implications for policy and practice**

Mental models provide insight into the decision-making process with all its concepts and relationships (Chermack, 2003). From a practitioner perspective, this provides a view into the ‘cognitive space’, showing the way mental models are used in a task situation by making the concepts and relationships explicit. This allows practitioners to understand how individuals use their assumptions, knowledge and expertise to help identify, guide, and shape the surfacing of the issue.  From a team perspective, the interplay of these concepts and relationships elicits a map of communication between the different decision-makers, and illustrates how new concepts emerge and are shaped or manipulated to reach a final decision. Not only does this provide added value to the team members as a visual representation of the process, but it allows complex issues, identified as the “nub of the issue”, to be discussed further (Eden, 2004). Furthermore, this insight allows significant factors and contributions to be explored and developed to support a strategy for the final decision. It also identifies key players in the decision process and lays bare any personal or hidden agendas that may disrupt reaching an outcome. As a result of this analysis, mental model processes that are inadequate can be changed through learning (Chermack, 2003). We consider that this technique is a fruitful approach for practitioners to use to develop understanding for improving decision-making performance.

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**Conference Track**

Entrepreneurial Practitioner Learning

**Presentation**

Full Paper

### 150

### What use is the business model concept? An exploration of its interpretation and application in Switzerland.

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**Abstract**

**Abstract of Full Research Paper for ISBE 2019**

Title: What use is the business model concept? An exploration of its interpretation and application in Switzerland.

Suggested track:

      Entrepreneurial practitioner learning

      Business Support, Strategies and Practice (alternative)

Applicability to conference theme: the paper reports recent and much-needed empirical research that is particularly relevant to New Economy industries.

## ****1. Introduction****

Although considered a popular and useful tool to support the creation of new enterprises and to develop existing businesses, the business model concept tends to be used so widely and loosely that it may have multiple interpretations and applications in practice. A thorough literature review showed that the concept is often discussed theoretically and conceptually but there was a distinct lack of empirical studies of its conceptualisation and application. This research is intended to address this limitation in extant knowledge.

## ****2. The business model concept: origin and purpose****

The business model concept first appeared in its currently understood sense in the late 1990s. This was a time when new Internet-based phenomena could no longer be explained using current management tools, so a new concept was needed (Stähler, 2002). The business model concept propagated widely with the rise of NASDAQ stocks and became a buzzword in the Internet bubble era in the 1990s (DaSilva & Trkman, 2014), and with the rise of e-businesses and the ‘new economy’ the concept of the business model has proliferated (Amit & Zott, 2001; Osterwalder, 2004).

The role of such business models is to break down an organisation into its constituent parts, showing relationships between the individual elements, such as illustrated by the Osterwalder (2010) Canvas or the Gassmann (2013) Navigator as the two most popular representations of the concept (Wagner, Tilly, Bodenbenner, Seltitz, & Schoder, 2015). In this context, Switzerland may justifiably be considered the ‘home of the business model concept’ since local scholars and authors such as Stähler (2002), Osterwalder (2010) or Gassmann (2013) have significantly contributed to its development and evolution.

## ****3. The proliferation of the concept****

After the burst of the so-called ‘Internet bubble’ around the year 2000, the business model idea seemed to have died with it (Osterwalder, 2004). However, since then it has been adopted by practitioners and academics in all areas, well beyond e-businesses, to describe the core logic of a firm (DaSilva & Trkman, 2014; Frankenberger, Weiblen, Csik, & Gassmann, 2012). More specifically, the business model has been used to describe the overarching logic of how firms work, by illustrating the relationship of individual elements acting together (Amit & Zott, 2001; Johnson, Christensen, & Kagermann, 2009).

A rigorous study of the published literature in academic and non-academic journals shows that the term ‘business model’ has become popular since the mid-nineties (Zott, Amit, & Massa, 2010). Figure 1 depicts the rise in use the of the term ‘business model’ in both academic and non-academic journals. The number of publications mentioning it increased from almost zero in 1990 to more than 1000 articles a year in 2010.

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Figure 1: Number of published articles (Zott et al., 2010)

## ****4. A lack of empirical studies of application****

The business model concept is seen by many scholars as something managers use to explain various phenomena (Zott, Amit, & Massa, 2011). The dramatic increase in the number of publications referring to the business model concept clearly indicates a high interest in the idea (Ghaziani & Ventresca, 2005). A wide variety of competing conceptualisations of it across various domains has led to a plethora of understandings, perceptions, meanings, and applications of the business model concept (Tikkanen, Lamberg, Parvinen, & Kallunki, 2005).

Hacklin, Minato, and Kobayashi (2015) found that there is no consistent consensus regarding the business model concept and that only few empirical studies of its application have been conducted. Im and Cho (2013) go a step further to say that a lack of empirical studies has limited the concept’s use for practical purposes. Lambert and Davidson (2013) see a tendency of an emergence of empirical research, which either tests the concept or is exploratory in nature. As can be observed with other nascent fields such as small enterprise and organisational science, a lack of empirical studies may lead to an increasing number of concepts (Lambert, 2015), accordingly in the absence of careful empirical analysis, a plethora of conceptually based models has emerged (Hanks, Watson, Jansen, & Chandler, 1993).

To conclude, the point here is that there exists a tension between the various applications of the concept on the one hand, and the foremost conceptual/theoretical research on the other. The argument is that the concept should be refined by specific industries or communities working with it in order to be useful. Thus, an empirical exploration of how the business world really understands, perceives and applies the concept represents an important gap in extant research.

## ****5. Aim and methodology****

The broad research aim was to explore the conceptualisation and application of the business model concept within three Swiss communities of academics, consultancy and training practitioners (collectively described as ‘consultants’) and small business owner-managers. The logic of this overall design was to address the three key communities most likely to be familiar with the business model concept and its application. Subsidiary aims were to explore the concept’s perceived limitations, and the ways that members of the three communities have further refined the concept in order to address to its shortcomings. To fulfil these aims, in-depth interviews were conducted with samples of 10 academics with expertise in business models, 13 business support professionals and 12 owner-managers of technology-based small businesses, all located in the German-speaking part of Switzerland.

## ****6. Findings and contributions****

The research findings revealed a high level of diversity in the interpretation and application of the business model concept and in evaluations of its usefulness, both within and across the three samples. There were some interesting general differences between the samples. The academics focused on ideas from the literature but tended to pursue their own modifications, while the consultants had a high level of awareness of the concept and offered new application perspectives but were markedly reluctant to apply the concept in their work with businesses. Only a few SME owner-managers applied the concept in any way and a number were completely unaware of it, the exception being the owners of recent start-ups.

The contributions include a confirmation that the business model concept is understood and applied differently across the three communities, a striking lack of awareness and interest in the concept among owner-managers of established SMEs and a general reluctance among consultants to make use of the concept in their work with business clients. It is further shown that SMEs are in a different business model development stage from start-ups and large firms, having different business model needs.

## ****7. Implications for practice****

Because of the widely varying interpretations and modes of application, a common understanding of the business model concept cannot be taken for granted when working with businesses. Instead, a clear definition of the term, its meaning and modes of applications, must be introduced and should be negotiated when working with business practitioners.

As it has been learned from the study, support professionals and other people delivering training and support to SME managers should introduce their client firms to business model frameworks carefully, recognising the importance of understanding the managers’ familiarity with these frameworks in particular, as well as their general feelings about abstract models.

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**Conference Track**

Entrepreneurial Practitioner Learning

**Presentation**

Full Paper

### 158

### The Digitally Enabled Business Clinic: How universities can improve SME productivity and help them scale-up.

Nigel Coates, Ed Cottam

Northumbria University, Newcastle, United Kingdom

**Abstract**

**Introduction and Context**

Government spending cuts have reduced the available support for SMEs. As a result, many businesses in the North East and beyond are in desperate need of help. Consultancy advice can often be an efficient, one-stop shop for business support, however, many do not necessarily have the time or resources to access such advice or know where to get the most appropriate assistance. University business schools remain a national under-utilised resource for economic benefit. At the same time, there is generally a dearth of free, high quality, neutral consultancy available, resulting from tight public finances.

The 'Spotlight on innovation: How government can unlock small business productivity ' report published in July 2018 by the Federation of Small Businesses stated that 43% of SMEs lack the time to innovate. Furthermore, 37% lacked the staff or skilled employees to innovate and 27% simply found it too challenging. Many micro/SMEs are fully occupied with the day-to-day operation of their business, and either do not have awareness of how existing technologies or business practices could increase their productivity, or do not have the time or easy routes to increase their knowledge.

In 2018, the Department for Business, Energy & Industrial Strategy (BEIS) awarded the Business Clinic over £44,000 for ‘Digitally Enabled Business Clinic (DEBC) - a cost-effective means of universities supporting SMEs to increase their productivity’ via the competition: Business Basics: boosting SME productivity (proof of concept strand). This funding was used to investigate the feasibility of a DEBC that would transition from a **fully bricks and mortar space** to a hybrid model involving **virtual space**. Therefore, we have **explored a new digital frontier and entrepreneurial space** in the consultancy context. This digitised model is a lower cost solution that would enable other providers to offer the ‘the services’ across the country.

The DEBC will help businesses to engage with university staff/students and access pro-bono business consultancy, providing the latest knowledge from a range of disciplines, leading to positive business outcomes. The only investment required by participating SMEs is their time. The bricks and mortar Business Clinic has helped SMEs to develop new products and processes and expand internationally. These activities are key to unlocking £1.15 billion in annual gross added value according to a report published by the Enterprise Research Centre 2016 'Boosting UK productivity with SME growth'. The DEBC concept is a cost-effective, quicker-to-implement way to widely reach out to SMEs, enabling them to interact with a university, gain neutral advice, enhance capacity and access state of the art knowledge and a younger generation perspective, boosting their productivity. Furthermore, rolling out such a network of DEBCs would be an innovative mechanism enabling UK businesses to easily connect with and benefit from new knowledge, insights and fresh perspectives of final year and postgraduate students, who in turn benefit from applying their knowledge to real business challenges.

Consultancy advice can often be an efficient, one-stop shop for business advice, however, many SMEs do not necessarily have the time or resources to access such advice or know where to get the most appropriate advice. Without effective marketing and engagement, most would not think about approaching a university, either feeling intimidated at the prospect, or not having an easily navigable route to efficiently access the appropriate advice, or being concerned about the potential cost of advice. University business schools remain a national under-utilised resource for economic benefit. At the same time, there is generally a dearth of free, high quality, neutral consultancy available, resulting from tight public finances.

The aim of this study is to explore **how universities can improve SME productivity and help them scale-up**. This study targeted low and mid productivity SMEs across a range of sectors, who would benefit from consultancy advice. We worked across sectors, and collaborated with the North East Local Enterprise Partnership (NELEP) and the Asian Business Connexions to reach out to struggling SMEs in the North-East. Initial interviews with the NELEP, Regional Technology Centre (RTC) and North East Chamber of Commerce highlighted significant concerns regarding productivity/scale-up in the region, and substantial demand for advice on digitisation and internationalisation across a range of SMEs.

**Methodology**

This qualitative research is underpinned by a social constructionist worldview and a qualitative mono-method approach. 60 qualitative semi-structured interviews were conducted, in two stages, with 30 clients of the DEBC. In stage 1, at the start of the process, SMEs were interviewed to determine their existing productivity level and their desired/target for improvement from engaging with the DEBC was established. In stage 2, at the end of the process, the SMEs were again interviewed to establish how well the consultancy report/advice had met with their expectations including productivity enhancement recommendations. The interviews explored how they plan to implement the productivity recommendations. Thematic analysis was used to analyse the data. The study was conducted in accordance with Northumbria University’s ethical research policies/procedures.

**Barriers Restricting SME Performance**

This research addresses a number of barriers restricting SME performance: **SMEs lack resources and the time to conduct feasibility projects.**The vast majority of SMEs lack internal capacity in terms of resources, knowledge and time (NE LEP 'BEIS Business Productivity Review; Government call for evidence July 2018). For example, many SMEs who have low to medium productivity do not have the technology/knowledge resources of how they should apply technology to their business e.g. Deloitte identified that SMEs who utilise cloud computing are 21% more profitable and experience 26% faster growth than those who do not (Small business, big technology, Google & Deloitte, 2014). Such findings suggest that it's not the technology itself that delivers higher productivity but how it is combined with the leadership, culture and the underpinning business model that will drive up performance (State of Digitisation in UK Business, Strategic Labour Market Intelligence Report, SQW, UK, Commission for Employment & Skills March 2016).65% of SMEs admitted to using outdated Microsoft Office technology, decreasing productivity by not taking advantage of latest benefits.( How a lack of tech skills are costing your SME time and money, by [Rose Legg-Tero](http://www.brighterbusiness.co.uk/author/opus_rose/) March 22, 2016 <http://www.brighterbusiness.co.uk/lack-tech-skills-costing-sme-time-money/> ). **SMEs find universities intimidating and inaccessible.**Universities can appear complex, and even impenetrable to SMEs. They do not have the time, or the resources to navigate their way through. (How can universities better support local and regional businesses? Andrew Buckley Chief Executive RTC North 31 March 2017 Universities UK). **SMEs distrust external information and advice.**NELEP ('BEIS Business Productivity Review; Government call for evidence July 2018) have found that SMEs distrust external information/advice and the LEP see a role for the public sector (trusted/independent universities) to play to address this. **Employers find graduates lack real world experience.** The CBI and Pearson Report into graduates found 33% of companies are unhappy with graduates' attitude to work, blaming their lack of resilience and self-management skills. It has also been noted that too many graduates lack basic business etiquette, and communication skills (Daily Telegraph 11/07/17).***SMEs are busy and time poor*** (NE LEP 'BEIS Business Productivity Review; Government call for evidence July 2018).

**Rationale and Approach**

The UK industrial Strategy aims to support universities and businesses working together to innovate. Evidence at Northumbria University shows that the BC approach, of providing pro-bono consultancy, can bring significant business benefits, e.g. the BC "produced work of the highest standards and their work will ultimately result in us growing our business." (NC Insurance). However, BCs are still relatively rare within the HE sector, meaning there is an untapped resource.

This study indicates the DEBC concept is a cost-effective, quicker-to-implement, way to widely reach out to SMEs, enabling them to interact with a local university, gain pro-bono neutral advice, enhance capacity and access state of the art knowledge and a younger generation perspective, boosting SMEs’ productivity. Furthermore, rolling out such a network of DEBCs would be an innovative mechanism enabling UK businesses to easily connect with and benefit from new knowledge, insights and fresh perspectives, who in turn benefit from applying their knowledge to real business challenges.

**Overcoming the Barriers that Restrict SME Performance**

**SMEs lack resources and time to innovate.**Consultancy is pro-bono and supported by experienced academics/consultants facilitating knowledge transfer. Therefore, the burden on clients is reduced. **SMEs can find universities intimidating and inaccessible**. The DEBC provides a smaller, more approachable entity SMEs can liaise with. **SMEs distrust external information and advice.** DEBC provides more than a free (trusted/neutral) service (protected by professional indemnity insurance). The DEBC approach also enabled the SMEs to tap into a range of knowledge relevant to their business from across a range of disciplines, and access to the latest thinking and 'young eyes' perspectives of the students. **Find graduates lack real world experience**. The student experience provided by the BC improved the skills of graduates and particularly in demand areas (digital). **SMEs are busy and time poor**. The DEBC provide client advice digitally, thereby enhancing productivity.

**Contribution**

**Practical implications**of the transition from a **‘bricks and mortar’ only physical space** Business Clinic to a DEBC, a hybrid model incorporating a strong **virtual space**. Most SMEs would not think to work with a university or a university-linked business clinic. We have created an innovative digitally-enabled business clinic, which will use digital marketing to attract a range of SMEs and digital tools to interact to provide pro-bono consultancy advice. Use of digital platforms will simultaneously, mean there is not a requirement for such extensive infrastructure or physical space and thus decreases the operational cost of BC model more generally. Moreover, the shift will encourage both participating SMEs and students to engage with digital technologies (MS SharePoint, Google Hangouts, Google Doc, WhatsApp groups, Skype Facebook groups, etc.) that will facilitate remote, collaborative work. This saves time for the SMEs.

**This research adds to overall evidence base**. BIS report (SMEs: The Key Enablers of Business Success and the Economic Rationale for Government Intervention) identified internal capacity and capability as a key to business success. This project has helped to address SMEs lack of capacity/capabilities as the DEBC enhances the SME's innovation capacity. As a result of this project we created, tested and evaluated the DEBC model, and are able to report on the business outcomes arising from the project. Also, we have prepared a set of compelling case studies and a "How to Implement" guide on setting up and operating a DEBC.

**Conference Track**

Entrepreneurial Practitioner Learning

**Presentation**

Full Paper

## Entrepreneurial Finance

#### Entrepreneurial FInance

#### Time: 16:00 - 17:30

#### Date: 14th November 2019

#### Location: Rocket

### 45

### Finance as if firms mattered.

Ciarán Mac an Bhaird

Dublin City University, Dublin, Ireland

**Abstract**

**Finance as if firms mattered**1

* **Topic**

The provision of adequate finance to small and medium sized enterprises has been a consistent theme in academic studies and a focus of government programmes over many years. Notwithstanding these studies, reports and initiatives, resourcing the small firm sector remains a significant problem, as evidenced by recurrent financing gaps. Volatility in the supply of debt and equity finance has detrimental effects for small firms, as it commonly coincides with recessions or contractions in the real economy. The persistence of financing gaps, which are pro-cyclical, suggests that underlying issues are not being addressed, and remain unresolved, despite many government interventions and programmes. Recent structural and operational changes in financial organisations and institutions exacerbate these problems, particularly in countries with a lack of diversification in private debt and equity markets. Although one may argue that liquidity constraints are a result of efficiently functioning markets, the financial crisis has laid bare a number of underlying problems with the small firm financing ecosystem.

* **Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

This study fits perfectly with the theme of ‘exploring new frontiers and entrepreneurial places’, as I examine how a sustainable, firm-centered financial ecosystem might be created and sustained.

* **Aim**

I examine recurring and persistent issues in the entrepreneurial finance ecosystem, identify how aspects of the financial system deter firms from resourcing positive NPV projects, and propose how these impediments might be overcome through a sustainable, supportive financial system.

* **Methodology**

A number of propositions are formulated from observations in the real economy, to be tested empirically when fully developed.

* **Implications for policy.**

Financing SMEs has been a consistent focus of government programmes and policy over decades, as witnessed by a plethora of reports and a raft of initiatives to increase the supply of finance to small firms. Despite multiple and varied schemes, there are recurrent financing gaps. Whilst governments have implemented a large number of supply side policies, it is unclear if they have been justified and a number appear to have been ineffectual.

[1] To paraphrase Fritz Schumacher.

**Conference Track**

Entrepreneurial Finance

**Presentation**

Working Paper

### 162

### Enterprise Research and Enterprise Policy: Some Reflections on the Connection

Simon Bridge

Ulster University Business School, Belfast, United Kingdom

**Abstract**

**Enterprise Research and Enterprise Policy:**

**Some Reflections on the Connection**

by

(Key words: enterprise research, enterprise policy, disconnection, conventional wisdom)

**Topic and Aim**

The objective of enterprise policy is generally to raise the rate of business start-ups and/or to encourage existing small businesses to grow. As enterprise research explores many aspects of start-ups and established small businesses it might be assumed that its outputs would inform policy in this area. Therefore the aim of this paper is to examine the connection between research and policy in the enterprise field to see if it is as direct and effective as this thinking would suggest.

**Background**

The link between research and policy might appear to be so obvious and direct that it should not merit much thought but this paper argues that the connection is not nearly as clear and straight forward as might be expected. For instance one indication that all may not be well in this area is the finding that enterprise policy usually is not successful in its aims (Bridge and O’Neill, 2018) which suggests either that the research which informs it is not helpful or, more likely, that the policy is not actually guided by relevant research.

**Method**

This paper explores aspects of the supposed research policy link based on information and/or views from a number of sources including:

* The author’s own experience both in policy making and research.
* What has been said by a variety of other authors about both research and policy.
* Case studies of the link in between research and policy in enterprise and in other fields.

From this it reflects on the actual nature of the link, or lack of it, rather than assuming that it is what it is supposed to be.

**Findings**

Because there appears to be a clear need, rationale and opportunity for communication between research and policy it is often assumed that it would happen naturally – but in reality there are a number of barriers which prevent meaningful interaction and therefore a number of significant reasons why, without special measures to overcome such obstacles, it ought to be expected that policy and research will normally not communicate in a meaningful way. For instance:

* The knowledge produced by research is rarely the knowledge needed to inform policy. Essentially research and policy usually focus on different things – one seeks to describe and one to influence. Describing something does not necessarily indicate how it can be influenced – it may provide some necessary clues or staring points but they will need further work to turn them into useful guidance. As an example from a different field the role of research in making policy has been likened to the role of a cow in making butter - because, if you want butter, the milk which a cow can produce is an essential ingredient but a different process is then required to convert that milk into butter. (Kitson, 1971)
* Research and policy making have different cultures and their timescales are usually do not coincide – which renders communication between them difficult, even when they try to deal with each other. For instance it can even hinder directly commissioned research if what the researchers find is not what they were paid to find and therefore fear that the commissioners with think that the contract has not been properly fulfilled.
* The information flow is overwhelmingly one way. Research provides so much information that its useful contribution can be lost but in contrast there is almost no feedback from policy to research. When policies, or their constituent programmes, are ended there are no obituaries to tell people that they have ceased and no post-mortems if they haven’t worked to discover why.
* For policy to work (ie to change behaviour) it needs an understanding of what is involved in doing that, especially in a complex situation where several influences may be at work and there isn’t a simple and direct and consistent input-output relationship.
* The field of enterprise is not unique in having a divide between research and policy. For instance in medicine there is science and there is practice and, even in that well established field, there is sometimes a lack of real communication between them (Swann, 2019).

If there has for years been an ‘explosion of research’ into enterprise why has this not fed through to better policy and practice? It might seem obvious to many people that research would inform policy but the arguments presented in this paper suggest that, strange as it might seem, that link is very tenuous and a disconnection should be expected. A focus of what apparently connects the two sides may have served to obscure and/or distract from the more significant things that separate them.

It would appear that enterprise policy has been influenced more by conventional wisdom than by enterprise research. Both sides appear to ‘play it safe’ by accepting the same (questionable) conventional wisdom. Therefore neither side may see a real need for more/better communication especially if it might introduce new and different thinking which would upset the foundation knowledge upon which they have been accustomed to rely.

**Implications / Indicated Contribution**

Research may have provided the information that small businesses create jobs and provided descriptions of small businesses with details such as who started them and where they were to be found – but has it provided insights into how to influence their foundation and/or growth? As it might have been assumed that research would not just inform policy but provide its main guidance, that question might seem strange to some people. It is therefore worth some reflection and this paper tries to indicate what might be some of the relevant issues.

An implication from this is that we should acknowledge the divide and the differences between the two sides – and not pretend that they can easily be overcome. Consequently we should accept that research cannot produce ‘oven-ready’ policy and that policy makers therefore have to engage in converting any research milk into policy butter.

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**Conference Track**

Entrepreneurial Finance

**Presentation**

Full Paper

### 197

### Analysis of the cross-regional flow of venture capital investments in the United Kingdom

Babangida Kure Yohanna, Yannis Pierrakis

Kingston University, London, United Kingdom

**Abstract**

**Cross-regional Venture Capital Investments (CRVCI) In UK**

Mason and Harrison (1999) suggest less progress has been made in understanding the special characteristics of VC and their role in enhancing regional economic development. VCs plays a critical role in technology innovation and regional development by providing funds and helping to organise embryonic technology-oriented companies. Several studies have widely established the uneven geographic distribution of venture capital investments in the UK (Martin, 1989), and several other literatures make emphasis on the supply side of Venture Capital in UK regions. Mason (2007) indicates the large gap in regional funding especially between London, South East England, and the rest of the United Kingdom. Despite widespread observation within the industry, Bertoni et al. (2011) suggests uneven distribution of VC investments could be a reflection of the demand-side factor as companies in peripheral regions are less likely to seek VC investments. Addressing the question of how company location influences demand for VC investments contributes to the debate on the geography of VCs in UK regions.

Martin (1988) posits the widening gap between the north and south divide in the UK was partly caused by the uneven geographic distribution of venture capital investment in the UK. The higher the degree of regional concentration of VC investments compared with capital invested in VC funds contributes to the regionally destabilizing geography of money in advanced industrial economies (Clark 1999). VC firms should be perceived as key actors who contribute to institutional thickness of regions following their role in facilitating collective regional learning (Keeble and Wilkinson, 2000). Extant literature on the role of venture capital in regional economic development reveals that interest on small firms and high technological industry spans on the wide assumption of their importance in promoting regional growth, and this assumption could be valid (Florida and Kenney, 1988). Venture location contributes to the debate on how location influences the demand for VCs and this results in most investments being concentrated in specific regions such as London in UK, Paris in France, and Silicon Valley, New York, and Boston in the US (Colombo et al., 2019).  This paper investigates the investment activities of regional funds in the United Kingdom, more specifically the volume and flow of investment transactions that takes place between one region and another region within the UK.

The study sample was collected from ThomsonOne database and it captures data between 2002 to 2017. Thomson One database which is previously Venture Xpert is the most widely used database for VC research (Schertler and Tyvova, 2011), and it is the leading venture capital database for accessing information, market data, and financial data on venture backed companies. We defined cross regional venture capital funds as venture capital funds that are resident in any of the twelve UK regions but decide to invest locally within same region or invest in another region separate from where the fund is located.

Our results show that 63% of UK companies received investment from one or more local Venture capital (LVC) between 1st January 2002 and 31st December 2017, we also discovered that 62.5% of total investment transaction in UK was made by LVCs over the 15years period. Findings regarding year-on-year local venture capital investment (LVCI) reveals about 33% drop from 75.34% in 2005 to 41.97% in 2017. Between 2013 and 2017, there has been a consistent drop of about 4% annually in the volume of LVCI between 2013 and 2017. Analysis revealed that as the round number increases the percentage of LVCs reduces in each round, we noticed 71.49% of round 1 investment had one or more LVC, 60.37% of round 2 had one or more LVC, 54.7% of round 3 had one or more LVC and 49.19% of round 4 had one or more LVC.

Our results further showed Northern region and Midlands have the highest percentage of LVCI ranging between 82% and 86% at the deal level, 51% of total investment transaction in London, 62.73% of investment transaction in South-East England, and 55.71% of investment transaction in East of England had LVCI. Northern Ireland had 45.76% being the lowest percentage of LVCI at deal level. While the results shows higher percentage of investment transaction in the Northern region and the Midlands, the volume of investment transaction is low compared to other regions such as London, South East England, and South West England.

There is regional disparity in volume of investments as we find London VC funds investing more within London than any other region. What is the implication of our findings on regional investment and development in the UK? We posit that the geographic location of a company plays a vital role in attracting regional investments, and cross-regional geography of venture capital investments in the UK can be directly tied to the availability of high human capital within regions. This paper contributes to existing research on regional development in the UK as it informs practitioners and policy makers on the flow of LVCI across UK region. Results of this analysis also show the important role-played by LVCs in venture financing within and outside their region.

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**Conference Track**

Entrepreneurial Finance

**Presentation**

Working Paper

## Enterprise Education

#### Enterprise Education

#### Time: 16:00 - 17:30

#### Date: 14th November 2019

#### Location: Invicta

### 182

### The Role of University Senior Management Teams’ in the Implementation of Entrepreneurship Education in East Africa

Andrea Lane

Newcastle University, Newcastle-upon-Tyne, United Kingdom

**Abstract**

**The Role of University Senior Management Teams’ in the Implementation of Entrepreneurship Education in East Africa**

**Applicability to the conference theme**

The paper is relevant to the topic ‘SPACE – exploring new frontiers and entrepreneurial places’ three-fold: Firstly, while there is a significant body of literature about entrepreneurship education from an Anglo-American context, entrepreneurship education is only at an early stage in East Africa and literature about the African region remains lacking. The paper can therefore contribute to our understanding of entrepreneurship education for a different geographic context (space). Secondly, Higher Education in East Africa is significantly constraint by contextual factors, ranging from a debilitating dwindling of public funding leading to financial distress of universities, and a lack of qualified faculty (Kezar, Bertram and Lester, 2011; Nyangau, 2014; Aduda, 2016). With the increasing importance of facilitating entrepreneurship education in Higher Education in Africa it was especially important to understand the specific institutional factors influencing and potentially restraining the implementation of entrepreneurship education in Higher Education (space). Thirdly, the current body of knowledge on entrepreneurship education focuses significantly on the learner (i.e., students), and the content of what they should be learning (Neck and Corbett, 2018), with little know about actors considered instrumental in the implementation process including entrepreneurship educators (Kabongo and McCaskey, 2011; Neck and Corbett, 2018; Steiner, 2014) and Senior Management Teams. By exploring the role and impact of Senior Management Teams this paper contributes to an emerging space within entrepreneurship education research (Newcastle University, 2015; Lilischkis, 2017; Sharma, 2017).

**Aim**

The current body of knowledge on entrepreneurship education focuses significantly on the learner and the content of what they should be learning, with little known about the role, profile and impact of other actors considered instrumental in the implementation process, entrepreneurship educators (Kabongo and McCaskey, 2011; Neck and Corbett, 2018; Steiner, 2014) and Senior Management Teams. Against this backdrop, this phenomenological study explored the ‘lived experience’ of entrepreneurship educators within Higher Education in Kenya, Uganda, and Tanzania, to identify their perceived barriers in the implementation of entrepreneurship education within Higher Education. The research resulted in the lack of institutional support from Senior Management Team emerging as a primary barrier towards the implementation of entrepreneurship education.

**Contribution**

The wider educational literature agrees that “the success of any school is heavily dependent on the quality of the leadership provided” (Deakins et al., 2005, pp. 247), and more specifically, that buy-in and support from Senior Management teams play an instrumental role in the implementation of entrepreneurship education (Mclarty, Highley and Alderson 2010). There remains a dearth of research about Senior Management teams’ role and impact on the implementation of entrepreneurship education in Higher Education, and this paper could, therefore, make a unique contribution to the literature and aid the implementation of entrepreneurship education. Secondly, previous research has identified a lack of entrepreneurship educators’ skills as a significant barrier to the implementation of entrepreneurship education in East Africa (Kaijage, Wheeler and Newbery, 2013; Olomi and Sabokwiginia, 2010; Sharma, 2017). This paper argues, that this lack of skills merely constitutes a symptom of a deeper structure problem: the lack of the provision of professional development opportunities and resources, both the responsibility of Senior Management teams (Cox, 2005; Uys, 2007; Bell and Bell, 2005; Smith, 2012)

**Methodology**

Data was collected using an interpretative phenomenological approach (Moustakas, 1994; Giorgi, 2009) which while well-established within the social sciences is only applied in a small proportion of entrepreneurship education research (Weiss, 2015; Al-Harthi, 2017). Examples of previous interpretive research in the field of entrepreneurship education including Weiss' (2015), study of young people's expectations of the outcomes of entrepreneurship education in Tanzania, and Al-Harthi (2017) investigation of the experiences of entrepreneurs in Oman.

To elicit entrepreneurship educators' views two face-to-face and eleven virtual semi-structured interviews were carried out between December 2017 -February 2018. In phenomenological studies, this sample constitutes a reasonable size (Creswell, 1998). Participants were identified through criterion sampling and expanded through snowball sampling. Data was analyzed using an inductive thematic approach, moving from the particulars of individual cases to a more interpretative identification of higher order concepts shared across participants (Smith, Flowers and Larkin 2009). The study resulted in two core themes: (1) institutional constraints imposed on entrepreneurship educators, primarily related to the curriculum and a lack of essential resources; and (2) challenges associated with a lack of understanding, commitment, and support from SMTs to address those constraints. This paper elaborates on educators' perceived lack of institutional support from Senior Management Teams as a barrier towards the implementation of entrepreneurship education. To analyze entrepreneurship educators' challenges associated with a lack of an understanding, commitment, and support from Senior Management teams, this paper adopted Fullan's (2007) criteria of effective educational change, analyzing entrepreneurship educators' view of Senior Management teams within the dimensions of relevance, readiness, and resources.

**Implications for policy, if applicable**

Policy-makers across East Africa prioritize the implementation of entrepreneurship education within Higher Education. For example, in Kenya, entrepreneurship education constitutes a compulsory and examinable subject for every student in technical training institutions (Gichana, 2013) and is currently expanded across universities (Khaijga, Wheeler and Newbery, 2013). To facilitate this expansion across the education system, it is instrumental to understand current limitations and barriers in uptake. This paper expands the view of entrepreneurship educators’ lack of skills as the main barrier to the implementation of entrepreneurship education (Kaijage, Wheeler and Newbery, 2013; Olomi and Sabokwiginia, 2010; Sharma, 2017) to contextual factors, especially the influence and role of Senior Management teams responsible for supervising and facilitating the implementation of policies into practice. By identifying the limiting influence role Senior Management teams, policy-makers can enact relevant policies and support to overcome this limitation.

**Implications for practice, if applicable**

The research aims to contribute to the ongoing academic discourse on entrepreneurship education by stepping outside of the current debate focused on pedagogy or the learner, contributing new insights about the role of Senior Management teams in the implementation of entrepreneurship education. Secondly, the research aims to stimulate discussion among entrepreneurship educators, funders and policy makers in East Africa of how best to move forward in the implementation of entrepreneurship education.

**Conference Track**

Enterprise Education

**Presentation**

Working Paper

### 207

### Frontiers or barriers? Re-evaluating Trajectories for the Entrepreneurial Educator

Kathryn Penaluna1, Marge Taks2, Andy Penaluna3, Colin Jones4

1University of Wales Trinity Saint David, Swansea, United Kingdom. 2Estonia Business School, Tallinn, Estonia. 3Consultant, Swansea, United Kingdom. 4Queensland University of Technology, Brisbane, Australia

**Abstract**

**Topic**

The world of work is becoming increasing complex and changes quickly.  The new tasks of harvesting knowledge and recognising and solving complex problems becomes the imperative (World Economic Forum, 2016).   This requires competencies, such as creative thinking, adaptability, flexibility and opportunity recognition. Research has informed new practices, and new practices have moved ahead and in turn, informed research.  This paper responds to subsequent questions and implications that this raises for the ‘entrepreneurial educator’, who may find themselves reacting to outmoded thinking that is grounded in the past, less applicable to current thinking, or indeed future orientated thinking. How an educator positions themselves may impact on their future roles and goals.

**Applicability**

In the title of his editorial Shepherd (2015, 489) suggests that we ‘Party On! A call for entrepreneurship research that is more interactive, activity based, cognitively hot, compassionate and prosocial’.  The findings from the study suggest that researchers themselves will need to be more entrepreneurial in identifying new frontiers in their approaches. As educators hone their practice, liaise through networks and seek to contextualise their work within subjects and disciplines, the frontiers are constantly on the move and what might be appropriate today, might not be so useful tomorrow.

**Aim**

This article aims to clarify the concepts enterprise, entrepreneurship and entrepreneurial education and to highlight emergent issues relating to practice, policy and research.  More specifically, through an overview of reports and practice, to help both readers newly entering the field as well as providing additional insights for those more experienced discourse, we ask the following questions:

1.         What is the current state of play in entrepreneurial education?

2.         What is the current goal of research on entrepreneurial education?

3.         What are the types of new research questions that may emerge to reflect current practice and emerging practice and policy making?

Finally we ask, should these questions help us to support the development of a new type of specialist educator with unique abilities, or attempt to empower all educators to become more entrepreneurial?

**Methodology**

In a constructivist paradigm that is theoretically underpinned with international perspectives and policy from Europe and beyond (United Nations Conference on Trade and Development, 2012) this article uses a narrative literature review (Sternberg, 1991) to describe and discuss the current state of entrepreneurial education, from both a theoretical and contextual perspective. The review provides insights into current practice, policy drivers and a critical analysis of the literature associated with these developments (Sternberg, 1991; Bryne, 2016).  The notional constructs of abductive reasoning are employed as opposed to those related to deduction, as this provides a vehicle and toolkit for others to consider in their research.  Even though literature reviews are sometimes considered subjective and biased, this approach allows us to incorporate, in addition to evidence-based literature, the vast amount of policy papers related to entrepreneurial education strategy and initiatives. The method therefore aligns with the type and nature of foresight, not merely hindsight.

**Contribution**

There is a global imperative for entrepreneurial learning (World Economic Forum, 2009, 2016) however, a recurring theme in the discourse is the diversity of programs, definitional confusion and lack of rigorous evaluation (Valero et al., 2014, Sirelkhatim et al., 2015). This presents challenges in communicating research needs and building upon practice.  This article provides an overview into the past, present and potential future of entrepreneurial education, highlighting issues, consensus and divergence in priorities and identifying the added value for learners, educators and those charged to support them. Based on the insights and results, further directions for entrepreneurial education are offered and discussed. Modelled graphically by the 3E model of entrepreneurial education and supported by the Entrepreneurial education educator distinction model, questions are proffered that help to indicate unseen frontiers, ones that may already be barriers to adavnacement.

**Implications for policy and practice.**

Longitudinal studies into entrepreneurial learning that clearly align objectives and activities with both intended and unintended outcomes that incorporate multidisciplinary approaches to curricula development need to be developed and articulated.

What is appropriate and well understood in one discipline may not be another.  Policy makers have sought to address the disparate nature of definitional debates found in the literature; they have moved ahead in order to address the shortfall of agreed definitional stances in an attempt to provide pragmatic road maps for progress, providing distinction between ‘entrepreneurship’ provision as being ‘about’, ‘through’ or ‘for’ venture creation/business start-up and or ‘enterprise’ and its broader competencies (Bacigalupo et al, 2016; Quality Assurance Agency, 2018) However, this debate remains largely unresolved in academic discourse, where there is a potential for disconnection with current practice.  Hence opportunities to assist those who are charged with developing national and international policies and guidance may be missed. Moreover, results indicate that education and policy is moving some way ahead of scientific evaluation and that more immediate and pragmatic issues need to inform a new research agenda. As we can only measure what has happened in the past, not the future, metrics that evolve might look quite different.

**Conference Track**

Enterprise Education

**Presentation**

Full Paper

### 340

### Lego Serious Play as a Method to Support Entrepreneurial Learning of a Facilitator and Stimulation of Innovation in the SME Sector

Monika Dukarska1, Tom Farrelly1, Andrew Loxley2, Breda O'Dwyer1

1Institute of Technology, Tralee, Ireland. 2Trinity College, Dublin, Ireland

**Abstract**

file attached

**Conference Track**

Enterprise Education

**Presentation**

Full Paper

## Entrepreneurship in Minority Groups

#### Entrepreneurship in Minority Groups

#### Time: 16:00 - 17:00

#### Date: 14th November 2019

#### Location: Locomotion 1

### 214

### What do we Talk about when we Talk about Ethnic Entrepreneurship?

Tayo Korede

Newcastle University Business School, Newcastle upon Tyne, United Kingdom

**Abstract**

**Topic:**

**What do we Talk about when we Talk about Ethnic Entrepreneurship?**

This paper critique the concept of ethnic entrepreneurship concerning its contextual and theoretical underpinnings. It attempts to answers two research questions (i) who is (not) an ethnic entrepreneur? and (ii) what makes entrepreneurship (ad)venture ‘ethnic’? Although ethnic entrepreneurship is attracting attention from researchers, the subject is still fuzzy, and its various components lack theoretical grounding. It uses qualitative data elicited from interviews combined with secondary sources of data. By reviewing the literature on ethnic entrepreneurship especially on the ethnic economy, ethnic identity and ethnic enclave. It argues that research in ethnic entrepreneurship bears little reflections of the current changes and new realities in the composition of modern societies. It challenges researchers to approach the study of ethnic entrepreneurship from a more grounded perspective in this era of superdiversity and multiculturalism. It shows that the term ‘ethnic entrepreneurship’ is being used to create an image of Otherness in the discourse of entrepreneurship and portray entrepreneurship as a Western phenomenon. It concludes that what constitutes ethnic enterprise should not be based on the identity of the owner or its manager; ethnic enterprise cannot be confined to a geographical boundary and ethnic economy and mainstream economy are not mutually exclusive.

**Keywords**: Ethnic entrepreneurship, ethnic economy, ethnic identity, ethnic enclave and superdiversity

**Applicability to the conference theme:**

This research is applicable to the conference theme as it demonstrates how rethinking and redefining the term ‘ethnic entrepreneurship’ challenges the entrepreneurial exclusion of minority groups and give voice to the various contexts and socio-cultural dimensions of entrepreneurship. The balance discourse of entrepreneurship will reject stereotyping identity markers (such as ‘ethnic’ entrepreneur) that sustain ideological prejudices that tend to silence the entrepreneurial voices of non-white, non-normative and non-hegemonic entrepreneurs. By questioning the dominant assumptions in entrepreneurship (Verduijn and Essers, 2013; Ogbor, 2000), we create space for the entrepreneurial activities of minority groups and bringing the much needed critical perspective to the discourse of entrepreneurship.  Thereby improving our understanding of the nature and norms of entrepreneurship taking place at the boundaries of marginality, and how best to support them.

**Aim:**

This paper attempts to bring conceptual clarity to the discourse and usage of the term ‘ethnic entrepreneurship’. It critiques the concept of ethnic entrepreneurship in relation to its contextual and theoretical underpinnings. It answers two research questions (i) who is an ethnic entrepreneur? and (ii) what is ethnic entrepreneurship and what it is not?

**Methodology:**

I wrote this paper, after my PhD data collection process where many of my participants had said they were hearing the words ‘ethnic entrepreneur’ for the first time from me. Many of these participants also questioned the use of ethnic entrepreneurship to characterize their entrepreneurial activities. They found the term ‘ethnic entrepreneurship’ to be both discriminatory and contradictory and had objected to me referring to them as ethnic entrepreneurs.

In this research, I have used multiple case study approach and data from my own research where I asked 43 African migrant entrepreneurs questions about ethnic entrepreneurship and whether they consider themselves as ethnic entrepreneurs. Cases use include the British takeaway industry, the Notting Hill carnival, the typical African/ Asian food shop and the Brent and Newham boroughs in London. These cases were supported with supplementary data from interviews among African migrant entrepreneurs as the prototype of the ethnic entrepreneur cliché. Narrative analysis of these interviews was used to make theoretical and empirical contributions to the discourse of ethnic entrepreneurship.

**Contribution:**

This paper challenges the hegemonic and ethnocentric assumptions embedded in the study of entrepreneurship. There is arguably no other discourse of entrepreneurship that is as ethnocentric and discriminatory as the discourse of ethnic entrepreneurship. It questions the essentialist nature of ethnic entrepreneurship and its theoretical perspective, as it is been mostly used by scholars today. It contributes to the literature, by providing a working definition for ethnic entrepreneurship. It critiques the mainstreaming concept of the global economy and argues that the ethnic economy and the mainstream economy are mutually inclusive and complementary. Thereby contributing to the burgeoning literature on critical entrepreneurship study.

**Implications for policy:**

It provides a critical understanding of the concept of entrepreneurship among minority groups. By so doing, it removes the biased lens embedded in the policy arena and challenges policymakers to develop robust policies that support and maximize the entrepreneurial potentials of minority groups.

**Implications for practice:**

Societal unfounded assumptions and stereotypes have crept into the study of entrepreneurship and researchers have unconsciously sustained and perpetuated these assumptions and stereotypes. In this era of superdiversity and globalization, I encourage researchers to rethink the concept of ethnic entrepreneurship both in research and praxis.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Full Paper

### 219

### Exploring lifestyle entrepreneur types within the lifestyle sport setting

Laura Wallis1, Andreas Walmsley2, Emily Beaumont1, Carole Sutton2

1Plymouth Marjon University, Plymouth, United Kingdom. 2University of Plymouth, Plymouth, United Kingdom

**Abstract**

This paper will present an exploration of the phenomenon of lifestyle entrepreneurship within the lifestyle sports setting. Solvoll et al. (2015) state that ‘the broadening of entrepreneurship as a field of research has also led to several new subtopics’ (2015: 122), and it is argued that lifestyle entrepreneurship is one such sub-topic. The notion of lifestyle entrepreneurship within lifestyle sports is an area of research which to date has been given minimal attention in the entrepreneurship research field (see, for example, Marchant and Mottiar, 2011; Beaumont et al. 2016), and yet the shared use of ‘lifestyle’ within the context of entrepreneurship provides an interesting area to explore. The subject and context therefore offers a new frontier of entrepreneurial research, and a novel entrepreneurial place by which to examine the features of entrepreneurship.

The aim of the research is to provide an original contribution to this developing area of entrepreneurship, by examining the identity of the entrepreneurs that reside in this lifestyle mode. Having analysed the ambiguous interpretations of entrepreneurship, lifestyle entrepreneurship will be considered as being formed by the lifestyle entrepreneur, and the subsequent acts of a lifestyle enterprise. There are many definitions that exist for the lifestyle entrepreneur, not least the discussion on whether a lifestyle entrepreneur and their subsequent business endeavours are even entrepreneurial at all. Lifestyle entrepreneurs are arguably difficult to define, as noted by Marcketti et al. (2006), they are ‘neither wealth seekers nor financially independent hobbyists’ (2006: 241). What may be termed an ‘economic’ approach to interpreting the lifestyle entrepreneur sees the definition being applied to those entrepreneurs who pursue entrepreneurial ventures that stagnate in the growth phase of the enterprise life-cycle (Hanks et al, 1993; McMahon, 2001), and are described by some researchers as individuals who are therefore not acting entrepreneurially.

There are however arguments to support the conscious decision for entrepreneurs to stall the growth of their businesses at a particular point (Carson et al., 1995; Peters and Frehse, 2009), where profit and workload meet the quality of life required. Peters and Frehse (2009) identify that this ‘optimal growth’ point is crucial to the success of the lifestyle entrepreneurship endeavor; if the entrepreneur moves beyond this point, there will be an imbalance between profit and workload, and quality of life, which would be sub-optimal from the perspective of the lifestyle entrepreneur. These definitions identify the decision of entrepreneurs to actively stop growth once a certain level of income is reached, noted by Burns (2001) ‘once a level of activity that provides the adequate income is reached, management becomes routine and tactical’ (2001: 11).

The study therefore aimed to analyse the phenomenon, and considers three key areas. This is firstly how lifestyle entrepreneurs can be identified, secondly what variables affected the lifestyle entrepreneur’s orientation towards entrepreneurship, and finally what impact this has on the types of lifestyle entrepreneurs that can exist. The study took a pragmatic mixed methods approach, where lifestyle entrepreneurs from across the UK and in many lifestyle sports disciplines were contacted, to provide the study with the breadth of variance required to explore this diverse phenomenon. An explanatory sequential approach- quantitative followed by qualitative data collection (Creswell, 2014), was adopted as it offered the most effective approach to capture data against the research questions.

One of the main considerations for the research was the identification of lifestyle entrepreneurs. The difficulty in raising adequate sampling is something typical of studies conducted in this area, with Nelsen (2012) reporting the difficulties in obtaining questionnaire responses from specialist groups such as surfers (see also Beaumont et al. 2016). A total of 80 completed questionnaires were analysed and 21 interviews undertaken as a result of self-referrals from the questionnaire. These were conducted through a semi-structured approach and were facilitated via face to face, over the phone and video calling. These interviews were then transcribed and coded through a content analysis approach (Lieblich et al. 1998).

Participants were initially highlighted as belonging to one of two groups; those for whom sport is reflected in both the entrepreneurial pursuit and the leisure time (the Engagers), and those whose entrepreneurial pursuit is nothing to do with the sport that they engage with in their leisure time (the Enablers). The prior literature provided little evidence of research into this second group of individuals. Engagers do however represent the group of lifestyle entrepreneurs more traditionally researched in lifestyle sports (Beaumont et al. 2016) and other lifestyle entrepreneurship literature (Tregar, 2005; Eikhof and Haunscild, 2006).

The results of this study provide evidence for the existence of a range of lifestyle entrepreneurship types. Building on the work of Bredvold and Skålén (2016), the areas of flexible and stable identity construction, and embedded culture, are examined to provide six further positions that the lifestyle sport entrepreneur can occupy. These are the stable organic, and stable constructed embedded entrepreneurs, and four further positions of a competing or complementing flexible identity, and organic and constructed embeddedness. Each position is derived from the considerable negotiations of identities and other variables that these entrepreneurs identify as being key to their positioning as lifestyle entrepreneurs.

The research has considerable implications for policy and practice. Knowledge of these different types of entrepreneur provides scholars with a broadening of understanding of who entrepreneurs can be, as suggested by Solvoll et al. (2015), and what form entrepreneurship can take. Having recognised these sub-types of lifestyle entrepreneurs, through establishing the factors that influence decision making, attention can more effectively be drawn to focus support on those who wish to grow, and to understand and appreciate the contribution that non-growth pursuers make in the lifestyle sports sector. This corroborates Al-Dajani’s (2009) findings of the need to consider the growth potential of lifestyle enterprises. Furthermore the research confirms some of the current literature that lifestyle entrepreneurship is an valid means of entrepreneurship, and provides a gateway to further work on understanding and interpreting the phenomenon.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Full Paper

## Business Creation, Early Stage Development and Business Closure

#### Business Creation, Early Stage Development and Business Closure

#### Time: 16:00 - 17:30

#### Date: 14th November 2019

#### Location: Victory

### 5

### Understanding the moderating role of entrepreneurial resilience in serial entrepreneurial processes and sequential venture creation in least developing economic system

Johnny Syllias

Kent Business School, University of Kent, Medway, United Kingdom

**Abstract**

**Title**. Understanding moderating role of resilience in serial entrepreneurial processes and practices in least developing economic system

**Abstract**

Entrepreneurial resilience has considerable impact on serial entrepreneurial processes and practices in adverse condition in particular in least developing economies systems where weak entrepreneurial ecosystems tend to be not so supportive to individual serial processes and practices. To date the impact of resilience on serial entrepreneurial sequential processes and practices in least developing economic systems have largely been investigated in isolation. As a consequence little is known about the intimate connection between resilience and entrepreneurship in developing economies. Given that in many least developing countries many serial entrepreneurs struggle or fail to bounce back after business failure, this study employed environmental munificence and carry capacity models as a framework to critically explore the moderating role of resilience in serial entrepreneurship in least developing economic system. The central purpose is to enhance our understanding of the intimate connection between entrepreneurial resilience and individual serial entrepreneurship.in adverse conditions in least developing economic system.  The main thesis of this study is that, resilience is a core entrepreneurial psychological trait which serves as a driving force behind successful individual serial entrepreneurship in adverse conditions in least developing economies. This study makes theoretical contribution to serial entrepreneurship body of knowledge in the literature by enhancing our understanding of the critical role resilience plays in serial entrepreneurship in adverse conditions. In addition this study provides new direction for serial entrepreneurship research and contributes to the advancement of the serial entrepreneurship knowledge base in the literature

**Keywords;** Resilience, individual serial entrepreneur, entrepreneurship, adverse condition, least developing economies

**Introduction**

Entrepreneurial resilience is a core entrepreneurial psychological trait which serves as a driving force behind successful individual serial entrepreneurship in adverse conditions in least developing economies. We are in an era of creative destruction. (Brock and Evans, 1989; Acs, 1992) There are increasingly shifts from traditional socio-economic dependence on lager firms to smaller and medium size (SMEs) firms for social economic development due to dynamic advancement of industrial technologies and information, communication technologies (ICT) which require more flexible structural systems, processes and adaptation to the trends business environments. Serial entrepreneurial processes and practices plays important role in socio-economic development (Starr and Bygrave, 1991; Ucbasaran, et, al. 2003, 2008; Baumol and Strom, 2007). As Amaral et al. (2009) asserted, new venture creation is experiential in nature and so these  structural shifts and adaptation  requirements are increasingly posing challenges as well as negatively affecting serial entrepreneurial sequential venture creation  in both developing and developed economic. In particular in least developing economic system where serial entrepreneurs face adverse entrepreneurial environments compared to emerging and developed economic systems. According to Van de Ven, (1993) institutional arrangements, resource endowments and proprietary functions are three core multilevel infrastructure of successful entrepreneurship.

Least developing economic systems are more extremely challenging entrepreneurial contexts within which to practice sequential new creation. The main constraints and hindrances which hampers and discourage serial entrepreneurship in least developing economies in particular sub-Sahara Africa economies, includes lack of clear government entrepreneurial policy, weak institutions and entrepreneurial ecosystems, lack of supportive entrepreneurial infrastructure, limited access to finance, supports services for new technology learning and marketing development. (Hinton et al. 2006; Sentsho et al 2007) These issues and challenges tend to have adverse impact on many individual serial entrepreneurs’ willingness to bounds back after venture failure in least developing world. Baron (1998) suggests that given the contexts of new venture creation and development is apprehensive with environmental challenges and adversity, to be successful individual serial entrepreneurs must process higher level of mental hardiness in order to persist and make optimal strategic decisions over time. Cusack and Malmstrom (2011) pointed out that despite all this problems new ventures constantly emerges and entrepreneurs are willing to risk their assets, wealth and even their life in explore and exploit new beneficial business opportunities the yield supernormal profit. This paper explores how resilience drives individual serial entrepreneurial processes and practices in adverse entrepreneurial environment on least developing economic system.

 Serial entrepreneurial phenomenon is multi-dimensional consisting of individual, corporate and institutional levels. This study focuses on individual serial entrepreneur. Individual serial entrepreneur refers to an experience entrepreneur who disown existing venture and over time rebounds back to sequentially create new venture (Low and MacMillan, 1988; Wright et. al.1998; Sarasvathy and Venkataraman, 2011; and Shepherd and Patzelt, 2011)

According to Deakins (1999) in general there are three main sources which contribute to the current understanding of entrepreneurship and characteristic of entrepreneur. The first approach come employment of economic theory to the role of entrepreneurship in economic development, the second approach is related to the use of personality characteristic based psychological trait and the third is social behavioural approach which emphasised the influence of social environment as well as entrepreneur personality trait. These traditional entrepreneurship theories focus on the actions and outcomes as a means of defining entrepreneur and entrepreneurship. Kuratko and Hodgetts (2001) argues that deeper understanding of entrepreneurial behaviour not only call for understanding of entrepreneurial innovative behaviour but also the ways in which entrepreneurs perceived and cope with adverse environments and venture failures. This means that taking into consideration the socio-economic systems within which individual serial entrepreneurial processes and practices operate. The behavioural and cognitive approach is increasingly becoming the dominant approach to research and the study of entrepreneurship in general and in particular serial entrepreneurship (Aldrich and Martinez 2001; and Davidson et al. 2001).

Entrepreneurship entails exploration and exploitation of commercial opportunities by individual or group of individuals to bring about socio-economic development (Rindova, et al. 2009; Shane and Venkataraman, 2000; Baumol, 2000). Unfavourable environmental conditions in least developing economies such as weak entrepreneurial ecosystem and the current contemporary development such as digitization, systematic nature of modern products and services, globalisation and constant economic shocks pose challenges for individual serial entrepreneur’s intentions. Entrepreneurs tend to possess greater internal than external locus of control thus tends to attributes entrepreneurial success and failure to their own action. (Rotter, 1966; and McClelland, 1961) In relation to this study suggests that despite the extreme adverse conditions under which serial entrepreneurial processes and practices occurs in least developing economies, serial entrepreneurs tend to attribute success as well as failure to their own skills, abilities and actions. Naude (2010) noted that vast majority of entrepreneurs in developing economies involves in small and medium enterprise (SMEs), yet only a small number of new ventures survive for a long term. The majority of the new ventures fail within the first two years of operation. Individual serial entrepreneurs in least developing often experience unexpected shocks which potentially threaten their sequential venture creation processes and practices. Serial entrepreneurs in least developing economies need to persevere in light of higher risk and resource constrained conditions relative to serial entrepreneurship in emerging and developed economies. Wortman (1987) asserted that studying the process based entrepreneur characteristics such as resilience would be valuable in advancing entrepreneurship knowledge based in the literature. Ability to bounce back from adversity is critical to understanding entrepreneurship in least developing economic system (Markman, et al. 2005). Entrepreneurship case studies from least developing countries such as Afghanistan, Burundi, Columbia, Iraq, Rwanda, Sierra Leone, and Liberia detailed the terrible toll that adverse condition impacts on entrepreneurial processes and practices Yet despite these adverse conditions, the case studies also indicate that entrepreneurs are unusually tenacious and highly resilient (Naude, 2010). Jessen and Luthans, (2006) explained that social capital describes who the entrepreneurs know, human capital describes what the entrepreneurs know and psychological capital describes who the entrepreneurs are. According to Luthans and Youssef, (2004) the mixture of resilience, self-efficacy, hope and optimism operate synergistically to build and developed psychological capital within individual’s entrepreneurs. Hmieleski and Carr (2008) asserted that recent entrepreneurial research investigating the link between new venture creations and psychological capital of entrepreneurs found that psychological capital is useful in explaining significant number of difference in new venture creation and performance relative to measures of financial capital, human capital and social capital. Environmental dynamism enhance individual psychological capital in such a way that there is positive relationship when environmental dynamism is high and low when dynamism is low. In this study high environmental dynamism refers to least developing countries economic systems and low environmental dynamism refers to developed countries economic systems. Majority of individual serial entrepreneur in least developing countries exhibits resilience because they show successful coping regardless of contexts within which entrepreneurial processes and practices takes place are favourable or unfavourable. Given the unfavourable entrepreneurial contexts within which successful or unsuccessful individual serial entrepreneurs processes and practices occurs in least developing economic systems, the more surprising is that research on entrepreneurship in adverse and stressful environments are relatively scarce (Abdelnour, 2010; Bullough, et al. 2014) There is a lack of entrepreneurship research investigation resilience in the context of venture failures and success (Gabrielsson, 2009; Cope, 2011; Politis and Singh, 2016). As a consequence there is limited knowledge and deeper understanding about individual serial entrepreneurship in least developing economies. This has resulted in knowledge gap in the entrepreneurship literature. Against this backdrop the purpose of this study is to explore the extent to which resilience drives individual serial entrepreneurial processes and practices in adverse entrepreneurial conditions. The central aim of this paper therefore is to enhance our understanding of why some individual serial entrepreneurs are able to create and operate new venture, and at a certain stage of the business lifecycle disown the business and over time bounce back to create new venture in the same or different industry under adverse entrepreneurial conditions.

E**ntrepreneurial resilience**

The level of entrepreneurial resilience in particular economic system may relate to it social norm. Resilience level tends to be higher among individual serial entrepreneurs in under developed economic system where the entrepreneurial eco-systems are weak.. In this study I argue that weak entrepreneurial economic system promote higher level entrepreneurial resilience due to weak entrepreneurship eco-systems and generate more necessity-based individual serial entrepreneurs, whereas strong entrepreneurial economic systems where the individual serial entrepreneurs benefits from adequate supportive entrepreneurial eco-system   tends to promote lower level of entrepreneurial resilience and generates more opportunity-based individual serial entrepreneurs. In addition the risk level associated with new venture creation tends to be calculated risk in supportive entrepreneurial environment. Hence lower level of entrepreneurial resilience. Entrepreneurial risk level tends to be extremely higher in adverse entrepreneurial environments with weak entrepreneurial ecosystem. Entrepreneurial resilience as a moderator refers means the mediation role resilience plays in serial entrepreneurial processes and practices in adverse conditions. Entrepreneurial resilience refers to surviving innate condition that allows entrepreneurs to better cope with setbacks, challenges and potential crises (Ayala and Manzano, 2014; Hmieleski, et al. 2015)

**Conceptual framework employed to guide this study**

This study employs Environmental Munificence (EM) and Carrying Capacity (CC) models to guide this study. Environmental munificence relates to scarcity or abundance of critical resources needed to operate ventures within an environment (Castrogiovanni, (1991; Specht, 1993).  EM and CC models consider ventures as embedded in social environments. (Wooley and Rottner, 2008) The higher the quantity of resources in an environment the more likely new ventures can be created and perform better (Okeyo, 2014). Organisational ecology perspective suggests that socio-economic condition determine environment carrying capacity (CC) (Wooley and Rottner 2008). Thus individual serial entrepreneur’s ability to explore and exploit of new opportunity depends on the level of EM and (CC).

**Contribution, Conclusion and recommendation for future study**

Future study is encouraged to explore moderating role of resilience in serial entrepreneurship from multi-level and longitudinal perspective. This study contributes theory by enhancing our understanding that, entrepreneurial resilience moderates and negative mind set and effects of adverse entrepreneurial conditions in entrepreneurship and promote adaptation. Higher level resilient entrepreneurs are better able to cope with challenging entrepreneurial contexts and are able make more risky decisions in the face of uncertainty to sequentially create new ventures. Policy makers may use this paper to boost serial entrepreneurship by promoting resilience building in particular in least developing world

**Conference Track**

Business Creation, Early Stage Development and Business Closure

**Presentation**

Full Paper

### 70

### Walk in the Park: a Science-based Venture Location Journey.

Leigh Morland

University of Huddersfield, Huddersfield, United Kingdom

**Abstract**

**Topic**

Adopting a process view of entrepreneurship, this research provides an in-depth case study to explore the role of space and place in relation to a microbiology start-up at a science park in the north west of England. The paper shows how integrating the physical and human aspects of space and place not only inform new venture location, but are also integral to the entrepreneurial journey.

Prior research has noted that science based start-up is different in terms of: decision making processes (Villani et al., 2018; Miozzo and Divito, 2016; Maine et al., 2013); and venture location requirements (Sorenson, 2018, Grohn et al., 2015; Vlachau and Iakovidou, 2015; Ferreira et al. 2016); and, as a consequence, the use of assistive spaces such as science parks (Breznitz et al., 2018; Diez-Vial and Montoto-Sanchez, 2017; Mian et al., 2016; McAdam and McAdam, 2008).

It is suggested that entrepreneurial journeys are thought to consist of decisions (Sarasvathy, 2008; Sarasvathy et al., 2008), emerging artefacts (Seldon and Fletcher, 2015), events and a plethora of variables relating to intentions, processes and outcomes (Garud et al., 2018; McMullen and Dimov, 2013;); however, space and place and the ‘whereness’ of entrepreneurship are rarely considered in the entrepreneurial journey (Korsgaard et al., 2014). Rather ‘where’ is typically implied in terms of ‘who’ referring to proximity and participation in networks (Anderson et al., 2010) and markets, as well as ‘what’ with reference to events and actions (Garud et al. 2018), as well as resources. Specifically, the impact of built spaces receives little attention, thus rendering the ‘entrepreneurial journey’ as a conceptualisation of a process as opposed to a map of venture creation depicting the motion and flow of entrepreneurial becoming.

‘Space’ then refers to the continuous variables of environment (Shearmur, 2010; Mazur, 1983) that have been created for the purpose of business support. Such spaces are not void of human expectation, rather they reflect the perceptions of those who seek to influence business start-up through the built environment (in this case a science park). ‘Place’ refers to the interests, expectations and actions of those who engage with spaces (Tuan, 1979), in this case the entrepreneur of the micro biology venture. Their experiences give meaning to designed spaces through the emergence of the business venture.

**Applicability to the conference theme (space – exploring new frontiers and entrepreneurial places)**

In detailing the emergence of a new venture, the case explores how science based innovation is achieved through commercialisation, at a micro level. It looks at how the creation of the new venture emerges in association with moving into - and through - an assistive space. In using entrepreneurial journey as the unit of analysis, the study integrates space and place into the entrepreneurial process. Finally, the method is empathetic to space and place in employing participant led walking interviews to locate and position aspects of the built environment in the entrepreneurial journey and in doing so trigger reflective discussion of the temporal and relational emergence of the venture.

**Aim**

To inform the theory and practice of science-based start-up, by exploring the relationship between space and place and the entrepreneurial journey.

The objectives are to:

Theoretical

* represent the entrepreneurial journey and provide understanding of how space and place are integrated into relational, spatial and temporal emergence, from both the perspective of the entrepreneur and entrepreneurial new venture;
* make sense of re-location (migration) of the firm and to understand the degree of spatial and temporal fixity of the entrepreneurial venture;
* develop a conceptual framework that integrates consideration of space and place in relation to the entrepreneurial journey.

Practical

* identify the challenges and drivers for science-based start-ups in the UK and consider the role of assistive start-up spaces and places;
* provide nuanced advice at different stages of venture development.

**Methodology**

This qualitative case study analyses the emergence of a microbiology laboratory testing service over a 7 year period. Para-ethnography (Islam, 2015) supports the co-determination of the entrepreneurial journey between researcher and the entrepreneur. Using participant led walking interviews (Jones et al., 2008; Pierce and Lawhorn, 2015), data is drawn from conversations with the entrepreneur and from their referral to other people who were deemed part of the entrepreneurial journey. Case study integrates photographic artefacts of spaces within the science park and uses a temporal bracketing strategy (Langley, 1999) in order to gain an in-depth understanding of critical movements and locations.

**Contribution**

Little is known about how space and place impact on the entrepreneurial journey for science based start-ups and the implications for new venture location in assistive spaces, at the micro level (Mian et al., 2016). This study contributes an understanding of the entrepreneurial journey from a spatial perspective in recounting the journey as movements in space and time. It presents these movements into - and through - the science park as case vignettes, detailing how different locations constitute places for business and venture creation. It informs the micro theory of start-up (both in terms of decision making and location choices) and maps the changing relationship between science park facility, entrepreneur and the entrepreneurial journey.

This research highlights the importance of built facilitates in terms of: organisation formation and presentation; networking and relationship building with client organisations; the creation and validation of innovative processes and the entrepreneur’s ability to conceptualise and plan for growth.

**Implications for policy**

Science parks are built environments designed to fulfill policy intentions for business support (Mian, 2016). Therefore, this study presents a case of policy in practice, and people in context, revealing how a science park is conceptualised and utilised by the entrepreneur, as the new venture emerges, locates, grows and migrates. It alludes to changing place-based expectations throughout the entrepreneurial journey (Kibler et al., 2015)

**Implications for practice**

The entrepreneurial journey is presented as a meaningful unit of analysis in terms of understanding science-based entrepreneurship, as a process. This study brings the role of space and place into the discussion and representation of the entrepreneurial journey, arguing that the entrepreneur uses know “where” (in conjunction with know what and know how) to inform innovation and the emergence and development of the entrepreneurial venture.

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**Conference Track**

Business Creation, Early Stage Development and Business Closure

**Presentation**

Full Paper

### 256

### Business Dynamism, Job Reallocation Rates and the UK Productivity Puzzle, 1998-2018

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Enterprise Research Centre, Birmingham, United Kingdom

**Abstract**

**Business Dynamism, Job Reallocation Rates and the UK Productivity Puzzle, 1998-2018**

**Aim**

The intention here is to present an analysis of how the business stock in the private sector in the UK has changed over 20 years from 1998 to 2018 with a specific focus on the key dynamics of job creation and destruction.  Using an established international analytical framework for job creation and destruction we observe that just over a quarter of all jobs in the private sector were either destroyed or created over a typical 12 month period – a remarkable level of turbulence in the UK labour market which provides a more granular analysis of the recent so-called ‘employment miracle’.   Despite the rise in employment since the Great Recession, there has been a slight fall in the measure of business dynamism which is a cause for concern given its importance to the overall level of productivity in the economy.

**Introduction**

There is a clear connection between ‘business dynamism’ and the growth in productivity at the national level.  Unpacking what this means in the context of the UK will drive the nature and intensity of local industrial strategies and future business support interventions and policies. Such analytical framework on the most up-to-date data has not been done and the richness of the data used makes sectorial and regional level job creation and destruction estimates possible. The importance of the number of jobs produced from start-ups and expanding firms and those lost from contracting and closed firms makes this study applicable to the “Business Creation, Early Stage Development and Business Closure” conference theme.

The analysis in this paper is based on a simple accounting framework which has been used in many previous studies (Davis et al (2008); Goldschlag, N., & Tabarrok, A. (2018)), which sets out the level of turbulence in jobs and identifies the type of firms (i.e., size) which most contribute to job creation/destruction in the UK. We do this by using employee data for all employer enterprises in the UK private sector and create the average annual job creation and destruction rates between 1998 and 2018, as well as entry and exit rates, and disaggregated both these by sector, size and region.

**Data and Methodology**

The data used in this analysis has been compiled by the Office for National Statistics (ONS) and is called the Business Structure Database (BSD) and is accessible through the ONS Virtual Micro-Data Lab (VML).   Virtually all UK firms with employees are covered by the BSD (which contains all VAT and/or PAYE registered enterprises). The data does not distinguish between part-time and full-time workers nor provide a breakdown between skill levels or functions (management, office workers or operatives).  In brief, the analysis simply treats a job as an employee in the business irrespective of their role and skill level[[1]](#_ftn1).

We use our longitudinal firm-level BSD dataset covering the 20 years 1998 to 2018 to provide a summary of average annual rates of job creation and destruction, entry, exit and reallocation rates in the UK disaggregated by region and firm size (employment).

The job creation and destruction rates presented below are defined in a conventional way:

* **Job Creation** – employment changes summed over all businesses that expand or start up in a given year.
* **Job Destruction** – employment changes summed over all businesses that contract or exit in a year

These job creation and destruction figures are expressed as rates by dividing by employment averaged over the current and previous year (businesses with no change in employment do not contribute to either job creation or job destruction).  So the change in employment between two years – often referred to as the net employment change – is equal to the difference between job creation and job destruction over the period and the net employment rate equals the job creation rate less the job destruction rate

The sum of the job creation rate and the job destruction rate is referred to as the **job reallocation rate.** It summarises the overall volume of change and represents the ‘reshuffling of job opportunities across locations’ (Davis et al., 1996). Tracking the job reallocation rate allows us to arrive at a measure of business dynamism for the economy. This is done for different sectors at the 1-digit SIC level and regions using Government Office Regions (GOR).

**Contribution**

The results of this analytical framework will also prove crucial to policy-makers. In recent years, headlines show a decrease in unemployment levels and an increase in job growth in the UK despite virtually stagnate productivity and Brexit turbulence, the latter of which could result in eventual job losses. However, the quality of these jobs, especially during a rise in the ‘gig’ economy, should be taken with caution. This cycle of job losses and gains are usual for businesses but the scale of which this happens is fundamental for policy-makers to know to shape practice accordingly.

**Summary**

This is an initial analysis of the job creation and destruction accounts for the UK since 1998 and further research looking at the breakdown of this at the sector and regional level is currently underway. The regional and sector breakdowns will help shape future business support and programmes at different levels and contributes to current literature by quantifying job reallocation rates in the UK for the 20 year period. For future studies, the next step is to understand the role of firm size, firm age, region, multi-plant status and country of ownership which are the variables readily available in the BSD.  By tracking reallocation rates over time as a measure of business dynamism and hence productivity we can then establish which subsets of firms are contributing to increases in overall productivity as resources (i.e., labour) shifts, or reallocates, from low-productivity to high-productivity firms and thus driving economic efficiency and growth.

**Note:**

This abstract contains statistical data from ONS which is Crown copyright and reproduced with the permission of the controller of HMSO and Queen's Printer for Scotland. The use of the ONS statistical data in this work does not imply the endorsement of the ONS in relation to the interpretation or analysis of the statistical data. The analysis upon which this report is based uses research datasets which may not exactly reproduce National Statistics aggregates.

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[[1]](#_ftnref1) The BSD draws on the Inter Departmental Business Register (IDBR) which in turn relies heavily on data collected by Her Majesty’s Revenue and Customs (mainly VAT and PAYE returns). The BSD itself consists of a series of annual snapshots (March each year) of the IDBR which we have linked together to form firm-level longitudinal records. The resulting dataset has some disadvantages. Although the IDBR is a ‘live register’ which is updated more or less continuously (and the data is then picked up by the BSD every March) there are lags in the data.  For example, because the IDBR is a ‘live’ register the March snapshots are not a conventional time series – they do not necessarily record data which reports activity levels for March, they are data as at March.  Further, that data at March each year can refer to a range of time periods over the previous years.  We make the assumption that the nature of those lags are consistent in each annual snapshot.

**Conference Track**

Business Creation, Early Stage Development and Business Closure

**Presentation**

Working Paper

## Freelancing, Solo Self-Employment and Gig Working Economy

#### Freelancing, Solo Self-Employment and Gig Working Economy

#### Time: 16:00 - 17:30

#### Date: 14th November 2019

#### Location: Planet

### 6

### Is growing self-employment in the UK accompanied by growing poverty in self-employment?

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**Abstract**

Topic and applicability

The UK has seen remarkable growth in self-employment over the past decade, with up to 40% of new employment opportunities created being in self-employment. Recent investigations such as the 2017 Taylor Review have highlighted trends towards greater casualization of employment, flexibility in employment relationships and the growth of freelancing and the ‘gig-economy’. At the same time government policy at national, regional and local levels has sought to promote self-employment as a route towards business start-up and entrepreneurship, with rising self-employment rates viewed in a positive light. However, growing opportunities for self-employment may have also raised the risk that individual freelancers and business owners, and the households that rely on them as ‘breadwinners’, may face increased risk of poverty.

Aim

The aim of the paper is descriptive – it is to document differences between earnings levels of the employed and the self-employed, and to compare these with other robustly developed and validated indicators of material deprivation. The paper therefore addresses the contentious question of whether reported earnings levels in employment and self-employment are strictly comparable. For self-employed business ownership, this comparison is between an employed income construct and a business-owning profit construct. The definition of the latter will be influenced by accounting conventions and taxation regulations. During ‘bad times’ when profits are low, the self-employed may maintain inflate reported consumer spending levels by effectively ‘drawing down’ on business capital, self-insuring spending levels to an extent not available to the majority of households who do not have liquid wealth or are able to engage in precautionary saving. Thus, comparisons based on material deprivation constructs may offer a richer comparative understanding. They allow focus on the extent to which households, where self-employment and business ownership is a major element of economic activity, are able or not able to enjoy consumption, leisure and well-being enhancing opportunities.

Contribution

This paper contributes to a greater understanding of the consequences of self-employment, in particular addresses the important question of whether rising self-employment is associated with rising poverty. Headline comparisons of the earnings levels, particularly when adjusted for hours of work, between employed and self-employed suggest rising levels of low financial rewards to self-employed activity, as the self-employed compete with each other for business opportunities and face organizational employers who may be using self-employment as a ‘flexibilization’ tool. This analysis will also therefore, indirectly, provide an important critique of (monetary) utility maximisation models of self-employment choice. It will further inform efforts to reconceptualise notions of the ‘return’ to self-employed freelancing or business ownership activity, by focusing on the important question of whether freelancing or business start-up is effective as a route out of poverty. Paradoxically, despite this many self-employed on average report higher levels of well-being, suggesting the importance of other intrinsic drivers of well-being.

Methodology

The paper relies on secondary analysis of data from a range of appropriate sources. The detailed quantitative analysis covers the period since 2009, using data from Waves 1 to 8 of the UK Understanding Society (USoc) longitudinal survey, which tracks 40,000 UK households and around 100,000 individuals therein. The survey asks all households on an annual basis for information on seven material deprivation items, prior validated through extensive authoritative poverty research (Townsend) and used extensively in other official surveys). These include items on keeping the home warm and in good repair, replacement/repair of furniture and ‘white goods’, ability to afford home insurance and undertake active saving. Other questions concerning financial difficulties and debt are also available for analysis. Poverty research typically focuses on the analysis of deprivation count scores across these items.  Questionnaire items also allow a distinction to be made between sub-contracting and freelancing self-employed and self-employed business owners. Longitudinal data is useful in that it allows an analysis of whether the incidence of low earnings and material deprivation amongst the self-employed is affecting the same people year-on-year or impacting a wider group who may not be “at risk” continuously. It is also useful because it allows ‘before and after’ comparisons for those who transition from employment to self-employment. The paper uses a range of methods, including multivariate regression, to identify who is more at risk (on the basis of key characteristics such as gender, ethnicity, disability, educational attainment, place and household structure) and to facilitate meaningful comparisons with the employed. Some very long term analysis comparing back in to the 1990s, albeit with a smaller (British Household Panel Survey) sample is also possible. Importantly the analysis allows an assessment of whether reported earnings levels of the self-employed provide an accurate assessment of exposure to poverty and material deprivation. Our prior hypothesis is that for a given level of reported earnings (profit) the self-employed are at a different risk of poverty incidence than the employed.

Implications for policy and practice

Research suggests that self-employment and business venturing can form an important driver of local economic development. However, this linkage will be attenuated if the quality of self-employment is low, and increasing self-employment raises the need for state welfare support. Growing levels of self-employment, particular if encouraged in less prosperous localities, may have important wider policy implications across a range of government policy domains. For example, with the ongoing roll-out of Universal Credit across the UK, the self-employed have been placed in an increasingly vulnerable position because of strict eligibility criteria. Government welfare support policies tend not to recognise the importance of the self-employed as a distinct group with different needs. However, business start-up support policies (such as New Enterprise Allowance) in practice often look like social welfare support, rather than entrepreneurship policy. These implications are of considerable potential interest to small business and self-employed representative organizations in their advocacy work.

**Conference Track**

Freelancing, Solo Self-Employment and Gig Economy Working

**Presentation**

Full Paper

### 75 Entrepreneurship and poverty: an exploration of what’s driving business creation in this context

Isla Kapasi1, Rebecca Stirzaker2, Laura Galloway2, Laura Jackman2, Andreea Mihut2

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**Abstract**

Topic:Entrepreneurship and poverty: an exploration of what’s driving business creation in this contextApplicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’

Entrepreneurship is positioned as a high-value added and innovative activity (Schumpeter, 1976) which can lead to valuable returns, such as increases in wealth, for an economy and individuals (Audretsch, 2006). Consequently, self-employment (a common proxy for entrepreneurial activity (Xavier, Kelley, Kew, Herrington and Vorderwülbecke, 2013)), is endorsed as a good route out of poverty especially for some marginalized groups, and a potential solution to high unemployment rates for nations (EC, 2013). In the UK, for example, the government similarly advocates work as a route out of poverty and encourages self-employment as one of the vehicles to this end (EFD Research, 2006). Significant attention has been dedicated to understanding the drivers of business creation and their role in the entrepreneurial process (e.g. Krueger and Carsrud, 1993; Kautonen, Gelderen and Fink, 2015).

However, limited extant research exists that investigates drivers of entrepreneurship in the context of poverty and particularly within developed nations. Those that do exist largely focus on the relationship between motivations of necessity (push drivers) and subsequent outcomes. Moreover, existing studies fail to fully investigate the motivations of those engaged in business creation within the context of poverty and the role/ influence this context has on business formation. One exception to this is MacDonald (1986) who found that firms created by those experiencing poverty tended to be sole traders, were typically in highly contested service sectors, and did not survive in the long term. Thus, further research is required that expands the ‘frontier’ of entrepreneurial motivations research to inspect how motivations are developed in the ‘place’ or context of poverty.

Aim

According to a UN report, a fifth of the UK population live in poverty (where poverty is defined as family income below a government-defined threshold) (Alston, 2018). Elsewhere there is evidence that rates of poverty for the self-employed are the highest for any ‘employed’ group (Scottish Government, 2016). Poverty rates for the self-employed are especially variable across different income percentiles; furthermore those in the lower income bracket centiles have experienced much greater reduction in self-employed income levels since 2007 (Belfield, Cribb, Hood and Joyce, 2015). Of note is that the number of self-employed people across the UK has risen sharply in the past two decades (Rhodes, 2017), with corresponding growth in numbers in Scotland also (Gillespie, 2017). Several recent academic and practitioner publications have exposed the issue of self-employment as a context of poverty; again with particularly strong evidence for studies conducted in Scotland (Galloway, Danson, Richards, Sang and Stirzaker, 2016; Stuart, Pautz and Wright, 2016). This suggests, therefore, for some people, self-employment is not a work context that enables a sustainable livelihood.

Traditional wisdom about entrepreneurship is that it is an activity with likely positive (wealth) outcomes (Audretsch, 2006). That being the case, the main research question in this paper is: what explains the occurrence of poverty in self-employment? Previous research examining business creation motivations indicates that there is a causal relationship between motivations and their effect on business performance (Naffziger, Hornsby and Kuratko, 1994; Wiklund, Davidsson and Delmar, 2003; Manolova, Brush, Edelman and Shaver, 2012). In fact, interest in developed nations on the driving force for business creation (i.e. pushed or pulled motivations for entrepreneurial behaviour) is increasing (e.g. Glavin, Filipovic and Van der Maas, Forthcoming, in Canada). Previous research examining levels of poverty for those engaged in self-employment, find that individuals who engage in entrepreneurial behaviour due to necessity factors such as living below the poverty line are more likely to subsequently remain in poverty (e.g. Chivers, 2017; Lenton, 2017). Furthermore, the circumstances that inform necessity entrepreneurship may also be those that constrain earning potential (e.g. low levels of human, social and financial capital) (Buera, 2008). Yet the arbitrary nature of labelling entrepreneurial behaviour as either opportunity (pull) or necessity (push) driven is challenged, Dawson and Henley (2012) for example assert that motivations are complex and overlapping. Consequently, a better understanding of the motivations that inform business creation of those in a context of poverty is required.

In this paper we refer in particular to event(s) that precipitate entrepreneurship – with reference to Entrepreneurial Event Theory (Shapero and Sokol, 1982)– and apply this in the context of poverty entrepreneurship. With this as the theoretical underpinning, this paper reports on the business creation journey and motivations of a sample of self-employed individuals living in poverty in Scotland.

Methodology

This research takes a critical realist (CR) position on ontology and epistemology (Bhaskar, 1979, 1998) and is informed by the morphogenetic approach (Archer, 1995). This approach is relevant to this study as we view the journey towards business creation as a process; therefore time, and the intersection of structure and agency, are important to our attempts to understand business creation actions (as per Blundel, 2007).

The empirical work reported here is based on a qualitative, exploratory methodology. In particular, testimony and opinion of those who are engaging in entrepreneurship activity and experiencing poverty was sought and so a methodology to elicit narratives direct from those being studied was applied (Bryman, 2001; Duff and Bell, 2002). Specifically, 42 in-depth, semi-structured interviews were conducted that encouraged conversation and extended narrative testimony. As per Stake (1995), the rationale for this was to allow for rich exploration of themes identified in the literature, and also to enable and prompt issues not previously identified to emerge.

The 42 self-employed participants of this study were all identified as experiencing poverty as per the classification set out by The Scottish Government (2018) and were entitled to receive working tax credits. Participants were recruited to the study via online advertising of the research through social media, through some targeted advertising in locations in central Scotland, and through local radio advertising. Recruitment was on a voluntary basis and respondents were assured confidentiality and anonymity. Interviews lasted at least one hour, and all were recorded and transcribed verbatim. This resulted in 1,025 pages of transcribed text.

Analysis was conducted as per the stratified process described in Miles, et al. (2014) of data reduction, data presentation and explanation. To reduce interpretation bias, five researchers followed this process individually. Thereafter consensus on results was achieved through collaboration, consultation and the process of retroduction.

Contribution

The findings of this study suggest that rather than participants existing in a state of latent potential for entrepreneurial action (as per Shapero and Sokol, 1982), in fact, they often have not considered entrepreneurial behaviour as a feasible, desirable or credible option. Indeed, the research indicates that for nearly all of the participants, a precipitating event occurred that informed considerations of perceived feasibility and desirability of subsequent entrepreneurial action. Thus, the circumstances in which an individual found themselves – unemployed or underemployed – is the precipitating event that triggers considerations of business creation and operation as a potential option suitable to their circumstances; poverty itself, or its intersection with some other issue such as poor health or parenting, is the precipitating event. The findings of this study, therefore, provide support for an adapted Entrepreneurial Event model, whereby precipitating contextual events are a central component(s) of motivations for business creation for those who (subsequently) experience poverty.

Implications for Research

The adapted Entrepreneurial Event model, originally developed in Kapasi (2015), developed further in this paper, more adequately fits the data in this study, and mirrors the findings of other previous studies of entrepreneurial intentions and behaviour (Elfving, Brännback and Carsrud, 2009; Stirzaker, 2017). Further, the model appears to indicate support for the significance of structural conditions that influence the potential options available to an individual. The findings of this study suggest, therefore, that the structural conditions of the capitalist workplace, where the focus is on work and only work, makes it challenging, perhaps impossible, for an individual to manage two life requirements in the workplace (e.g. health needs and the need to earn income). Consequently, this research may indicate that the precipitating event antecedent is partially constructed of structural conditions that shape the potential paths and actions that an individual could pursue over their life course (as per Archer, 1995).

Implications for policy

The findings of this study suggest that business creation occurs in response to a complex mix of agential and structural factors. Of particular significance for the self-employed participants in this study is a precipitating event prior to business creation. This aligns with push motivations that indicate that a business driven by push factors will experience lower quality outputs (e.g. less growth in terms of finance and employee numbers). Therefore, given the large percentage of Scottish self-employed that are operating a business and are experiencing poverty (27 percent according to Scottish Government (2016)), the importance of the different types of precipitating event requires further inspection. For policy makers, we would encourage efforts that recognise and address such precipitating events, which could be mediated through additional support for business creation, such as improving access to (micro) finance or enhancing human capital in the form of business skills. Further, we call on policy to critically engage with the mandate that business creation is a positive choice for all members of society that will provide a sustainable livelihood. The results of this study do not support the universality of this assertion.

Implications for practice

The prevalence of a precipitating event in the context of poverty and entrepreneurial action suggests that entrepreneurial action is often not a (positive) choice. Consequently, practitioners may lack a (credible) assessment of the perceived feasibility of the entrepreneurial action that they subsequently undertake. Therefore, we recommend that practitioners access business advice in order to support them to make feasibility assessments of their business creation ideas. Moreover, we encourage an awareness of the feasibility consequences amongst intermediary organisations that are established to provide support to new businesses in the community.

**Conference Track**

Freelancing, Solo Self-Employment and Gig Economy Working

**Presentation**

Full Paper

### 323

### Development of Entrepreneurial Creative Confidence Through Integrated Academic Practice

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**Abstract**

‘Designers are natural entrepreneurs’ (Gunes, 2012, p, 67). Design education generally focusses on the development of design skills, design knowledge and designer attitude. All of these contribute to the development of Creative Confidence (Kelley and Kelley, 2014) which is defined as ‘the ability to come up with ideas and the courage to try them out’. Entrepreneurs, particularly those who work as independent professionals, require similar Creative Confidence, together with the soft skills that enable individuals to achieve results through establishing effective working relationships quickly and repeatedly.

This working paper reports on preliminary research, initially conducted for teaching enhancement purposes, within one post-graduate multidisciplinary innovation programme and looks at the relationship between the development of Creative Confidence and the acquisition of soft skills. The programme employs enterprise-focused, enquiry-based, cooperative learning delivered through an Integrated Academic Practice model (Author and Smith, 2016). Alumni spanning 10 years’ delivery of the programme were engaged in a three-stage study which demonstrates that the pedagogic approach established in this programme develops high-level Creative Confidence and coincidentally soft skills which the graduates have found to be valuable in their employment both as intrapreneurs and entrepreneurs. The paper discusses the relationship between these and considers whether this model of education, which was not designed with entrepreneurship in mind, might offer a valuable contribution to entrepreneurial education in the future.

Keywords: Creative Confidence, Soft Skills, Entrepreneurship  Education

**Conference Track**

Freelancing, Solo Self-Employment and Gig Economy Working

**Presentation**

Working Paper

### 327

### BUT WHO WILL PAY FOR IT?: SKILLS CHALLENGES FOR THE SELF-EMPLOYED ESPECIALLY AT A TIME OF TECHNOLOGICAL CHANGE

Patricia Leighton

University of South Wales, Cardiff, United Kingdom

**Abstract**

**Aim**

Recently, in  England and Wales,there has been much research, debate and now policy development regarding tuition fees, loans and their repayment by students attending university. There is implicit recognition that the current arrangements are deterring young people from university programmes, a feature even more marked for older people. There has been a little progress in terms of developing vocational and professional training, for example, apprenticeships, but far less concern voiced, let alone action, regarding the education and training needs of the self-employed.

This paper explores the changing context for self-employment, especially the rise of new business models and business practices, coupled with an anticipated increase in the impact of technology. Technology has already had major effect on occupations such as law, medicine, financial services and the media where self-employed people typically play major roles. The aim of this paper is to explore the changing demands faced by the self-employed for upskilling, lifelong learning and changing work practices in order to remain competitive.

**Methodology**

The paper draws on a range of extent data, both quantitative and qualitative on the specific ways change is impacting on the self-employed, especially in terms of skills needs. Skills and knowledge refers to  occupational/ professional skills but also the retaining and enhancing of  business skills, including awareness of contextual change It draws on a number of empirical research projects from 2000, especially a project covering self-employment in nine EU states and a series of on-going interviews and case-studies that have had a particular focus on skills. These have mainly been undertaken in the UK but the experience of the self-employed in other states is also referred to.

The paper considers current provision for up-skilling and professional development. This covers the role of professional bodies and other associations, including the role and effectiveness of CPD provision. It reflects on the extent to which such programmes are preparing individuals for a rapidly changing world of work. It turns to the role of other bodies, such as trade associations, umbrella companies and trade unions and, again, considers the content and delivery methods of their provision, but also mentoring schemes and the potential or actual role of the increasingly professionalised co-working movement.

Importantly, it analyses the role of the state in skills and training provision. This includes the extent to which the self-employed have available to them university programmes and/or support facilities. To what extent are universities providing support for the self-employed in their business schools and the like?The UK considers itself a world leader in university provision but rates poorly in terms of international comparisons regarding vocational training. The EU’s vocational training agency-CEDEFOP, considers that a reason for the relatively poor provision in the UK is because skills training has much less status than academic courses.

The role of technical colleges and the like are also considered, along with private providers that are monitored by the state.

The paper then provides evidence from the self-employed themselves as to their perception of changing skills demands, their preferred means of accessing skills development, such as the extent to which on-line provision is thought adequate, where and when training takes place suits them best, how much they are willing to pay and whether they think programmes should be paid for by the state.An important issue is the quality of the skills training itself, with surveys indicating that vocational training is considered of better quality than academic training.

**Policy implications.**

The self-employed workforce is diverse, especially in terms of skill needs, ranging as it does from senior medical staff, international lawyers through to interpreters, writers of various sorts and Uber drivers, care workers and Deliveroo delivery staff . Although they have different skill levels and needs there are some generic issues, such as the tax position of training costs and the access of the self-employed to state run or subsidised programmes .

As with much else happening in workplaces, the current skills challenges call for a coherent response from policy-makers for to fail on this will leave many in the UK workforce unable to effectively compete or even survive. Of course, the response depends to an extent on the long-running debate over whether the self-employed are a sub-set of small business or a specialised aspect of the labour market. This is an important question but regardless of classification it seems that action is urgently required. Currently, many self-employed people are facing difficult economic conditions and yet they retain their commitment to being self-employed and ‘their own boss’.

Policy-makers, it is argued, need to consider the extent to which they think the self-employed can benefit from ‘standard’ education and training provisions, including grants and other support systems and to develop a coherent and convincing programme for such workers.

**Practical implications**

These are for the individual, professional bodies, training providers and the state. There is a need to re-asses attitudes towards and the role for vocational training and skills development, including or especially for older self-employed.What are the skills that need updating, are there changing business skills, what will be the impact of technological change etcIt might be noted that in Finland-one of the world’s most successful economies, 75% of new jobs are high skill So;. neither the self-employed nor vocational skills must be neglected.

**Indicative sources**

CEDEFOP(2010) New Skills for New Jobs

CEDEFOP (20180 Future Trends

Callender,C and Mason,G Does Student Laon Debt deter H E Participation? (Annals of American political and Social Science-forthcoming)

Felstead et al  (2009) Imrpoving Working as Learning Routledge

ILO 2019) World Employment and Social Outlook

LLAKES (2018) Skills and Employment Surveys 2017.

Leighton,P (2013)  Future Working: The Rise of Europe’s Independent Professionals  IPSE

OECD (2018) Education at a Glance.

UK Government Skills Advisory Panels

**Conference Track**

Freelancing, Solo Self-Employment and Gig Economy Working

**Presentation**

Full Paper

## Gender and Enterprise

#### Gender and Enterprise

#### Time: 16:00 - 17:30

#### Date: 14th November 2019

#### Location: Northumbrian

### 96

### Entrepreneurship, gender of self-employment and small business: Long-term trends

Robert Bennett

University of Cambridge, Cambridge, United Kingdom

**Abstract**

**Topic:** This paper focuses on the long-term trends in the gender of entrepreneurs, self-employment and small business through identification and analysis of the population of all entrepreneurs England and Wales over 1851-2011.

**Applicability to conference theme; frontiers and entrepreneurial places:** There has been little reliable prior work on 19th business evolution covering the whole SME population and how this relates to modern development, and even less on its gender distribution. Jeremy (1998) argues that data on small businesses is so scarce that economy-wide understanding of business dynamics has been impossible: ‘there remains the suspicion that … over the long period the statistics are not comparable and therefore not to be trusted for secular comparisons’. This has prevented a full understanding of the developments of entrepreneurship by different genders and the relationships between them. As a result, despite numerous studies, we know almost nothing about the large scale gender patterns of entrepreneurship between the 19th and the late 20th century. Moreover comparisons between earlier and modern data are fraught with definitional changes with many mistakes made in publications because appropriate data alignment has not been made. This historical gap has current relevance to BIS, local government and international agencies that promote entrepreneurship.

**Aim:** To construct a complete time series of data for entrepreneurs by gender for 1851-2011 using the unpublished e-records from the censuses 1851-1911, published results 1921-2011, and special tabulations for 2011.

**Methodology:** The paper uses digital records and published tables from the population censuses. The methodological challenges are to align the different definitions over time, identify the gender of business participants, and correct for census biases.

**Contribution:** The core contribution of the paper is an assessment of the gender of the British population of business proprietors 1851-2011 focusing on the relative importance of sole proprietors and employers. The analysis constructs estimates of the population of entrepreneurs and all self-employed. The main discussion focuses on entrepreneurship rates and business numbers by gender and aggregate sector. The modern period is confirmed as having a high number of small and female-led firms, but this has not reached the same levels of those in earlier periods. Long term drivers of changes are investigated; whilst many historical uncertainties for explanation remain, key changes are identified from: the Married Women’s Property Act (1882); sector shifts; business legal form (incorporation); and concentration by firm size that introduced high levels of waged employment that reinforced the dominance of the ‘male breadwinner family’ for most of the period. The results show that female business participation in Britain historically was far higher than shown by any previous estimates. It was also more varied by firm size, and ranged between leading business with hundreds of employees to supporting family survival though necessity entrepreneurship.

 **Implications for policy and practice**: The paper provides unique and entirely new information to tackle many critical economic policy questions relating to women’s business participation and entrepreneurship rates. The paper lays the foundations for new insights into the development of entrepreneurship and business structures which can help resolve debates about female role in the extent, timing, scale and diffusion of Britain’s industrial change by sector, place-persistence, and characteristics of firm owners. This is an assessment informed by international and long-term historical experiences. It offers important comment on the conditions under which institutional and policy changes influence female and male entrepreneurship, SMEs and micro businesses, and their relationships to larger firms and corporates.

A key implication for practice is to raise awareness of the data for the early period that is available as a database deposit which will allow any researcher to investigate the historical record of women at the individual level for the entire population of business proprietors 1851-1911; this allows linkage to modern census and other data. The database deposit is introduced in the paper as well as giving the overview of the key findings as outlined above.

**Conference Track**

Gender and Enterprise

**Presentation**

Full Paper

### 63

### An Analysis of the Strategic Choices of Female Entrepreneurs and their Impact on Firm Growth

Yvonne Costin1, Antoinette Flynn1, Naomi Birdthistle2, Briga Hynes1

1University of Limerick, Limerick, Ireland. 2Griffith University, Southport, Australia

**Abstract**

**Topic**: Strategy is the most important determinant of firm growth, crucial to guiding and shaping the firm’s future (Gibsus et al., 2006; Bruneel et al., 2009), yet research on strategic choices of female entrepreneurs is rather limited. Perhaps this is attributable to earlier extant female entrepreneurship literature focusing largely on profiling female entrepreneurs at the start-up stage, and on comparative studies of male and female entrepreneurs (Ahl, 2006; de Bruin et al., 2007; Minniti and Naude, 2010; Acs et al., 2011; Brush and Cooper 2012; Kariv, 2012). In adopting this approach, the significant topic of strategy in the female context has received comparatively little attention and remains understudied (Hughes et al., 2012; Mitchelmore and Rowley, 2013). Accordingly, limited knowledge exists on strategic choices of female entrepreneurs, the influence of personal and firm characteristics on these choices, or the influence of strategy as a determinant of firm growth (Greene et al., 2003; Roomi et al., 2009). Consequently, this is the driver of this particular research.

The mainstream literature reports numerous studies on strategy in SME’s with the Miles and Snow typology consistently acknowledged as influential when investigating small firm growth (Julien and Ramangalahy 2003; Shrader and Siegel 2007; Leitner and Guldenberg 2010). In essence, Miles and Snow (1978) distinguished four generic strategies according to how firms respond to environmental trends, producing a typology of firm-level strategies, namely defender, prospector, analyser and reactor strategies. This typology highlighted firms in general developed patterns of strategic behaviour in order to accomplish what they perceived were the primary opportunities in the general business environment within which they operate (Azhar, 2008; Nickerson, 2008). The review of empirical evidence related to Miles and Snow’s (1978) generic strategies provides strong support for the proposition that different generic strategies can exist independently, or can co-exist in the small firm to facilitate the achievement of firm growth. The literature observes that the combination of these four strategies should not be viewed independently, and they are not mutually exclusive and are found to be closely associated with the characteristics and objectives for firm growth held by the entrepreneur (Miles and Snow 1978). While these strategic typologies were arrived at in research in the 1970s, they have been applied and adopted as the basis for researching strategy in small firms by numerous researchers since (Hambrick 2003; Slater et al 2006; Zinn et al 2008; Blackmore and Nesbitt 2012; Sollosy et al., 2015). This typology has formed the basis of many studies with leading journals confirming its continuing relevance, and the enduring value of this seminal work and so is an appropriate typology for its application in the female context.

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’:**This research addresses three very pertinent and topical issues of interest and significant importance to academia, policy and practice- female entrepreneurs, strategy and small firm growth. Prior research on strategic choices in the female context is under-developed, attracting limited academic attention and so remains understudied, as does the research on the specific role of strategy as a determinant of firm growth. Given the current tumultuous business environment, both in Ireland and the UK, and indeed Europe and the world, it is imperative to fill this research void and lacuna to allow academia, policy and practice to understand strategy and strategic behaviour of female-owned firms, given the potential contribution females can make. More significantly, this new knowledge will facilitate the opportunity for female entrepreneurs to reach their full potential through the development effective strategies for firm growth, assisting them in overcoming future business challenges. To avoid embedding masculinity as the normative standard (Marlow and McAdam, 2013; Marlow and Martinez-Dy, 2018) numerous authors advocate the importance of affording female entrepreneurs separate recognition in terms of strategy, thus we view this “separate recognition” as a new frontier and entrepreneurial place to investigate, focusing solely on the strategic choices and behaviour of female entrepreneurs.

**Aim:**This research addresses strategic choices in female-owned firms and their influence in determining firm growth by addressing three key issues. Firstly, the research examines the strategic choices of female entrepreneurs by applying the Miles and Snow Typology as a normative tool for categorising female-owned firms. Secondly, having identified their specific strategic choices, the research is further developed by investigating if certain female (age, education, previous employment and managerial experience) and firm characteristics (firm age, size, nature of ownership) predict the adoption of individual strategies - prospector, analyser, defender, and reactor. Thirdly, the research investigates how strategic choices of female entrepreneurs act as a determinant for firm growth.

**Methodology:**  The research methodology employed for this study is a quantitative research design, applied to an online self-reporting survey of female entrepreneurs. Survey data was collected from a sample of 1200 female entrepreneurs in Ireland operating small to medium sized firms for more than three years across all sectors, yielding a response rate of 14.6 per cent (n=176). The research instrument relied on closed questions (binary and categorical) with a number of open-ended questions interspersed throughout. Three sets of independent variables were assessed, namely female and firm characteristics, and strategic choices according to the Miles and Snow (1978) typology along with the dependent continuous variable, which measured turnover growth as a percentage change in turnover, from 2007 to 2009.  By employing binary logistical regressions, we determine which specific strategic choices (prospector, analyser, defender, reactor and various combinations) are predicted by a range of female and firm characteristics.  Next, the methodological choice of multinomial logistical regressions permits direct comparisons of focused strategic choices of female entrepreneurs against a base choice of a non-specific strategy (a combination of strategies), in relation to personal and firm qualities for the female-owned established small and medium firms.  Finally, we examine how growth is influenced by strategic choices through a multivariate linear regression.    Thus, we determine the level of importance of each variable vis à vis growth and produce a model of female-owned SME growth, driven by entrepreneurial and firm qualities and strategic choices.

**Contribution:**The contribution of this study is most interesting given the scarcity of research on strategy in the female context. From a theoretical perspective, the study addresses the research lacuna by highlighting strategic choices of female entrepreneurs, and the underlying female and firm characteristics that influence this choice. Further, our findings address the dearth of knowledge pertaining to the influence of strategy on firm growth in the female growth literature. By highlighting the preferred strategic choices of female entrepreneurs, and how these individual strategic choices are influenced by certain personal and firm characteristics, the outcomes present a deeper understanding of not just the type of strategy (which is all too frequently the focus of research studies) but also how certain female and firm characteristics influence individual strategy adoption. This reveals a deeper insight into the strategic choices and behaviour of female entrepreneurs. By applying the Miles and Snow typology emergent from the mainstream literature in the female context, this study also provides a more holistic and integrated insight into strategy in female-owned firms, adding to the lacuna of research in this field. Upon reflection, this study demonstrates that the mainstream research on strategy and small firm growth has merit and is relevant in the female context and thus should be supported.

**Implications for policy, if applicable:** A number of policy implications emerge due to the separate recognition female entrepreneurs are afforded in this particular study. In demonstrating a comprehensive and in-depth profile of strategic choices and behaviour of a female-only sample, and its influence on firm growth, policy makers and support agencies are better equipped to advise, assist and support female entrepreneurs in a more relevant, targeted and effective manner. Specifically, this study draws attention to the need to create a heightened awareness amongst female entrepreneurs of their strategic profile, along with its implications for firm growth. An effective means of achieving this is to increase mentoring support for female entrepreneurs, perhaps female-only mentoring programmes (Eversole et al., 2019)Female entrepreneurs need to be supported and educated with respect to strategic competencies and skills development taking into account key indicators and characteristics (both personal and firm) which influence strategy, i.e. age, education, previous employment experience, firm age and size, nature of ownership, broadening access for strategy development support for all female entrepreneurs. Specifically, female entrepreneurs should be supported in auditing and assessing their current strategic profile and choice, determining its effectiveness for firm growth. Support agencies should offer advice and assistance to encourage female entrepreneurs to consider moving from one strategic choice (i.e. defender) to prospector (helping them to become more risk tolerant), with a view to improving their overall strategic performance and firm growth.

**Conference Track**

Gender and Enterprise

**Presentation**

Full Paper

### 47

### Women’s entrepreneurship in a matriarchal society: Insights from the Minangkabau in Indonesia

Dian Mayasari, David Littlewood, Abbi Kedir

The University of Sheffield, Sheffield, United Kingdom

**Abstract**

**Topic -** The highlands of Minangkabau, Indonesia, are home to the Minangkabau tribe – the largest matriarchal society in the world. The matriarchal institutional arrangements amongst this tribe give primacy to women to inherit land, paddy fields, houses, and wider economic property. Such arrangements also provide Minangkabau women with authority and power in their households, clans, and villages (Blackwood, 1997; Sanday, 2003). However, critical perspectives on this arrangement have argued that it can also be isolating and limiting for women, who may be expected to stay in the village tending to their cultural/ ancestor heritage and taking care of their family. Men meanwhile, have the freedom to travel outside of the village to seek wealth, and often come to be regarded as heroes (Tanner 1982). From this perspective women’s authority and empowerment in Minangkabau society may in fact be overstated, reflecting biases in cultural reference texts, as well as limits in the understanding of non-Minangkabau people, and even amongst the Minangkabau themselves. One reason such biases and stereotyping may occur is that Minangkabau customary texts, which provide a point of reference on Minangkabau culture, are largely written by men who may lack understanding of Minangkabau women’s lived experiences (Blackwood 2001).

Minangkabau women are renowned as entrepreneurs (Buang, 2014; Rohman, 2014; Hastuti et al., 2015). Where other ethnic entrepreneurs in Indonesia are usually portrayed as being male, the term entrepreneur in the Minangkabau language encompasses both men and women. We believe that this ability of Minangkabau women to claim equally the position of entrepreneur reflects the matriarchal institutional arrangements present in Minangkabau society. Our study examines the influence of Minangkabau society’s matriarchal institutional arrangements on women’s entrepreneurship. We provide rich insights on Minangkabau women’s lived experiences of entrepreneurship. We adopt a critical and non-idealised perspective in our analysis, and shed light on how Minangkabau women in isolated, labour depleted, and resource-limited communities, navigate and overcome the challenges they face to start, run and grow their businesses and to create wealth.

Matriarchy is a social structure where the mother is the head of the household, and descendants belong to the maternal clan, reckoned through the female line (Jay 1996; Lerner 1986). For a long time matriarchy was largely ignored in social science research, or else considered a myth and critiqued as overly utopian (Greisman & Greisman 1981). However, recent work has started to look again at the concept of matriarchy, to restore and modernise it, and position it as a real alternative to patriarchy. Scholars have identified matriarchy as an egalitarian social structure, supporting women’s empowerment and participation in the public sphere (Goettner-Abendroth 2004; Smith 2014; Wang & Morais 2014). It is therefore expected, that it would impact women’s entrepreneurship positively. In counterpoint to matriarchy, is the social structure of patriarchy. Patriarchy means “rule of fathers”, with men the head of the family and holding authority over women, children, and family assets (Christ 2016). Patriarchy is widely considered as a system of male dominance (Christ, 2016), and is associated with women’s discrimination and subordination (Hartmann, 1979; Drine & Grach, 2011). Patriarchy affords women fewer rights, less respect, and constrains their activities in public and domestic spheres. It is hence expected to negatively impact women’s entrepreneurship.

Whilst this paper focuses specifically on Minangkabau women entrepreneurs, and aims to unpack how they are affected by matriarchal institutional arrangements, it is part of a wider research project examining and comparing the entrepreneurial experiences of women entrepreneurs across matriarchal and patriarchal societies in Indonesia. An institutional theory framework is deployed in this research to examine how the institutional environment of Minangkabau matriarchy, shapes, enables and potentially even constrains women’s entrepreneurship. Our institutional framework draws particularly on the work of Scott (2014).

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’ -** In a world where patriarchy is the norm, the Minangkabau region and tribal group, represents an important, interesting and un/understudied spatial, social and cultural context to assess the influence of matriarchal institutional arrangements on entrepreneurship. This research also entails examination of women entrepreneurs in a labour depleted, resource limited place, where due to matriarchal arrangements, landless male residents leave villages to gain wealth and a decent life elsewhere. Our work sheds light on how female entrepreneurs adapt and thrive in such a challenging environment.

**Aim -** This study aims to answer research question: How is women’s entrepreneurship influenced by Minangkabau matriarchal institutional arrangements?

**Methodology -** This research draws upon data collected in multiple villages in West Sumatera, Indonesia. West Sumatera is the province home to the people of the Minangkabau tribe. To answer the research question, we conducted face to face semi-structured interviews with fifteen Minangkabau women entrepreneurs. Two Minangkabau tribal leaders were also interviewed, along with representatives of a non-government organisation (NGO) working on women entrepreneur issues based in Padang (an area of Minangkabau). Finally, government officials of the Indonesian Ministry of Small and Medium Enterprises were interviewed.

This research used a non-probability snowball sampling method (SSM) to recruit participants. Initial subjects were recruited by contacting several traditional authority leaders of a women entrepreneurs association based in West Sumatera. These leaders acted as gatekeepers for the project and initially introduced the researchers to their members to be interviewed. The participants were recruited by considering diversity in industry, age of business/ business life cycle, marital/ motherhood status, and educational background. Field observations and media documentation also supplemented the interviews.

Thematic analysis was carried out on interview transcripts with emerging themes in the dataset suggesting concepts that describe and explain the phenomenon observed.

**Contribution -** This paper contributes to extant gender and entrepreneurship literature by providing insights on the influence of matriarchal institutional arrangements on women’s entrepreneurship. This study also allows us to explore whether matriarchy might provide a different dynamic of people, place and process to better nurture women’s entrepreneurial behaviour. This research also aims to address the question of whether matriarchy is really empowering for women, whether it supports women’s entrepreneurship, and if so, how? Or if it results in isolation and limits women’s participation in entrepreneurship activity. Finally, this study makes an empirical contribution, researching the understudied context of a matriarchal society, labour depleted communities, and Indonesia more widely.

**Conference Track**

Gender and Enterprise

**Presentation**

Full Paper

### 40

### Re-visualising Russian Mafiya Gravestones as iconoclastic representations of an idealised masculine enterprise culture.

Robert Smith

Independent Scholar, Aberdeen, United Kingdom

**Abstract**

**Topic:** The fall of the former Soviet Union led to an increase in all forms of entrepreneurship as the traditional criminal societies such as the 'Vory' competed with former KGB spies, 'mercenaries', so-called 'businessmeni' and 'oligarchs' for a share in the spoils in a new capitalist state. In time all these disparate criminal types would become known in the West, ubiquitously as the Russian Mafiya. This financial criminal-military elite spawned its own very masculine enterprise culture, complete with its own customs including conspicuous burial rites. Indeed, semiotic appreciation of the phenomenon of Russian 'Mafiya Gravestones' is not a new consideration but has been subject to limited academic and press scrutiny in the past decade. The tone of such previous work has been of a censorious, sensationalist, criminological nature. Commentators have criticised   the phenomenon as being a dual example of Veblenian 'conspicuous consumption' and 'capitalist hubristic' expressionism. The orientation of the work, particularly that of the press articles has been more on informing and entertaining the audience than developing a deeper sociological understanding of the phenomenon of what became known as 'violent criminal entrepreneurship' after the works of the Russian sociologist Vadim Volkov.

**Applicability to the conference theme:** This study is of relevance to the conference theme of space and exploring new frontiers and entrepreneurial places in that both 'hyper-masculinity' and 'enterprise culture' are both enacted spaces in terms of identity building and impression management

**Aim:** The aim of this study is to re-visualise the phenomenon from a visual perspective as an example of it being more than a specific cultural phenomenon. It is a representation of an idealised enterprise culture infused with hyper-masculine values and imagery.

**Methodology:** This qualitative study uses semiotic analysis to examine images of Russian Mafiya gravestones sourced online, via netnography and documentary research to re-visualise the images through the lenses of hyper-masculinity and enterprise culture. From the analysis common gendered themes emerge which correspond to extant stereotypical representations of both post Soviet Russian enterprise culture and Western enterprise culture. The focus of the analysis is upon the individual gravestones and the iconology and not on the stories and narratives of the subjects. The imagery becomes visual data.

**Contribution:** To validate and authenticate the findings reference is made sparingly to entrepreneurship theory where appropriate to develop understandings of Mafiya enterprise culture. The main findings are presented in the form of visual artefacts which collectively combine to construct an entrepreneurial identity. When re-visualised as examples of masculinity and enterprise culture a correspondence is found which matches our understanding of entrepreneurship as presented in theories. Russian Enterprise culture from the 1990s presents as an idealised masculine persona in which 'conspicuous consumption' and 'myopic capitalist imagery' are celebrated and eulogised via the iconic and gendered representation of 'machismo' and acquired wealth expressed via universal symbols of entrepreneurial success and in particular via the depiction of marque cars, designer suits juxtaposed against religious and cultural symbols. These merge religious hagiography with entrepreneurial hagiography  These also include the subjects of these storied epitaphs consuming fine wine and food to denote access to a prestigious lifestyle. A limited number of images relate to female Mafiya in which the 'machismo' element is replaced by fashion items and 'beauty'.

**Implications for practice:**This study will be of interest to journalists, sociologists, criminologists and students of enterprise culture by providing a more nuanced understanding of this particularly masculine enterprise culture.

**Societal implications:** There are some serious implications for societal commentators because whilst it is easy to pore scorn and ridicule on the burial practices of this elite much can be learned from studying the signs to enable the development of insights into their entrepreneurial mind sets.

**Originality:** This study develops and furthers our understanding of this particularly vibrant  enterprise culture.

**Conference Track**

Gender and Enterprise

**Presentation**

Full Paper

## Rural Enterprise

#### Rural Enterprise

#### Time: 16:00 - 17:00

#### Date: 14th November 2019

#### Location: UTC: 102

### 14

### Gender structures in rural entrepreneuring - provoking, restricting and using

Annie Roos, Johan Gaddefors

Swedish University of Agricultural Sciences, Uppsala, Sweden

**Abstract**

Revisiting the question of how rural entrepreneuring becomes gendered, we identify three different discourses: commercial entrepreneurship, societal entrepreneurship and philanthropic entrepreneurship. The main difference between these three discourses are the focus on the social and/or economic development of the local community. Accordingly, this paper is grounded in the discussion on place and space as well as social versus economic value creation in the rural entrepreneurship process (H. Johnstone & Lionais, 2004; Korsgaard, Müller, & Wittorff Tanvig, 2015). We, however, try to show a more complex picture of the entrepreneurship processes happening in rural communities. Put simply, we problematize the individual approach to gendering entrepreneurship as it fails to capture the complexity of how entrepreneurship becomes gendered.

Entrepreneurship is an elusive process. Recently, we have witnessed the development of what may be seen as a contextual turn in entrepreneurship research (Korsgaard, Ferguson, & Gaddefors, 2015; Korsgaard, Müller, et al., 2015; McKeever, Jack, & Anderson, 2015; Welter, 2011). The contextual turn means taking into account multiple contexts when researching entrepreneurship (Roos, 2017). Context is both internal and external (Spedale & Watson, 2014) and plays a crucial role in how the entrepreneurship process unfolds (Gaddefors & Anderson, 2017). Along this line of thinking, context and the individual are not viewed as separate entities (Spedale & Watson, 2014). Instead, the interaction is put forward as one of the keys to understanding entrepreneurship (A. Anderson & Gaddefors, 2016). While the emphasis on interaction and process has a long history in entrepreneurship research (Steyaert, 2011), context is less discussed. Researchers have argued for a need to further explore the interplay between entrepreneurship and context (Parkinson, Howorth, & Southern, 2016; Spedale & Watson, 2014). However, solving how we research the interplay is still undetermined (Marlow & Patton, 2005; McKeever et al., 2015). This paper endeavours to shine light on how we can research the interplay between entrepreneurship and context. We do this through involving community in our unit of analysis in the entrepreneurial process.

Lindgren and Packendorff argue that when applying a social constructionist perspective, “entrepreneurship emerges dynamically in social interaction between people” (2009, p. 33). Thus evaluating the entrepreneurship of one person is not adequate in comprehending the complexity of the entrepreneurship process. Instead, to be able to grasp the complexity and look beyond a single agent, other units of analyses have been presented as a means to tell us other stories of entrepreneurship (Gaddefors & Anderson, 2017; Roos & Gaddefors, 2017). Still, there is an inclination to move away from entrepreneurship as something individual, despite researchers continued arguments for entrepreneurship to be seen as a phenomenon provoking processes and changing structures (Jack & Anderson, 2002; Korsgaard & Anderson, 2011; Steyaert & Katz, 2004). Drakopoulou Dodd and Anderson (2007) argue that researchers get caught in methodologic individualism because the individual entrepreneur is the one that answers questionnaires, and is therefore the easiest and most “logical” unit of analysis to focus on.

In this paper, our aim is to understand gender in rural entrepreneuring. To   us gender structures are constantly reproduced by people in their use of symbols, language and actions (West & Zimmerman, 1987). This reproduction is not always done without intent and direction. We know that entrepreneurship is masculine-coded (Ahl, 2006; Bruni, Gherardi, & Poggio, 2004) thus restricting people, women and men, from taking part in entrepreneurial processes (Hamilton, 2013; Verduijn & Essers, 2013). Masculinity is not a problem per se, but it is problematic in how we interpret and enact masculinity, excluding aspects of viewing masculinity linked to one of the sexes. When masculinity is assumed and normalized in relation to the entrepreneur, other entrepreneurs are seen as different. This is highly evident in for example the use of the prefixes female/women whenever we discuss entrepreneurs that are women (Ahl, 2002). Men only need to be called entrepreneurs, thus being the norm within the entrepreneurship discourse. When masculine and economically oriented entrepreneurs are given higher value, a hierarchy is established.

Furthermore, we can also see how people use the practices that gender structures make available for their gender status and display (Martin, 2006), when entrepreneuring. People work their way within the norm and intentionally and unintentionally conform to gender structures. We can see this in how entrepreneurs are active within sectors that are viewed as appropriate to them based on their gender (Statistics Sweden, 2014).

In relation to using and conforming to gender structures people can also provoke and challenge gender structures (Calás, Smircich, & Bourne, 2009) through for example running businesses in unexpected sectors (Hanson & Blake, 2008) or through expanding the meaning of entrepreneurship to not only include traditional businesses (Ahl, Berglund, Pettersson, & Tillmar, 2016). In this way theory show how gendered structures evoke three different activities (restricting, using and provoking) when entrepreneuring. Hence the way we construct the notion of entrepreneurship is highly gendered in unequal terms.

Looking at how gender unfolds in rural entrepreneuring, we from now on in the paper put aside the well-used individual entrepreneur as the unit of analysis. We will instead involve the rural community in our unit of analysis. When examining entrepreneurship as a phenomena we lay out three different discourses in rural entrepreneurship: commercial-, societal- and philanthropic entrepreneurship. Together with our entrepreneur, our community and the gender structures the three discourses are used as a vehicle for further understanding gender in rural entrepreneuring.

**Conference Track**

Rural Enterprise

**Presentation**

Full Paper

### 33

### Rural Wales a Space for Environmental Entrepreneurship.

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**Abstract**

**Topic**

With a varied landscape, Wales as a space is resource rich and a suitable location to develop many different forms of sustainable energy, particularly windfarms, solar parks, hydro-electric energy or biomass. For some time farm diversification has been a prominent strategy in rural Wales as farmers seek to supplement farm incomes. Farm household incomes have often included subsidies, food production, tourism or other forms of off-farm income, however, it is recognised that the natural resources of rural spaces in Wales provide opportunities for growth in sustainable energy. In considering the above, the main aim of this study is to discover the possibilities for farmers in Wales to utilise their resources and diversify into sustainable energy.

**Aim**

The aim of this paper is to investigate the role of renewable energy generation in supporting agricultural businesses.  The research explores the possibilities for farmers to take advantage of opportunities to diversify into sustainable energy in response to current farming challenges and uncertain conditions. Building on the conceptual model of agri-environmental diversification behaviour established by Sutherland et al. (2016), the paper addresses issues of Wales as a space that is suitable for creating sustainable energy, along with the issue of foreign energy companies that control many large scale sustainable energy sites in Wales and across Great Britain. Despite the opportunities for income generation and growth into sustainable energy, many challenges exist. As such, the study seeks to identify and understand the drivers and barriers that impact on the adoption of renewable energy generation as a source of off-farm income in rural Welsh farms.

**Methodological Approach**

The study uses mixed methods as means of undertaking an in-depth investigation into the role of renewable energy generation in supporting agribusinesses in Wales. Initially an online questionnaire obtained 118 responses from a database on 738 farmers in Wales. Questions focussed on farm income activities and engagement with renewable energy, with distinctions made between farmers that have and have not adopted renewable energy as part of farm diversification. Subsequently, 15 follow-up semi-structured interviews were conducted to further investigate the issues from the initial questionnaire. A regression analysis is used to analyse quantitative data, with thematic analysis employed for interview data. Triangulation of the quantitative and qualitative data provides a detailed investigation of the situation faced by farmers and the possibilities of diversification into sustainable energy.

**Findings**

Results from the on-line survey highlight that the majority (64.5%) of respondents are reliant on off-farm sources to supplement farm income, through a variety of means, including tourism, food production, consultancy and renewable energy generation. Among non-adopters, 64.9% of respondents recognised the opportunities through renewable energy, but cited limited resources as a barrier. Relationships with the adoption of renewable energy as off-farm income are evident between the farmer’s age, access to renewable energy and entrepreneurial attitude. Qualitative results point to the drivers and barriers to the adoption of renewable energy for farm diversification, with drivers focussed on entrepreneurial attitudes of farmers, access to natural resources and motivations for growth. Barriers refer to limited financial incentives, limited support, energy storage issues and the attraction of investment due to costs. Findings underline the passive approach to entrepreneurship displayed by rural agribusinesses in Wales seen by Bowen and Morris (2018) as many farm businesses are unable to exploit the opportunities that exist in the natural rural resources.

**Contribution**

The paper builds on previous work on farm diversification activities in Wales by Morris et al. (2017) and the conceptual model of agri-environmental diversification behaviour by Sutherland et al. (2016) to investigate issues of diversification in renewable energy in rural spaces in Wales. Following empirical research among Welsh farmers, the findings lead to the development of a conceptual model, which explains the drivers and barriers to environmental entrepreneurship.

**Research Implications**

Implications of the research are evident for both practice and policy. Results would inform the farming industry of opportunities and barriers to diversification into renewable energy. In terms of policy, the research would inform the Welsh Government of the importance of renewable energy to the rural economy and how natural resources in rural spaces in Wales could be harnessed for environmental entrepreneurship. Additionally, research findings would inform the Welsh Government in advising farmers to diversify, and also to inform policies towards facilitating the increase in renewable energy generation via planning, regulatory and infrastructure policies. Consequently, the research could also inform Government in supporting the development of Welsh sustainable energy companies by exploiting natural resources in rural Wales. The work has wider implications beyond Wales in informing rural locations and Governments in terms of the role of renewable energy generation in supporting rural economies.

Key words: Green economy, agribusiness, entrepreneurship, renewables

**Conference Track**

Rural Enterprise

**Presentation**

Full Paper

### 54

### Spaces of Innovation and Women Rural Entrepreneurship in Italy

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1University of Cassino and Southern Lazio, Cassino, Italy. 2Huddersfield University, Huddersfield, United Kingdom

**Abstract**

**Topic**

This paper deals with innovation adoption by women farmers in Italy. The unit of analysis is women owned farms . There are two research questions:

1. How many “spaces of innovation” exist within Italian women farms?
2. How does entrepreneurial identity of women farms affect spaces of innovation and innovation adoption?

The role of women in farming activity has been analysed from different theoretical perspectives and classified according to various dimensions underlying either a subsidiary role and a more active participation. Recently, a constituent perspective of women’s participation in farming activity is under observation, within processes of functional repositioning of women farmers along diversified paths of farm’s development. These paths design different entrepreneurial spaces and different entrepreneurial spaces of innovation. However, even though extant literature has recognized the important role of women farmers in the process of transition towards innovative and multifunctional agriculture, little attention has been devoted to the influence of entrepreneurial variables in enhancing innovation capacity of women farmers. Questioning the entrepreneurial profile as a means to design new spaces of innovation is a relevant topic not enough explored, above all in the Italian agriculture. Therefore, this paper fills a gap in the literature.

**Aim**

The aim of the paper is to define and explore the entrepreneurial spaces of innovation among Italian farms managed by women More precisely, it aims at exploring different “spaces of innovation” in the world of women farming, following the hypothesis that different rural context may engender different types of innovation. Against this background, entrepreneurial orientation has to be considered the engine of innovation adoption in different rural contexts, by creating new spaces for innovation. Under this perspective, in this paper we intend to frame women entrepreneurship in the context of family farm business, by analysing eventual influence of family context on women decision-making.

**Methodology**

The research is grounded on primary sources using a questionnaire administered to a sample of   x number women farmers in all regions of Italy, with the purpose of investigating complex dimensions behind the decision of innovation uptake, with a special focus on the relevance of entrepreneurial orientation.  The questionnaire, administered in March 2019, is divided in four domains, which are of help in defining entrepreneurial spaces of innovation:

1) sociodemographic domain, which analyses farmers’ level of education, age, family composition and localisation in the life cycle (young, mature, old).

2) strategic domain reveals main farming activities and eventual strategies of differentiation or diversification of farming. Moreover, other structural variables are considered, like farm’s physical and economic size, distribution channels, etc.

3) entrepreneurial domain, through which the entrepreneurial identity of farmers is revealed. The two field to be analysed here are (Vesala, Peura, McElwee, 2007): economics values (proactiveness, risk-orientation, innovativeness) and psychological values (self-efficacy, optimism, personal control)

4) relational domain, supporting the hypothesis that high relational assets like cooperative spirit, adhesion to producers’ organization, trust, etc. (Storper, 1997) and access to various source of agricultural innovation services (extension services, training course, informal sources, etc.) may boost high propensity to innovate (Ndah et al. 2018).

Data collected are processed through statistical techniques aiming at specifying the various entrepreneurial spaces of innovation and, consequently, different ‘worlds of innovation’ typified by several innovations and supported by different entrepreneurial profiles.

As far extant knowledge is concerned, little attention has been devoted in recent literature to the fundamental theme of innovation by women farmers. More precisely, the definition and the analysis of spaces of innovation in women rural entrepreneurship is not appropriately considered topic. This paper tries to fill this gap by putting forward an original analysis where entrepreneurship plays a relevant role in designing entrepreneurial spaces of innovation and performing innovation adoption.

**Policy implications.**

Taking on the perspective of entrepreneurial spaces of innovation implies to design a diversified set of policy action with the purpose of affecting these entrepreneurial spaces. This is particularly urgent in the perspective of gender mainstreaming of rural development policies of the European Union.

Although gender mainstreaming has been considered as a pillar of the EU rural development policy, however policy provisioning with respect to gender seems uneven through the various programming periods. In our opinion, this paper has relevant policy implications: first of all, in terms of claiming a stable and supportive rural policy for gender mainstreaming; secondly, by evidencing different worlds of innovation among women-owned farms, it underlines the call for a diversified set of measures for supporting a varied set of innovative actions among farms. Furthermore, the design of entrepreneurial spaces of innovation may address policy solution, with the aim of better targeting measures for supporting women entrepreneurship and, through this way, innovation adoption.

**Conference Track**

Rural Enterprise

**Presentation**

Full Paper

### 60

### Entrepreneurial Ecosystems – network spaces facilitating SME internationalisation in rural Wales

Robert Bowen

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**Abstract**

**Objectives**: The paper aims to investigate and define the role of entrepreneurial ecosystems in facilitating the international growth of rural SMEs. Specific focus is given to food and drink SMEs in Wales as a predominantly rural country, where the food and drink industry represents a significant part of the rural economy. Research questions seek to identify the significant players that can contribute to the effective influence of food ecosystems, the value of network ties to rural-based food and drink SMEs and how Government policy can be formed to improve the effectiveness of food entrepreneurial ecosystems in Wales.

**Background**: Small and Medium-sized Enterprises (SMEs) play a significant role in many places, as they represent 99% of all companies in the European Union (European Commission, 2018). This is especially true in rural spaces, as the majority of companies are micro enterprises of less than 10 employees. Given its geography, the rural economy is significant in Wales, especially food and farming. Despite the challenges associated with rural locations, SMEs have the ability to be ‘remote yet global’ (McAuley & Fillis, 2005, p. 498). Indeed, internationalisation is considered positive in spreading the risk across several buyers (Spowart & Wickramasekera, 2012). Grounded in network theory of internationalisation, the study recognises that SMEs lack sufficient resources to seek international growth alone and rely on collaboration and cooperation with industry, government and other SME partners (Chetty & Blankenburg Holm, 2000; Koçak & Edwards, 2005; Styles et al., 2008). Given the passive approach displayed by Welsh SMEs to internationalisation (Bowen, 2018), the support offered to entrepreneurs through entrepreneurial ecosystems can facilitate internationalisation. This refers to localised networks of a number of players that can support entrepreneurship, including national and local governments, chambers of commerce, universities, development agencies, business incubators, banks and financial systems (Isenberg, 2011). Such support is more significant in rural areas, where SMEs are more likely to face challenges of limited resources and less awareness of available support (Freeman & Styles, 2014).

**Methodology**: Data was obtained through a sequential mixed methods design. Initially an online survey of Welsh food and drink SMEs obtained 107 responses from a database of 451 SMEs. A regression analysis was used to analyse the data seeking relationships between different variables and business growth. The second phase involved semi-structured interviews following up on the results of the initial survey. Thematic analysis (Braun & Clarke, 2006) was used to analyse the data obtained from the 20 interviews, underlining themes relating to roles of food ecosystems in facilitating SME growth. Thereafter, data from both research phases was triangulated for further interpretation.

**Results**: Findings of the study show that SMEs are dependent on receiving support for internationalisation. Quantitative results point to the role of the Government in encouraging SMEs to seek international growth, supporting the notion that Welsh SMEs are less likely to display proactive tendencies to internationalisation. Distributors and overseas market agents were identified as the most significant sources of support for SMEs to internationalise. Additionally, significant variables for the required types of support were access to international trade shows and access to training. Awareness of support was a significant factor, as SMEs that displayed greater awareness of the support available to them were more likely to internationalise. Qualitative findings pointed to cooperation between several food producers in localised networks, particularly in more remote locations. This was based around a local ‘champion’, an SME that has established itself in export markets, and therefore a significant source of support for other local SMEs that were pursuing international growth. Engaging in local cluster networks helped SMEs overcome the challenges of a remote location through sharing distribution networks. Additional benefits of such networks included the possibility to add value through collaborating to create new products. Conclusions point to the benefits of entrepreneurial ecosystems in improving internationalisation opportunities. However, given the passive attitude shown by Welsh SMEs to internationalisation, the effectiveness of such ecosystems could be facilitated by Government policy to encourage SMEs in engaging in these networks.

**Contribution**: Although SME internationalisation has seen extensive research in recent decades, the focus of this paper on food and drink SMEs responds to calls for industry-specific research (Fillis, 2008; Bowen, 2018). Within this field, ecosystems of entrepreneurship have seen limited research in their role in supporting international growth among SMEs. This paper seeks to address this issue by focussing specifically on entrepreneurial spaces of food and drink SMEs, which are predominantly located in rural areas and thus face location-specific challenges. Findings of the study underline how entrepreneurial ecosystems can provide supportive environments for SMEs to grow, and therefore Government policy can be developed to encourage the growth of such entrepreneurial spaces to develop organic growth.

**Keywords**: SME internationalisation, food and drink, entrepreneurial ecosystem, Wales

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**Conference Track**

Rural Enterprise

**Presentation**

Full Paper

## Technology Entrepreneurship

#### Technology Entrepreneurship

#### Time: 16:00 - 17:30

#### Date: 14th November 2019

#### Location: Locomotion 3

### 237

### Re-examination of Strategic Innovation Networks in context of Technological Entrepreneurship/Innovation in 2019

Martin Beckinsale

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**Abstract**

Topic  
Re-examination of Strategic Innovation Networks in context of Technological Entrepreneurship/Innovation in 2019  
  
Hansen et al. (2011) suggests ‘Social media tools cultivate the internal discussions that improve quality, lower costs, and enable the creation of customer and partner communities that offer new opportunities for coordination, marketing, advertising, and customer support. The paper contends innovation should be added to this and suggested by Beckinsale (2017).  
  
It is the importance of the networks, their connections, their value, their availability and the awareness of them that can play a significant role in innovation amongst small firms and technological entrepreneurial firms. Hansen et al (2011: 4) contends that it is the information contained in networks  that has significant business value by exposing participants in the business network who play critical and unique roles’  In the innovation literature internal and external networks have been viewed as critical to the innovation process (Boddy, 2014). Social media adds a complexity to networks not addressed in the innovation literature. Adding multiplicity to social networks and potentially creating multiple networks depending on decisions made including the use of social media.  
  
  
Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’  
The paper is relevant to Innovation and with the social networks connection innovative communities as well as  using new technologies for Entrepreneurial aspirations.  
  
Aim  
In the context of 2019 and developments in social media for business/commerce and potential value in supporting networks in an Open Innovation environment the paper aims to re-examine the social networking innovation literature and conceptually considers its value and development in the rise and use of social media for innovation.  
  
Methodology  
In response to the topic an aim and the focus on social media use and activities the primary strategy for data collection is observation. The research takes an online ethnographic approach. Observations of case studies social media as well as non online social networks and actor network observation.  Therefore, observing and recording online and offline case actions and behaviour (Collis and Hussey, 2014: 148). The non-participant observation will be undertaken via social media technologies used by the case studies. Some of the activities and meta-data will be analysed using a variety of online tools (example: simplymeasured.com) as well as social actor network theory and innovation literature themes (table below provides indicators). Durkin et al.’s (2013: 724) theoretical model of social media adoption and use provides the framework of observation and assist in the conceptual framework development.  
  
Conceptual Development     Example of Themes  
Review of social network and actor network theory.     Themes related to actors, stakeholders, innovation and network variables.  
Review of Innovation and Open Innovation     literature focusing on themes of networks, networking,  
  
  
Contribution  
As the pace of change in our world has increased, competitive advantages have become temporary. Companies, entrepreneurs now need to be able to support and nurture innovation - not as one-off projects, but as a repeatable process.  
  
  
Implications for practice, if applicable  
The focus on the paper in on practice and understanding through the development of current theory the practice of entrepreneurial firms. The understanding derived from the research and paper should contribute to how entrepreneurs might wish to think about developing innovative communities online to ensure their business remains innovative.

**Conference Track**

Technology Entrepreneurship

**Presentation**

PowerPoint Presentation

### 69

### SMEs and Space Industries

Paul Lewis1, Adrian Jannetta2

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**Abstract**

This paper examines the roles that SMEs can undertake in space industries, both now and in the future.  The space industries sector is one of the few sectors that have been shown to be resilient during the last recession.  The global space economy is currently valued at an estimated £155-£190 billion and it has been estimated that it will grow to £400 billion by 2030. The UK space sector has trebled in size in real terms since 2000. With a turnover of £13.7 billion (2014/15), the UK currently captures between 6.3% and 7.7% of the global market.  Productivity is more than four times the UK average, which is a reflection of the high levels of capital investment in the sector.  The workforce is also highly skilled, with a much higher proportion of workers being qualified to at least graduate level, compared to the UK active population in general.  The Queen’s Speech 2017 to Parliament laid the foundations of the Space Industry Bill, with the intention of making the UK the most attractive place in Europe for commercial space activities, including launches from British soil.

Traditionally space activities have been dominated by a few large organizations.  Partly this has been dictated by the cost, due to two factors:

1.  The difficulty of lifting a mass out of Earth’s gravity field;

2.  For manned missions, the difficulty in providing a reliable human-rated life support system.

Space activities were originally the province of national space agencies, but more recently the commercial sector has become involved in areas such as satellites and exploration.  Whilst, again, these tended to be large organizations, more recently the size of organization has decreased so that SMEs are now able to get involved, beyond being just a component supplier in the supply chain.  In addition, consumer activities such as tourism are now being actively developed.

The space satellite industry, where a satellite is a body placed in an orbit, consists of a variety of functions including satellite operators, service providers, designers, manufacturers, launch services providers, ground equipment suppliers and data analysis.  Earth-orbit satellites carry out a range of civil and military tasks such as pollution monitoring, weather forecasting and scientific research, as well as communications and surveillance applications.  Satellites also orbit other solar system objects such as the Sun and some planets.  In a similar manner, probes are also sent on fly-by missions to planetary bodies, whilst satellites can be used to explore the Universe in general.

Whilst satellite technology is improving, the cost is decreasing.  Smaller companies often seek alliances with larger organisations and different parts of a satellite can be produced by different manufacturers.  An example of a small producer can be a University research team, some of whom build instrumentation for larger consortia.  There is plenty of scope for smaller companies to become involved in different parts of the supply chain, either as an upstream component supplier or downstream service supplier, as well as an OEM running their supply chain.  Small companies that can innovate and develop new technologies would be ideally placed to be involved.  They would also be well positioned to find new uses for satellite technology.

As satellite size has reduced and they have become lighter, satellite launches are moving away from being the province of the larger organisations.  Skyrora, a British company with 120 staff, is currently testing its own rocket, produced using 3D printing.  They are also scouting for a launch site, possibly northern Scotland, with an eventual payload capability of 100kg.

Space tourism is defined as travelling into space for recreational purposes.  The first space tourist, Dennis Tito, bought a seat on a rocket launch to the International Space Station in 2001, albeit with a multi-million dollar ticket price.  Despite the price tag there have been a few more commercial passengers since then.  Consequently there are now a number of companies actively developing commercial space travel.  Some are just experience flights, although others are considering habitats in space (Bigelow Aerospace, Space Island Group), whilst another plans to offer trips around the moon (Space Adventures).  Whilst many of these ventures may be beyond the capabilities of an SME, depending on how successful they are, they may require support services within the capability of SMEs.  These might range from managing the customers, training and space-bound hospitality services.

Other consumer-related commercial ventures suitable for SMEs might be along the lines of Earth to Sky Calculus.  This group carries out experiments by sending helium balloons into the stratosphere (the so-called edge of space).  As a means of fund-raising, they also send aloft artefacts such as jewellery and other items, which are recovered and sold as having been into space.

Looking to the future, an area just starting to be explored is asteroid exploitation.  The asteroids represent debris left over from the formation of the solar system.  Since it is believed that they formed from the same protoplanetary disc as the planets, it may be that their chemical structure is not too dissimilar.  Hence many elements that we consider to be essential for our industries and in increasingly short supply on Earth, may be available from asteroids.  As an example, estimates suggest that there are roughly one to two million asteroids in the solar system that are a kilometre in diameter.  Each of these asteroids is projected to weigh roughly two billion tons and contain 30 million tons of nickel, 1.5 million tons of metal cobalt, and 7,500 tons of platinum.  Mining asteroids also eliminates the pollution issues prevalent on Earth, although there may be ethical issues involved.

Although the same laws of physics apply in space as on Earth, they can produce different results.  Hence energy requirements would no longer be an issue, with a plentiful supply of solar energy available.  Using solar energy, it has been suggested that fuel could be manufactured as required, using raw materials obtained from asteroids.  Similarly, using concepts such as a Hohmann transfer orbit, which requires a rocket burn at either end of the journey but coasting in between, transportation costs would be greatly reduced.  There are other issues, such as the extremes of temperature and the endurance of machines under arduous conditions, but these issues have already been overcome in other long-term missions.  The ability to land on remote bodies has also been proven to be possible.  Bradford Space (formerly DSI) offer a range of space equipment including microgravity workspaces and propulsion systems, with a workforce of about 75 people.

Asteroid exploration has already commenced.  For example Planetary Resources Inc. (formerly Arkyd Astronautics), with about 60 employees, is developing various types of technology to explore asteroids remotely to find water.  Water is essential for both life support and fuel.  They plan to develop a robotic asteroid mining industry, hence the need for long-term strategic planning.

With commercial organisations increasingly participating in space industries, now may be the time for entrepreneurial SMEs to consider getting involved with this new industrial sector.  Whilst the commercial risks involved should not be discounted, it might be considered that the potential rewards outweigh the risks.

**Conference Track**

Technology Entrepreneurship

**Presentation**

Full Paper

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### Opportunities in Space for New Commercial Medical Enterprises.

Olga Shimbireva1, Helen Matushevskaya2, Martyn Benson3

1B V Petrovsky Russian National Research Centre of Surgery, Moscow, Russian Federation. 2General Computers, Moscow, Russian Federation. 3Bradmarsh Templar Ltd, Sheffield, United Kingdom

**Abstract**

**Opportunities in Space for New Commercial Medical Enterprises.**

* **Topic - as above.**The potential opening up of space to fare paying passengers -  for round trips - or    to significant numbers of people to work in space (on 'space stations' or even on   planets),  will almost certainly lead to the issue of dealing with medical problems experienced by such individuals.  Those problems could occur on voyages taking weeks or months or at the far flung locations already mentioned.

Whilst the advent of helicopter evacuations from cruise ships and from remote         locations plus medical rescue flights by chartered aircraft have greatly reduced the health  risks to travellers on planet Earth, the same cannot be said for travellers from\to the planet or people located in space.

However the availability of modern medical technology - e.g. tele-medicine and        robotic surgery could go a long way to reducing those risks. Also the very fact that  medical activities would not be taking place at sovereign locations (with their rules and regulations) and despite requiring significant investment, could well present commercial opportunities for enterprising  businesses. E.g. reduced gravity or zero gravity environments would present new opportunities.

### ·****Applicability:****How is this topic applicable to the Conference theme of:  SPACE - exploring new frontiers and entrepreneurial places?  The simple answer is that entering space is crossing new frontiers and providing new entrepreneurial places. However, those journeys and locations would bring with them potential medical scenarios that would need to be provided for. It should be remembered that, in the era before swift medical evacuations from cruise ships were possible, the vessels used to carry a doctor as a member of the crew and larger vessels had considerable medical facilities.  Putting facilities in place to deal with unexpected medical scenarios would necessarily be needed on long-distance transit vehicles, on 'space stations' or on other planets. For that reason it is a topic worthy of exploration.

* ·**Aim:**  The aim of the paper is to identify some of the potential commercial medical opportunities and then to explain in more detail about each of them and how, using modern technology, they might be put in place. There are many factors that need to be considered in such complex and ground-breaking scenarios plus of course the risk v reward equation and some ethical considerations. They will be covered in the paper.
* ·**Methodology**:                                                                                                         As a starting point, the authors - who include an eminent medical practitioner familiar with the use of robotics in medicine -  have identified several of the potential medical scenarios that might arise. By way of example: a need for simple to operate portable X-ray equipment is an obvious requirement - generating an enterprise opportunity that currently has the entrant to the market of Adaptix. Adaptix have produced a low cost, portable and cost effective 3D X-ray imaging system that has potential for use in space. Similarly; the new Verbius robotic surgery system would seem to provide opportunities for carrying out surgery in space vehicles, in space-stations and ultimately in bases on other planets. Tele-medicine - as already in terrestial use - obviously has potential use on the same basis. The authors have then reviewed those applications and equipment that could apparently be handled or improved with the use of modern technology. Next they consider what technology it would be feasible to install and use at the locations and the financial implications. The financial implications then drive whether or not it is possible to have system models that would provide commercial opportunities.
* **Contribution**:The contribution of the paper is to provide a greater understanding of : a. the potential medical scenarios that might arise                                                b. what medical technology might be usable in such scenarios                                  c. the commercial opportunities available to medical entrepreneurs
* ·**Implications for policy:** The authors believe that in reality the implications for Government policy are relatively limited - as space is an international area - albeit it is very important for Governments to consider the implications for their citizens (as opposed to military personnel) of space travel and residency. However, full awareness of the potential commercial opportunities could influence policy decisions taken by business leaders and investors. Also, due to the potentially punitive effects on businesses of successful medical malpractice or medical negligence claims it is likely that governmental legal officers will need to take an interest in extra-terrestrial medical activities.
* ·**Implications for practice:** As yet there is no known existing commercial or enterprising practice in this [space based] sector to review and for which there are implications. All the implications are for future practice - which should be based on a combination of both business and medical ethics plus of course the intention of having effective sustainable  businesses.

**Conference Track**

Business Creation, Early Stage Development and Business Closure

**Presentation**

Working Paper

### 326

### Entrepreneurial thinking, biomimicry and the design imperative

Michele Rusk1, Pauric McGowan2

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**Abstract**

Today, the capacity to identify and solve multi-faceted problems and to demonstrate truly innovative attributes is equally in demand from global corporations, charitable foundations and governments. Consequently, entrepreneurship in whatever guise, whether manifest in individuals or as entrepreneurial organizations has become the driver of economic and social change and innovation, altering the future of work, the way organizations are designed, and redefining the dynamics of whole industries. Entrepreneurship is, in essence about more than just starting a business, or developing an existing one or launching a social enterprise; these define contexts for entrepreneurship in practice and approaches to learning that are inappropriately formulaic. We must first see entrepreneurship as a particular mindset; a way of thinking that has its out workings in any of the contexts mentioned. It is also insufficient to speak of the entrepreneur in such absolutist terms that suggests some are and some are not. We have to acknowledge that there are degrees of entrepreneurship and that one can learn to be more entrepreneurial through appropriate education programmes (Rae et al 2014).

Given the changing nature of the economy, the political landscape, and the speed of these changes in societies around the world, there is a need today to leverage a different logic of business decision making that seeks to support the common good while reducing injustice and environmental impact. In this context Entrepreneurial Leadership traits may be key to shaping tomorrow with the imperative to address the growing need for a fresh perspective on innovation competency development and co creation through multifaceted entrepreneurial communities of enquiry, learning and practice. To address these complex challenges new styles of thinking at the intersection of different areas of knowledge; where solutions are to be found in the multidisciplinary mix (Rusk2018). But the question then becomes where do we look for inspiration?

The well spring of inspiration is the grand design of our natural occurring ecologies and systems. Some envision biomimicry to be a societal and economic game changer, turning what is unexplored today into an ecosystem of vibrant, sustainable innovation (Pechstein2015). One only has to gaze upwards in [Gaudi's Sagrada Familia](https://www.google.co.uk/search?rlz=1T4PLXB_enIT651IT651&q=Gaudi's+sagrada+familia&spell=1&sa=X&ved=0ahUKEwjMp-iJusXiAhXTUBUIHaLzADIQkeECCCsoAA) to understand the link between nature, design and innovation. One avenue may be to turn our attention to biomimicry. Biomimicry applies lessons from nature to human design problems to unlock new insights for how to develop a more resilient future. “Biomimicry borrows nature’s blueprints, recipes, processes, and ecosystem strategies and then comes up with design principles to solve our own problems.” (Benvus 2014). In the future, we will need to shape and make opportunity amidst social and economic unpredictability. To find new approaches that are creative, innovative and effective. Iincreasingly, leaders are turning to natural design principles and practices to develop creative strategies for socio-economic value creation. Crucially they are espousing the concept of emergence, a central systemic concept from nature, that has long been a core principle of design methodology

Design, as Giorgio Vasari defined it, ‘is the animating principle of all creative processes’ and thus core to building new approaches. The question is, in the current zeitgeist when traditional business models no longer fit our time, how can design principles and practices inspire better forms of entrepreneurial leadership to ignite ambitious developmental innovation’. This paper positions design as a crucial tool for organically growing entrepreneurial ecosystems in the 4th industrial revolution. It draws on iterative design-led innovation methodologies to look at entrepreneurial activity differently, combining entrepreneurial practices with strategic intent as a catalyst for the development of platforms that enable transformative change. In doing so the paper examining the central role of design in creating socio economic value systems that are tangible and sustainable.

The invitation to researchers to draw on the lessons to be learnt from disciplines other than their own is clear and the prospects offer scope for new insights. Indeed, the boundaries between many social sciences for example have become porous and mergeable. The potential for the genesis of new subject areas of research interest may lead to paradigmatic shifts in thinking that while viewed as potential threats to subject purists within particular subject domain is seen by others as a liberation in thinking that is innovative and that demands an innovative response. In this paper the authors reach out to the inherent potential of marrying ideas and principles that lie at core other disciplines and consider their potential at the interface between them to add value to current thinking and can expand our [understanding](https://ulster-my.sharepoint.com/personal/c_murphy1_ulster_ac_uk/Documents/MScStrategicGrowth/1_EVALUATION_Documentation/6_B4_ModuleDescriptorHEADINGS.DOC?web=1) of entrepreneurial thinking and contextual practice.

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**Conference Track**

Technology Entrepreneurship

**Presentation**

Full Paper

## Social, Environmental and Ethical Enterprise

#### Social, Environmental and Ethical Enterprise

#### Time: 16:00 - 17:30

#### Date: 14th November 2019

#### Location: Locomotion 2

### 220

### Social Entrepreneurs' Conceptions of Incubator-based Learning

Aleia Bucci, Jonathan Marks

Gordon Institute of Business Science, University of Pretoria, Johannesburg, South Africa

**Abstract**

**Social Entrepreneurs’ Conceptions of Incubator-Based Learning**

Although research on social entrepreneurship has been increasing in recent years, much of the discussion is occurring in Western, developed contexts, leaving a void of knowledge and understanding of the phenomenon in a developing context (Urban, 2008).  Because of this, Africa offers a little-explored context to further the field of social entrepreneurship (Rivera-Santos, Holt, Littlewood, & Kolk, 2015; Urban, 2008).  One aspect of social entrepreneurship that has not been sufficiently addressed is understanding how and when social entrepreneurial learning occurs (Cope, 2005; Howorth, Smith, & Parkinson, 2012; Levinsohn, 2015; Rivers, Nie, & Armellini, 2015).  Most research on social entrepreneurial learning takes place in formal environments, but in practice, social entrepreneurial learning often occurs in non-formal environments such as business incubators (Levinsohn, 2015).  There is little understanding as to how entrepreneurs learn and develop while part of an incubator (Albort-Morant & Ribeiro-Soriano, 2016; Theodorakopoulos, Kakabadse, & McGowan, 2014) and there are few scholars exploring social entrepreneurial learning within incubators (Levinsohn, 2015).

As social theories of learning are particularly insightful to use in the discipline of social entrepreneurial learning (Howorth et al., 2012), the current study uses informal learning theory to understand the qualitatively different ways in which social entrepreneurs experience learning within an incubator in South Africa.  Informal learning is unstructured and can be intentional or unintentional, as learning is often the result of another activity and can occur whenever a person has an opportunity for learning (Colardyn & Bjornavold, 2004; Marsick & Watkins, 2001).  This type of learning can be deliberately encouraged by an organization through social interaction, networking, coaching, and/or mentoring (Marsick, 2009; Marsick & Watkins, 2001), aligning closely with the services of an incubator.  Due to the contextual nature of informal learning, studying it in other disciplines is highly beneficial and can uncover insights that contribute to the evolution of the theory itself (Marsick, 2009).  Applying informal learning theory to the current study provides a different theoretical lens with which to view the phenomenon of learning within incubators, leading to new perspectives and insights into social entrepreneurial learning and incubator research as well as informal learning theory.  The current study focuses on the research question, “What are the qualitatively different ways in which social entrepreneurs experience learning within an incubator in South Africa?”.

Because the field of entrepreneurship can be characterized by the application of creativity and innovation in uncertain environments (Berglund, 2015), utilizing a methodology that focuses on the lived experience of entrepreneurs is valuable.   Phenomenography is a research approach that takes the perspective of people’s experiences of the world instead of making statements about the world (Marton, 1981).  By understanding a phenomenon through the experience of others (Cibangu & Hepworth, 2016), phenomenography can shed new light on the key concepts of that phenomenon (Ashworth & Lucas, 1998, 2000).  The outcome of a phenomenographic study displays the full range of ways to experience the phenomenon of study, despite differing experiences of that phenomenon by different people in different contexts (Åkerlind, 2012).  Because phenomenography focuses on differences, the current study obtained a range of experiences in order to maximize variation (Ashworth & Lucas, 2000; Collier-Reed & Ingerman, 2013; Lamb, Sandberg, & Liesch, 2011; Stenfors-Hayes, Hult, & Dahlgren, 2013).  Purposive sampling was used to select a diverse sample of twenty social entrepreneurs for individual in-depth, open-ended phenomenographic interviews averaging 48 minutes each.  Each participant had completed at least one incubation program with many having completed multiple programs.

Results show eight distinct conceptions of incubator-based learning: Learnability, Business Concepts, Entrepreneur Concepts, Practical Application of Knowledge, Business Transformation, Personal Transformation, Having a Champion, and Co-created Learning.  These conceptions can be further experienced in five varying ways, characterised by archetypes labelled Maximiser, Transformer, Collaborator, Student, and Consumer.

Incubators can utilize these findings to develop cultures, structures, and programs that better support social entrepreneurial learning in an African context.  The results can also aid incubator managers in selecting participants in a way that maximizes learning potential and contributes to the development of best practices for incubators.  Social entrepreneurs will further benefit from guidance for educational interventions, instructional design, and skill development.

Studying informal learning theory in an incubator context contributed new perspectives to the theory.  Phenomenography brought to light not only the experience of learning within incubators, but the variation in that learning experience as well.  The results of this study show the qualitatively different ways in which social entrepreneurs experienced informal learning within incubation programs in South Africa.

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**Conference Track**

Social, Environmental and Ethical Enterprise

**Presentation**

Working Paper

### 333

### Reconstructing performance measurement for hybrid spaces: Case of a Social Enterprise

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**Abstract**

**Context:**

Social enterprises (SE): an area in the third sector that is seen as a strategic growth area. Scholars and practitioners alike have increasingly been engaged with such hybrid organisations. These are organisations attempting to tackle social/environmental issues through application of market-based solutions. It is a particular subset of entrepreneurship with an underpinning idea of simultaneously achieving financial, social and/or environmental values by an individual organisation. SEs have been promoted as having greater responsiveness, efficiency, cost-effectiveness and innovative way to deliver, what otherwise have been, public services. Hence, the demonstration of generating social and economic value is in growing demand.

**Aim:**

In probing the notion “what gets measured gets done”:this project analyses the role of numbers and metrics in the operationalisation of societal/environmental objectives by social enterprises (SEs). This issue is not lacking in contestation, and is also deeply political. Hence, a question of the numbers’ role in the formation and negotiation of interests around SEs’ objectives is also explored. Succinctly, the paper explores (1) organisational rationales for measuring impact, (2) and why particular measurement approaches/tools are used, and the current practice of social/environmental impact measurement.

A question that is seldom asked in SE research is how (or whether) the pronounced social and/or environmental benefits are achieved, how (or if at all) SE accountability is created, and understanding how SE outputs and outcomes have been translated to impact figures. Subsequently, the practice of quantifying social and environmental impact is increasingly debated; along with the argument of how traditional modes of evaluation arguably fall short.

**Methodology:**

In addressing the research objectives stated above, in-depth exploration of an SE case is adopted.

Latour’s (2004) Actor Network Theory (ANT) is the methodology used to understand and analyse multiple episodes in a particular SE network; particularly looking at the various stakeholders participating in calculative practices for such arrangements. The main rationale for the use of ANT in this study is to be able to explore the interrelations of the dissimilar constructs, objects, people and organisations that form the multiple networks in the selected SE organisation. The in-depth study of these co-extensive networks, which comprise of both social and technical, will allow for a better understanding of SE practices and devices.

**Contribution and implications of study:**

Social and environmental indicators encompass a range of metrics used to assess and report on organizational impact. This study presents a range of metrics and indicators to assess, report and account for an organisation’s contribution towards and accountability for sustainable development, more so their social and environmental impact. Measurement of these items, which were once categorised as externalities, is increasingly accepted as central to an organisation’s going-concern. This is particularly true for social enterprises.

The motivation to further understand the role of numbers and calculation in SE context is primarily driven by the increasing attention, the debates and scarcity in understanding and practical guidance for evaluation systems for these hybrid organisations. By understanding social/environmental impact accounting and its boundaries (or lack thereof), it contributes to practice and research in a number of ways. This study potentially contributes to the discussion of the relevance and adequacy of current environmental or social impact reports. As a multi-disciplinary study, this hopes to contribute to various fields such as in accounting and management, particularly in understanding management control systems and calculative practice. This may contribute to discussions regarding the appropriate future directions of the use of currently available measurement systems for managing and assessing the social and environmental impacts by organisations.

Keywords: Impact reporting, environmental impact measures, social value, impact metrics, social enterprises, hybrid organisations

**Conference Track**

Social, Environmental and Ethical Enterprise

**Presentation**

Full Paper

### 83

### Living an Authentic Life: Social Entrepreneurship as Verifying Identity Work

Aviel Cogan1, Tobias Pret2

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**Abstract**

**Topic:**Identity has long been recognised as playing a significant role in human behaviour (Gioia, 1998). As “the set of meanings that define who one is” (Burke and Stets, 2009: 3), identities describe and prescribe how individuals are similar to and unique from others and thus guide them in how to act accordingly (Stets and Serpe, 2013). Entrepreneurship scholars have only recently adopted an identity perspective (Cohen and Musson, 2000), but have established its legitimacy within the field (Anderson et al., In Press; Powell and Baker, 2017). Drawing mainly on identity theory (Stryker, 1980), social identity theory (Tajfel, 1972) and identity work (Snow and Anderson, 1987), scholars have analysed the impact of identity on entrepreneurial intentions (Obschonka et al., 2012), passion (Cardon et al., 2013), behaviour (Farmer et al., 2011) and motivation (Mills and Pawson, 2011). Despite the contributions of this research, understanding is still limited by a narrow focus on entrepreneurial identity to the exclusion of non-entrepreneurial identities (Huyghe et al., 2016). Indeed, much current scholarship rests upon an assumption that individuals claim an entrepreneurial identity before becoming an entrepreneur (Yitshaki and Kropp, 2016) or that they assume a predefined entrepreneurial identity upon venture creation (Hoang and Gimeno, 2010). Attempts at understanding entrepreneurship from an identity perspective have thus focused on designating the types of entrepreneurial identities that founders claim or perform (Cardon et al., 2009; Fauchart and Gruber, 2011), or the ways in which individuals enact these entrepreneurial identities (Giazitzoglu and Down, 2015). Such research overlooks the multifaceted identity processes that instigate entrepreneurial engagement and the consequences of these origins for entrepreneurial practices. While an emerging body of literature examines other identities that are central to entrepreneurs’ behaviours, it largely views these as being separate from and in conflict with entrepreneurial identities (Essers and Benschop, 2007; Wry and York, 2017). In order to address calls for research to examine how multi-level and multidimensional identities drive entrepreneurial actions (Leitch and Harrison, 2016), this study therefore investigates how multiple identities interact and support one another (Burke and Stets, 2009). Accordingly, it integrates identity control theory, social identity theory and identity work to explore the role that non-entrepreneurial identity processes play in the pursuit and practice of social entrepreneurship.

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’:**In highlighting the impact of non-entrepreneurial identity processes on the pursuit and practice of social entrepreneurship, this study pushes the frontiers of entrepreneurship research past a narrow view of the entrepreneur, entrepreneurial motivation, and entrepreneurial behaviour. Though existing research has forged the path towards understanding the influence of identities on entrepreneurship, this study extends this work to incorporate the complex, intersectional identity processes that lead individuals to engage in entrepreneurship and shape their behaviours when they do. In this way, the unique selves who participate in entrepreneurship are given voice, rather than remaining boxed within the typological sets of entrepreneurial identities that current research has established (Cardon et al., 2009; Fauchart and Gruber, 2011).

Setting this study within the context of social entrepreneurship facilitates this expansion. While all entrepreneurs likely engage in entrepreneurial behaviour as a result of enacting and verifying myriad identities, social entrepreneurs present a particularly stark example in which to pinpoint the links between various non-entrepreneurial identities and entrepreneurial motivations and behaviours. Indeed, their explicit goal of pursuing more than economic value creation speaks to decidedly multi-dimensional identity processes at work. Investigating social entrepreneurs not only helps advance the identity approach to entrepreneurship, but also entrepreneurship scholarship as a whole. Although investigations of social entrepreneurship have become increasingly popular (Saebi et al., 2018), it is still perceived to be a special case or aberration from “normal” entrepreneurship (Dacin et al., 2011). Distinct in many ways as it is, further research into this context can help create a “new normal” within entrepreneurship research, where diversity of entrepreneurial motivations, behaviours and outcomes is expected and appreciated as strengthening the practice and understanding of entrepreneurship, rather than as presenting anomalies to reconcile with pre-existing assumptions.

**Aim:**This study explores how non-entrepreneurial identity processes impact the pursuit and practice of social entrepreneurship. Rather than taking an extant social entrepreneurial identity as a starting point, it examines the antecedents of social entrepreneurial venture creation and the impact that these roots have on an individual’s practice of social entrepreneurship. In doing so, it aims to produce more holistic understanding of social entrepreneurs’ identity processes, motivations and behaviours.

**Methodology:**This multiple case study investigates the experiences of 13 early stage social entrepreneurs based in the New York metropolitan area. Participants were identified through their engagement with a local social enterprise incubator. Purposeful and snowball sampling were employed to select participants of diverse backgrounds and operating in diverse industries to ensure the representation of a variety of perspectives (Denzin and Lincoln, 2000). Semi-structured interviews constitute the primary source of data and two rounds of interviews were conducted with each participant. The first interview followed a loosely structured format, which allowed participants to speak about themselves, their backgrounds, lives, and businesses on their own terms. While remaining flexible to prioritise participants’ perspectives, the second interview was more focused, honing in on emergent themes from analysis of the first interview. The 26 resulting interviews lasted between one and three hours each and were transcribed verbatim, generating a total of 587 pages of transcripts. To supplement this rich data, non-participant observations were conducted at the social entrepreneurship incubator to witness interactions between participants, their peers and stakeholders, and relevant documents (e.g. websites and social media engagement) were reviewed (Patton, 2002). Data analysis conformed to established inductive procedures (Gioia et al. 2013). This entailed detailed examination of individual cases before comparing accounts of participants for shared concepts and developing superordinate themes (Marlow & McAdam, 2015). Emerging findings were then re-contextualised within the literatures on identity and entrepreneurship. This abstraction process involved moving iteratively between existing theory and the data to gain a higher level of conceptualisation (Edmondson and McManus, 2007).

**Contribution:**This study reveals that social entrepreneurship can be viewed as a form of verifying identity work, and that understanding it as such helps explicate social entrepreneurs’ motivations and behaviours. First, it shows that the motivation to start a social venture and the nature of the social venture are outputs of participants’ identity verification processes – they are behaviours that participants perform in order to verify their non-entrepreneurial person, role and social identities (Burke, 2007). Whereas current research posits that social entrepreneurship induces identity conflict which social entrepreneurs must work to resolve (Wry and York, 2017), this study finds the inverse: participants engage in social entrepreneurship as a means of simultaneously and harmoniously authenticating their prominent identities. Indeed, the decision to establish their particular social venture and begin a new career as a social entrepreneur is found to be a conscious choice that participants make in order to resolve prior identity non-verification and achieve higher levels of authenticity (Stets and Burke, 2014).

Second, this study highlights that, once participants have made the decision to establish their ventures, their behaviour varies according to the constellations of non-entrepreneurial identities they aim to verify through engaging in social entrepreneurship. Rather than act according to identification with a type of entrepreneurial identity (Fauchart and Gruber, 2011) or in order to conform to an established prototypical entrepreneurial identity that they wish to adopt (Hoang and Gimeno, 2010), participants are found to run their businesses in a manner that further attests to their enactment of social entrepreneurship as verifying identity work. Whereas certain actions are necessitated by taking on the role of social entrepreneur, participants’ conduct in performing these actions (e.g. the way they interact with stakeholders or the decisions they make regarding their business models) is guided by the identity standards of their prominent non-entrepreneurial person, role and social identities. While the relationship between identities and social entrepreneurial behaviour has been recognised and investigated by some studies, it is often framed with regard to identities’ associations with commercial or social logics and the resulting prioritisation of economic or social value creation (York et al., 2016). In contrast, this study shows that the relationship between identities and social entrepreneurial behaviour is more multifaceted and produces a wider range of behavioural variance. Thus, the pursuit and practice of social entrepreneurship is found to be instigated and shaped by complex configurations of participants’ non-entrepreneurial identities and their perception that, through launching and running their social venture, they can be true to themselves.

**Implications for policy:**This study suggests that social entrepreneurship is as variable as the individuals who pursue and practice it. In contrast, research, the popular press and powerful foundations propagate the existence of a prototypical social entrepreneur: she or he is a selfless hero who acts according to altruistic motivations and inherent prosocial traits to solve global problems (Miller et al., 2012). Efforts to encourage social entrepreneurship have thus focused on inculcating these characteristics (Smith and Woodworth, 2012) and funding those who conform to this norm (Nicholls, 2010). Based upon the findings of this study, it is recommended that policy makers broaden the reach of their interventions by appreciating and presenting social entrepreneurship not as a box within which prospective social entrepreneurs must fit, but a field in which they can build a career that realises their full selves. Educational efforts should promote social entrepreneurship to students as an accessible occupation, rather than a lofty calling: as a means for students to maintain their individuality and work on their own terms and according to their values, rather than as the domain of “changemakers”. Funding schemes in particular should be refocused to be more inclusive. Though high scalability, quantifiably measurable impacts and revolutionary innovations are certainly desirable, it must be acknowledged that not all social ventures fit within this mould. As such, public funding bodies and social impact investors should re-evaluate their criteria and support social enterprises that produce not only global and quantifiable value, but also local and qualitative value.

**Implications for practice:**Practitioners of social entrepreneurship can be encouraged by these findings. This study demonstrates to those considering launching a social enterprise that there are no particular traits or typical entrepreneurial identities that must be claimed or developed to pursue social entrepreneurship. Instead, it advises them that successful social ventures can be built on the basis of their own prominent identities and, indeed, that social entrepreneurship is a particularly suitable career in which to enact multiple, divergent identities. Rather than fear inadequacy or incompatibility, they should reflect upon the aspects of their identity which are particularly important for them to validate and design their ventures accordingly. For current practitioners, the findings of this study endorse idiosyncratic ways of engaging in social entrepreneurship. Social entrepreneurs who have begun their businesses in order to live authentically are urged to stay true to their goals and selves; they do not need act in ways that lead to a sense of non-authenticity to fit into a perceived ideal-type. Furthermore, this study encourages practitioners to disrupt dominant narratives of social entrepreneurship by sharing their unique stories. The more the diversity of social entrepreneurship is publicly represented, the more such diversity can be appreciated and the less it can be stifled.

**Conference Track**

Social, Environmental and Ethical Enterprise

**Presentation**

Full Paper

## Entrepreneurship in Minority Groups SIG AGM

#### Time: 17:00 - 17:30

#### Date: 14th November 2019

#### Location: Locomotion 1

## Rural SIG AGM

#### Rural Enterprise

#### Time: 17:00 - 17:30

#### Date: 14th November 2019

#### Location: UTC: 102

The Annual General Meeting of the Rural Enterprise Special Interest Group

## CoI/SIG Breakfast Meeting

#### Time: 8:15 - 9:15

#### Date: 15th November 2019

#### Location: Planet

An invitation-only meeting for all ISBE Community of Interest and Special Interest Group Chairs

## Entrepreneurial Finance

#### Entrepreneurial FInance

#### Time: 9:00 - 10:30

#### Date: 15th November 2019

#### Location: Rocket

### 261

### The effectiveness of the Enterprise Investment Schemes in Scotland

Margaret Coughtrie

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**Abstract**

**Topic**

The paper considers the economic and design effectiveness in Scotland of two financial instruments as economic development policy tools – the Enterprise Investment Scheme and Seed Enterprise Investment Scheme (EIS/SEIS), which offer tax incentives to individual investors who invest in early stage businesses.

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

This paper explores new frontiers and entrepreneurial places in three ways – it fills a gap and provides increased depth and width to the future research universe and given the increase use of these instruments this exploration is necessary. Firstly, it is a foundational article in the entrepreneurial finance area of research where, to date, no work is available which focuses solely on the effectiveness of these financial instruments in Scotland and as Scotland is well advanced in their use of financial instruments (Hughes, 2015; Hayton et al., 2008) this paper gives a forerunner insight and as such is a unique contribution. Secondly, as the enquiry is conducted at the micro, intermediate and macro levels, an unprecedented depth of analysis on this topic is presented and so expands the research universe for entrepreneurial finance by creating new places to stimulate other research and hence forces the frontier downwards. Overall, little research has considered these policy tools and where it does it addresses the UK, is dated or uses very short time periods (usually four years or less) so this longer study expands the universe width-wise as well as it addresses a longer period. Risk-based financial instruments are becoming a greater focus of policy due to the expectations that their use results in superior projects being funded, greater financial leverage and sustainability (European Commission, 2014) so understanding them better is necessary.

**Aim**

The paper aims to consider the economic effectiveness of the EIS/SEIS at a micro, intermediate and final economic level – were they successful in their intended contribution to the supply of capital for early stage businesses (HMRC, 2017; Kettering, 1984; Hansard, 1984) by harnessing investor’s demand, increasing the capital supply and ultimately creating economic growth and jobs as proxies for economic development?  The main UK research papers which address these considerations are:

·The effectiveness of the tools in motivating investors to invest (Mason and Harrison, 2002)

·The effect they have had on the recipient companies (Cowling et al., 2008)

·The degree to which they influence capital flows for early stage business, job and sales levels (Boyn et al., 2003)

In this paper these topics are comprehensively revisited and amalgamated and thus this work serves to update some of those considerations - with the focus on Scotland.

**Methodology**

The study uses a mixed methods research mode of enquiry and analysis using both descriptive and numeric quantitative data from business angel, corporate and government sources. Different data-gathering methods were employed, resulting in a richer data set and greater information and knowledge depth of the subject matter, which is particularly helpful for complex subject matters, such as covered by this study (Creswell and Plano Clark, 2007).

These policy tools are largely used by business angels (British Business Bank, 2017) so to establish some insight into their uptake of the policy tools a survey was conducted to seek their views on the importance of the policy tools in their investment decision making.

Considering the economic effectiveness of the policy tools, investment transaction data was collected on EIS and SEIS qualifying investment deals over a period more than 10 years as well as sales and job data from the investee companies of those transactions. The analysis considered the amount invested in these companies, the cost to the tax payer (HM Treasury, 2017) and government macro statistics were used to facilitate a policy impact evaluation as recommended by the Green Book (HM Treasury, 2018) and to provide a context for consideration of that impact within the greater macro-economy in terms of contribution to economic growth and job creation.

**Contribution**

The paper contributes in four ways. Firstly it offers insight into the realm of business angel investing, which although the most important contributor to the supply of seed and early stage risk capital (OECD, 2011), it is a realm generally not accessible to the researcher due to the personal nature of investment decisions and the investors’ fears that information transparency will affect commercial outcomes. Secondly the analysis of real investee company data adds to the work’s importance as early stage companies are often loath to be transparent on past performance preferring to focus on the future growth prospects and to date other studies and little historic info is included. Info they present with new capital raises generally focuses on their forecasted high sales growth and little historic numbers are included. The paper also contributes to the debate on the current macro-economic structure of the UK economy and its compatibility with the measurement tool kit of our national statisticians. Lastly the paper provides an example of the exploration of a regional context  through the mixed methods mode of enquiry, which has been highlighted as an area where greater development is needed (Molina et al., 2012; Zahra, 2007).

**Implications for policy**

The study evaluates policy tools so inherently has implications for policy and especially as it addresses a domain that, to date, has no published coverage and is an area where information is desired.  As the paper’s coverage is a time-period which transcends the political cycle and is longer than previous UK studies it offers additional insight. The multi-layered structure of the analysis paints a comprehensive picture and when set in its macro-economic context, enables consideration of whether the allocated resources to the EIS/SEIS policy tools are of the correct magnitude and are indeed a catalyst for the desired output.

**Implications for practioners**

For practitioners the study gives insight into a reality which is so often veiled by expectations, hopes, a lack of transparency and accountability, which depending on the reader may result in behaviour changes. For instance, entrepreneurs may be encouraged or discouraged when they see from the data averages success runways appear to be longer or shorter than they had expected from their financiers or on another consideration investors may cease or increase investing when they see the investee companies on average achieved less or more growth than they expected.

**Conference Track**

Entrepreneurial Finance

**Presentation**

Full Paper

### 303

### Understanding Reward-Based Crowdfunding as an Alternative Source of Entrepreneurial Finance – from a perspective of signalling theory

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**Abstract**

**Understanding Reward-Based Crowdfunding as an Alternative Source of Entrepreneurial Finance – from a perspective of signalling theory**

**Applicability to ‘SPACE’**- Crowdfunding has gained a great deal of attention in theory and practice. Studies have suggested that reward-based crowdfunding (RBC) plays an increasingly important role in the process of business start-ups (Baeck et al., 2014; Bilau & Pires, 2018; Lelo de Larrea et al., 2019; Mollick, 2014).

**Background, rationale and the aim of the study**

A review of literature indicates that little is known about the field of RBC from an theoretical perspective (Brown et al., 2015; Mollick, 2014). To date, the majority of studies in this domain focus on exploring project and entrepreneur characteristics associated with successful funding outcomes (Hou et al., 2015; Li & Martin, 2016; Thurridl & Kamleitner, 2016). These studies tend to be exploratory in nature. Researchers identified that funding success are significantly associated with project quality signals such as preparedness and narrative(Burtch et al., 2013; Colombo et al., 2015; Miglo & Miglo, 2018). The underlying assumption is rational receivers make decisions based on signals they observed, so that the identifiable signals of project quality can predict project process (Bi et al., 2017). High-quality projects attract funders and receive funding, and the funders may promote the project to external media and other potential investors, while low-quality projects receive little or no fund(Mollick, 2014; 2012). However, these empirical findings are based on the receivers are perfectly rationale and making decisions based on careful and thoughtful consideration of the full information. The signal interpretation mechanism especially motivation out of signals of project intention (prosocial motivation and altruistic motivation) is often neglected. In addition, although studies on RBC recognised the important role of social ties (Frydrych et al., 2014; Kang et al., 2017; Mollick, 2014; Roma et al., 2017), its role to enhance signal observability is not fully captured by these studies, there is lack of theoretical explanation in terms of signalling theory. In particular, there is a lack of comprehensive framework that can help to understand RBC as a complex process that involves the interplay between the signallers and receivers under specific context. Therefore, this study aims to examine and evaluate how does these key factors (signals of project quality, signals of project intention and the social network of projects) impact on crowdfunding success through a perspective of signalling theory.

**Methodology**

The researcher adopts a pragmatist epistemological stance. The researcher acknowledges the richness of qualitative data, but at the same time embraces the qualities of quantitative research approaches, in order to contribute to the broader understanding of the multifaceted mechanism of RBC. This study collects publicly available information of UK projects on Kickstarter. For the purpose of the study, the data were retrieved from all the UK projects finished between September to December in 2017 and 2018 that satisfied the criteria as follows:

1. Projects that completed the full campaign period (cancelled and suspended projects were removed);

2. Project campaigns from all fifteen Kickstarter project categories;

3. Projects that are genuinely raising funds in order to make the products/services alive (projects with extreme values of fundraising goals are removed, e.g. goals below £100, and goals above £50,000 but raised 0);

4. Projects used referral marketing tool such as Kickbooster and Crowd Ox were removed, as it will largely effect the accuracy of information impact.

Using these criteria, after cleaning the data for inaccuracies and incomplete information, the detailed data available for analysis purposesin the resulting sample size for the study is 639 Kickstarter projects. The data and sample size offer a reliable and generalisable dataset to investigate and interpret evidence for knowledge creation, allowing to build on the descriptive and evaluative findings of the study, and to contribute to the scholarly dialog on crowdfunding. This research further used content analysis to identify the difference of altruistic motivation between the success and failed group. The result helps to tell if success group is more associated with altruistic motivation to help creators bring projects’ alive. Quantitative data analysis method such as Mann Whitney U, binary logistic and factor analysis are performed using SPSS tool to test hypotheses - the impact of three key factors on the likelihood of backing behaviour of a RBC project.

**Findings and contributions to theory and practice**

It can be concluded that signals of project quality, signals of project intention and creator’s social network have significant positive effects on the success (reaching the goal) of the projects. In terms of project intention, this study suggests that altruistic motivation plays a less important role than prosocial motivation. Compare to projects with smaller goals (less than £1000), signal of project intention (charitable purposes) has a significantly greater impact among projects with larger goals (equal or more than 1000). The creator’s social network (team size, projects that the creators have backed and so on) is crucial for the success of projects with smaller goals, while it is less important for projects with larger goals. Signals of project quality (introduction word counts, video counts and so on) have positive influence on the likelihood of receivers’ backing behaviour in both groups.

This paper is one of the first to examine the role of project intention. Based on the results, the author expects to make contribution to both theory and practice. The findings of this study will have major implications for different parties, especially for nascent entrepreneurs, financiers, researchers and policy makers. One major implication is it could provide an insight for practitioners considering the approach of crowdfunding, the knowledge and recommendations in running a successful RBC campaign. Another implication is by gaining a deeper understanding of various actors involved with RBC, it may help financiers reconstruct their investment strategy through better understanding of the newer industry changes. Moreover, the results of this study can help policy makers to better understand the RBC industry, which is essential in developing relevant policies in this under-governed area. Finally, this research contributes to growing knowledge and interest in the entrepreneurial finance, especially in crowdfunding industry.

Note: I am an Early Career Researcher. I would like to receive comprehensive feedback.

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**Conference Track**

Entrepreneurial Finance

**Presentation**

Full Paper

### 8

### ENTREPRENEURIAL FINANCING OPTIONS AND THE PERFORMANCE OF SMALL BUSINESSES IN NIGERIA

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**Abstract**

Entrepreneurial financing is rapidly evolving in both developed and developing economies globally as several new financing options have expanded swiftly in the recent times in order to enhance funding opportunities to business enterprises towards achieving optimum performance in their operations and business activities. However, inadequate access to finance and inability to determine the appropriate financing options by small business enterprises have created funding gap, thus, resulting in their inability to enhance business performance. Despite the fact that several studies have identified small businesses have been recognised globally as a result of their contributions to economic development in terms of Gross Domestic Products (GDP), employment and poverty alleviation, they are still faced with the challenge of identifying the right financial option for their businesses. Subsequently, there are apprehensions that the accompanying funding gap is limiting business enterprise performance because of the constraining economic recovery which had made small businesses to continuously face the challenges of obtaining finance, a key ingredient to business performance. The study examined entrepreneurial financing options such as trade credits, micro credit agency and cooperative loans as means of financing to enhance business performance in Nigeria.

The study employed survey research design. The population of the study was nine million, six hundred and two thousand, two hundred and forty nine (9,602,249) registered small businesses in the study area. A sample size of 865 was determined from the population of study using Cochran’s formula. A simple random sampling technique was used to proportionately select the sample size from the area of study. A structured questionnaire was adapted, validated and used to collect data from the respondents for the study. The reliability test yielded Cronbach’s Alpha coefficients ranging from 0.752 to 0.892. The total valid set of questionnaire retrieved was 803 thus, representing 93.4% response rate. Data were analysed using descriptive (percentages, mean) and inferential (Multiple regression, Pearson Moment Correlation and Partial Least Square- Structural Equation Modelling) statistics.

The results of the findings of the empirical study revealed that trade credit had a positive significant effect on sales turnover of the business enterprises having (β = 0.728; R2 = 0.604; t(803) = 34.423; p < 0.05). Micro credit agency also revealed a positive significant effect on operating performance of business enterprise with (β = 0.716; R2 = 0.721; t(803) = 28.482; p < 0.05). In addition, Cooperative loans had a positive significant effect the working capital of the business enterprise revealing (β = 0.752; R2 = 0.724; t(803) = 39.394; p < 0.05). In line with the model evaluation criteria, the overall fit of the measurement model to data was acceptable with the following, Goodness of Fit: χ2 =415.486 (p<0.000); χ2/df = 3.986; RMSEA = 0.098, SRMR = 0.061; CFI = 0.984; TLI = 0.963. This indicated that the model is fit for the study. The study has been able to empirically contributed to the body of knowledge by establishing that cooperative loan is the most preferred financial option being accessed by small business enterprises to stimulate performance in developing economy such as Nigeria followed by micro credit agency and trade credit respectively as indicated in their R2 values, t-statistics and p-values.

This study concluded that trade credit, micro credit agencies and cooperative loans are good predictors of business enterprise performance in Nigeria apart from bank loans, venture capital, and private equity. They could be accessed to beef up the funding gap experienced by entrepreneurs in order to boost their performances. As emanated from this study, it is recommended that cooperative loan should be encouraged, being the most important financial option, as a result of its ability to stimulate performance. Nigeria government should develop a policy framework for cooperative societies and other micro credit agencies that would enhance their capital base which will enable them to fund the small businesses efficiently The small business sector in developing countries should also embrace other sources of external financing such as private equity and venture capital as in developed economies. Policy implication of this study is that it would be a reliable decision making tool for policy makers, small business industry, academics and practitioners. Since the findings revealed that all the financing options for small businesses investigated in this study demonstrated positive significant effect on business enterprise performance indicating that they are good predictors of enterprise performance. Although, the study concentrated on different financing options that could be accessed by small business enterprise to enhance performance without adequate attention to the constraints involved in these different financing sources. Further studies should investigate financial constraints faced by entrepreneurs in achieving optimum performance.

**Keywords:** Business enterprise, Enterprise performance, Finance, Financing options,

                 Performance, Nigeria

**Conference Track**

Entrepreneurial Finance

**Presentation**

Full Paper

## Enterprise Education

#### Enterprise Education

#### Time: 9:00 - 10:30

#### Date: 15th November 2019

#### Location: Invicta

### 209

### Investigation into Enterprise and Entrepreneurship Education in Higher Education Institutions in the Democratic Republic of Congo

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**Abstract**

**INVESTIGATION INTO ENTERPRISE AND ENTREPRENEURSHIP EDUCATION IN HIGHER EDUCATION INSTITUTIONS IN THE DEMOCRATIC REPUBLIC OF CONGO**

**Introduction**

The Democratic Republic of Congo (DRC) is a Central African country, the second largest country in Africa, after Algeria, with an estimated population of about 84 million people and it is classified as a developing country (United Nations (UN), 2018). It is also the largest country in Francophone Africa has vast natural resources and spans a surface area of 2.3 million square kilometres (World Bank, 2018).

A US Department state report “Investment Climate statement 2015”, stated that economic growth in the DRC is highly dependent on the mining sector, the country's traditional dominant revenue generator, as it holds an estimated USD 24 trillion worth of mineral reserves (US department State, 2015).

According to World Bank (2018) despite a decrease in the poverty rate, from 71% to 64% between 2005 and 2012, the DRC still ranks among the poorest countries in the world, positioned 176 out of 187 on the most recent Human Development Index calculated by the UN (2015). The African Economic Outlook report reveals that 70% of those aged from 15-24 have no job; urban areas are the most affected, also around 9,000 young people graduating every year from Higher Education Institutions (HEIs) only fewer than 100 graduates find work (OECD, 2012). Enterprise and entrepreneurship education, although poorly defined in this context, are still presented as a panacea for the high levels of youth unemployment, with graduate unemployment being seen as a focus point. A range of educational and policy initiatives are being considered in the DRC, but without a clear grasp of the specific approach in this context, their likely effectiveness is at best a matter of speculation.

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

The relevance of the concept of ‘space’ in this context is pertinent for two reasons. Firstly, consideration need to be given to the specific needs of the DRC as a geographically and politically complex space. Any policy that might emerge to support Enterprise and Entrepreneurship Education (EEE) needs to reflect proximity of the DRC in Sub-Saharan Africa (SSA), but also needs to consider it as a changing space as the political and social context continues to emerge. Within this space are the HEIs, which are linked to communities, but also aim to project into the National and International context as evidence of embracing best practice as evidenced in ‘other’ places.

**Research Aim**

This research explored the development of Enterprise and Entrepreneurship Education in HEIs in the DRC.

**Literature Review**

EE interest increases globally (Katz, 2003; Kuratko, 2005; Torrance, 2013), Bechard and Toulouse (1998) referring to it as programme that promote entrepreneurship awareness for career purposes and providing skills training for business creation and development. QAA (2018) define it as “the application of enterprise behaviours, attributes and competencies into the creation of cultural, social or economic value. This can but does not exclusively lead to venture creation”.

Schulte (2004) states that the goals of an entrepreneurial university focus on producing graduates who are not only job seekers but also job creators, Co and Mitchell (2006) went further to suggest that HEIs should become more active in economic development and link their research activities to local development. In the same line of argument Maas, G. and Jones, P. (2015) concludes that there is a role for entrepreneurship in the HE system in Africa, as universities serve and support their communities through a complete range of mechanisms.

UNCTAD (2009) established that one of the key success factors for EEE is effective development of entrepreneurial ecosystem, in which multiple stakeholders play a role in facilitating entrepreneurship. Autio et al. (2014) defines an entrepreneurship ecosystem as a dynamic, institutional embedded interaction between university and entrepreneurs characterised by entrepreneurial attitudes, abilities and aspirations, which drive the allocation of resources through creation of new business or new technology.

According to Dejaeghere et al. (2014), in the context of SSA, EEE has recently emerged among donor organisations, non-governmental organisations (NGOs) and governments as one solution to address the interrelated development challenges of unemployment and poverty. WEF (2009) report state that entrepreneurship programmes and activities have been adopted and integrated into education in many countries as a factor of economic strategies for promoting jobs creation.

The EU report "Effects and impact of entrepreneurship programs in higher education”, also highlighted that EE has a positive impact on the entrepreneurial mindset of young people, their intentions towards entrepreneurship, their employability and finally on their role in society and the economy (EU, 2012).The literature review demonstrates that in the UK, EEE reduce graduate unemployment (Onuma, 2016) and enable entrepreneurial activity to solve economic underperformance (Matlay, 2006).

**Methodology**

To address the research problem, the research adopted qualitative, social constructivism approach. The researcher conducted twenty-three in-depth semi-Structured interviews and one focus group with 6 participants in the city of Kinshasa, the capital of the DRC during four-week period to collect data. The population of the research comes from different groups of stakeholders such as academics, Business organisations, Government, Financial institutions and graduate entrepreneurs. Purposeful sampling techniques were used to select participants. The purposive sampling strategies chosen for the research was heterogeneous, as this focused on different sub-group and selected sample of various stakeholders with vested interest and focus in key EEE themes.

Interviews and focus group have been transcribed to capture participant’s exact phrasings and translated in English, as interviews and focus group were conducted in French, the official language of the DRC.

**Initial Findings**

As the research still in its early stage of analysis, the initial findings suggest that EEE are underdeveloped in the DRC, and there is lack of research to underpin the development of a robust and coherent policy that will serve the needs of the region. All HEIs in the sample had entrepreneurship modules but they have not entrepreneurship courses or specialised programs. Courses offered differs from one institution to another, the curricula depend a module leader and explore different perspectives. All entrepreneurship modules are incorporated within business programs and offered only in business schools.

There is lack of collaboration between stakeholders and the modules offered does not consider the actual reality of the country, such as social and economic issues.

**Contribution**

As this research addressing graduate unemployment, it will propose series of practical recommendations on how EEE can be deployed in the DRC to assist graduate employment and / or self-employment. It will fill the gap on EEE research in the DRC and build up discussion around the topic.

In the context of the DRC, this research is important and will contribute to the development of a framework to support the development of enterprise and EEE in academic and non-academic settings.

During the literature review, the researcher could not find specific research on the topic of EEE for the DRC; this research will help to fill a gap in the research. It is important therefore to conduct research that will contribute to the political, economic and social understanding of the role of EEE in the DRC not only to support graduates chances of employment, but also to inform the narrative on entrepreneurship education in complex context that are rife with conflict and uncertainty.

**Implication to Policy and Practice**

This research findings will guide government policy for EEE and practice in the DRC. The policy will focus on graduate employability and venture creation, also by establishing the ecosystem, to build a collaborative support with other stakeholders. For the research implication to practice, the research will introduce best practices innovative approaches for teaching and learning entrepreneurship with different objectives not for academic programs also for non-academic programs, provided in different settings. The curricula revision will be needed to equip students with entrepreneurial skills to tackle graduate unemployment.

**References**

**Conference Track**

Enterprise Education

**Presentation**

Working Paper

### 210

### Supporting Entrepreneurship Students’ Sense of Belonging in online Virtual Spaces

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**Abstract**

* **Topic**

Many Universities aspire to grow through investing in the delivery of online learning Programmes. However, the attrition rate for online learning is high. Thomas,  Herbert and Teras (2014) identified that those students with a sense of belonging to their course experienced increase enjoyment, reduced anxiety and were less likely to withdraw from their course. However, too often programme design suggestions to support a sense of belonging for student communities focus on localised, full-time and young students unlike the older, global dispersed, time-starved students we support in our online entrepreneurship programme. There is also a diversity in expectation and need at different stages in an online student’s academic journey, which calls for more closer scrutiny than is currently provided in the literature if we are to effectively achieve our collective aspiration, as entrepreneurship educators, to support the growth of globally connected innovative communities that are ultimately self-sustaining beyond graduation.

* **Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

This paper explores how to effectively support a sense of belonging for entrepreneurship students in a virtual learning space throughout their online degree studies. The authors maintain that this working paper aligns well to the conference theme of Space and entrepreneurial places. The authors believe that this topic is particularly timely given the high growth in online entrepreneurial learning worldwide and the Conference’s call to explore how to support globally connected innovative communities.

* **Aim**

This study aims to explore the mechanisms by which global entrepreneurship students, on a one year online top-up degree programme, are being supported to develop a sense of belonging in a virtual learning space.

* **Methodology**

The research presented in the paper adopts an interpretivist perspective with qualitative data gathered through semi-structured interviews, utilising open questions, that elicited rich data from both students and other stakeholders i.e. tutors on the Programme and student support administrators. The Students interviewed were based in the UK and overseas and studying a one year top up degree in a UK HE. The teaching and support staff interviewed were based solely in the UK. The data was collected both in person (for teaching and support staff) and online via skype or on the telephone for the student participants. The data collected was analysed using the method of thematic analysis (Braun and Clarke, 2006) to identify key themes for further discussion. The thematic analysis process required the transcription of the full interviews and the development of preliminary codes to highlight patterns in the data.

* **Contribution**

This paper seeks to contribute to the debate of what a sense of belonging means in a virtual space for entrepreneurship students and what are the key touchpoints and connections that really matter to these learners when they are not based on campus. Furthermore, given the high attrition rates for online learning, the authors of the research seeks to share what helps these students feel connected and supported to finish their course. The work also highlights the challenge of capturing the voices of online and distance learners to support curriculum development. The research also raises key questions about communication and a sense of engagement at a distance in virtual spaces supporting entrepreneurship students – for example, the use of generic student email lists for student invitations/interventions may make some distant learners feel disconnected or even overlooked by their University. Awareness of social participation opportunities (student events) on campus can create a sense of being “different” when received.

* **Implications for practice, if applicable**

The research highlights the importance of listening to the diversity of student voices in the entrepreneurial classroom to help shape our teaching and support practices to produce more effective learning environments. Most importantly, it highlight the implications of taking into consideration student diversity for our actions, challenging entrepreneurship educators to think more holistically about learning and teaching in online environments and how best to create opportunities to hear and respond to students whose voices are not always heard as strongly as our on-campus cohorts. One interesting implication for practice that arose from the data is the role that all forms of mentoring can bring in supporting a sense of community for online students. Another interesting finding was how one traditionally used tool to create a sense of community, the discussion board, could also be viewed by students as reinforcing a sense of isolation if messages remain unanswered by peers. Finally, there is also confirmation, in the research findings, that some strategic learners actively choose to limit (or opt out completely) developing a sense of belonging when studying in the online classroom.

**References**

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**Conference Track**

Enterprise Education

**Presentation**

Working Paper

### 234

### Creating Space to Question

Catherine Brentnall, Jen Huntsley

University of Huddersfield, Huddersfield, United Kingdom

**Abstract**

Creating Space to Question

**Topic**

In this paper we (a business advisor from a university Enterprise Team and a senior lecturer in primary education from a School of Education and Professional Development), explore the experience of developing an intervention to introduce enterprise education to trainees undertaking a Reflective Practice module within a primary teacher training degree. Rather than ‘recruit’ trainees into enterprise education on an unproblematic platform of preparing young people for a fast changing and uncertain world (Young, 2014; The Careers and Enterprise Company, 2019), we wanted to create space for these student teachers to question familiar activities and compare different approaches to enterprise education. The experience of developing this intervention generated a critical dialogue and reflection (between us), qualities said to be crucial to secure the legitimacy of enterprise education (Fayolle, 2013; Fayolle, Verzat & Wapshott, 2016). Our purpose in this paper is to offer insight into the lived experience of two practitioners grappling with their work, and themselves, as they try to create an enterprise education intervention that better sits with their values.

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

This paper is applicable to the conference theme in three distinct ways. First, by illustrating a co-designed intervention between an enterprise team and a school of education, it demonstrates how interested practitioners can create new and mutually meaningful space to develop enterprise education in universities. Second, enterprise education has been described as lacking criticality (Fayolle, 2013), and the context for this paper is a set of interventions which aimed to create space for learners (in this case, primary trainees), to interact with enterprise from a reflective and questioning position. Finally, the research approach, by giving voice to practitioners, opens up space to consider how research and practice are an extension of people’s lives and how scholarship is inextricably linked to self, personal interest and experience.

**Aim**

We intentionally aim to undertake ‘research as craft’, rather than ‘research as science’ (Cunliffe, 2011). This position distinguishes between technique (systematic, efficient, measurable ways of gathering data), and craft (exploratory, contingent, aesthetic forms of knowledge), and acknowledges difference in the priorities and purposes of both approaches. Our paper is a distinctly personal contribution, and speaks into academic conversations about who enterprise educators are (Fayolle, 2013; Jones, 2015; Jones 2016, Hannon, 2018), and how reflexive modes of inquiry can generate insights for practice and theory (Higgins, 2017; Higgins, Jones & McGowan; 2018).

**Methodology**

We ground our approach in the work of authors using and developing collabartive autoethnography, portraiture, self-study and co-generative dialogue.  We describe our approach to data collection – generative critical conversation - and present six vignettes, inspired by our shared dialogue, which offer insight into our motivations, experience and our sense making of collaborating to develop the intervention. Following this, our analysis explores three elements which recurred in our dialogue: the need for criticality, the tension between personal motivations and remaining critical and the possibility of creating an interdisciplinary space to question.

**Contribution**

Hannon (2018), and Fayolle (2013), identify that little is known about enterprise educators, and who they are. This paper contributes to knowledge about the lived experience of enterprise educators, whilst also developing a novel methodology – generative critical conversation – as a route to more reflective and critical practice.

**Implications for policy and practice**

Training educators to develop enterprise through the curriculum is an oft-quoted ambition in policy (Anderson et al, 2014; Young, 2014), in that influencing teachers to develop enterprise through the curriculum will impact on more young people through class time and subject teaching. This paper illuminates that educators and students can explore alternative and critical conceptions of enterprise education whilst engaging constructively with the agenda, indeed this may strengthen commitment by enabling educators to develop practice which aligns with their values.

**Conference Track**

Enterprise Education

**Presentation**

Full Paper

### 290

### Attitudes to Entrepreneurship and Entrepreneurial Education: An International Perspective.

Darryl Cummins, Paul Joseph-Richard, Margaret Morgan

Ulster University, Belfast, United Kingdom

**Abstract**

BACKGROUND AND CONTEXT

Entrepreneurship has become a well-established and embedded component of most business and management schools (Marques et al., 2012; Hatten, 2015). In non-business-related disciplines, however, entrepreneurship is still seen as being peripheral (Heriot et al., 2014; Srianta and Trisnawati, 2010); an ‘inserted’ rather than an ‘integrated’ element of the curriculum (Hannon, 2006). This is at odds with the agendas of the UK government (Wilson, 2012), European Commission (2014; 2015), UN (UNCTAD, 2010) and World Economic Forum (2010), all of which have highlighted the need for providing greater enterprise education and entrepreneurship opportunities for students in higher education, especially among those students in STEM (science, technology, engineering and mathematics) disciplines.

Likewise, in Brazil, which with SMEs accounting for 99.2% of all businesses has a very similar profile to the UK, there is the increasing realisation that the field of entrepreneurship has a particular complexity, involving multidisciplinary aspects, while the teaching of entrepreneurial education and its role in the curriculum (both business and non-business) needs to reflect this local reality (Dorion et al., 2015). From a German perspective, engendering a more entrepreneurial way of thinking among pupils is also seen as crucial in order to enhance entrepreneurial activity in Germany in the future (Fuchs et al., 2008).

All of this means that if Higher Education Institutions (HEIs) are to increase the overall level of students engaged in enterprise, then concentrating on entrepreneurship education activities across other faculties is a necessity (Hartshorn and Hannon, 2005; Lourenço et al., 2013), especially given that non-business undergraduate students account for 87 per cent of the overall student population in the UK (Higher Education Statistics Agency, 2014).

With some notable exceptions (Hynes and Richardson, 2007; Souitaris et al., 2007; Henry and Treanor, 2010), the examination of attitudes to the teaching of entrepreneurship is still a relatively under-researched area. This empirical paper examines attitudes to entrepreneurship education from the students’ perspective among both business and non-business students, but also from a multi-country perspective (UK, Brazil and Germany), with key similarities and differences highlighted.

AIM

The aim of the study is to establish attitudes to entrepreneurship and entrepreneurial education among business and non-business students from a multi-country perspective.

METHODOLOGY

This cross-sectional study employed a survey design, using a 22-item web-based questionnaire tool, developed in Qualtrics software.   The questions examined students’ awareness of the term; characteristics of entrepreneurs; the importance and role of entrepreneurship in the curriculum (for both business and non-business disciplines) and the perceived benefits of studying entrepreneurship to students; and the likelihood of students starting their own business in the future.   The questionnaire was translated into German and Portuguese languages and then, all versions were piloted among 8 purposively selected students and academics, to ensure relevance, translation accuracy and clarity. On obtaining ethical permission from the respective universities in the United Kingdom, Germany and Brazil, confidential links to appropriate surveys were distributed via e-mail to all undergraduates, during the first quarter of 2019. No incentives were given to any of the respondents. In total, 677 full and part-time undergraduates, studying business and non-business courses in the respective universities completed the survey.      At the time of the abstract submission, the data provided by our convenience sample were being analysed using distributive statistical techniques and cross‐tabulations.

APPLICABILITY TO THE CONFERENCE THEME

This study fits into the overall conference theme in a broad way; the ‘space’ in this study refers to the fact this survey has been conducted not only in Northern Ireland (in both business and non-business schools), but also with students in Germany and Brazil. It is also anticipated that the findings from the survey can subsequently help inform ‘how’ entrepreneurship is taught, which speaks directly to the ‘Space’ theme.

CONTRIBUTION

This study can help contribute to the overall perceptions of and attitudes to entrepreneurship and entrepreneurial education among, firstly, both business and non-business students, and secondly, from a multi-country perspective. Thus, commonalities and differences can be examined from both course/discipline and countrywide perspectives, providing a rich contribution to the debate in this area. This can also contribute to curriculum development in both business and non-business courses and also to potential cross-country collaborations. In the future, more widely, this can help towards informing how entrepreneurship is taught, both in terms of module design and teaching approaches, but also specifically (and of most direct relevance to the conference theme) the ‘SPACE’ and entrepreneurial places and physical environment in which the teaching occurs.

IMPLICATIONS FOR POLICY & PRACTICE

This study specifically speaks to contributing towards the authors' Business School’s vision to be “the leading provider of entrepreneurial education and research impact in Ireland and the UK by 2021”. The findings will help inform the policy and strategic direction of the Business School in terms of what is taught around entrepreneurial education, how it is taught, and what the implications are for the wider business community. In short, it will provide a more informed and evidence-based perspective by which future strategic decisions can be made with greater confidence and more in-depth market intelligence. This will mean a more-focused and informed approach to the actual practice of entrepreneurial education in both business and non-business (particularly STEM) curricula, informed and infused by findings from a range of international contexts.

REFERENCES

To be provided upon acceptance.

**Conference Track**

Enterprise Education

**Presentation**

Working Paper

### 180

### Innovative ideas for local High Street Regeneration. Discussion and analysis of an undergraduate experiential learning project.

Liz Cunningham, Pam Croney

Northumbria University, Newcastle upon Tyne, United Kingdom

**Abstract**

1. **Topic**

This topic is concerned with work done with first year undergraduate Business students around the area of the regeneration of small, local High Streets. The work was carried out with specific reference to one of these High Streets situated within the North East of England. In terms of this conference, the work is positioned within the Enterprise Education strand and is particularly concerned with innovative teaching and assessment methods in enterprise education. I would expect to present this as a Case Study.

The piece of work was a 12 week project undertaken by 80 students in the First Year of the Business with Management Programme in the Newcastle Business School at Northumbria University. The project was part of the Building Business Practice experiential learning Module. The aim of this module is to work with students in small groups to facilitate learning in the general areas of communication, teamwork, confidence presentation skills and to expose them to a “real-world” business problem. This particular project was facilitated by a teaching team of four members of Academic staff, each working with a group of approximately 20 students split into small teams each comprising five or six students. The brief for the project was expressed as follows:

**Learning objectives**

This project aims to build on the skills and abilities that you have developed in Semester 1 within the context of your specific programme area –Business with Management.

**Output of the semester-long project**

The output of this project is an A1 poster that provides a regeneration plan for the named High Street and a business action plan for your chosen ‘destination business’ (see “Business problem” below)

**Assessment for the module**

You will be assessed on:

1. A **team report** that details the activities you have undertaken as a team to research into the identified business problem (see below) and your key findings from this research process that informed your regeneration plan for the High Street and your specific business plan for a new ‘destination business’ on that High Street and
2. An **individual personal reflection** on the work that you undertook as part of the team task.

**The Business Problem**

As a small team of business development advisers you have been asked to examine a local High Street (see information below) and analyse how well it is performing in the current economic climate.  You should observe the High Street as a whole, and become familiar with the businesses that currently operate there.

**Your overall task is to**:

1. assess the vibrancy of the Low Fell High Street
2. develop a fully-researched regeneration plan for the Low Fell High Street
3. to identify a suitable “destination business” which would fit into this location and which would also generate more interest in the High Street in general (each group should propose a distinctively different destination business and should clear their ideas at an early stage with their tutor)
4. create a business plan for your identified ‘destination business’

You will have **ten weeks** in which to conduct research into the High Street and to complete the two plans.

Your research findings across these areas above should be **presented as a poster,** which you should be able to discuss with a group of people with an interest in this particular High Street.

As a bare minimum, to develop an effective regeneration plan and action plan, you should undertake the following activities/tasks:

1. A SWOT analysis of Low Fell High Street (this will involve you visiting the area and at least one contrasting High Street in the area)
2. Identification of Key Issues facing the High Street (generally and specifically Low Fell High Street)
3. Production of a regeneration action plan for Low Fell High Street
4. Production of a Business Plan for your chosen ‘destination business’ which would benefit this High Street
5. Present the results of your activities in a team poster session at the conclusion of the project

**Planning is essential to avoid failure. Think about what you are trying to achieve for the High Street and how they should go about this.**

**Low Fell High Street – Durham Road**

Low Fell is a suburb of Gateshead on the South side of the Tyne.It is a well-developed community, with mixed types of housing and a fairly diverse population.  It is perceived as one of the more affluent parts of Gateshead.

Durham Road is the main High Street serving Low Fell.  It includes a wide variety of shops, but in common with many local High Streets, it contains a fair number of empty premises and several charity shops, betting shops and estate agents.  A general consensus amongst residents of Low Fell is that Durham Road has declined over the last few years and is likely to continue to do so unless some action is taken.

Durham Road itself is a very busy road. It links with the A1 to the South and is on a bus route linking Newcastle with Durham and points further South, as far as Bishop Auckland and Middlesbrough.

**Possible Sources and Reading Material**

It is up to you to identify suitable sources for your research into the High Street. You may find some additional information about the High Street online, but you need to go further than this. Specifically, we would expect you to find and consider the following:

* Demographic and other information about Low Fell from the Gateshead Council website: <https://www.gateshead.gov.uk/> and/or from other information that you might find in the local press, for example.
* Information about High Street regeneration in general.  For example:
* BBC News, What went wrong on the high Street in 2018?, https://www.bbc.co.uk/news/business-46646990
* The Guardian, How to bring the High Street back from the dead, <https://www.theguardian.com/lifeandstyle/2018/mar/29/high-street-closed-betting-shops-york-back-from-dead>
* Independent Shopkeepers’ Save The High Street, <https://savethehighstreet.org/>
* The Portas Review, An Independent Review into the future of our high streets, <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/6292/2081646.pdf>
* Mary Portas’ website: <http://www.maryportas.com/> and any other information you can find out about Mary Portas, the Portas pilot towns etc.

You should also consider the literature on strategy development (as this is what you are doing!). The following book is a good source, but you should also look for other relevant texts and academic journal articles

* Henry, A. (2011). Understanding strategic management (2nd ed.). Oxford: Oxford University Press.

**2. Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

This work enabled students to explore a real space and be really creative in their ideas. A wide range of business ideas were expressed, many of them around the idea of community and social enterprise.

1. **Aim**

There were two main aims of this piece of work. The first one was the development of the business skills identified in Section 1 of this Abstract. The second was the involvement of interested parties from the local Community with a view to evaluating the ideas and possibly even taking them further. The broader aim associated with this is the fostering of relationships between the Business School and local community and business people. This also fits with one of the key aims of the Business School, which is to provide students with “real-world” business experiences.

1. **Methodology**

A Case Study approach will be taken. This will take account of a range of different types of data collected from different sets of participants, in different ways. The students’ reflective reports will form an important part of this data. Local people and businesses who visited the Poster session have already given detailed written feedback. Interviews will be carried out with all members of the teaching team. Ethical considerations will be taken into account when working with this data.

1. **Contribution**

Evaluation and consideration of the outputs from this work can make a contribution to the development of further experiential learning projects within the Business School. The work can also inform the fostering of links between students and business/community in the future.

1. **Implications for policy**

This can be considered within the wider arena. I have a meeting organised with the Strategic Director of Economic Development at Gateshead Council to discuss if any of the student ideas could actually be incorporated into council policy as part of the “Making Gateshead a place where everyone thrives” initiative.

1. **Implications for practice**

This work could have implications for the development of experiential learning projects in the future.

1. **The Author**

I could be considered as an Early Career Academic in that I am in the final stages of my DBA Thesis, which will be submitted in September 2019. I also have many years of business experience, having come to academia relatively late in life.

**Conference Track**

Enterprise Education

**Presentation**

Case Study

## Entrepreneurship in Minority Groups

#### Entrepreneurship in Minority Groups

#### Time: 9:00 - 10:30

#### Date: 15th November 2019

#### Location: Locomotion 1

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### Critical Entrepreneurship: Unveiling Social inequalities through the study of power, emotions and social relations in minority groups

Kiran Trehan1, Rachel Hu2, Alex Kevil3, Francis Greene4

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**Abstract**

**Abstract**

This study investigates the ways in which systems psychodynamic theory and practice can contribute to our understanding of how ethnic minority enterprise operate in superdiverse urban settings. ‘Superdiversity’, as outlined by Vertovec (2007) draws attention to the new and complex social formations, characterised by a dynamic integration of variables (race, ethnicity and social class, for example) in European cosmopolitan cities. Increased diversity has created a complex range of under-explored challenges to minorityentrepreneurs,who work within and, most importantly,for such communities. Importantly, for migrant groups in the current climate of austerity, enterprise may be a way of promoting employment and local development, whilst also kick-starting broader business regeneration. The paper reviews key ideas and controversies in minorityentrepreneurship. It illuminates how systems psychodynamic theory can enrich our understanding of the ways in which ethnic minority enterpriseinterconnects in encounters where the participants have different biographies, trajectories and linguistic histories. The paper concludes by demonstrating how a synthesis of systems psychodynamics and diversity sheds new light on the complex and nuanced experience of ethnic minority enterpriseand the work territory they are creating for themselves. Exploring ethnic minority enterprise as an organisational system creates a distinctive new perspective for systems psychodynamic literature and helps us to identify and articulate new implications for small firm’s research and practice.

**Keywords**: Systems psychodynamic, Minority, Entrepreneurship, Power, Emotions, Politics

This paper investigates the ways in which systems psychodynamic theory can contribute to our understanding of how minority enterprise operates in superdiverse urban settings. ‘Superdiversity’ as outlined by Vertovec (2007) draws attention to the new and complex social formations, characterised by a dynamic integration of variables (race, ethnicity and social class, for example) in European cosmopolitan cities. Superdiversity has created a complex range of under-explored challenges to minority entrepreneurs, who work within and, most importantly, for such communities. Importantly, for minority groups in the current climate of austerity, enterprise may be a way of promoting employment and local development, whilst also kick-starting broader social regeneration in sustaining neighbourhoods and transforming the social landscape of cities. The Paper reviews key ideas and controversies in critical minority entrepreneurship and illuminates how systems psychodynamic theory can enrich our understanding of the ways in which new forms of minority enterprise interconnects in encounters where the participants have different biographies, trajectories and linguistic histories. We conclude by demonstrating how a synthesis of systems psychodynamics and critical entrepreneurship sheds new light on the complex and nuanced experience of minority enterprise and challenges normative assumptions of entrepreneurship which militate against inequalities, promoting wealth and prosperity. Exploring minority enterprise as an organisational system creates a distinctive new perspective for systems psychodynamic literature and helps us to identify and articulate new implications for small firms’ research and practice.

Systems psychodynamics, with its heightened sensitivity to emotional and political context is particularly well-placed to elicit the complexity and multi-layered nature of life in minority firms. Much policy attention is focused upon the promotion of enterprise in disadvantaged areas and amongst under-represented groups. For example, Marta and Mair’s (2009) study of entrepreneurship in a context of poverty illuminates the resourceful and effortful practices of individuals to overcome adversity. This kind of work has echoes in the more celebratory accounts of minority entrepreneurship. It reminds us that the resilience of such communities, and their potentially valuable contributions to the urban economies but studies of the everyday political communicative practices of migrant businesses are scarce. This study seeks to illuminate how systems psychodynamics can contribute to our understanding of the political, emotional, and relational work performed by minority entrepreneurs to change taken-for-granted practices and is a means of contributing to unity and social cohesion. Small businesses were often spacing in which regular encounters with difference contributed to the normalisation of diversity and counter negative discourses about migration and migrants. In applying a systems psychodynamic lens, we explore the relationship of the organisation as a system, specifically how diversity, power relations and emotions are experienced in the daily working lives of minority business owners. The political view of the small enterprise recognises that the business owner is embedded in web of social and economic relationships that both enable and constrain his/her scope for action. System psychodynamic – with its heightened sensitivity to emotional and political context – is particularly well-placed to elicit the complexity and multi-layered nature of diversity in small firms.

**Methodology**

This study is best understood as a ‘linguistic ethnography’. Linguistic ethnography presupposes a particular sense of the relationship between language and the social world. Rather than seeing the social world as a mute backdrop against which linguistic scenarios are played out, we see a mutually constitutive or co-productive relationship between language and context. Linguistic ethnography is an interpretive approach to studying the local and immediate actions of actors from their point of view, and to consider how these interactions are embedded in wider social contexts and structures (Copland and Creese, 2015). It is a “disciplined way of looking, asking, and recording, reflecting, comparing, and reporting” (Hymes, 1980, p. 105). Linguistic ethnographers rely greatly on learning from those with whom they are closely involved. The researcher usually attempts to forge a “partnership of equals” (Blommaert, 2010, p. 5), and is usually earned through the researcher’s long-term investment and involvement in the field. According to Hymes, ethnography as a research methodology is the “most open, the most compatible with a democratic way of life, the least likely to produce a world in which experts control knowledge at the expenses of those who are studied” (1980, p. 105).

**Contribution**

This study investigated the ways in which systems psychodynamic theory can contribute to our understanding of the interplay between power, politics and emotions in advancing critical approaches to entrepreneurship research. The paper makes three key contributions; first we illuminate that whilst the day-to-day practices which initiate social and economic regeneration was on the surface characterised by good humour, conviviality, generosity of spirit and people’s willingness to get on with others, it was clear that the backstory was more complex because such regeneration is differentiated by the wider political and economic context of local communities. Second, we highlight how entrepreneurs take up personal authority to manage power dynamics by mediating, manoeuvring and negotiating various manifestations of emotions. In doing so we reveal how power dynamics plays a crucial role in oiling the wheels of everyday engagement with others so that social differences can be used as a resource for building common ground by not ignoring difference but by commenting and working on social differences which often go unappreciated in the superdiverse city. Third, we highlight how systems psychodynamics exposes the shadow side of entrepreneurship as minority owners learn the ways of the city was earned through the unavoidability of everyday encounters, as people work out how to negotiate the multiple and diverse relations in different realms “which form the glue of a superdiverse society”(Wessendorf 2014:169). Learning is of course a characteristic of all research, but in other approaches there is perhaps a tendency to airbrush out complex learning processes in favour of developing an authoritative, “objective” voice.

**Implications for policy, if applicable**

Entrepreneurship plays a vital role in driving economic and social impact, achieving sustainable, equitable prosperity is crucial to developing an equal society, a refrain heard from all quarters. Systems psychodynamic provides the potential to explore the lived experience in critical Entrepreneurship by unveiling Socialinequalities through the study of power, emotions and social relations in minority small firms. This is also requiring a shift from mobility to connectivity, and from victimization, deterritorialisation, uprooting and displacement of individuals and groups concerned to the ‘potentialities’ in their experience and in the new space migrant entrepreneurs are creating for themselves. In recent research Ezadi (2015) highlights the discursive construction of “ethnic” businesses along three dimensions.  Firstly, he identifies the interaction order, the social roles and relationships available in the site (customer/shopkeeper, co-worker, interpreter/advocate, client); secondly the discourses in place, i.e. the discourses of participants and the multimodal discourses of the place, and thirdly the historical body, comprising the aims, purposes and reasons why participants are in a social space and what they bring with them, their habitus (Ezadi 2015: 61). The analysis of these dimensions as a ‘nexus’ of social practice offers a way advancing our understanding of critical and sustainable minority entrepreneurship.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Full Paper

### 301

### Understanding the Entrepreneurial Learning Process of Immigrant Entrepreneurs

Wing Lam, Sen Yang

University of Chester, Chester, United Kingdom

**Abstract**

**Applicability to the conference theme – ‘SPACE - exploring new frontiers and entrepreneurial places**

The topic of immigrant entrepreneurship, in particular entrepreneurial learning process of immigrant entrepreneurship fit comfortably with the conference theme of exploring new frontiers and entrepreneurial places as immigrant entrepreneurs, by definition, have always been exploring new frontiers when moving to a new country, sometimes not even knowing the local language and culture.

**Aim, Background & Rationale**

Immigrants are quite often considered as a threat to local society (Lucassen, 2005; Costello & Hodson, 2011), and in some cases they are directly linked to higher crime rates and social segregation (Zang, 2000) as well as triggering anti-immigrant sentiments (Paxton & Mughan, 2006; Brettell & Nibbs, 2011).   Interestingly, little attention is paid by general public and policy makers to the positive side of new immigrants in society.  Academic researchers, on the other hand, have repeatedly demonstrated that immigrants from certain ethnic groups are more likely to be involved in entrepreneurial activities, creating jobs and greater wealth, in comparison to their indigenous counterparts (Clark & Drinkwater, 2010; Ram et al., 2010).   What is more interesting and relevant to the current economic environment is the apparent ability of some new immigrants to start up their own businesses under adverse conditions - when there appear to be major limitations in respect of language barriers, finance and resource availability (Basu & Goswami, 1999; Aviram, 2009).

The debate relating to the higher entrepreneurial propensity of new immigrants of different ethnic origin has focussed around the traditional “push” and “pull” factors, which continue to dominate the extant literature (Godley, 1996; Bauder, 2008).  Yet there is no conclusive evidence on how and why immigrants from certain ethnic groups manage to achieve higher entrepreneurial activity rates.  This paper argues that by adopting an entrepreneurial learning lens within the theoretical perspectives of Weick’s (1969, 1995) sense-making and enactment theory, a more comprehensive understanding will emerge to explain why certain new immigrants demonstrate greater success in entering entrepreneurship despite unfavourable economic, social and cultural conditions. Review of literature help to illuminate immigrant entrepreneurship as part of a complex, dynamic social process and highlight the importance of understanding contextualised entrepreneurial learning processes to shed new light on immigrant entrepreneurship.

Entrepreneurial Learning

The theory underpinning this research identified entrepreneurial learning as a social process: it is ongoing, dynamic and interactive (Fletcher, 2007).   In this study, entrepreneurial learning refers to the process in which immigrants enhance awareness, acquire knowledge and skills about business start-ups and also running a business (Cope, 2005).  A significant proportion of the entrepreneurial learning literature focuses on when, what and more recently, how entrepreneurs learn (Rae, 2000; Politis, 2005).  Researchers argue that entrepreneurial learning is a lengthy, developmental, life-long learning process that takes place pre and post business start-up and continues throughout the life of a firm (Smilor, 1997).   Others go further and suggest that entrepreneurial learning takes place in one’s early childhood, mid-career and is a lifelong process (eg. Rae, 2005).   As discussed, entrepreneurial learning refers to the process in which individuals enhance awareness, acquire knowledge and skills about business start-ups and also running a business.   This suggests that what entrepreneurs learn is a key component of the learning process (Lamont, 1972).   This content is best summarised by Cope (2005) who lists five key elements of the content of entrepreneurial learning:  1) learning about oneself; 2) learning about the business; 3) learning about the environment and entrepreneurial networks; 4) learning about small business management; and 5) learning about the nature and management of relationships.  In this present study, several questions will be addressed:   What differences are there in the knowledge base concerning business ownership between immigrants from different ethnic groups and how does this vary at different stages in their upbringing and throughout their adult life? What are the informants’ experiences in learning about themselves in relation to entrepreneurship?  In what way (formal, informal, intentional or unintentional) does entrepreneurial learning take place?  Are there any major differences or knowledge and skills gaps between different ethnic groups in terms of what they have learned about entrepreneurship?  If so, what are the factors that contribute to such differences and how significant are they in generating different levels of entrepreneurial activity?

Another significant area of interest concerning entrepreneurial learning is how entrepreneurs learn.  A dominant form of entrepreneurial learning is learning from experience.  Rae (2000) points out that it is the dynamic process of learning that stimulates the learning content.  In other words, how the entrepreneurs learn is interdependent with what they learn.   Taking this forward, a dynamic learning perspective is proposed by Cope (2005) which incorporates three distinctive, interrelated elements that explains how entrepreneurial learning takes place – dynamic temporal phases, interrelated processes and overarching characteristics.  Central to this dynamic view of entrepreneurial learning is the interactive role individuals play in the learning process.  This argument that learners play an active role is well supported in the learning literature (eg. Kim & Baylor, 2006). Applying this to the entrepreneurial learning process, Fletcher (2007) argues that “people label, categorise and construct things as ‘entrepreneurial’ in relation to understandings they have derived from different exposures – interpretation and understandings which they ‘bring into being’ and ‘take forward’ through dialogue and interaction.”(p.665). Fletcher (2007) goes on to bridge the link between entrepreneurial learning and social context and argue that entrepreneurial learning is an ongoing, complex, interactive social process between the individuals and their social context.

While the active role that individuals play in entrepreneurial learning is not a new concept there are few studies which investigate this empirically.  The majority of studies focus on identifying the related elements and factors but fail to investigate the interaction between the learner and the learning environment (eg. McKeon, Johnston, & Henry, 2004).   This study is aimed at address this knowledge gap by investigating the dynamic interplay between learner and the learning environments of immigrants from different ethnic groups.

Research Objectives

The key objectives of the research are:

1. To investigate the interaction between immigrants (entrepreneurs and non-entrepreneurs) and the new environment (social, cultural & institutional context of the host country) in the entrepreneurial learning process.
2. To compare the entrepreneurial learning experience of immigrants from different ethnic groups.
3. Investigate the factors that give rise to the similarities and differences by exploring the institutional, historical, social and cultural context of the different ethnic groups

**Methodology**

As discussed, the majority of studies focus on identifying the elements and factors that are believed to be essential for entrepreneurial learning but fail to investigate the interaction between the learner and the learning environment.  A major limitation is the lack of a coherent methodological framework to address the research questions posed in this study.

Research Approach & Data Collection Methods

The research will adopt a longitudinal in-depth qualitative approach.   An “inside-looking-out” approach, which allows the researcher to “goes into the field to learn about a culture from the insider out” will be adopted (Schwartzman, 1993 p.3-4).  An “inside-looking-out” approach fits comfortably with the enactment perspective of entrepreneurial learning adopted by this study as it allows researchers to unravel the complexities, tensions and relationships in the entrepreneurial learning process (Watson, 2000).   In addition to the “inside-looking-out” perspective, another feature of this research is the unit of analysis.  As discussed, research into entrepreneurial learning tends to focus on entrepreneurs in isolation, largely ignoring their social context and social interactions.   The adoption of the network as a unit of analysis allows an exploration of the construction of meanings arising from the social interactions and exchanges within which learning takes place (Anderson & Jack, 2002).  A network is defined here as the individual and their social relations (Boissevain, 1974).   This includes the immigrant entrepreneurs themselves and their social relations including their family members, friends, relatives, employees, customers and suppliers (and probably other immigrant entrepreneurs).  Three networks of first generation immigrants from different ethnic groups will be included in the fieldwork. This comparative orientation helps to ease the danger of overplaying differences found across ethnic groups (Ram et al., 2010). It is expected that at least 10-15 informants in each network will participate in the project, making a total of around 30-45 informants, over the complete fieldwork period of 13 months.   The multi-stages of the fieldwork include initially, detailed interviews with informants to gain a ‘feel’ for the social context, followed by more in-depth exploration of the informants’ entrepreneurial learning experience for a month.  Subsequently, regular visits every month for a period of one year will be undertaken, allowing the researchers to follow the learner’s progress and more importantly, to further investigate the issues that emerge from the initial fieldwork analysis. At least two researchers (including the principal investigator) are required to conduct the fieldwork.  The main data collection method used in this project will be topic-oriented unstructured interviewing with the aid of observation.  Where possible, the interviews will be recorded, and notes will be taken by each researcher.  The fieldwork data will be transcribed, coded and formatted for data analysis program. The data will be analysed independently by both researchers to minimise possible bias from a single analyst’s perspective.

**Contribution, Value & Implications**

This project has a significant potential impact on a variety of interest groups.  First, understanding how and why immigrants from certain ethnic groups learn to be more entrepreneurial will contribute to the development and implementation of more effective and efficient policies to foster entrepreneurship in all communities. Secondly, it will help entrepreneurs and potential entrepreneurs develop a better understanding of the perceived barriers and constraints on entrepreneurship by demonstrating how ‘disadvantaged’ immigrants (Ram et al., 2010) overcome such barriers under less favourable conditions. Thirdly, the expected research findings will help educators in curriculum design and delivery to enhance students’ enterprise skills and employability.  Finally, the associated conceptual and theoretical development has the potential to bridge the gap between immigrant entrepreneurship research and entrepreneurial learning studies.  These contributions suggest several key target audiences to engage and communicate with.  These include policy makers, business support agencies, entrepreneurs and potential entrepreneurs, educators, students and researchers.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Working Paper

### 32

### The Space Between Your Ears: Understanding How Immigrant Entrepreneurial Opportunity Formation is Influenced by Interactions between Home and Host Countries

Kingsley Njoku, Thomas Cooney

Technology University, Dublin 2, Ireland

**Abstract**

**Applicability to the conference theme**

Space has been defined as a continuous area or expanse which is free, available or unoccupied. It is generally considered in physical terms, but it could also be argued that space can be considered from a mental perspective. While immigrant entrepreneurship has attracted increased attention from academic scholars, research on how immigrant entrepreneurs (IEs) view entrepreneurial opportunity formation remains underdeveloped. Recently, the concept of Visual Mixed Embeddedness Framework (VMEF) has been introduced to help understand entrepreneurial opportunity formation through ethnicity. This paper advances this discussion by exploring how nascent entrepreneurial activity by immigrants is influenced by their interactions between home and host countries, and how that influence is mentally interpreted.

**Aim**

This paper uses the Visual Mixed Embeddedness Framework (VMEF) to assist in understanding how entrepreneurial opportunities are formed from an immigrant entrepreneur’s (IE) perspective through their interactions with both their home and host countries. These interactions will influence the mental approach of a nascent entrepreneur in a manner quite differently to the experiences of native entrepreneurs. The ambition of this paper is to explore how these influences alter the mental state of an immigrant entrepreneur and it will offer explanations regarding how it differs to the influences on non-immigrant entrepreneurs. The conclusion will show how immigrants’ entrepreneurial idiosyncrasies are influenced by mixed relationships during their journey through entrepreneurial opportunity formation.

**Methodology**

Given the orientation of the study topic, the paper adopted a phenomenological qualitative research methodology to examine values and population principles in conjunction with analysing societal determinants that will occur. In using equal sample sizes and parallel questions, data was collected from 20 immigrant entrepreneurs from Nigeria, Poland, Brazil and Pakistan (5 from each country) using in-depth interview technique. The selection criteria was based on the 2016 Central Statistics Office report, which showed that these communities provide the largest immigrant entrepreneurs in Ireland. Interviews were conducted over 3 months (Mid-August to early December 2018) at nineteen different sites (i.e. at participants’ workplaces, at their residence and at the Higher Educational Institution where the research was based (Marshall and Rossman, 2014). Although, the concern is that qualitative approach is unable to generalize data from smaller to a larger group, the rationale for using qualitative method was based on its flexible designs. Therefore, given that a qualitative study gives room for alteration, reconsideration and possible modification of any design component during study to accommodate new developments, such flexibility rises above any qualitative research limitation for the purposes of this study and provided a stronger reasoning for using a phenomenological approach. Phenomenological qualitative allowed abductive reasoning technique and aided a clearer understanding of the study problem through in-depth inquiry and offer suggestions on how to resolve them.

**Contribution**

As an attempt to reconceptualise immigrants’ opportunity formation theoretical construct based on empirically enhanced insights, the study describes the VMEF as the guide through which to explore how diversified reasons together motivate immigrant entrepreneurial actions. In Njoku and Cooney (2018), VMEF was defined as “a theoretical lens best used for studying and understanding immigrant entrepreneurship opportunity formation process model” (p57). Therefore, immigrant entrepreneurship opportunity formation (IEOF) is simply described as businesses created by immigrants that provide economic value and employment opportunities for both immigrants and natives. Focusing on the logic of the VMEF construct, the study will make contributions to existing knowledge by developing an enhanced model to aid a clearer visual understanding of the study topic. It will also identify the different roles played by immigrants’ ethnic families as a conduit for their entrepreneurial activities in the host countries. The study argues that the principles governing the VMEF construct is interactive. Thus, a framework for understanding this will be built on multiple interactive components: (i.e. groups’ business categories, opportunity structure, group’s attitude to opportunities, characteristic and strategies) (Waldinger et al., 1990). Furthermore, this paper sheds light on the role played by the VMEF construct in understanding the IEOF model within the Irish entrepreneurial ecosystem by offering a novel approach regarding how immigrant entrepreneurial idiosyncrasies to opportunity formation can be examined using a transcendental phenomenological approach. The study also proposes a more holistic definition for entrepreneurship opportunity formation (EOF) that meets the expectations in Low and MacMillan (1998). Finally, the paper will show that most immigrant entrepreneurial opportunities are created under threats to avoid being either cut-out of the host country or rejected by family members (Seaman et al.,2019). In describing ‘space’ from the mental point of view as an ‘expanse which is free’, the research explains how such space can be reduced due to external influences.

**Implications**

There are several ways in which the study would advance the current understanding of immigrant EOF. In particular, to the extent that this offered novel insights using a visual aided model to show how the interactions between immigrants, the home and host environmental enablers and threats together influence immigrants’ career choices and decisions in practice. The implication is the notion that immigrants’ career choices and decisions to pursue the entrepreneurial path abroad are based on multifaceted variables is that it involves a lot of risk. For instance, research shows that their quest for a better life away from home is not always successful. This is evident subject to findings in Servent and Trauner (2017), which showed that visa refusal for non-EU nationals have increased by 10% as a result of apprehensions at the boarder due countless number of failed irregular entry attempts.

In addition, the current study suggests that the entrepreneurship field of research should consider adopting definitional precedents as a pragmatic step towards ensuring steady progress. Also, based on the complexity in the action and interactions between immigrant entrepreneurs and the context (Johannisson, 2011; Steyaert, 2007), it is unclear whether immigrant entrepreneurial idiosyncrasies are mostly dominated by home-country influence than the host environment. This needs further investigation in relation to the applied principles of the VMEF construct. Future works should specifically focus on its influence on actors during the formation of organizations to pursue these opportunities (Bygrave, 2004).

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Full Paper

### 2

### Faith, migration and business: the role of Pentecostalism in migrant entrepreneurial practices in the UK

Maria Villares-Varela1, Olivia Sheringham2

1University of Southampton , Southampton, United Kingdom. 2Queen Mary University London, London, United Kingdom

**Abstract**

**Topic**: This paper analyses the role of faith and religiosity in migrant entrepreneurial practices.

**Applicability to the conference theme:**Drawing on an interdisciplinary project between industrial sociology, management and geography, this paper speaks directly to the conference call by exploring the link between entrepreneurial practices, mobilities, space and place, by studying how migrant entrepreneurs mobilise faith and church networks against the backdrop of neoliberal and austere Britain.

**Aim**: In this paper we critically examine i) the role of Pentecostal churches in supporting entrepreneurial activities among migrant communities; and ii) the ways in which Pentecostal beliefs and values influence the aspirations and practices of migrant entrepreneurs.

Whilst the link between religion and enterprise is at the core of foundational sociological essays, the connection between religious faith and business practices has remained, until recently, notably under-explored.   The link between enterprise and religion forms the basess of Weber’s interpretation of the emergence of capitalism and its interplay with Protestantism (1930). In this thesis, Protestant values and ethics underpin engagement in secular work, and its subsequent accumulation of wealth and re-investment.  The nature of this connection has been explored through the study of religiosity at the workplace through the revived interest in the sacred nature of work and enterprise (e.g. study of values for social entrepreneurs) (Pio 2010) which has been under researched in organisational and entrepreneurship studies (Essers and Benschop 2009). Diversity, religion and the workplace has been highlighted as an important intersection by Schaeffer and Mattis (2012). These authors discuss how traditional theories of work have disregarded the religiosity of individuals whose identities mark them as minorities and should take into account diversity at the workplace beyond an idea of a ‘unified spirituality’ (p.330) which can actually reproduce structural discrimination at the workplace, calling for studies looking at work trajectories of minority groups to understand how religion can help them to make sense of the diverse meanings of work.

Although research on migrant businesses in particular has extensively explored the role of variables such as ethnicity, gender, access to finance and support in relation to drivers and outcomes of entrepreneurship (Jones et al, 2000; Ram and Jones, 2008; Jones and Ram, 2012; Jones et al 2014), yet the role of religion in migrant entrepreneurship has been scarcely researched. There are some notable exceptions to this, looking in particular at the role of Islam in migrant enterprise from an intersectional perspective. This is the case of Pio (2010) and Essers and Benschop’s (2009) work.

Research on migrant enterprise has not looked in depth at the influence of Christian values for entrepreneurs (to the best of our knowledge). However, there is a growing body of work that looks at the role of Pentecostal beliefs and practices in entrepreneurship and its impact on economic development in the Global South. This research area has paid particular attention to themes such as the emphasis on the promise of prosperity, its success among the poor and its role in aspirations (Togarasei, 2011), the encompassment of its message with neoliberal reforms in the Global South (Haynes, 2012) or the involvement of the church in the understanding of entrepreneurs in their success in their business ventures (Ojong, 2008; Nwankwo and Gbadamosi, 2013; Gbadamosi 2015). Prosperity gospel, a core component of Pentecostalism, preaches that God’s will is reflected on wealth, success and health for believers in exchange for faith and gift giving (Haynes 2013)

•    **Methodology**: The paper draws on semi-structured qualitative interviews with Pentecostal migrants and church pastors in London and Birmingham (n=30). The interviews were analysed using thematic analysis.

•    **Contribution**: A growing body of work is emerging which examines the connection of religiosity and workplace practices and enterprise. Elsewhere, and within a wider body of work examining the ‘post-secular’ landscape of many European cities, scholars have explored the role of Faith-Based Organisations (FBOS) in welfare provision, outlining the ways in which the boundaries between the work of faith-motivated and secular organisations are becoming increasingly blurred. Yet less attention has been paid to entrepreneurship, both in terms of churches themselves as entrepreneurial actorsand generators of particular norms and values about entrepreneurship, and the wider entrepreneurial aspirationsof believers. Our focus on Pentecostalism emerges from its importance amongst new Christian migrant communities in the UK and its emphasis on the promise of prosperity, its success among the poor and its role in career aspirations.

•    **Implications for policy and practice:**This paper highlights the emergence of alternative forms of business support provision (e.g. churches, pastors, fellowship). It also shows the importance of structural factors in the development of enterprises amongst migrant communities: narratives of individual/group contribution and realisation amongst these communities show how enterprise has become a means to combat narratives of the so called ‘hostile’ environment from the church platform, where  entrepreneurs become active agents in this transformation.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Full Paper

## Business Creation, Early Stage Development and Business Closure

#### Business Creation, Early Stage Development and Business Closure

#### Time: 9:00 - 10:30

#### Date: 15th November 2019

#### Location: Victory

### 124

### Belief and Regret: The Influence of Self-Efficacy and Counterfactual and Regretful Thinking in Nascent Entrepreneurship.

Andrew Hird

Sheffield Hallam University, Sheffield Hallam University, United Kingdom

**Abstract**

Topic: This work builds upon the small body of work which seeks to develop a greater understanding of the nascent entrepreneur argued by Kessler and Knight (2009) and Prabhu et al (2012) to be worthy if additional study. The nascent entrepreneur is an individual in the process of starting a business and represents an underdeveloped part of the enterprise literature. This work seeks to investigate the entrepreneur from two seemingly contrasting perspectives Self-Efficacy (Bandura, 1986) and Counterfactual and Regretful Thinking (Roese,1997). High Self-Efficacy is argued to assist the entrepreneur in navigating the complexity of the entrepreneurial milieu as self-efficacy impacts on perceptions of control, stress and self-blame. Bandura argues that self-efficacy is needed for competent functioning suggesting that in ambiguous, unpredictable or stressful environments self efficacy will determine an individual’s judgements and impact on their thinking, feelings, motivation and action. Counterfactual thinking occurs as a result of the mental mutation of past occurrences and is considered by Baron (1998) as a cognitive bias and is defined by Goodman (1987) as the falsification of the antecedent thought. Regretful thinking can occur as a result of unintended detrimental experiences or situations or from a failure of imagined or expected positive outcomes. Like counterfactual thinking regretful thinking is the automatically activated cognitive representation of alternative scenarios produced as a result of misfortune or disappointment. Like self-efficacy these are argued to impact on decision-making, moods and task performance.

Applicability to topic:

This paper envisions the nascent stage as a space in its own right. On one hand it can be seen as a new start, on another a change of state and is therefore as liminal state of transition in the process of venture creation this is a transformative and creative time but also were indeterminate transition runs the risk of a decent into unproductive, inefficient obfuscation. (Garcia-Lorenzo et al., 2017). Middleton (2012) argues that nascent entrepreneurs seek legitimacy in creating an entrepreneurial identity by selecting strategies within their social interactions that involve conforming to expected roles, selecting pragmatic solutions and manipulating their image. Garcia-Lorenza et al (2017) see the nascent phase as bewildering and limitless and kind of ‘Neverland’ where all things are possible, where social structures and identities are in flux, potentially transforming and creative. For Hmieleski and Lerner (2016) the motives of nascent entrepreneur’s impact on choices and approaches they take during the nascent phase.

Aim:

To investigate some of the factors that impact on the entrepreneur as an individual during a transient and transformational phase in their personal and business development. During the nascent phase of entrepreneurship

Self-efficacy is the belief in individuals that they can organise and effectively perform the actions need to produce the desired outcome. In terms of nascent entrepreneurship this will impact on a nascent entrepreneur’s self-assessment of their ability to successfully launch a new business.

Hypothesis: Nascent entrepreneurs starting their own business will have higher self-efficacy score than those who do not start their own business.

Counterfactual thinking is a cognitive bias that Baron, (1998) argues is faced more regularly by entrepreneurs than others. Negative effects may be experienced when mistakes lead to regretful thoughts. However it can be understood that reflection can be a positive learning experience. The literature contends that entrepreneurs live in the ‘here and now’ and are optimistic so engage in less counterfactual thinking.

Hypothesis: Nascent entrepreneurs will engage in counterfactual thinking less often than a control group of non-entrepreneurs.

Hypothesis: Nascent entrepreneurs will engage in counterfactual thinking less often than a control group of established entrepreneurs.

Methodology: This is an empirical study using two validated and reliable self-administered instruments, the General Self-Efficacy Scale Markham et al, (2002) and the Global Regret Scale (Roese, 1997). The data was collected in real time among 119 nascent entrepreneurs during the nascent stage and therefore overcomes problems associated with hindsight bias. A test-retest was conducted on both measures to ensure temporal stability. The study identified that both nascent and established entrepreneurs displayed proactive personality scores and that there was no statistical difference between these two groups. However both groups displayed a greater proclivity towards proactive personality than a control group of non-entrepreneurs.

Contribution: The study identified that individuals who display higher levels of self-efficacy are more likely to launch a new business successfully supporting the hypothesis. Nascent entrepreneurs who demonstrate high self-efficacy are able to utilise this ‘self-belief’ in their business launch decisions. The hypotheses relating to counterfactual thinking were not supported. Nascent entrepreneurs in this study more frequently engaged in counterfactual thinking. The argument could be that cognitive biases such as counterfactual thinking do not negatively impact on the nascent entrepreneur.

**Conference Track**

Business Creation, Early Stage Development and Business Closure

**Presentation**

Full Paper

### 131

### Where to go in Entrepreneurship Research?A content analysis review to give future direction in entrepreneurship research in consequence of society 5.0 and industry 4.0

Hartmut-Heinrich Meyer

FOM Germany, Bremen, Germany

**Abstract**

**Where to go in Entrepreneurship Research?**

**A content analysis review to give future direction in entrepreneurship research in consequence of society 5.0 and industry 4.0**

**Abstract**

1. **Introduction: Research objectives/question**

The economies in the world experience fundamental changes in their economies and the way of conducting businesses. The sources of the changes can be summarized through the implication of the forthcoming cyber systems which will influence the value added chain process and  future market behaviour. As a consequence, one can notice a number of changes by different the trends of digitalisation, urbanisation, globalisation, climate and demographic change (Prognos 2018, Serpa 2018, Meyer 2018).

In particular the current discussions on human entrepreneurship, industry 4.0 and society 5.0 suggests major changes  an entrepreneur is required to act in the cyber and real space . It appears that future success in entrepreneurship requires more than only the administration of information technology (Müller/Voigt 2018, Shamin 2017). The nature and type of entrepreneurship is changing from a production to a service and knowledge based industry (Meyer 2018). The resulting upcoming questions to allow for success and to promote entrepreneurship appear not to be answered by the current understanding which been developed alongside the developments of industries as outlined in the following figure. It seems more that entrepreneurship research enters a new area due to the technological developments illustrated by industry 4.0.

Figure 1: Industrial Development stages in relation to entrepreneurial research (own)

The objective of the paper is to outline future directions of research questions on entrepreneurship in the light of these changes. Thereby a more holistic approach is attempted in order not to restrict the discussions only to industry 4.0 and its consequences to the society 5.0 (Ferreira/Serpa 2018). The idea of this paper is a stock-taking exercise in order to gather and structure recent discussions on future issues. The contemporary knowledge on entrepreneurship appears not really to address the problems and cannot offer the guidance required.

**2. Conceptual Background of the paper and methodology**

The conceptional approach of this paper is based on the discussions of economic and social drivers for fundamental change as demographic change, digitalisation, urbanisation, globalisation and climate change and its implications to entrepreneurship (Hayatul  2019, Müller/Voigt 2018, Liao et al 2017. Thereby entrepreneurship is understood as the actions of individuals to execute business activities in the pursuit to perform innovations for income generations (Freiling 2006). Hence, entrepreneurial activities are especially a result of the relationship between economic space or surroundings and individual economic behaviour.

The application of cyber-physical system changes the value creation process and social behaviour abruptly. On the foundation of technical integration and networks, this mega social and economic trend will affect the character of life, social responsibility and sustainability (Prognos 2018, Serpaanos 2018, Waldenberger 2019, Wang 2016). Moreover, it appears that humans become the essence of innovation and need to raise up to a level above these trends for future action. The conceptional approach of the paper is to examine the implications of the drivers for change  towards innovations and entrepreneurship as outlined in the next pattern (see also Prognos 2018).

Figure 2:         Overview of the conceptional approach (own presentation based on the idea of    Prognos 2018)

The methods used to be a content analysis of the literature research by applying different clusters of digitalisation, demographic change, globalisation and its implication towards innovation and entrepreneurship. In a first step a content analysis approach has been used to analyse the links between the key words in the context of entrepreneurship. Here more than 50 articles have been reviewed which have been generated through digital based literature reviews, research gate and web-sides like the icsb.org, gem.org and further sides of entrepreneurship. In a second step a structural biographical analysis will be employed in order to verify the first identified mega-topics in a web-based text analysis. For more details of the methodology and data employed, please see Meyer 2018.

**3. Primary Results and Areas for future research**

Although the research is still in progress, the results of the research can be clustered into the different areas of research as outlined in following figure:

Figure 3: Areas of future Research

**Financing Seed-Cost and Innovation:**

Grants and financial support where appropriate, means to finance production based entrepreneurship. The question how to finance seed costs and to apply new financial instruments to finance knowledge based innovations appears to be a challenge to entrepreneurship. Currently also the financial sector appears to be unsure how to approach these challenges. This applies in particular to finance a long seed period (Keidanren 2016, Hayatual 2019, Pilloni 2018).

**The role of entrepreneurship in the society:**

The employment factor of entrepreneurship gets increasingly questioned due to the service and knowledge based orientation of entrepreneurship. Moreover, there seems to be a new relationship between large cooperation’s and entrepreneurship. The future task of entrepreneurship appears to be to provide additional resources and knowledge in a project based economy in order to raise the global competitiveness of larger cooperation’s as well as to close distribution and service gaps. Moreover, employee entrepreneurship becomes of increasing importance in order to perform innovations. The role of an entrepreneur becomes in the future more of a networker in order to organize innovations rather than develop innovation on their own (Meyer 2018).

**Infrastructure**

The quality of the infrastructure becomes again a considerable determinant for entrepreneurship. In particular, the access to information technology and access to knowledge will decide on the degree innovation can be performed. This requires not only physical closeness, but also the quality of the provided information networks. This chance to maintain within a network and the changing nature of mobility also fosters an urbanisation trend which sets new challenges for rural entrepreneurship (Keidaren 2016, OECD 2016)

**Type of entrepreneurship**

Social and human entrepreneurship allows a number of new business opportunities.  The type of entrepreneurship will be mainly be service orientated and not production orientated. Also migration and diaspora entrepreneurship or entrepreneurship by religion achieve a higher focus. Due to the demographic change, entrepreneurship will be more opportunity driven rather than necessity driven, which can be already observed in innovation driven economies (Meyer 2018).

**Culture and Attitude**

The entrepreneurial culture will change in particular to the challenge to integrate sustainability into the conduct of entrepreneurship. Within the generation Y and Z, entrepreneurship appears to be not any longer a long-term program in order to get an income or employment position. In particular the younger generation appears to a different view about entrepreneurial risk and engagement and appear not to regard entrepreneurship as a long term engagement (Mülleer/Voigt 2018, Compagna et al 2016, Shamin 2017).

**Skills**

Information Technology and the operation of big data, sets new demands towards entrepreneurial skills. Beside analytical knowledge, the ability to apply knowledge in different settings and to combine technical and social skills appear to determine success in entrepreneurship. As the entrepreneurship should become more a  networker, also the ability to combine resources and to find access to resources are an important feature in the conduct of entrepreneurship. The ethical relationship in the conduct of business and aspects of sustainability determines entrepreneurial behaviour (Ilbata-Arens 2005, Wang et al 2016)

**Measurement**

The current measurement of entrepreneurship based on business start-ups allows to measure the employment factor, however, does not include the grade of innovation associated with entrepreneurship. Hence, a core function of entrepreneurship is not reviewed correctly as start-ups take often also place through subsidiaries in various forms by using the same business idea.

In many countries’ freelancer is not statistically registered a business starter. Self-employment is not always classified as entrepreneurship due to the missing task of organisational building. As in particular knowledge based services offered by freelancers, not all entrepreneurial activities are recorded. Entrepreneurial behaviour and decisions follow a sequence of interest, intension and activities. In order to measure how entrepreneurship is valued within a society, measures must encounter also the interest given towards entrepreneurship. Moreover, also the delta between interest and intentions will allow to evaluate more closely the quality of the entrepreneurial eco-system.  Innovation activities of SMEs and family business performed at a high personal risk in order to maintain competitiveness are not recorded at all. Patent registrations and other measures to safeguard knowledge and service innovations are not recorded.  In summary, the following figure should outline the problems to be addressed in order to measure entrepreneurship in the future (Meyer 2018).

Figure 4: Missing Measures determine entrepreneurial activities

**4. Contributions to research and knowledge development**

The forwarded  discussions illustrates several new areas where new research efforts are required.  These questions also require to handle the outlined blind spots in measuring entrepreneurship. Currently it appears, that the relationship between economic development and entrepreneurship is not fully understood due to the consequences of industry 4.0 and society 5.0 and the outlined changes. There is a  need to reform and to set up new research and perhaps with innovative research methods in under to understand entrepreneurial behaviour between a cyber and real world space. This need appears to be vital in order to enhance the quality within entrepreneurial research and the recommendation to policy makers in order to create an entrepreneurship friendly environment. Future policies require information how to encourage entrepreneurial behaviour in conjunction with networking and service orientation and to reduce complexity for a sustainable policy. Thereby it appears that the existing measures to promote entrepreneurship by public media, grants and advisory services need to be replaced by a new infrastructure in order to allow a networking for finance, knowledge transfer and market access through collaboration.

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**Conference Track**

Business Creation, Early Stage Development and Business Closure

**Presentation**

Full Paper

### 157

### Pre-foundation imprinting as a determinant of post-foundation early market entry: examining the role of external support during USO creation.

Lisa Messina1, Kristel Miller2, Nola Hewitt-Dundas1

1Queen's University Belfast, Belfast, United Kingdom. 2Ulster University, Newtownabbey, United Kingdom

**Abstract**

**Topic:**

Universities are increasingly expected to contribute to innovation and entrepreneurship within regions in order to stimulate economic growth (Cunningham et al., 2018; Miller et al., 2018). This has led to the emergence and growth of entrepreneurial universities whose aim is to commercialise academic research outputs (Etzkowitz, 2013; Guerrero et al., 2014). Among the research commercialisation mechanisms universities can employ are university spin-out companies (USOs), that is companies founded by academic staff to bring their research to market.

USOs have attracted increasing attention in recent years as they have been found to be an important source of innovation, university income and job creation (Wright et al., 2006; Jung et al., 2018). To support their creation and growth, universities have introduced important structural changes, such as the proliferation of Technology Transfer Offices (TTOs) and university incubators, and the development of entrepreneurial ecosystems both inside and around universities (Miller et al., 2018; Guerrero et al., 2014). The effectiveness of these support mechanisms is still widely debated. Indeed, while substantial research attention has been devoted to understanding the role and characteristics of these mechanisms (Clayton et al., 2018), limited research has examined how these support mechanisms influence USO-specific behaviour and their future trajectory, such as the timing of their first market entry. In order to explore this, we draw upon the theoretical lens of imprinting (Stinchcombe, 1965). The concept of imprinting has been used in a wide range of fields, where it has been found that historical factors and experiences taking place during venture creation can influence both individual and organisational outcomes (Stinchcombe, 1965).

**Applicability to Conference Theme:**

The paper contributes to the ISBE conference theme.The increasing entrepreneurial commitment and effort being made by universities through the creation of USOs has long been found to contribute to regional and global entrepreneurship and innovation (Miller et al., 2018), a key component of this year’s conference theme. Whilst there has been a vast amount of research on USOs, the increasing pressure on universities to demonstrate  the impact of their research has led to the need for a greater understanding on how to increase USOs’ chances of survival and success. This research enhances knowledge in this area by identifying the mechanisms that imprint upon USO development and accelerate their time-to-market. Critically, this research identifies the need for universities to continue to become ‘open entrepreneurial spaces’ which form effective collaborations with external stakeholders to enhance innovation outcomes.

**Aim:**

Previous research has explored how factors such as the prior knowledge, background, relationships, networks and career experiences of the founder or founding team ([Kacperczyk, 2009](https://www.sciencedirect.com/science/article/pii/S0883902614000652#bb0195), [McEvily et al., 2012](https://www.sciencedirect.com/science/article/pii/S0883902614000652#bb0240); [Breugst et al., 2015](https://www.sciencedirect.com/science/article/pii/S0883902614000652#bb0055), [Milanov and Shepherd, 2008](https://www.sciencedirect.com/science/article/pii/S0883902614000652#bb0250)) can imprint upon an organisation and influence their future trajectory. Furthermore, organisational factors such as culture, structure, routines and networks ([Johnson, 2007](https://onlinelibrary-wiley-com.eu1.proxy.openathens.net/doi/full/10.1111/j.1540-6520.2012.00529.x#b39); [Milanov & Fernhaber, 2009](https://onlinelibrary-wiley-com.eu1.proxy.openathens.net/doi/full/10.1111/j.1540-6520.2012.00529.x#b55); Bryant, 2012), as well as the overarching environment an organisation is exposed to (Huynh et al., 2017), have been found to be sources of imprinting which play a vital role in organisations’ development (Blake et al., 2015). Given the increasing attention and resources being devoted by universities and governments to the development of ecosystems in support of USO development, it is critical to capture if and how these support mechanisms imprint upon firm evolution.

USOs are a unique type of new venture where the founding team normally comprises academics or graduates with specialist scientific knowledge; however, many lack market-related knowledge or knowledge regarding the normative cultures of the industry world (Jain et al., 2009). Furthermore, academic entrepreneurs often develop the venture alongside their academic activities, resulting in limited time and resources being devoted to the USO. Consequently, support mechanisms can be greatly influential and, in fact, key to survival during USO development and growth. This would render imprinting particularly influential in this context.

As such, we suggest that, through the process of imprinting, the type of support USOs gain access to will bear an important influence on the outcomes of USO development. In particular, given USOs inherent vulnerability during the early stages of formation and growth (Vohora et al., 2004) and the critical importance of commencing business activities early in their life-cycle, this study focuses on pre-foundation imprinting and how this influences USOs’ early versus late market entry.

Consequently the aim of this paper is to explore the following research question:

**RQ:** How do pre-foundation support mechanisms imprint upon USOs and their ability to enter the market early?

**Methodology**

The methodology employed for this study is qualitative in nature and involves semi-structured interviews with a range of stakeholders within the entrepreneurial ecosystem of two Italian engineering-focused universities. A total of 33 semi-structured interviews were carried out, translated and transcribed by the authors. Interviews lasted on average between 45-60 minutes. The interviewees involved 12 early-to-market and 10 late-to-market USO founders, 2 senior managers of incubators, 2 senior managers of Technology Transfer Offices, 3 external investors and 4 market agency representatives. A process of open coding was followed which resulted in first order categories and second order themes (Gioia et al., 2013).

**Preliminary Findings**

Thematic analysis revealed a range of insightful patterns. While USOs in the study leveraged a range of support mechanisms during pre-foundation, at times even simultaneously, not all mechanisms emerged as being effective in accelerating speed-to-market. Two key factors emerged as influential: first, the nature of the relationship between the USO and the support provider; second, whether positive synergy existed in the relationship.

In regards to the first theme, two types of relationships emerged which generated different imprinting experiences during pre-foundation. The first type, which usually involved agencies such as university incubators, TTOs and market agencies, was largely transactional. Indeed, the agencies provided their support in exchange for a fee, regardless of the attractiveness of the opportunity being pursued. Additionally, the support was largely standardised to all companies and not adapted to the needs of the particular USO. Consequently, it emerged that this support mechanism generated a negative imprinting process in some of the case USOs, where the founding team subsequently lacked the skills and motivation to progress the USO in a timely manner, resulting in a late market entry. The second type of relationship, involved external entrepreneurs, industrial partners and investors. Their participation was voluntary and stemmed from the external party viewing the opportunity as worthy of their time, effort and finances. This resulted in the development of relationships between the USOs and the external parties, where valuable experience and knowledge were shared and embedded into the development and trajectory of the USO. The use of these external parties appeared to be associated with the generation of learning and motivation among USO founders, a pattern which ultimately accelerated the USOs’ progress and resulted in early market entry. This, however, was not always the case and appeared to be contingent on the presence of a critical factor: synergy.

It emerged that merely involving external parties on a voluntary basis did not trigger an imprinting effect and was insufficient to accelerate time-to-market. Rather, the presence of synergy between the external parties and the USOs emerged as being critical. Indeed, findings suggested that unless USO founders were equally as committed to and involved in the relationship as the external parties were, learning and imprinting remained rather low. In fact, it could have a negative imprinting effect. Furthermore, it was found that the support provided by the external parties should to be aligned with the needs of the USOs, thereby generating positive synergy and, ultimately resulting in an accelerated market entry.

**Contributions**

This paper makes a number of contributions for theory, policy and practice.

Through examining the effectiveness of support mechanisms during the pre-foundation phase of USOs, we identify which mechanisms most effectively imprint on early-to-market USOs. This helps to advance theory on USO development, through identifying the influence pre-foundation USO support has on the future trajectory of USOs. In particular, our findings shed new light on the value that early engagement with external entrepreneurs, industrial partners and investors can have on USO development and speed to market. These patterns also have implications for university managers, as they highlight a need for universities to increase their engagement with external stakeholders who are able to trigger positive imprinting mechanisms within USOs. Our findings also provide an understanding of imprinting mechanisms within the novel context of USO development. As universities strive to become more entrepreneurial, it is important to understand how academics are imprinted by their environment and the influence this has on their entrepreneurial abilities and ventures. This can help university managers enact effective interventions to encourage a greater number of academics to engage in entrepreneurial activities. This research also has implications for industry and external support agencies, as it generates insights into the long term imprinting effects of the collaboration with universities and pre-foundation intervention. This will allow them to adapt their support mechanisms based on the weaknesses and strengths identified in this study.

**Conference Track**

Business Creation, Early Stage Development and Business Closure

**Presentation**

Full Paper

### 159

### The Impact of Shame on Entrepreneurial Opportunity Recognition Process

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IIM Kozhikode, Kozhikode, India

**Abstract**

**Aim**

There is greater acknowledgement in recent entrepreneurship research that the study of the entrepreneurial mind is incomplete without the study of affect (Baron 2008; Cardon et al 2012; Delgado et al 2015; Michl et al 2009). Since entrepreneurs work under severe time pressure and uncertainty and have their personal investment and reputation on line, they are bound to be in extreme emotional states (Baron, 2008; Cardon et al 2005; Cardon et al 2012). An entrepreneur’s emotional state influences the amount of effort he puts into the tasks (Foo et al 2009) as well as his cognitive and judgement ability (Foo 2011; Foo et al 2013; Welpe et al 2012). Hence we study the influence of emotion in the entrepreneurial process.

Majority of the extant work on entrepreneurial emotion have looked at the valence dimension of emotion (Delgado et al 2015; Foo et al 2013). Valence is the hedonic tone of the emotion, i.e. an emotion is pleasant or unpleasant, good or bad, positive (like joy, happiness) or negative (like shame, anger, sadness). Valence based studies have looked at the effect of positive and negative emotions in entrepreneurial contexts (Baron 2008). Very few studies have looked at the role of valence and activation. We think a complete study of emotion should include both valence as well as activation (level of energy) (Barrett & Russell, 1998). Our claim is based on the findings of recent studies that have looked beyond the dimension of valence, i.e. into the dimension of activation (Foo et al 2013; Hayton & Cholakova, 2012). High activation leads to increased motivation, i.e. it gives the energy or the sense of urgency to the entrepreneur to put in more effort (Foo et al 2013), irrespective of the valence. So, this makes the study of the combined effect of valence and activation an interesting proposition.

Among all emotions shame is an interesting emotion to study in the entrepreneurial context because of two reasons. First, recent studies on shame find that contrary to the earlier understanding (i.e. as being a negative valence and low activation emotion) it is a high activation emotion (De Hooge 2008, 2011), under conditions of reparable failure causes (Leach & Cidam 2015). So we use Leach & Cidam (2015) to study shame. But the question still remains – why shame in entrepreneurial context? Second, shame is the commonly experienced emotion by entrepreneurs (Goss, 2005), so that makes it relevant to study it.

We study the role of shame in early stage entrepreneurial process of opportunity identification, which is a core element of entrepreneurship (Shane & Venkataraman, 2000). In this stage we study the impact of shame on the cognitive dimension of user perspective taking, recall of prior knowledge and creativity. Creativity, prior knowledge and search and access to information have been studied extensively (Baron, 2008; Foo et al 2015). Market research (CbInsights, 2018), has found that 42% start-ups fail because of “No Market Need”. This makes user perspective taking an important variable to study. Our hypothesis is that shame should lead to increase in creativity, enhance user perspective taking and enhance memory recall.

Since experimental methods are most suitable for disentangling the various cognitive influences of valence and activation (Delgado et al 2015), we plan to use an experimental design to study the effect of shame in opportunity identification stage. Since we are looking at opportunity identification we need not have actual entrepreneurs as part of the study. Students enrolled in entrepreneurship courses can be used since they have the desire to be entrepreneurs in future (Hsu et al 2017). For the study, we would split the sample into sub-groups, with each sub-group being induced with one of the emotions of shame or no emotion. We will follow De Hooge et al (2008) approach to induce the emotion of shame in the subjects.

**Methodology**

The sample for the experiment would be students enrolled in entrepreneurship programs in colleges. The subjects would be split into two groups, the treatment group would be induced with shame and the control group would be induced with no emotion. In order to test the hypotheses we would use a scenario-based experimental method (Prandelli et al 2016; Geilnik et al 2012).

Inducing shame to participants

We will use the autobiographical recall procedure to induce shame. This is the most common approach used in other studies for inducing a particular emotion (Foo, 2011; Foo et al 2009; De Hooge et al 2008, 2014). The method involves asking the participant to recall and report a past event in which the participant felt very ashamed. They are then asked to write in detail about the situation. Overall they are made to do this task for 10 minutes. For no-emotion effect on control group, participants are asked to think of an ordinary day, a regular day in life and write about it.

Experimental Scenario

We would use the following experimental scenario, the same scenario which has been used in Gregoire et al (2010) –

**Research Material NASA develops new training tool for improving**

NASA has just announced the development of a new technology that could revolutionize the way all sorts of people could improve their attention and concentration skills.

The SMART® (Self-Mastery and Regulation Training) works by making any computer game/simulation respond to changes in the player’s pattern of brain activity. Electroencephalogram neurofeedback sensors are attached to the player’s body and brain. These sensors monitor the player’s neurophysiological activity and send these signals to a signal processing unit, which in turn is connected to the computer game controller.

 “In the program we designed,” says NASA Computer Engineer Monica Rotner, “the simulation game becomes easier to control when the player’s pattern of brain activity indicates that he/she is focused. But if the player gets bored, distracted, or unfocused, the computer makes the game much harder to play. Interestingly, our tests show that within weeks of repeated practice, this neurofeedback technology can significantly improve the player’s concentration and attention skills.” Initial tests have also shown that the SMART® technology was compatible with a number of off-the-shelf computer games and simulations.

Building on these successful results, NASA’s Technology Transfer Center is actively seeking partnerships and collaborations to commercialize its SMART® neurofeedback training system.

The question is: What business opportunities could you pursue with this technology?

The ideas identified would be evaluated by two reviewers. They would evaluate the ideas on the following criteria - innovativeness, feasibility, desirability and alignment with user need and for each of these dimensions the reviewer would give a score on a scale of 1 to 7.

Data Analysis

The study intends to compare the difference between no emotion and shame, so ANOVA will be used to compare whether significant differences exist between control and treatment groups, for the dependent variables.

**Contribution**

Because shame is an intense emotion felt at the time of failure leading to avoidance behaviour, it has been always studied in the context of a negative emotion which has no potential usefulness. But recent studies have found that shame does lead to productive outcomes (De Hooge et al 2008, 2011, Cibich et al 2016). It leads to increase in creativity (González-Gómez & Richter, 2015), better advice taking (De Hooge et al 2014), etc. Recent findings show that shame is also sometimes linked to more constructive approach orientation to failure (Leach & Cidam, 2015). If the cause of failure is reparable then shame causes high activation, otherwise it is a low activation, avoidance causing emotion (Leach & Cidam, 2015). We go with this theory and claim that in early stage entrepreneurial process shame can cause positive outcomes.

So our contributions are validating the theory proposed by Leach & Cidam, (2015) as well as providing a novel perspective to the influence that shame has in entrepreneurial context.

**Implication for practice, if any**

The expected results are that shame should behave as a high activation, approach motivation emotion in the process of early stage entrepreneurship. Existing studies look at the negative effect of shame and have been studied either as fear of failure or post failure. Our study would show that instead of trying to avoid shame one can put it to use productively.

**Conference Track**

Business Creation, Early Stage Development and Business Closure

**Presentation**

Working Paper

## Gender and Enterprise

#### Gender and Enterprise

#### Time: 9:00 - 10:30

#### Date: 15th November 2019

#### Location: Northumbrian

### 64

### The Influence of Gender on Environmental Entrepreneurship: A Systematic Literature Review

Gizem Kutlu

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**Abstract**

Drawing on a systematic review of the key literature, this study develops a conceptual framework for studying the influence of gender on environmental entrepreneurship in women led SMEs from developed and developing countries. Among the grand societal challenges, climate change, air-water pollution and insufficient energy are seen as major problems all over the world. Regarding to these environmental problems, movements towards environmental entrepreneurship have increased rapidly (Harini and Meenakshi,2012). Therefore, for many SMEs especially in developed countries green entrepreneurship is a competitive advantage because it does not only help exploit existing markets more effectively, but it also allows to explore new markets. Moreover, the action of SMEs towards environmental issues might help solve global environmental problems by contributing the society as a whole and balancing the economic and environmental goals within business activities. This supports some of the United Nation’s Sustainable Development Goals, such as decent work and economic growth and responsible consumption and production for better and more sustainable future. In this vein, contributing to solving environmental problems and creating economic value in terms of environmental entrepreneurship lead to sustainable entrepreneurship where societal and environmental problems are solved and aligned with business activities. Therefore, costumers are likely to reward companies which are socially and environmentally responsible. Environmental entrepreneurship is conducive to companies and the society which forces companies to make more commitments in terms of environmental entrepreneurship (Sumathi et al.,2014). Environmental entrepreneurship in SMEs has become a popular topic for researchers and public policy managers, specifically in terms of managing sustainable development goals. Although there have been many studies on environmental entrepreneurship and sustainable entrepreneurship domain specifically in developed countries (Outsios and Semaab,2017), according to Braun (2010) little is known about the relationship between gender and environmental entrepreneurship especially its relations to sustainable development goals in both developed and developing economies (Kyro,2015). Moreover, recent studies related to gender and environmentalism indicate that women are found more concerned in terms of environmental issues rather than men (Zeleyn et al.,2000, Davidson and Freudenburg(1996). Therefore, the influence of gender on environmental entrepreneurship is a crucial and inevitable topic to interrogate. Hence, this study aims to critically review the relationship between gender and environmental entrepreneurship as a starting point to examining how female entrepreneurs engage in environmental entrepreneurship in developed and developing countries.

**Topic-Aims- Applicability to Conference**

This study is applicable to The Gender and Enterprise track at ISBE. This track seeks to facilitate greater understanding of the ways in which gender affects the entrepreneurship experiences of men and women and the conference will show the requirement for a new type of innovative and dynamic entrepreneurial leadership, this paper is applicable to conference theme. In particular, it will increase the understanding of the relationship between gender and environmental entrepreneurship by strengthening the importance of the commitment to environmental entrepreneurship and its contribution to managing sustainable development goals which is possible with new innovative ways in business activities.

Previous studies reveal that whereas the portion of men to women is higher in commercial entrepreneurship, the portion of women to men is higher in environmental entrepreneurship (Horisch et al.,2017).  According to Zeleyn et al. (2000) it is because women are more expressive, compassionate, interdependent and have strong ethic of care while men are more independent and competitive which affect their business activities. This might also explain why it is found globally, women favour social goals over economic goals while male entrepreneurs focus on bottom-line outcomes and competitive advantage, seeing their goals as an opportunity for leaner business practices and operational savings. Yet, to achieve sustainable development, entrepreneurs should not focus only one side of their businesses like in traditional entrepreneurship where the only profit is to make money. To manage sustainable development goals in environmental entrepreneurship, entrepreneurs should put the social, economic and environmental goals on an equal footing in their business activities (Hoogendoorn et al.,2015).

Since women have been reported to be more engaged with environmental and social issues so far (Zeleyn et al.,2000), it puts female entrepreneurs in the centre of sustainable development which is linked to the protection of ecological systems and resources as the basis of life for current and future generations. Therefore, when the significance of environmental entrepreneurship and its relation to sustainable development goals are considered, there may be a trend that women will be a driving force of environmental entrepreneurship growth which will pave the way for sustainable entrepreneurship and economic growth. However, there are still some factors that inhibit women from being entrepreneurs, such as a lack of finance, gender inequalities, religion concept, limited training, the issue of legitimation and access to professional networks (De Vita et all.,2014). These barriers for female entrepreneurs vary across countries. For instance, the influence of religion can be seen as an inhibitor for female entrepreneurs in East Asia and Pacific Region, while the need for professional training and the role of networking are hinders for female entrepreneurs in Eastern Europe and Central Asia. The solutions to that inhabitations should be examined to bring new perspectives to the difficulties female entrepreneurs face in terms of environmental entrepreneurship. Therefore, the study aims to discover how female entrepreneurs overcome the inhibitors in their way to doing business in developed countries to develop a comprehensive strategy to help female entrepreneurs in developing countries in the area of environmental entrepreneurship by asking two research questions: (1) How can the relationship between gender and environmental entrepreneurship be theorised? (2) How do female entrepreneurs engage environmental entrepreneurship in SMEs in developed and developing countries?

**Methodology**

Since entrepreneurship is multi-disciplinary in nature, there is a need for methods which provide knowledge to be synthesised in a systematic way. Systematic literature reviews differ from traditional narrative reviews because they are more objective, more focused and more accessible. Moreover, there are various articles on Environmental Entrepreneurship, Sustainability and the Female Entrepreneurship separately (Yadav and Unni,2016; Johanna et al.,2017). However, there are few studies about the influence of gender on environmental entrepreneurship and its relation to sustainable development goals. Since the intersection of gender and environmental entrepreneurship is undertheorized, a systematic literature review (SLR) helps identify the gaps in our knowledge of new phenomena and can inform future empirical research. Systematic Literature review will aid to develop robust theoretical constructs by synthesising the existing literature. Also, it will provide an opportunity to use a range of citation databases from different disciplines. In this vein, it will reduce the chance of partial reviews based on only one subject. Therefore, SLR is essential to the gender and environmental entrepreneurship topic.

**Contribution**

This study provides two contributions to the literature on gender and environmental entrepreneurship. Firstly, it provides the first systematic literature review on gender and environmental entrepreneurship topic which will be relatively useful for scholars. In recent female entrepreneurship and environmental entrepreneurship studies, scholars mostly focused on SMEs from developed countries specifically from the USA, however this study will be cross country study where England and Turkey will be compared within the influence of gender on environmental entrepreneurship which will guide policy makers, researchers and entrepreneurs who are interested in environmental issues. Thus, this study theorises the intersection of gender and environmental entrepreneurship which will be a significant progress in entrepreneurship domain for scholars. Secondly, the study identifies the themes with empirical analysis for the understanding of female entrepreneurs’ engagement with environmental entrepreneurship in Turkey and England. I will interview environmentally friendly female entrepreneurs in SMEs in Turkey and England.   Moreover, I will provide a critical reflection on qualitative and quantitative perspective for future research in the area of gender and environmental entrepreneurship which is crucial for scholars in entrepreneurship domain.

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**Conference Track**

Gender and Enterprise

**Presentation**

Working Paper

### 26

### Does Location Matter? Socio-spatial Embeddedness and Entrepreneurial Behavior: A Case Study of Saudi Women Entrepreneurs

Sara Alshareef

King Abdelaziz University, Jeddah, Saudi Arabia

**Abstract**

**Does Location Matters? Socio-spatial Embeddedness and Entrepreneurial Behavior: A Case Study of Saudi Women EntrepreneursAbstract**This qualitative study examines entrepreneurial behaviour looking at entrepreneurs’ spatial location within which entrepreneurial activities are embedded. It employs a comparative study of 3 individual case studies of local, transactional and returnee entrepreneurs who are in or from Saudi Arabia. This study found that women in the three cases shared a particular 'national gender culture' (Elam, 2006) that is pronounced in their natal context. Therefore, this study built a typology of different forms of embeddedness and entrepreneurial behaviour where (1) LEs experience over embeddedness, leading to context-dependent behaviour; while (2) TEs exhibit disembeddedness that produce autonomous behaviour; whereas (3) REs demonstrate reembeddedness that signal adaptive behaviour in the natal context. On this note, this study makes a theoretical contribution by promoting embeddedness as a 'spatial' concept to entrepreneurship research, through considering the spatial location of LEs, TEs, and REs in forming our understanding of entrepreneurial behaviour and activities.

**Aim**

Building on a sociological perspective of embedded social actors and by asking what impacts entrepreneurs’ behaviour and reflexivity in their engagement of entrepreneurial activities? This research aims to utilize our understanding of place and embeddedness to explore how distinctive LEs, TEs, and REs behaviour are towards economic activities.

**Theoretical Approach**

**Embeddedness**

Granovetter (1985)theory of embeddedness explains institutional forces and the role they play on surrounding actors indicating that the choices available to actors are constrained by the institutions they are embedded leading to a threat of sanction or lead to an opportunity and privilege.

Entrepreneurship research has shown the importance of embeddedness for entrepreneurs and their businesses (Thornton, 1999). Different studies focused on different aspects of embeddedness, as there are different ‘levels of embeddedness’ or ‘mixed embeddedness’ in which economic activities and actions takes place (Welter & Smallbone, 2010): Political embeddedness indicates the regulation and boundaries for economic actions (Zukin & DiMaggio, 1990), such as gender-specific formal institution include ensuring equal opportunities for women and men (Welter & Smallbone, 2010). Cultural  embeddedness refers to the collective understanding of the society influencing economic behaviour (Denzau & North, 1994)such as cultural norms and traditions. Anderson (2000)argues the relevance of the social, cultural and political impact on women entrepreneurship. Social embeddedness reflects interpersonal relations and networks (Burt, 2004; Granovetter, 2005; Polanyi, 2001), such as family resources for enabling starting and developing a business (Liao & Welsch, 2005). Therefore, social network enable the identification and recognition of opportunities (Jack & Anderson, 2002). Cognitive embeddedness highlights the ways in which structured mentalities hinds the exercise of economic reasoning and behaviour (Zukin & DiMaggio, 1990, pp. 15-16), such as the type of information institutions provide on particular actions and behaviours influencing the way individuals perceive and process these information  (Dequech, 2003). Spatial embeddedness looks at regional institutional infrastructure (Welter & Trettin, 2006)where location play a role in allowing the entrepreneur to acquire resources and information (R. C. Kloosterman, 2010)or routinize and constrain business expansion and access to resources and information  (Jack & Anderson, 2002; Uzzi, 1997)such as rural entrepreneurs where their entrepreneurial activities are based on the immediate interaction with the rural context setting  (Müller & Korsgaard, 2018). With this in mind, spatial embeddedness encompasses other forms of embeddedness such as social (Welter & Trettin, 2006)institutional (Welter & Smallbone, 2010)and cultural (Spigel, 2013). Family embeddedness perspective where family affect entrepreneurial opportunities and practices (Aldrich & Cliff, 2003). Welter, Brush, and De Bruin (2014)offer gender-aware framework to explicitly address the social embeddedness of women entrepreneurs and the influence it has on their entrepreneurial actions.

## ****The spatial context of women entrepreneurship****

A number of studies have examined the spatial context of entrepreneurship by considering entrepreneurs’ geographical location. The argument stresses on the embeddedness of local, transnational, and returnee entrepreneurs. Local entrepreneurs (LEs) are defined as individuals who are embedded in one context and within one national boarder, where, Transnational Entrepreneurs (TEs) are defined as actors who are embedded in at least two contexts and become socially embedded in the contexts they travel to; and Returnee Entrepreneurs (REs) are defined as individuals who return home after living aboard for a period of time whether for work, education or business (Drori et al., 2009: 1005).

The spatial context of LEs differs from TEs as well as REs. It has been argued that LEs tend to be embedded in a single social structure. Jacks and Anderson (2000)argue that LEs embeddedness is a mechanism where the entrepreneur is part of a local structure, and their businesses are managed and created as a result of entrepreneurs’ embeddedness in a local setting. Their business relates to local opportunities that fits particular market. LEs share the same institutional and cultural characteristics as other individuals, which affect their pursuit of entrepreneurship (Michelacci & Silva, 2007).

In contract, TEs exposed and due to their exposure and mixed embeddedness of diverse cultures, policies, and traditions, they are able to adapt to new ways of doing things. According to Drori et al., (2009) TEs are capable of overcoming constraints that exist in their two localities, as such, they are alert in the sense that they employ appropriate coping strategies with respect to different social structures. Therefore, it is possible to argue that TEs actions are not fixed to one code or system but adapted with respect to the context within which they operate.

As mentioned earlier, REs are individuals “who return home after a period in education or business in another country” (Drori et al., 2009: 1005). REs brings back with them new ideas, experiences, and skills that give their venture competitive advantages. REs’ exposure to a new context allows them to achieve things that LEs cannot achieve, especially when returning from developed to developing/emerging economies filling new unrecognizable opportunities in the home country (Filatotchev et al., 2009).

Building upon this, it is possible to argue that the spatial context provides opportunities as well as constraints for entrepreneurs (Welter, 2011), which indicate differences in institutional context (Zahra, et al., 2014). For instance, issues of gender (see Blackburn & Ram, 2006; Marlow & Patton, 2005); entrepreneurs’ passion and motives to pursue entrepreneurship (Cardon et al., 2012); as well as entrepreneurial perception (Kor et al., 2007) areinfluenced by the context within which women entrepreneurs are embedded. This study argues that considering the spatial contextclarifies the connection between the spatial embeddedness of LEs, TEs, REs and their entrepreneurial reflexivity.

**Methodology**

Entrepreneurship requires close-up analysis where qualitative approach is considered crucial and useful (Davidsson, 2004). By employing a qualitative approach, the study pays a close attention to the institutional (e.g. institutional norms) spatial (e.g. location, geographical environment) and individual (e.g. social, cultural) factors (Terjesen & Elam, 2009).  By conducting semi-structured interviews, entrepreneurs tend to be interested to tell the story of becoming entrepreneurs where the storytelling aspect reveals how entrepreneurs negotiate social construction of their businesses and entrepreneurial activities. Therefore, this study used participant narratives to allow for the exploration of how individual view their surrounding environments (Boje, 1991).

In order to understand entrepreneurial behaviour, this study considered the accounts’ participants give to the context within which they operate including entrepreneurial reflexivity. By reflexivity we mean the process in which individuals express their perception of their choices and behavior in relation to their social and cultural environment (Archer, 2007). By doing so, the study examines entrepreneurial behaviour through inner reflexive deliberation of particular behaviourswith respect to LEs, TEs, and REs and their similarity and difference within the process of reflexivity.

In order to understand entrepreneurial behaviour, this study considered the accounts’ participants give to the context within which they operate including entrepreneurial reflexivity. By reflexivity we mean the process in which individuals express their perception of their choices and behavior in relation to their social and cultural environment (Archer, 2007). By doing so, the study examines entrepreneurial behaviour through inner reflexive deliberation of particular behaviourswith respect to LEs, TEs, and REs and their similarity and difference within the process of reflexivity.

**Findings**

Considering the spatial context in entrepreneurship aids reflection on how entrepreneurs give reasons to their behaviour of entrepreneurial activities.This paper found that the spatial context of women entrepreneurship influences entrepreneurial reflexivity. I found that since local entrepreneurs experienced a single embeddedness in the context within which they operate, their behaviour tend to be **context-centered**. When it comes to transnational entrepreneurs in particular, they experienced  disembeddedness from the home context due to spatial experience in multiple contexts, which made their behavior  **autonomous- centered**. Finally, returnee entrepreneurs became reembedded and their behaviour tend to **adaptive or adapted-centered**. With this in mind, we argue that entrepreneurial reflexivity of LEs (context-dependent centered) are in contrast with TEs (autonomous preferences) and different from REs (adaptive preferences) due to being embedded in single contexts.

**Contribution**

Based on the figure (1), our central contribution is to begin to reconceptualise entrepreneurship as socio-spatial embedded phenomenon. Informed by the location and mobility of the entrepreneur, LEs stress on and conform to the social habitus of normalized behaviour, while TEs are oriented toward the capacity to exhibit new habitus and behaviour, and REs are forced to adaptation and adjustment of behaviour to normalized habits (within the contingencies of the returning context). Such perspective lays the basis for a richer and more dynamic understanding of entrepreneurial behaviour where individuals immediate interaction is embedded in the context within which they operate and where actions, practices and activities unfolds. We refer to this perspective as socio-spatial-relational context parameter where it means that a behaviour that are seen as legitimate and make sense in one field can be seen as illegitimate in another field. For instance, NB choice to avoid going to male dominated area in the home context because she’s a women, might not be as pronounced to women in another context as the case of NA. Therefore, entrepreneurs are individuals who are able to navigate rules and norm with respect to the context within which they are embedded, disembedded or reembedded, which signal internalized knowledge of the field and location in a single or across multiple fields. Nonetheless, these women share in common a particular “national gender culture”(Elam, 2006)that is pronounced in their natal context.

Building upon this, this study emphasizes on the institutional context in providing a unique practical implication for entrepreneurial behaviour of women. Embeddedness is put forward to inspire theory building and enhance studies of women entrepreneurship. With that in mind, policy-maker might benefit from the results of this study in acknowledging the impact of micro-level embeddedness on the entrepreneurial behaviour of women entrepreneurs, therefore, the impact it has on their economic activities. It alert policy-maker of enhancing national gender culture in ways that better support women entrepreneurs in their natal context.

**Conference Track**

Gender and Enterprise

**Presentation**

Full Paper

## International Entrepreneurship

#### International Entrepreneurship

#### Time: 9:00 - 10:30

#### Date: 15th November 2019

#### Location: Locomotion 3

### 232

### The impact of emotions and education on students’ entrepreneurial intentions: Evidence from Nigerian Universities.

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**Abstract**

**Aim and Contribution**

There is shared acknowledgement that entrepreneurship education (EE) enables economic growth and development through the skills developed and actions taken by entrepreneurial agents (Henry, 2015; Rae et al., 2014; Laukkanen, 2010). Indeed, with evidence that EE harnesses individuals’ entrepreneurial potential and aspiration to the comparative advantage of nations (Young, 2014), policy makers have increasingly factored EE strategies into fiscal initiatives (Department for Business Innovation and Skills, 2009; European Commission, 2015). Hence, to better inform policy and practice interventions, further understanding of human learning is essential to convert EE into economic growth.

The theory of human learning posits that learning can be acquired through one or a combination of emotions, thoughts and actions (Jarvis, 2006). In other words, learning is achieved through the embodiment of ‘knowledge, skills, attitudes, values, emotions, meanings, beliefs and senses’ (Lackéus, 2014: 376). However, notwithstanding the aforementioned variables, there are no empirical studies on emotions and this void presents opportunities to extend understanding on its effect(s) on EE programmes (Heidi et al., 2011:65). Investigating this void is pertinent to validating scholars’ view that action-based EE enhances entrepreneurial competencies (Mwasalwiba, 2010; Neck and Greene, 2011; Pittaway & Thorpe, 2012). Similarly, Lackéus (2014: 377) believes that EE imparts ‘knowledge, skills and attitudes that affect the willingness and ability to perform the entrepreneurial job of new value creation through training and development’.

The power of EE has drawn correlations with other theories and disciplines. For instance, on the one hand, the theory of planned behaviour (TPB) has been expounded to demonstrate the influence of EE on building entrepreneurial intent (Krueger & Carsrud, 1993; Fayolle et al., 2006; Karlsson & Moberg, 2013). On the other hand, Lackéus (2014) argues that TPB is limited to the mere identification of already developed entrepreneurial competencies, rather than enabling the development process ab initio. Regardless of the evident connections between EE and extant theories, its theoretical and conceptual perspectives are still at a nascent stage of development (Souitaris et al., 2007). Perceptibly, this is because the body of work explaining the relationship between EE and entrepreneurial intentions is limited (Lorz et al., 2013; Nabi et al., 2018). Consequently, what dimensions of EE have an influence on entrepreneurial intention is a question that remains unanswered (Hamidi et al., 2008).

From the aforementioned, the call for further research about how, why, and when EE can develop entrepreneurial competencies is a timely one (Lackéus, 2014). Following a review of 159 articles on the impact of EE in higher education published between 2004 and 2016, Nabi et al. (2017) have drawn attention to knowledge gaps in EE impact research to move the field forward. In their view, a pressing knowledge gap to be addressed is the impact of EE indicators on emotion and mind-set. Lyons et al. (2015) corroborate that ‘it is not yet clear whether entrepreneurial passion will glean significant results in the entrepreneurship education field’. Furthermore, Nabi et al. (2007) stress the scarcity of EE research investigating emotion-based indicators such as inspiration, entrepreneurial passion, uncertainty and ambiguity tolerance, and dispositional optimism (Souitaris et al., 2007; Crane, 2014; Lackéus, 2014 and Gielnick et al. 2015). On the premise that entrepreneurial behaviours are emotionally-driven (Cardon et al., 2012), the notion is that these indications [inspiration, entrepreneurial passion, ambiguity tolerance, and dispositional optimism] may constitute the missing link between EE and entrepreneurial intention. In light of the above, our study responds to these calls and addresses the mediating role of emotion-based indicators between EE and entrepreneurial intention.

**Methods**

In this study, data were collected from 5 Universities located in Nigeriae. In total, 1314 completed questionnaires were obtained. A local survey company was contracted for this purpose. The distribution was conducted using a team of research assistants and was done on a face-to-face basis. The sampling approach adopted in this study was a non-probability convenience procedure. Measures applied in the study mostly followed previous studies. The proposed hypotheses are tested with a linear regression-based PLS-SEM using SmartPLS 3.27 (Ringle et al., 2016). The focus of this study it to predict entrepreneurial activity through entrepreneurship education and emotions. Hence, PLS-SEM is deemed the most appropriate approach since the latter is the preferred method for prediction (Evermann and Tate, 2016; Hair et al., 2017).

**Findings and Implications**

The bootstrapping performed in this analysis has revealed that entrepreneurship education significantly and positively regulates all four emotions included in this study, namely inspiration, optimism, passion and ambiguity tolerance. Here, the strongest influence was on inspiration, followed by passion, optimism and ambiguity tolerance respectively. On the other hand, the results indicate that only inspiration and passion have in turn a positive and significant influence on entrepreneurial intention, while surprisingly, ambiguity tolerance hold a negative yet weak effect. Although relatively similar, it can be argued that passion has a slightly greater influence on entrepreneurial intention than inspiration. Lastly, the proposed model was able to explain 20% of individual’s entrepreneurial intention. Regarding the indirect effects, passion and inspiration were found to partly mediate the link between entrepreneurship education and entrepreneurial intention. Such findings hold important implications for entrepreneurship educators. Here, entrepreneurship programmes should be designed in a way to regulate students’ emotions especially inspiration and passion, which were both found to be significant influencers of entrepreneurial behaviour. Extra-curricular activities such as guest speakers could be used for this purpose.

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**Conference Track**

International Entrepreneurship

**Presentation**

Full Paper

### 134

### Contextualisation of Culture in Entrepreneurs' Activities: Evidence from Jordan

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**Abstract**

Objective:

Phenomenography is used as a methodology to investigate the way entrepreneurs contextualise cultural factors in Jordan and the Middle East.  Through their narrative, in this empirical study we capture the variation in entrepreneurs’ performance within the same country and within a region that shares the same cultural values.  The findings show common factors but different ways through which entrepreneurs deal with these factors.  We reveal that the variations in practice are determined by the narrative perspective through which entrepreneurs attempt to contextualise these factors and their implications for their activity.  We argue that, through phenomenography, we were able to capture the variation in the role of culture, in what may seem a homogenous environment.  Phenomenography offers a new lens through which we can see the idiosyncratic nature of the entrepreneurs’ actions and skills in contextualising culture.  Our research captures the embeddedness of cultural factors in relation to entrepreneurial activity.  Finally, we explain how phenomenography can be used to capture the narrative of entrepreneurs and how this can help extend our understanding of the culture as a contextual factor.

Keywords:  entrepreneurship; context; Jordan; phenomenography; culture, Middle East

**Entrepreneurship and the role of culture:**

The field of research in entrepreneurship has focused on entrepreneurship’s contribution to society, whether economically (Schumpeter, 1993); socially (Davidsson, 2003); through “double sociality”, i.e. both influencing and being influenced by society (Steyaert and Hjorth, 2006), and in terms of who is the entrepreneur and what makes an entrepreneur.  In addition, the role of culture has been presented as influencing the social acceptance of who can be an entrepreneur, and the role of the ecosystem in encouraging entrepreneurs and entrepreneurial activity (Welter et al., 2011). For example, previous research has examined the risk taking propensity of entrepreneurs and how desirable these behaviours are and how they contribute to innovation in comparison to cultures that promote and encourage conformity and control over entrepreneurial behaviours (e.g. Hayton et al., 2002; Herbig and Miller, 1992). The approaches used to understand the role of culture in the entrepreneurial activity have tended to depend on a separation of entrepreneurs and culture into two separate entities, examining how entrepreneurs influence culture and how culture influence entrepreneurs and entrepreneurial activity (Aldrich and Kim, 2007; Caputo and Dolinsky, 1998; Smallbone and Welter, 2001; Welter, 2011).  Previous research on culture has focused on comparing the cultural factors between different countries or minority groups (Autio, 2008; North, 2005). In this study, we focus on culture’s impact on two key individual factors: firstly, on the role of culture in entrepreneurial activity, from the market and client perspective; second, on entrepreneurs’ self-efficacy and the skills on how they contextual and respond to the identified cultural factors.  We suggest that the perceived cultural contexts are idiosyncratic and vary among entrepreneurs in terms of their influence on entrepreneurs’ activity.  We conduct this research in Jordan, with the aim to capture the variation among entrepreneurs who work in the same country within the same environment.

**Methodology:**

We adopt an interpretive perspective, and a narrative approach, to conceptualise how entrepreneurs contextualise the cultural factors.  In this, we capture how individuals and their worlds are inextricably related through their lived experience (Husserl, 1970; Schutz, 1967), thus the world as experienced cannot be separated from the individual.  Furthermore, human reality is socially constructed through individuals’ actions, negotiations and agreement (Berger and Luckman, 1966) and based on that we can say that our understanding of reality is formed through social interaction (Crotty, 1998).  Hence, the interpretive perspective in this research will help us understand how entrepreneurs contextualise culture and how they act.  This provides us with the narrative perspective that is lacking in current attempts to contextualise entrepreneurial activity. Our aim is to capture the variation in entrepreneurs’ understandings of their lived world and not to seek to “generalise”. Phenomenography is suited to this aim of capturing how individuals understand specific aspects of reality and how this understanding provides the basis for their action, specifically the variation in the different ways they understand the same part of reality which forms the basis for their actions (Marton, 1981; Marton and Booth, 1997).

**Findings:**

The narratives of the entrepreneurs have highlighted different relations between the role of culture their entrepreneurial activity and performance.  The different stories told have presented the different cultural factors entrepreneurs deal with.  These can be:

* Identity and self-efficacy, which can influence entrepreneurs through prioritising meeting expectations but also in limiting creativity and product diversity
* Perceptions towards the entrepreneurial activity.  This influences the performance and the identity of the entrepreneur.
* Although opportunities are available and realised by the entrepreneurs their activity is being compromised based on social and cultural factors.

Entrepreneurs at different stages of their activity have contextualised the different factors within their environment and their influence on their activity.  These factors have direct impact on their identity; their product and their reputation.  Previous research has captured the importance of the socio-cultural norms at the nascent stage, especially in respect to entrepreneurs’ initial decision whether to embark on their activity or not (Hopp and Stephan, 2012), in this research we examined how the cultural factors affects the product, content and entrepreneurs’ meeting social expectation.  Their experiences varied but they all shared the same determination and motivation to make a success of the decision of becoming an entrepreneur.

In this study we have identified the different ways through the narrative perspective and story telling the entrepreneurs performance in relation to the country and region’s culture.  The context of culture goes beyond the identity, opportunity recognition and innovation.  It affects product content; the activity entrepreneurs engage in (e.g. gambling games) and their position in the market as local entrepreneurs who share the same values.  In this paper we have explored the informal socio-cultural norms also known as the codes of conduct, beliefs and values (North, 2005).  This paper emphasises the strong relations between social and cultural practices and values, contrary to what was argued in previous research that the cultural practices and values are negatively related to each other (Fisher, 2006; Javidan et al., 2006; Hope and Stephan, 2012).  This paper has confirmed the strong relation between social-cultural values and their influence on the entrepreneurs’ practices especially in meeting clients’ expectations and in the design of their products.  Further the paper addressed the strategies entrepreneurs adopt to gain market share as the social perceptions towards them in comparison to international providers affects their pricing.

**Value/Implication**

Through phenomenography we have captured the different narratives the entrepreneurs articulated to explain the challenges, skills and experiences involved in achieving their goals.  Entrepreneurs demonstrated self-efficacy and their understanding and knowledge of the region, market, family and clients’ needs and expectations in this cultural context.  Culture plays an important role and entrepreneurs contextualise its influence through their skills and experiences.  Entrepreneurs showed self-efficacy through their decision making to start their activity and continue with it despite negative family and social perceptions.  Through their narrative we have learned about the different strategies they adopt with the cultural values and factors in their environment, in consistent with goal setting theory (Locke and Latham, 1991; 2002; 2004).

In this study we captured the variation in entrepreneurs’ experiences and skills within the same environment and within the same country.  Phenomenography has allowed us to capture the differences where we might expect “sameness” (Welter et al. 2018).  This is important to emphasis that contextual factors can’t be generalised as entrepreneurs contextual these factors based on their own understanding and experiences hence the idiosyncratic nature of context.  Understanding these factors from the entrepreneurs’ own narrative can help us understand the factors that influence most their activity and further influence policies within their environment.

**Conference Track**

International Entrepreneurship

**Presentation**

Full Paper

### 52

### Access to Finance, Entrepreneurial Orientation and SMEs Businesses in UAE: A GABEK Analysis

Hajer Zarrouk1, Laura Galloway2, Mohamed Sherif3, Teheni El Ghak4

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**Abstract**

1. **Topic, Aim  and applicability to the conference theme – ‘SPACE - exploring new frontiers and entrepreneurial places**

Small and medium-sized enterprises (SMEs) account for over 95 percent of firms and 60 percent-70 percent of employment and generate a large share of new jobs in OECD economies. They have specific strengths and weaknesses that may require special policy responses. As such, the importance of the SME sector cannot be underestimated, yet the sector remains underexplored in countries outside of the western context. To make some contribution towards addressing this, the current paper contributes some information from an emerging economy, the United Arab Emirates (UAE), comparing it with another non-western economy, Singapore, which is at a more mature stage of market-based development.

In the UAE, SMEs significantly contribute to employment and enhance entrepreneurial developments, which ultimately promote economic growth. The basic question of what determines SMEs performance in emerging markets therefore is clearly an empirical question of some importance, not the least in the UAE.

The theoretical construct, entrepreneurial orientation (EO) (Miller, 1983; Lumpkin and Dess, 1996) is increasingly attracting attention of both academia and policy makers. Several studies have pointed out a positive relation between EO’s dimensions, proactivity, innovation, competitive aggressiveness, risk-taking and autonomy, and SMEs performance. Sherif et al. (2018), find similar, but demonstrate also that the, link between entrepreneurial orientation and firm performance is more complex than a simple direct impact, with autonomy a capstone dimension upon which the other dimensions rely. Access to finance also influences EO’s dimensions and business performance.  In fact, one of the main obstacles that have been highlighted over the years is lack of access to financial services, particularly from formal institutions (both banks and nonbanks) in emerging economies. In the UAE, this has prompted policy interventions, but the financial sector is still incomplete and the effect of the socioeconomic environment on the EO of SMEs remains unclear.

This research explores the continuing obstacles SMEs in UAE face in their activities, and particularly the major limitations in financing. Available secondary data shows that banks in UAE are an important source of funds for the SME Sector. However, the UAE doesn’t have a good track record of bank funding for SMEs businesses compared to regional and global norms; about 4 percent of system-wide bank loans in the UAE are directed towards SMEs (International Finance Corporation, 2018) against 22 percent in the OECD advanced economies. In response, in April 2014, the Federal Government introduced a new Law (No.2) (“SME Law”) that seeks to support SMEs wholly owned by UAE nationals and consequently The Emirates Development Bank asserted a target of at least 10 percent of its annual financing  be assigned to SMEs. Furthermore, new regulatory measures, including a bankruptcy law, are introduced and in force, and commercial scoring on the Al Etihad Credit Bureau was launched to enhance banks’ access to data on SMEs. Despite these measures though, according to Baby and Joseph (2016), the banks are still reluctant to provide financing to SMEs. Some financial institutions have even terminated and closed their SMEs’ business department.

Recently, alternative funding channels have become increasingly popular in recent years. For example, crowdfunding is a relatively new concept. In 2016, [Dubai Financial Services Authority (DFSA)](https://www.dfsa.ae/MediaRelease/News/DFSA-launches-Crowdfunding-Framework) set up a regulatory framework for loan and investment-based crowdfunding platforms, considered the first framework of its kind in the region. In addition, the UAE’s Securities and Commodities Authority (SCA) has announced plans to launch a platform, similar to crowdfunding, to finance SMEs. Global loan-based crowdfunding is expected to reach more than USD 300 billion; and global equity-based crowdfunding is expected to exceed USD 93 billion by 2020. Indeed, crowdfunding is gaining ground with SMEs for various reasons: (i) attractive rates of return; (ii) diversification of risks and; (ii) relatively smaller levels of investment across a diversified portfolio. In line with this, the UAE’s leading [peer to peer lending platform, Beehive](https://www.beehive.ae/), launched in November 2014 providing a new funding service to assist SME’s in the region.  Within this framework, Invoice Financing is available to ease cash flow issues for established SME businesses. Firms will be able to list invoices that are due within 60 to 120 days and receive cash within 24 to 48 hours at rates starting from 0.75 percent per month. Beyond banking, other sources of SMEs include funding programs (Dubai SME and Mohammed bin Rashid Fund for SMEs, Khalifa Fund, and Tejar Dubai), and venture capitalists. However, options are not aplenty in the UAE context.

Both Morgan Stanley and Poor Dow Jones classify UAE as an emerging economy, defined as a market-based economy but with incomplete institutional structures in which to conduct business. At the same time, while the UN similarly classifies UAE as emerging, it also classifies it as high income (i.e. a wealthy nation), and both the World Economic Forum and Global Entrepreneurship Monitor classify it as innovation-driven. UAE itself strives to strengthen its economy by strategic policy aimed at encouraging diversification and innovation as a long-term alternative to reliance on oil. With good levels of wealth, much diversity, and a decades-old policy of encouraging in-migrant labour (90 percent of the populations of Dubai and Abu Dhabi are expatriated, for example), there is a pioneering quality to the economic environment. Correspondingly, UAE has a high rate of start-up at 7.8 percent, compared with the average 6.9 percent for innovation-driven economies worldwide (El-Sokari et al. 2013). High incomes and education rates further combines to encourage and facilitate innovation. Despite this, UAE SMEs still face severe limitations compared with other countries, particularly in financing.

To contribute some knowledge, this study examines UAE SMEs’ access to finance and analyses the multi-faceted relationship between access to finance, entrepreneurial orientation, and performance. More specifically, the study analyses financing lacuna factors and the hurdles that SMEs face when trying to source funding, and explores interventions needed to help SMEs overcome financing and other hurdles.

1. **Methodology**

To explore the experiences of owning and working in a small firm in UAE, the research adopted a qualitative approach using interviews as the primary source of data capture. Following protocols for qualitative interviewing advocated in Stake (2010) for example, interviews were semi-structured and conversational and based on a broad interview guide that referred to the dimensions of EO and financing as themes associated with the business environment. The semi-structured interviews assist participants to discuss their experiences in their own words, and encourage themes not pre-anticipated by extent knowledge to emerge. Subsequently, a total of 27 business owners representing 24 firms in the UAE capital of Abu Dhabi participated in the research. These interviews are recorded, transcribed and analyzed with the help of the GABEK-toolset (“GAnzheitliche BEwältigung von Komplexität“- Holistic Processing of Linguistic Complexity © Josef ZELGER, Innsbruck) to analyze the qualitative data by developing networks, causalities and relevancies from linguistic data. The main strength of GABEK® is grounded in its accuracy generated though a rule-based framework: defining text units and criteria, basic linguistic coding, evaluation of expressions (associations) and the connections of these (causalities). GABEK® requires non-numerical linguistic data obtained through open or semi-structured interviews with respect to a given phenomenon of interest. It takes the qualitative and quantitative nature of textual data into account. It aims at gaining a comprehensive view of the experiences, perceptions and knowledge of the interviewee and puts a special emphasis on the data analysis phase. Results generated can identify relations, evaluate options, set objectives, and recognize trends.

1. **Contribution**

* Findings

The research found that financial autonomy, enhanced through  both personal financing and availability of external finance sources, is a critical to support the EO dimension of autonomy, both of firms and of their staff to ‘own’ and develop business activities. In particular, the other EO dimension of risk-taking is stymied by lack of funds with which to take commercial and market opportunities. With several negative side effects of using debt and the shortage of financial products generally, autonomy and risk-taking are compromised. Since autonomy is central to the ability of the other dimensions to develop, the other components of entrepreneurial orientation such as innovation are also stifled at the firm level. However, our findings also indicate that when an innovation strategy is pursued and adopted, access to finance can be facilitated, either through financial institutions or through other governmental funding programs attracting high potential innovators. Furthermore, the analysis of interview data indicates that financial barriers, difficulties accessing bank financing, and legal issues have a detrimental impact on SMEs growth directly or indirectly through EO dimensions. The closer look at financing services, government policies and grants that have affected the growth of SMEs in Singapore highlighted the key developments in SME and entrepreneurship finance. The comparison with UAE provided an overview of trends, strategies and best finance practices that might be applied to improve SMEs access to finance in UAE.

* Originality/value

It is obvious that there are very few studies that focus on the Middle Eastern economic context,. Hence, the study contributes to the current literature by investigating the impact of financing decisions on promoting EO and small business performance in a Middle Eastern country. This paper has implications for policy-makers in emerging countries, and in the UAE in particular, specifically in terms of informing about new sources for financing SMEs and establishing a strong financial sector. It also sends a signal for lending institutions to consider strategies that provide access to key and affordable financial products and services to satisfy SME needs. Following strategies developed in other regions, such as Singapore, the paper suggests some reforms that might be of use in the UAE context. While Singapore and UAE are different propositions geographically, socially and culturally, it has become common place to compare, contrast and benchmark UAE with Singapore, including by bodies such as the Chicago Council on Global Affairs city ranking, the World Bank’s Doing Business Index, and the World Economic Forum Global Competitiveness Index. These reports have brought into focus the common similarities shared by these countries.

1. **Policy Implications**

Contribution to EO theory is made in this paper, illustrating how autonomy plays out centrally in SME strategies and where it is compromised, the adverse effect it can have on other EO dimensions. The paper also contributes some much-needed qualitative data on SME operations outside of the western, developed economy context. The key findings presented in this paper also offer insights for the public, governments, regulators and policy makers interested in SMEs in emerging market setting, and in UAE in particular. With regard to improving access to funding in particular, our findings have important implications for investors in general, and those in Abu Dhabi who seek to encourage and support businesses, particularly as a long-term alternative to oil-based economic outputs.

**Conference Track**

International Entrepreneurship

**Presentation**

Full Paper

## Social, Environmental and Ethical Enterprise

#### Social, Environmental and Ethical Enterprise

#### Time: 9:00 - 10:30

#### Date: 15th November 2019

#### Location: Locomotion 2

### 293

### Exploring meanings and the self of ethical entrepreneurs: a case of corporate community engagement within the SMEs in UK

Nattida Srisaracam

University of Westminster, London, United Kingdom

**Abstract**

**Title: Exploring meanings and the self of ethical entrepreneurs: a case of corporate community engagement within the SMEs in UK**

**Introduction**

This paper provides a brief preview of some work in progress on the self-concept as a means of moral motivation in relation to, namely, ethical entrepreneurs. The study aims to explore the multidimensional self of the UK entrepreneurs through their ethical entrepreneurial practices, to examine the role of moral identity manifested in corporate ethical decisions within the micro, small and medium-sized enterprises (SMEs), and to identify the meanings and functions of corporate community engagement. The self is viewed from both psychological and phenomenological perspectives of how entrepreneurs in the UK have experienced ethical and/or unethical business practices; and to what extent the self has shaped or has been shaped decisions on ethical and socially engagement for enterprises, especially the SMEs.

**Applications to SPACE – new frontiers theme and Expected contribution**

The study has discovered that apart from actual self and ideal self that are crucial to help an entrepreneur to develop a sense of moral affecting ethical business decisions, the social self and moral identity should be emphasised during their self-development and entrepreneurial learning processes. From this standpoint, it extends the characteristics of entrepreneurs and their cognitive thinking to be included moral identity (e.g. fairness, caring, giving, trustworthiness, and honesty) and the social self (e.g. complying with social standards, culture, and inclusion into society). This sheds some light to new frontiers of entrepreneurial moral psychology. It goes beyond philanthropy where enterprises and entrepreneurs are socially responsible agent, namely ethical corporate citizenship. Hence, this study has brought entrepreneurship research closer to ethics in addition to the extant literature. The remaining work (phrase two) will be exploring further in this study to examine the mechanisms and processes of mora self, moral salience, and ethically corporate community engagement.

**Research context**

Entrepreneurship has been seen as a multidisciplinary subject (Landström, 2005). Entrepreneurship research has diversely drawn from that of the economist (e.g. Say, 1855; Kirzner, 1973; Castro et al., 2004), of the sociologist (e.g. Aldrich and Waldinger, 1990; Portes et al., 2002), of the accounting and financial theories (e.g. Beatty, 1993; Kaplan, 1984; Chemmanur and Paeglis, 2005); of the psychologist (e.g. Begley and Boyd, 1987; Simon et al., 1999), and anthropologist (e.g. Pessar, 1995; Bletzer, 2003). With its complexity, many related concepts have been studied in relation to entrepreneurship such as “change management, innovation, environmental turbulence, product development, individualism and meaningfulness” (Bjerke, 2007, p.73). Herein, this paper brings psychological viewpoint to deeper investigation through individualism (i.e. ethical entrepreneurs) and meaningfulness with respect to notion of ‘self’ and ‘moral identity’ – based on moral psychology.

The self-concept is rooted in psychology but has been treated from different points of view and disciplines; these include sociology (Kaplan, 1986), psychoanalysis (Freud, 1923, 1946; Erikson, 1968), philosophy (Sartre, 1957), marketing-consumer research (Grubb and Grathwohl, 1967; Siry, 1982), and entrepreneurship (Poon and Ainuddin, 2006). However, this study sees an opportunity to extend the self-concept theory to the SMEs and entrepreneurship context.

To take the self-concept further in the areas of ethics and entrepreneurship, the relevant literatures are reviewed: the moral agency through social cognitive identity theory – that is moral identity (e.g. Aquino and Reed, 2002; Reed, 2002; Bandura, 2007; Weaver and Agle, 2002; Vitell et al., 2009), moral salience (e.g. Stets and Carter, 2011), social entrepreneurship (e.g. Mort et al., 2003; Peredo and McLean, 2006), and moral motivation and ethical decision-making in relation to entrepreneurship (e.g. McVea, 2009; Antadze and McGowan, 2017).

**Research Methodology**

Research methodology for this study is based on deeper layered reality that reflects upon the multidimensional self and entrepreneurial ethical practices. It upholds being in the world paradigm (Crotty, 1998), in which the self including possible selves and other self-related elements are explored around its contextual meanings and real enterprise experiences. In so doing, the study adopted the qualitative, existential phenomenology inquiry by conducting semi-structure (in-depth) phenomenological interviews with three SMEs entrepreneurs in UK (i.e. one interview from Hertfordshire and two interviews from London), through purposive samples serving for the initial findings. The participants in this study are entrepreneurs, operating their business in the UK and importantly who have been involved in social/community engagement (behavioural element) and concerned about ethical/unethical corporate practice (psychological element).

Data collection aims at description of the phenomenon, meanings, actual enterprise experiences, and its contexts. In-depth interviews are semi-structured which allow some flexibility for researcher to ask other questions that emerge from the conversation. In this study, it focuses on meanings through the self of an ethical entrepreneur, moral identity as motivation, and emerging meanings of ethically social enterprise (through a case of community engagement of the SMEs). The interview data was gone through data contextualisation that involves the inferential process (Spiggle, 1994) and hermeneutic circle (Thompson et al., 1994), and this is called ‘interpretation phenomenological analysis’ (Smith et al.,2008; Moustakas, 1994). With this data analysis approach, the study has produced an exhaustive description that explains essence of experience.

**Initial findings**

The self has played a significant role of moral and ethics in the entrepreneurs. Different dimensions of self (e.g. actual self, ideal self, social self, and moral self) have shaped the way the entrepreneurs developed their businesses and importantly how they have engaged themselves in the community. There is an interrelationship between the self (that is actual self and social self), moral identity, and corporate community engagement practice as well as other ethical business decisions – for instances, charity involvement, skill-based volunteering, free-of-charge open classes/workshops for community. Interestingly, the study found that upbringing and closed environment has impacted on how entrepreneurs defined the term ‘ethics’ and ‘being ethical’ to their lives in general and particularly within the enterprises. To some degree, religion plays the role to help the person develops and enhances morals and ethical decisions in business. One of the participants described that corporate community engagement is the outlet for him (Sam) to have a sense of social bond that he lacked from his childhood: “I like community feeling and being part of our society […] when I was a young lad, I was quite shy and timid so that led me being bullied and isolated from friends. Since I have my own business I feel this is the place that I can be involved, give good things to people and at the same feeling contented […] people take me in and I feel like I now have quite a family.” (Sam).

Therefore, at this stage of the findings there is some emotional and social involvement within processes of the self and community engagement. Whereas, morality and personal values are underpinned when the entrepreneurs encounter some ethical dilemma and make ethical business decisions in the light of social well-being.

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**Conference Track**

Social, Environmental and Ethical Enterprise

**Presentation**

Working Paper

### 115

### Accelerating Impact Funds flow into core portfolios for Social enterprise.

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**Abstract**

Topic: Accelerating Impact Funds flow into Core Portfolios for Social Enterprise.

This paper has been written as an application and further development of the paper presented to the 2017 ISBE Conference held in Belfast. It elaborates and reports on the application of the FRS model in two Australian communities where significant social impact is happening. The first is the Yarrabah Aboriginal Community in Far North Queensland and the second is at Learmonth a rural community in Central Victoria a southern Australian state.

The paper presents the need for social enterprise and impact broadly in the light of the United Nation's Sustainable Development Goals, and more specifically in the context of the issues facing these two communities and communities more generally. The model is scalable and is of relevance for enterprise and community development and as such can meet the conference theme of Space, currently depressed or vacant, being filled through innovative methods of measuring and obtaining a financial return as well as a social return on investments.

The major point of this paper is that Impact Investment funds can be placed by institutional investors from within their core portfolio and these can earn a Financial Risk adjusted Relative Cash return as well as a Social return. (FRS) The two applications within the communities are prototypes to demonstrate that that Social Return is significant using measures that create a financial quantum on the social determinants and outcomes, as well as the financial returns. There are many existing measures of Social Impact, and through a Literature survey over 180 of these were discovered as applicable. However while they may be accurate for the specific purpose of measuring social outcomes they do not monetise as a return on investment.

This paper asserts that the flow of funds into core portfolios can be greatly accelerated by the application of a fractal approach to the design and measurement and enables modelling which include the integration of Financial, Risk and Social parameters, (FRS).  The Fractal methodology is applied along the Value Chain by measuring the Value Contribution of each Entity Fractal within a Value Envelope along the chain. This approach drives innovative offerings for community development and social enterprise to be funded by the financial institutions who can demonstrate that they meet their accountability and  duties to members and shareholders.

The Yarrabah application has been developed and is currently being applied after extensive community consultation, involving the Leadership Group of the Community Forum, the Town municipal council, the Traditional owners through their Proscribed Body Corporate, and leaders and community members from various operating entities such as the Health Centre and sporting clubs.. The series of community forums, identified five pillars for community sustainability. Namely; Health, Education, Law and Order, Tourism and Housing.  These are totally interdependent, in that poor housing, with up to fifteen individuals in a small home and a housing waiting list of seven hundred people, causes youth the "live on the street" creating vandalism and law and order issues. When combined with high unemployment, and poor diet, health and education issues emerge.

The FRS model has identified entrepreneurial and enterprise opportunities in each of the pillars and is developing investment instruments and opportunities for institutions within the Financial Service sector.

The Learmonth project involves the redevelopment of a closed and unused school building, purchased from the government, and developing them as a Cider manufacturing and education enterprise. This will be own by the community with financial returns being reinvested into community projects. Community support is strong and the project has been funded by a small number of local Impact Investors, who are committed to the rebirth of the small community. The local area has a number of apple orchards and local orchardists will send their apples to the project for manufacture, or brewing into Cider products. The local community benefits from the increased tourism, employment, hospitality and financial support for local groups.

The paper is an applied practitioner approach to implementing the FRS model. While there have been difficulties experienced to date, these have not been due to the model, but external factors such as  delays in planning and other permit applications. However the  process in both locations, has given positive affirmation that the model is valid, relevant and can be applied and is scalable in other locations for application in other locations. A particular identified application and being applied within Yarrabah is for the monitoring of Chronic Disease.  A framework for investment in interventions to deal with improved social outcomes, while producing good financial returns for service value chain providers, insurers and  governments..

**Conference Track**

Social, Environmental and Ethical Enterprise

**Presentation**

PowerPoint Presentation

### 152

### Proto-institutions, Sustainability and SMEs: A Systematic Literature Review

Raees Aslam, Richard Blundel, Aqueel Imtiaz Wahga

The Open University, Milton Keynes, United Kingdom

**Abstract**

**ISBE Conference 2019**

**Abstract**

**Topic**

Proto-institutions, Sustainability and SMEs: A Systematic Literature Review

**Applicability to the Conference Theme**

This paper is a part of a wider study examining the role of proto-institutions in advancing environmental practices in SMEs, with a particular focus on Pakistan’s textile manufacturing sector. Environmental degradation is a prime global concern and economies around the world have established formal institutions of various kinds, such as legislative and regulatory bodies at national and local level (usually ministry of climate change, the planning commission, provincial environmental protection authorities) to address this issue (Klewitz et al. 2012; Wahga et al. 2018). But, parallel to these formal institutions are the ‘proto-institutions’ that are also working on achieving environmental sustainability targets. Proto-institutions relate to all those practices, technologies and rules narrowly diffused and weakly entrenched but that have potential to become institutionalised (Lawrence et al. 2002). Proto-institutions can comprise national, regional and international bodies like Cleaner Production Centers, World Wildlife Foundation, Associations of Manufacturers and Non-Governmental Organisations. Provisionally, subject to the outcome of a complete systematic review, the literature can be categorised into different streams including: ineffectiveness of formal institutions, rise of proto-institutions, role of intermediary organizations, environmental capabilities of firms, internal and external barriers to adoption of environmental practices in SMEs, impact of feedback from final product market, ethical position of owner manager and strategizing of SMEs for economic profits. For some SMEs, compliance to environmental practices helps in business growth whereas for others it adds into the cost (Revell and Blackburn 2007; Simpson et al. 2004; Wilson et al. 2012). Similarly, some owner-mangers have personal drive to adopt environmental practices whereas others lack it. The adoption of environmental practices by SMEs is mainly constrained by lack of finance, lack of knowledge, un-skilled labour, rise in cost of production and ethical demotivation (Del Brìo and Junquera 2003; Parker et al. 2009; Schaper 2002; Tilley 2000). These constraints are broadly moderated by ineffective institutions and incompetency of firms to strategize for economic gains. There is evidence to suggest that proto-institutions can help SMEs to overcome such constraints by imparting skills and knowledge through training and collaboration (Battaglia et al. 2010; Klewitz and Hansen 2014; Ortolano et al. 2014). Broadly, this study belongs to the ‘social, environmental and ethical enterprise’ track of the conference.

**Aim**

This study aims to provide a systematic review of literature and synthesize the debate on role of institutions (formal as well as informal), in the adoption of environmental practices in SMEs by undertaking a multi-level analysis. Also, this study intends to construct an integrated theoretical framework of institutions, SMEs and sustainability.

**Methodology**

At this early stage of the project it is expected that this paper will systematically review the studies published, tentatively, over last 25 years including peer reviewed articles from Science Direct, EBSCO, Emerald, ProQuest entrepreneurship, JSTOR, Scopus, Wiley Online Library, SAGE Journals, Google Scholar and the grey literature. After scoping of the literature, the search strategy will be designed to collect relevant articles by using Boolean logic. The search strategy will be divided into different streams; stream comprising overall literature on the topic; stream comprising variety of theoretical foundations used in studies and a stream comprising various methodologies used in the relevant studies. The search results will be obtained by using various key terms (for example, sustainability, entrepreneurship, formal institutions, informal institutions, small and medium enterprises, non-governmental organizations, community organizations, corporate social responsibility, environmental practices, institutional theory, stakeholder theory, institutional entrepreneurs, social capital, sustainable development, circular economy, environmental economics, small firms argument, mixed methods research, primary research, secondary research, case study design, survey based studies, qualitative study, quantitative study, focused group discussion, semi-structured interviews). The search strategy will be followed by data evaluation strategy in which a study is deemed relevant or irrelevant at first stage by reading the abstract followed by analysis of scope and design of the study. The inclusion and exclusion strategy will be made transparent to remove the biasness of researcher. Only those articles will be included which would be relevant to the broader research question of this study. A systematic analysis will be conducted to extract themes/dimensions in the existing literature which will be synthesized at latter stage. The synthesis strategy includes combing different themes / constructs in a meaningful way to develop a theoretical framework and highlight gaps in the existing literature proposing new areas for investigation.

**Contribution**

The literature on reasons for emergence, coexistence and impact of proto-institutions on adoption of environmental practices in SMEs is relatively thin. The existing body of literature is dominated by research on developed nations that is generally quantitative in nature and lacks observations on underlying reasons for different observed phenomena. Also, the country and industry specific literature is relatively thin. The review recommends further qualitative or mixed methods-based enquiries at policy level for a better understanding of the role of institutions, environmental practices and SMEs in developing countries and industry specific context. Tentatively, this study will contribute to the existing stream of knowledge by synthesizing the debate on role of proto-institutions in making SMEs environmentally responsible. The study will provide multi-level analysis of existing literature on the subject under research. Also, this study expects to explain the evolution of proto-institutions as well to designing a theoretical framework which will integrates proto-institutions, sustainability and SMEs dimensions in developing countries context.

**Implications for policy**

The analysis of this paper can impact SME policy; environmental policy and policy related to institutional settings. Potentially, this research paper can feed into different policies by highlighting critical factors that may bring changes to the existing settings of policies in a way that SMEs become more likely to adopting sustainable practices; public institutions become more effective in environmental protection; public organisations help to promote the development of proto-institutions and achievement of sustainable development goals.

**Implications for practice**

This paper highlights multiple findings including factors affecting SMEs in becoming environmentally responsible, reasons for ineffectiveness of formal institutions and role of stakeholders. These finding can potentially help entrepreneurs and stakeholders (formal and informal) in improving their efforts and practices to protect the environment at large.

**Keywords:** Institutions, Proto-institutions, SMEs, Environmental sustainability

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**Conference Track**

Social, Environmental and Ethical Enterprise

**Presentation**

Working Paper

### 113

### Role of Government in Promoting Social Entrepreneurship among Young Students: A Case Study of Indonesia

Arun Sukumar, Zimu Xu, Richard Tomlins, Kelly Smith, Muhajir Pramitra

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**Abstract**

•    Topic

Social entrepreneurship is associated with the contemporary phenomenon in which the socio-economic development of a company takes place by finding solutions for social problems (Zahra and Wright 2016). As social enterprises address social issues and government is the main responsible entity to address such issues such as unemployment, it is likely that both entities must collaborate for effective solutions to address the social issues. On the other hand, evidence indicates that compared to other age groups, young people are more likely to join in a social enterprise (Ho, Clarke, and Dougherty 2015). The underlying reason is that they can earn a living while supporting various social causes that they have a passionate for and they get more job satisfaction. Young people are more likely to care about world and environment and make efforts towards betterment of the society. However, they also face significantly more barriers to become entrepreneurs such as lack of financial resources, skills and experience. Support from government and involvement of youth community are likely to have positive impact on the promotion of social enterprises in any economy such as Indonesia.

There has been a rise in social enterprises in Indonesia. Therefore it is important to analyse factors that play a positive role in the promotion of social enterprises in this economy. The role of government and youth in social enterprise sector has been identified as one of the positive factors in other countries, particularly European countries. Thus, this study aims to assess the role of Indonesian government in promoting social entrepreneurship among youth in Indonesia.

Indonesia is considered to be a populous country which has been facing a myriad of social and economic problems (Anggadwita and Dhewanto 2016). It has been fervently debated whether the government of Indonesia has a significant influence on training and education of social entrepreneurship (Idris and Hijrah Hati 2013). The debates on this issue have been related to low level of government’s involvement due to which the progress for the development is relatively slow. The case study analysis conducted by Wiguna and Manzilati (2014) stated that in Indonesia, the dominant and leading form of employment has been considered as within nonformal sector. Non-formal sector is the one which is not controlled by the government (Latchem 2014). In particular, social entrepreneurship in Indonesia has a main focus on the micro-enterprises. Traditionally, as said by Roth (2014), small business in non-formal sector of Indonesia has been characterized by the primary methods of production and has a limited access to capital and market which has led to the underdevelopment of the social entrepreneurship sector.

In many of the developing countries, while facing many challenges, social entrepreneurship has been the reason for achieving popular support for the government in the society. However, Razafindrambinina and Sabran (2014) stated that in developing countries like Indonesia, social enterprises have been exempted from the taxes which challenges government’s involvement in the development of social entrepreneurship. Nevertheless, the government of Indonesia has created a regulatory framework for social entrepreneurs in order to support the mission of social entrepreneurs and for gaining socioeconomic development in the country. Thus, this study aims to assess the role of Indonesian government in promoting social entrepreneurship among youth in Indonesia.

•    Applicability to the conference theme – ‘SPACE - exploring new frontiers and entrepreneurial places

It is applicable to the conference theme as it addresses the role that government which is an important and powerful player in supporting enterprise activities. Moreover, the shared insights and lessons from a particularly place, Indonesia, may then inspire academics, policy makers and practitioners to address their challenges in other localities.

•    Aim

The research aims at assessing the role of the Indonesian government towards the promotion of social entrepreneurship among young students. In order to achieve this aim, four objectives have been identified: investigate current status of social enterprises in Indonesia; critically assess the willingness of developing social enterprises among young students in Indonesia; investigate the role of government in promoting social enterprise among students in Indonesia; provide recommendations in improving government’s role in promoting social enterprise.

•    Methodology

This research comprises both primary and secondary data in addressing the research objectives. Existing academic and industry literature was reviewed in understanding both social entrepreneurship broadly and in Indonesia specifically prior to primary data collection. Quantitative method was adopted in acquiring first-hand data. 100 usable responses were collected through Bristol Online Survey. A serial of statistical analysis were then performed.

•    Contribution

This research provides further insights on Indonesia as a populous country with a myriad of economic and social challenges. The study seconds the opinions of Idris and Hijrah Hati (2013) that the Indonesian government can play a significant role in training and educating young people and promote the concept of social entrepreneurship in order to reap both social and economic benefits from this phenomenon. The research contributes to the current understanding of the various support that social entrepreneurs need and the importance of Indonesia’s non-formal sector. In particular, it highlighted that government can and needs to play a key role in supporting the sector. While designing a set of effective and tailored policies in promoting youth entrepreneurship and social entrepreneurship is challenging, government should utilise the strengths of public, private and civil society for the benefit of the region. A set of recommendations were also presented.

•    Implications for policy

The paper derives a set of policy recommendations in promoting social entrepreneurship among Indonesia’s young people. First of all, it is key for government to not only raise social issues but also promote the impact and benefit of social enterprises in the Indonesia society. Effective strategies involves actions like utilising the strengths of all stakeholders and promoting success stories (Wilson and Post 2013). Secondly, it is important for government to understand that the development of an entrepreneurial culture is a long-term task. Thus, government can incorporate appropriate entrepreneurship education in school curriculum as Lombard (2014) finds that such early intervention has a positive impact on their willingness to undertake entrepreneurial activities. Moreover, a sustainable ecosystem needs to be developed to provide support and services beyond a short term. It is key to engaging all stakeholders in the ecosystem. In particular, private sector involvement is what guarantees the motivation and perspective of self-sustaining development for these new businesses. In addition, the government should also facilitate alliances between entrepreneurs and established companies to favour the scalability of new businesses (Base et al 2014). Other recommendations include the measurement and monitoring the process and providing necessary support such as financial support.

**Conference Track**

Social, Environmental and Ethical Enterprise

**Presentation**

Full Paper

## Business Support, Strategies and Practice

#### Business Support, Strategies and Practice

#### Time: 9:15 - 10:30

#### Date: 15th November 2019

#### Location: UTC: 103

### 142

### Fostering graduate entrepreneurship within Arts and Humanities: Spaces for Wales

Adam West1, Kathryn Penaluna2, Shelley Doolan2, Alan Waldron2

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**Abstract**

**Topic**

This case study from south Wales explores how universities and the private sector are providing co-working spaces and business incubators with the support of the Welsh Government (WG) to promote and stimulate graduate self-employment.  Graduate businesses contribute to an enhanced local economic milieu, in turn fostering local economic growth. The paper is based upon research carried out in summer 2018 as part of a European Union (EU) wide, Erasmus+ funded project aiming to enhance graduate entrepreneurialism as a response to falling opportunities appropriate for graduates from the Arts and Humanities disciplines (Arts and Humanities Entrepreneurship Hubs – AHEH - 2019).

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

By exploring regional efforts to foster a more entrepreneurial local economy in the face of falling graduate opportunity and vulnerable geographical areas, this discourse provides practice and policy implications for the multiple stakeholders designing and developing co-working spaces. This paper would fit particularly well under the Business Support, Strategies and Practice theme of the conference.

**Aim**

Policies aiming at encouraging and supporting entrepreneurialism are commonplace across the EU (Hoare and Corver 2010, World Economic Forum 2009). There are two distinct aims within this research. Firstly, to present the characteristics of graduate entrepreneurs as seen through the eyes of those operating co-working spaces and the effect of the ‘massification’ of higher education (King 2000, Boden and Nedeva 2010) upon graduates and the workplace. Secondly, the paper aims to identify the characteristics for the establishment and success of a co-working space or ‘hub’ within a geographical context.

**Methodology**

This case study (Yin, 2018) explores qualitative data obtained from those responsible for managing nine diverse co-working, incubator and accelerator spaces, within South Wales.   Whilst such spaces are observed to be difficult to define (Bone et al 2017), they mostly offer some combination of desk space, support, training opportunities and networking with co-located fellow entrepreneurs, micro clusters (Capdevila, 2013).

Informed by a literature review that encompasses entrepreneurship amongst graduates and the interplay between academia and politics, a thematic analysis is applied (Bryman 2015), with a social constructionist epistemology (Jacobs and Manzi, 2000).

**Contribution**

In highlighting the characteristics which typify graduates when they enter the workplace, specifically shared-space or co-working environments, the discourse has the potential to inform policymakers, academics and those operating such facilities to understand and more effectively support their target and potential users. It discusses the characteristics of the region in which such a facility is located and how these can affect the success of the facility. It offers observations and guidance for those charged with the creation of these facilities, and the subsequent implications for further and higher educational institutions.

**Implications for policy, if applicable**

Entrepreneurialism forms a significant part of WG economic policy and this is common to many jurisdictions across the EU. This article will form a small part of a larger body of research in the area which will help policymakers understand the issues and challenges faced by nascent entrepreneurial hubs. This will in turn help to inform effective policy decisions in the area by forming part of an evidential base for such decisions.

**Implications for practice, if applicable**

This paper’s contribution will also be of interest to those seeking to start up or understand entrepreneurship hubs. The paper will be useful to such individuals based in academic institutions as well as those in the private sector. The paper adds to the knowledge of what is increasingly becoming and important field of activity.

**Keywords**: Entrepreneurialism, regeneration, regional development, graduate employment

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**Conference Track**

Business Support, Strategies and Practice

**Presentation**

Full Paper

### 238

### Mainstreaming gender diversity as a form of business support

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**Abstract**

**Topic**

This paper reports on findings and key learning from a business support project piloted to mainstream gender diversity early in an SME’s development of systems and structures and linking it specifically to strategies for growth and expansion. The authors co-designed, delivered and evaluated the project through a practitioner-academic partnership whereby research and practice informed each other through knowledge exchange. The Innovation SuperNetwork is a “network of networks”, bringing together over 60 partners and more than 5000 businesses to increase innovation, collaboration and business growth in the North East. It aims to create the space to explore fresh ideas with innovative activity.  In this project, the Network’s Executive Director collaborated with an academic from the Leadership Development and Organisation Futures team at Newcastle University Business School.

**Applicability to Conference Theme**

The paper is applicable to the conference theme because we were exploring a new frontier in business support for design-led change in SMEs, which put gender diversity at the heart of strategies for growth and expansion. We created a variety of collaborative spaces to address the need to change systems and structures to accelerate gender equity in the workplace, highlighting the business and investment opportunities that this represents.  In doing so, we tackled a fundamental problem of both SMEs and business support providers ignoring or treating gender diversity as an add-on or extra activity rather than a growth opportunity.

**Aim**

The project started from the research position that gender inequity is a structural problem that people can begin to address by becoming aware of patterns of unconscious bias, and skilled in addressing its re-production in everyday conversations and systems (Burkinshaw et al, 2018). The pilot project aims were: to identify ways to address gender bias in growing sectors in the North East of England; to develop a tailored programme of workshops to initiate long-term change in gender bias in targeted businesses; and to analyse and disseminate learning from the project to develop similar programmes and scale up the project’s impact for the benefit of regional growth and expansion.

**Methodology**

The project followed action-learning principles that people learn best about work-based problems by tackling current work challenges together in real-time and asking insightful questions of each other.    In phase one, Innovation SuperNetwork offered a free workshop to SMEs on unconscious bias.  We created three distinct and complementary roles to facilitate action-learning (Hale, 2012).  As mobiliser, the Innovation SuperNetwork Director influenced key sponsors and supporters to back the initiative, generated commitment for the action-learning process from within and outside SMEs, enabled others to see how action-learning relates to organisational strategies and systems, and managed political and organisational barriers. An independent learning set adviser designed and facilitated a half-day workshop for mixed gender whole teams in SMEs. Her role was to raise team members’ awareness of their group and learning processes, role model action-learning behaviours such as insightful questioning, to agree actions and reflectionsand to help the group work independently in the future. The academic from Newcastle University Business School operated as a learning catalyst, building the capacity of SMEs to learn from real-world experience, ensuring individual learning generated organisational learning, and supporting the expansion of learning across networks and over time.  Two SMEs undertook the workshop and fed back their experiences of the process and learning.

In phase two, we designed a dedicated “Women in Innovation and Diversity” strand at VentureFest in October 2018 to share and spread insights from the project and create regional growth opportunities.  VentureFest is the largest innovation practice conference in North East England with over 700 attendees in 2018. The strand included a diversity and unconscious bias keynote theme with speakers from the Women’s Economic Imperative, the Intellectual Property Office and Newcastle University followed by a panel discussion featuring SMEs who took part in the project and larger organisations.  This was followed by a practical and dynamic peer-to-peer learning session to learn and share good practice, and network with like-minded companies and individuals. The session included delegates from international large, medium and small businesses in the region.

**Contribution**

This paper describes the contribution that the project made to involving and developing regional business support for SMEs through mainstreaming gender diversity.  Over the course of a year, the project supported the development of a regional ecosystem of large, medium and small organisations actively working to develop gender equity in the workplace linked explicitly to strategies for growth and expansion.

**Implications for practice**

Implications for practiceare thatthe project generated interest and energy for both the SME workshops and at VentureFest, even in the context of some defensive processes.  Selling the benefits of gender diversity to the bottom line of an SME business is critical.  The recruitment for SMEs proved to be challenging and although the invitation was framed explicitly that the training would be non-judgmental and beneficial to SMEs, five types of responses were received.  Some companies were keen to participate, others provided no response or this is not for us; gender and diversity fatigue; others claimed to be best practice already pointing to their statistics and ratios;or we cannot afford the time to undertake half day workshop.

SMEs engaged in action learning and made concrete system changes, even when preaching to the converted.  Participants understood unconscious bias rapidly and easily related to their own context with multiple examples.  SMEs have an advantage over larger workforces as their close, face-to-face working relationships can make conversation about unconscious bias easier to establish, share examples and solutions. Through our action-learning research we found that suppliers of HR and recruitment solutions may be creating bias for SMEs through unconscious bias in language used in conversations with potential candidates.  Therefore, we recommend that SMEs review recruitment literature and/or how HR and recruitment agencies position them.

VentureFest allowed the regional to be understood within a global perspective with unconscious bias as an anchor point in participants’ lived experiences.  Larger companies are willing to share with and learn from SMEs, and were an untapped resource for collective action.  Collaboration and knowledge exchange are central to rapid scaling up of impact**.**Men and women maintain constructions of gender together, so mixed gender involvement was key.It was important to change individual behaviour and work systems to tackle gender bias. In conclusion,we recommend that gender is mainstreamed into all business support programmes.

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**Conference Track**

Business Support, Strategies and Practice

**Presentation**

Practitioner Paper

### 279

### Towards a sustainable university led system of support for MSMEs: A focus on the West Midlands region

Tom Williamson, Joan Lockyer

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**Abstract**

**Applicability to the conference theme:**

This paper explores the university as part of the ecosystem of business support for MSMEs in the West Midlands. While the concept of ‘space’ is open to interpretation, in the context of this study it is viewed from two perspective: firstly, the individual entrepreneurial universities as discrete spaces and secondly, the regional context of the West Midland as an overall shared space inhabited by MSMEs. The distances between these spaces is often mediate through various policy initiatives, which aim to create economic sustainability (Marrewijk 2003, Pojasek 2007, Samujh 2011) and growth in the region through its MSMEs (Martins & Mawson 1980, Gibbs 2000, Lundstrum et al 2014). This research explores the effectiveness and impact of policy as a mechanism for mediation and the viability of policy as a mechanism for ongoing sustainability and growth (Ham & Hill 1993, Hart 2003, Huggins & Williams 2009).

**Aims**

The research aims to determine if a model can be developed to create sustainable business support for MSMEs that is not dependent on ‘public’ funding as a keystone. This paper examines the national and regional business support agenda; the support needs of MSMEs; the role of universities in the provision of business support, and the needs of public funding bodies with regards to economic sustainability and growth of MSME’s in the West Midlands region.

Whilst the findings are therefore expected to focus on the West Midlands, they are compared with secondary data and theoretical frameworks in order to establish the relevance of the findings to other regions. The research aims to contribute to knowledge through the development of multiple case studies and the development of a conceptual framework for a sustainable system of university led MSME business support. The framework and analysis aims to consider the experiences, challenges and opportunities from a range of stakeholder’s perspectives and from these propose a sustainable support system. This contribution to literature provides a unique perspective for both practical application and for the research community to utilise further.

**Methodology**

This interpretivist study utilises semi-structured interviews with key post holders in West Midland’s universities. Within the West Midlands there are 12 universities, comprising:

* 2 Russell Group universities (chartered around the beginning of the 20th century)
* 2 Plate Glass universities (chartered after 1966)
* 8 New universities (chartered after 1992, some former Polytechnics)

In addition to the exploration of the secondary data sources identified, four universities were identified for participation in the study; their selection was based upon achieving a representative mixture of university classifications from across the region, as well as a geographic spread throughout the region in order to address any micro-economic circumstances. Participants from these universities were identified, from both the professional networks of the researcher and the publicly accessible data from the institutional websites, with efforts made to ensure that a blend of university leaders, senior managers, and managers were interviewed from each institution. Four employees were approached for interview at each institution with a minimum unobjectionable sample size of two staff members from each institution being acceptable for consideration and analysis, the difference primarily being due to scheduling availability. The aim was to conduct between eight and sixteen interviews with a range of perspectives reflected from the various institutions. Through this understanding, the research intended produced a series of outcomes and identifiable trends, which in turn facilitated the creation of the conceptual model for business support, which is discussed in this paper.

**Contribution**

The research demonstrates the role of funding as the ‘keystone’ within the support system of the region and proposes a range of options to support providers, governments and the MSME community in order to address and re-balance the current in-balance in funding provision. It highlighted systemic challenges within the tripartite relationship between Business, Universities, and Governments. Most noticeably these are a lack of broad research by the support providers who tend to focus only on data that support their bids;  ; a lack of flexibility within the public funding to address local support needs for the MSME owners (see also Devins et al 2005); a lack of dedicated, long term, enterprise strategies within the HEIs in order to ensure sustainability; a short term focus for policy and economic stimulus interventions which result in a very fragmentary support delivery and, despite clear demand and trust from MSME owners, there remains confusion about the provision of support from Universities in a constantly evolving market place.

The deep insights of the semi-structured interviews identify the needs and motivations of universities with regards to MSME support. This study will position these insights against the policy framework in the UK and West Midlands region, particularly against the issue of the longevity and sustainability of policy interventions. Together with the secondary data analysis of policy motivations and requirements this provides an opportunity to analyse the causal links between the stakeholder groups in unison. With a basis in the triple helix (Etzkowitz, 2008) and Spiral Dynamics (Beck & Cowan, 1996), the primary output of the study is the construction of a sustainable framework for university led MSME support taking into account the needs and motivations of Universities, the needs of the MSME community and the objectives of policy makers with regards to economic development.

**Implications for policy and practice**

The framework revealed by this body of work provides recommendations to government funding agencies, and universities themselves, to provide sustainable solutions for MSME support either through revisions to the public funding model, or though more commercial models of financing the activity. A hybrid model could be offered with a combination of public and commercial funding activities if there is not the appetite from government to engage in such a process. Alternatively, a fully commercial model is proposed within the framework offering support provision as a “freemium” model. In order to address the confusion addressed in the literature review (Drever 2006, McLarty 2005) and the MSME data, a more coherent approach to marketing and branding of support provision is needed. Current funding models (most noticeably ERDF in this study) require each project to be branded and operated as a unique proposition, however for the end user this creates unfamiliarity and a lack of consistency. University providers should be able to create a strong, sustainable, brand in order to gain a reputation amongst their MSME community. As the various schemes of funding evolve, they would not be required to develop new project names or identities, simply to achieve the specified targets of that funding agreement.

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**Conference Track**

Business Support, Strategies and Practice

**Presentation**

Full Paper

### 3

### The Rationale for Business Incubation by Local Government - Rotherham's Example.

Martyn Benson

Bradmarsh Templar Ltd., Sheffield, United Kingdom

**Abstract**

**The Rationale for Business Incubation by Local Government - Rotherham's Example.**

**Topic:**

A fuller description of the topic is: The Rationale for Local Government Operated Business Incubation - the Rotherham MBC Example.

The paper is a case study - that begins with a description of the background events that led to the local authority, that is Rotherham MBC, first becoming involved in 'business incubation'. The case study then moves into the establishment of the first 'business incubation centre' and then the on-going development, in Rotherham, of the 'incubation' model - before finally ending with the addition of 'business acceleration' to the portfolio.

**Applicability:**

The applicability to the theme of the Conference is because properly operated 'business incubation' provides significant benefits to new and early stage small businesses - i.e. enterprises. Furthermore, the providers of support at good 'incubators' will have full awareness of the need for business owners to be genuinely enterprising and will communicate that ethos to their clients.

**Aim:**

The aim of the case study is to demonstrate how a local authority operate a successful  business incubation operation that can:

* 'kick-start' business development in a 'run-down' area and/or ...
* increase the speed of development in a developing area
* provide genuine benefits to its client businesses and thus to the local economy
* assist local businesses that are not actually 'on-site' clients
* generate local awareness of 'enterprise' and 'enterprise' opportunities
* not be a 'drain' on public finances

**Methodology:**

As part of the introduction, the case study defines 'business incubation' & 'local government', then it is a chronological review of the operation of 'business incubation' by Rotherham MBC - commencing with the local economic scenario of the 1990s (the catalyst for the project). Then the review moves through the design and instigation phases before covering the support aspects of the process from 2000 to 2018.

The initial 'business incubation centre' was, after evaluation, followed by further units and that development process is detailed.

The case study also recounts policy decisions made before and during the 2000 - 2018 period plus provides information about other aspects of the business support policy and practice in South Yorkshire from the 1980s until 2018.

**Contribution:**

Local authority operated 'business incubators' are comparatively rare operations in the UK and commercial operators [naturally] guard details of their operations very closely. That means that the amount of information available to local authorities considering setting up 'incubators' or considering taking over [failing] 'incubators' is limited and not readily accessible.

Whilst this case study deliberately does not (for reasons of sensitivity) cover the day to day operations of  incubation centres or the local government financial regimes, it should provide potential local authority entrants to the sector, Government and academia with very useful information.

**Implications for Policy & Practice:**

The implications for policy arguably fall into two categories:

* those for local and central Government

In recent years, local government in the UK has faced increasing budget constraints and reduced EU sourced funding but as demonstrated by RiDO, 'incubators' can act as 'kick-starters' for economic development or faster economic development. Local authorities wishing to become involved in 'business incubation' will, therefore, need to provide even greater justification for investment in 'incubators' and examples of successful 'incubation' operations will need to be part of submissions to elected members, Government departments (e.g. BEIS and DCLG)  and other  'funders'.

Should the UK leave the European Union in 2019 (or even 2020) then EU sourced

funding will obviously become totally unavailable to local authorities. It is too early to know which political party will be in power in the UK in 2021. However, whatever is the the political scenario then; The 'funding packages' used to initiate and provide 'early days' support will need to be re-thought and again as much positive supporting information as possible will be needed in business cases for investment.

* those for commercial operators of 'incubators'

Commercial operators of 'incubators' naturally have a profit motive. That can mean that in areas where it is difficult to achieve rent levels that provide what is felt to be an adequate level of profit, they will choose not to provide incubation . If they choose not to accept lower revenues (but still generating profits), in locations where local government operations can successfully cover costs and have an adequate positive margin, then that is their policy decision.

The implications for practice:

The case study does not show that everything in the 'business incubation' operations ofRotherham MBC was totally successful. Changes in Government policies at national and regional levels gave rise to difficulties that might have been mitigated or avoided by even greater use of a 'what if' style of project planning. Similarly, but not really the fault of the local authority, expectations of the demand for export support from clients was initially over-optimistic after the project's original scope was reduced by outside interference.

However, the case study does reflect the major successes - over an 18 years period - of what can be achieved by a well conceived and well run 'business incubation' operation. The way in which the project was successful - in terms of outputs and financial probity over the period - can be argued to be an example of 'best practice' and one that other local authorities could potentially view as an exemplar.

**Conference Track**

Business Support, Strategies and Practice

**Presentation**

Case Study

## Entrepreneurial Practitioner Learning

#### Entrepreneurial Practitioner Learning

#### Time: 9:15 - 10:30

#### Date: 15th November 2019

#### Location: UTC: 101

### 169

### Fostering the Small Business as a Learning Organisation.

Antonia Koumproglou1, Konstantinos Biginas1, Peter Wyer2, Shaun Bowman3

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**Abstract**

Over recent years, the concept of the learning organisation has received a mixed reception - perceived by many commentators as an unachievable professed panacea to organisation development but progressively refined toward working model by others. One could indeed argue that the absence of a commonly accepted definition of just what constitutes a learning organisation perpetuates these differences in standpoints and certainly is likely to be a key factor in any attempts to win over those with disdain for the concept.

In the main, the notion of the learning organisation has evolved and developed with large organisations in mind. Certainly as long ago as the 1990’s the work of Alan Gibb highlighted how small businesses embrace characteristics commensurate with a learning organisation and suggested opportunity to treat them as such. Since then further research has touched on such opportunity but one can argue that rigorous and concerted consideration of the application of the learning organisation concept in the small business has not been pursued to its full potential.

This paper in focusing upon the potential utility of the notion of the learning organisation in a small business context addresses this void - and in so doing is ‘exploring both new frontiers and entrepreneurial places’. Our weaving, from our own research and the works of other commentators in the field, of emerging strands of contemporary business insight into an amalgam ‘big picture’ of small business understanding leads us into a new ‘space’. In particular with regard to the critical and essential role of resilient entrepreneurial learning in the sustained development of small enterprises, how small enterprise entrepreneurial learning differs from traditional modes of learning and the potential role of a small business learning organisation form in the effective nurturing of that small enterprise entrepreneurial learning.

**The Aim of the Paper:**

To demonstrate the potential for fostering growth-seeking micro enterprises and small businesses into learning organisation form

**Methodology**:

The perspectives and findings within this paper derive predominantly from own innovative qualitative case study investigation into small business strategy development processes and an action research-based ‘partnership working’ with growth-seeking small businesses in the undertaking of strategic development assessments.

The foundation of the research approach is that of epistemological bootstrapping whereby relevant areas of the small business, strategic management, entrepreneurship and entrepreneurial learning literatures are examined alongside small business practitioner insight to provide a ‘field review’ and  end of review conceptual framework. The conceptual framework then informs the design and approach to the subsequent case study investigation and/or action research.

Conceptual framework refinement is an ongoing process in the light of findings within progressive episodes of our research and partnership working with owner managers and from relevant areas of emerging understanding portrayed within the literature. Both the subsequent episodes of research and our approach to strategic development support are in this way incrementally adjusted and enhanced in accordance with our own ongoing learning.

The propositions within this paper thus build out of rich, thick insight that we have unfolded during   twenty years plus research into and strategic development support of growth-seeking micro and small enterprises in the developed economy context of the UK, the developing economy contexts of Malaysia and Ghana and the transitional economy context of Russia.

**Contribution:**

Within this paper we progressively draw upon and integrate key dimensions of our small business development understanding and complementary literature-based insight to make our case for nurturing the small business as learning organisation.

We commence with demonstration of how the external environment within which small businesses must strive to operate is not only highly uncertain but also steeped with change situations that are predominantly unknowable and unpredictable. Such an environment precludes the use of rational long term planning modes of management and places great emphasis on the small business owner manager [and key workforce] strategic learning capability .

The relevance and complexity of this requisite learning ability is then reinforced through the highlighting of how small businesses are not only constrained by limited resources and management ability but also through the facing of potential unique problems that are owner manager- or size-related. Certainly small businesses are also endowed with possible advantages of smallness of operation but such benefits are not absolute, have to be earned and are often crowded out by size-related problems.

We then give emphasis to the inappropriateness and effectiveness of many traditional management vehicles and tools for the small business, including the large company orientation of such tools and failure to address the idiosyncrasies and informalities of small business management processes - and how this compounds the challenge of coping with the vagaries of the external operating context.

Central to our thesis is how the combination ‘unpredictable environment-small business make-up‘ highlights the need for small firms to learn their way along - and thus the central role of effective and ever more resilient learner as source of competitive advantage and thus of survival and growth.

The paper thus proceeds to consider the need for nurturing of small business owner manager entrepreneurial learning capability, but highlighting that entrepreneurial learning is different from other forms of learning and that frequently this is not fully recognised in design and development of small business support provision.

Offering creative small enterprise conceptualisation, we contend that micro enterprises and small businesses can be treated as having an own ‘natural make-up’ [including distinct organisational, managerial, developmental and relational characteristics] that within more progressive growth-seeking small enterprises lends itself to the fostering of entrepreneurial learning and for many such enterprises an orientation toward a learning organisation mode of operation. A tendency to a more trite and traditional conceptualisation of the micro and small enterprise has seen those involved in small business support provision not fully capitalising on developmental potential in this respect, and in the main choose to ignore opportunity for application of the notion of the learning organisation as a key facilitator of business growth.

Throughout the paper, we utilise our own version of Personal Construct Theory [PCT] to make explicit the complexity of small business owner manager strategic learning process and aid in demonstrating the nature and form of integral learning actions and activities that make up effective entrepreneurial learning in growth-achieving small enterprises. We conclude with further utilisation of PCT in informing the framing of a typology of ‘best small business entrepreneurial learning practices’ and the proffering of a working model of small business as learning organisation capable of informing progressive owner managers.

Returning to the theme of this Conference. It can thus be said that it is the creative integration of the insight and perspectives derived over time from our ongoing studies of and working with small business that leads us into new ‘spaces’ of opportunity to develop innovative conceptualisation of the notion of the learning organisation as a key vehicle in facilitating sustained development of growth-seeking small businesses.

**Implications for Practice**:

The paper provides working frames of reference with regard to:

How growth-achieving small businesses learn their way along within hostile and unpredictable external operating environments

Good entrepreneurial learning practices and activities within a small business development context

How growth-seeking small businesses have natural characteristics, infrastructures and idiosyncrasies that lend themselves to such entrepreneurial learning practice. And how that entrepreneurial learning can be fostered and enhanced through the progressive nurturing of the small enterprise into a more formal learning organisation form

A framework of characteristics, behaviours, perspectives, actions and activities that provide operational parameters capable of guiding growth-seeking owner managers toward a small business learning organisation mode of operation

**Implications for Policy:**

There are key messages within this work for policy makers and those involved in small business support. Growth-achieving small businesses demonstrate rigorous and effective entrepreneurial learning capability, willingly and ably utilising a diverse range of learning practices and activities. Whilst these learning activities and the associate interface with the sources of that learning can be construed as learning organisation-type practices, few if any of the  nation’s body of successful growth-achieving owner managers have heard of the notion of the learning organisation. There is thus great potential to elevate the learning organisation concept to centre stage in the approach to management training and support provision for more progressive small enterprises and within such as Accelerated Business Growth Programmes in particular. Currently, much of the design and delivery of small business support does not adequately recognise and act upon how entrepreneurial learning differs from traditional forms of learning. Recognition of this and of the potential to mould many of the characteristics, informalities and idiosyncrasies of small business into a learning organisation mode of operation can help facilitate build-up of an ever more effective and resilient small business learning capability which is so crucial to developmental success in today’s highly uncertain external environment.

A specific example of policy implications in this context surrounds the issue of developing support provision for purpose-driven ‘impact’ start-up and existing small businesses. A key role of finance providers is to assist both new start-up enterprises and existing ongoing businesses in terms of supporting projects pursued by those businesses that are intending to have real impact on society and local communities. By way of example, Danske Bank ‘seeks to help entrepreneurs grow their impact on society’.

In an attempt to help purpose-driven start-ups maximise their impact, Danske Bank is developing a new digital hub as a first step in a wider Bank initiative ‘to create a connected ecosystem consisting of purpose-driven start-ups, expert volunteers, corporates and investors’. This is a laudable example of a bank seeking to use their role as a leading financial partner to identify and address key challenges that are facing contemporary society.

Integral to the Danske Bank approach is the issue of ‘Potential to Scale’. In effect, this raises the premise of need for selective focusing or filtering process in the approach to allocation of support and development finance to impact-intending start-ups or existing small impact businesses. The Danske Hub attempts to identify an ecosystem in the form of purpose-driven start-ups and key associate stakeholders and actors and bring together all the ecosystem actors as a mentor platform – one key aim here is to match the purpose-driven start-ups with mentors to help them address their challenges.

Current thinking on sitting Impact businesses as central actor in an ecosystem is commendable - but it falls short of drawing upon small business development knowledge bases such as proposition within this paper which portray the small business as a potential ‘learning organisation’. In short, the small business consists of an array of internal and external relationships - which could and should be treated as a ’learning circle’. Successfully growing small businesses learn from a multitude of social, contractual, transactional and informal relationships and interfaces with their many internal and external stakeholders. To maximise the social and environmental impact of purpose driven small businesses [and of course the development of conventional growth-seeking small enterprises that are not particularly impact oriented], opportunity can be seized to manage them and treat them as ‘learning organisations’. Such conceptualisation brings with it a key message – learning between the small firm and its stakeholders should be mutual and reciprocal with the learning a clear two-way process. For example, a small business owner manager needs to know the processes, actions and behaviours required of it by its potential investors; but the investors should also become conversant about the challenges faced and development needs of the small business itself.

In summing up, positing, treating and fostering the growth-seeking small business as learning organisation has high potential for ultimate achievement of growth. Policy initiatives and support provider activities will be informed by understanding of what constitutes effective entrepreneurial learning practices and how the small business has organisational, developmental, management, relational and infrastructural characteristics that can be anchored in to facilitate and drive that learning. The small business is treated as the hub of its own learning circle spoked to co-stakeholders where each can participate in reciprocal learning, gaining mutual understanding of their specific developmental needs and challenges.

**Conference Track**

Entrepreneurial Practitioner Learning

**Presentation**

Full Paper

### 171

### Senior Entrepreneurship through the lenses of a Pre and Post Retirement Dichotomy: The role of Need satisfaction and Work engagement on Entrepreneurial Intentionality

EFTYCHIA PALAMIDA1, FIONA WHITEHURST2, DESPOINA XANTHOPOULOU3, SAVVAS PAPAGIANNIDIS2

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**Abstract**

**Abstract**

As the world population birth rates are falling and life expectancies are rising, the overall demographic structure of societies is becoming markedly older (Weber & Schaper, 2004). With life expectancy rates at all-time highs many retirees are thinking about how to fill their sunset years (Heath, 2008). Current social, health and economic changes reveal that conditions in retirement and pensioners diversify from traditional ways as involvement in post-retirement work become increasingly important (Weckerle & Shultz, 1999). Previous empirical studies have distinguished between various profiles of retirees where bridge employment is seen as a motivated choice in the context of general retirement transitions (Gobeski & Beehr, 2009; van Solinge, 2014; Wang, 2007; Wang and Shultz 2010).

Scholars (Kenny & Rossiter, 2018; Loretto and White, 2006) argue that undoubtfully entrepreneurship in later life constitutes an integral part of inclusive entrepreneurship, yet seniors are missing a privileged approach mainly due to age discrimination.  Indeed, Kolvereid (2016) in his work indicates that age is shown to have no statistically significant effect as a predictor of entrepreneurial activity. In contrast, Kautonen, Down and Minniti (2014) considers age as crucial in entrepreneurial entry and question the conventional wisdom that entrepreneurial activity declines with age.

The decision to engage in entrepreneurial activities diversifies across the life course as an individual’s abilities and skills may increase over the life course (Bönte, Falck, & Heblich, 2009). In this sense, individuals in retirement include greater levels of experience and skills, possess superior personal networks and stronger financial assets (Weber & Schaper, 2004). Despite the problems that aging may cause to individuals, retirees have the advantage to possess diverse forms of capital necessary in the venture creation process and can be considered as potential entrepreneurs especially in our growing services economy which relies more on knowledge than physical prowess and the increasing acceptance of home-based and part-time business operations which allows people to start and operate a business at very low cost (Weber & Schaper, 2004). Moreover, considering that entry into self-employment requires investment of diverse forms of capital or potentially placing current or future retirement assets at risk (Zissimopoulos & Karoly, 2007) and that less risk adverse individuals are more likely to start new firms (Kihlstrom & Laffont, 1979), individuals in retirement are more likely to enter entrepreneurship as with age risk aversion decreases (Booij & van Praag, 2009).

Despite the surge of research interest in venture creation at older ages (De Bruin & Firkin, 2001; Giandrea et al. 2008; Järnefelt 2011; Karoly & Zissimopoulos, 2004; Kautonen, Tornikoski, & Kibler, 2009; Kautonen 2008; Kautonen et al. 2010; Kerr & Armstrong-Stassen, 2011; Maritz, 2015; Singh & DeNoble, 2003; Velilla et al., 2018; Zissimopoulos & Karoly, 2007), the absence of  a more focused investigation of entrepreneurial entry among retirees and early retirees is present (Kerr and Armstrong-Stassen 2011; van Solinge, 2014).   Moreover, scholars have pointed the necessity of examining more contextual factors along with individual factors (Martin & Welsch, 2019; Perenyi et al., 2018; Tervo, 2014; Welter et al., 2017). In the present study we adopt a less parsimonious approach and share the Gimmon, Yitshaki, & Hantman (2018) view that entrepreneurial intentional behaviour at older ages should be seen in a broader context that takes into consideration both aging and entrepreneurship theories while we argue that a more holistic perspective requires a simultaneous incorporation of psychological aspects.

This scholarly gap on the scarcity of studies in entrepreneurship at older ages especially among retirees and the dearth in the incorporation of the psychological models in the entrepreneurial decision-making process constitutes the motivation of the present study. Particularly, to fill in this gap, the aim of this research is to gain a more holistic view and a better understanding of the process that leads to post-retirement entrepreneurial intentions by simultaneously encountering key psychological aspects before and after the retirement decision. In doing so, this research examines the applicability of Vallerand’s (1997) Hierarchical model of Motivation by integrating the main tenants of the Self Determination Theory (Deci and Ryan, 1985), the Work Engagement theoretical framework (Bakker & Demerouti, 2008; Schaufeli et al., 2002), and the Theory of Planned Behaviour (Ajzen, 1991).

Particularly, it is argued that older individuals’ level of satisfaction regarding specific needs in the post-retirement stage and their level of engagement in the pre-retirement stage will simultaneously play a role in the formation of entrepreneurial intentions after retirement. Retirees may form intentions related to entrepreneurial activity because they want to satisfy specific needs. Based on the need satisfaction theory these needs relate to autonomy, competence and relatedness. Entrepreneurial intentions are also formed based on retirees’ previous working experiences. In this regard, retirees who have been engaged in their previous work will be more inclined towards post-retirement entrepreneurial activities. Considering that individuals’ motivation is based on the global, contextual and situational level and by following a top-down effect it may be argued that global motivation (post-retirement need satisfaction and pre-retirement work engagement) may influence the lowest level of situational motivation (personal attitudes and perceived behavioural control). Particularly it is expected that need for autonomy, relatedness, competence and engagement will positively relate to entrepreneurial intentions via personal attitudes and perceived behavioural control.

The above relationships were examined by means of path analyses with the AMOS 22.0 software. Seven manifest variables were included in our model, namely Need for Autonomy, Competence, Relatedness, Work engagement in pre-retirement, Personal attitudes, Perceived behavioural control and Intentions to create a new commercial/social venture in post-retirement. Also, control variables (Age, Gender, Ethnicity, Marital status and Educational level) were related to retirees’ intention to create a new commercial/social venture in post-retirement.

The American Association of Retired Persons (AARP, 2016) my indicate that entrepreneurs are usually considered as twenty-something, tech-savvy individuals working out of Silicon Valley, but the Kauffman Indicators of Entrepreneurship in the US (KIE, 2017) indicates that rate of older entrepreneurs in the entrepreneurial arena is increasing. This is an indication that there is a special focus in this market for senior entrepreneurship. Based on this context, we have targeted 800 participants that have retired from paid-employment the past 1-3 years and are unemployed by the time that this study was contacted in the US. The final sample group consists of 272 retired individuals (mean age of 63 years old) from paid employment that do not currently work, have a US residence and have a “Anglo” American ethnicity.

Results of path analyses revealed that only need for competence is not linked to retiree’s decision to engage in post-retirement entrepreneurial activities. Particularly, this study provides evidence that the need for autonomy and work engagement play a crucial role in the decision to create a new venture as they serve as the initial step that leads to the path towards the formation of positive attitudes and perceived behavioural control which eventually lead to post-retirement entrepreneurial intentionality.   It is also crucial to mention that findings indicate a direct path that shows the role of need for relatedness on the formation of post-retirement entrepreneurial intentions.

From a theoretical perspective, our study adds to the literature by investigating the external validity of the Vallerand’s (1997) Hierarchical model of Motivation by integrating the main tenants of the Self Determination Theory (Deci and Ryan, 1985), the Work Engagement theoretical framework (Bakker & Demerouti, 2008; Schaufeli et al., 2002), and the Theory of Planned Behaviour (Ajzen, 1991) in the senior entrepreneurship context. Our findings complement existing research on the role of previous work history (i.e. Singh & DeNoble, 2003; Trevor, 2014), and needs (i.e. (Kenny & Rossiter, 2018; Kerr & Armstrong-Stassen, 2011) in senior entrepreneurship.

From a practical perspective, policy makers can use our findings as a flag to create or re-create mechanisms that count not only for human-social-financial capital but also for the psychological capital that may boost venture creation in post-retirement.  The ongoing support needs for starting and running a business in later life (Kenny & Rossiter, 2018) is interrelated to well-designed training programs that provide prospective of the skills and knowledge that older individuals need to validate their ideas and generate opportunities and create their own post-retirement jobs (van Solinge, 2014). Though, psychological components need to be taken under consideration and incorporated into the overall strategy of the training programmes as long as the findings of this study place them in a central position in the formation of post-retirement entrepreneurial intentions.

By building a stronger psychological basis that relates to need satisfaction and active engagement in entrepreneurship for potential senior entrepreneurs in retirement we expect certain abundant benefits for retirees. For example, lengthening the working lives of older people (Webster & Walker, 2005), achieving personal and family goals, maintaining an active lifestyle, and work-life balance; providing satisfaction through networks, engaging in start-up activities (Maritz et al., 2015 in Kenny & Rossiter, 2018), increasing the social inclusion of older individuals (Kautonen, Down, & South, 2008), improving general well-being (Herzog, House, & Morgan, 1991) and supporting individuals with or without inadequate savings and pensions by decreasing living costs or adding to their financial portfolio (Weber & Schaper, 2004) are benefits that relate to the engagement of entrepreneurial activities after retirement.

The increasing trend of senior entrepreneurship contributes not only directly to potential senior entrepreneurs social and economic features but also indirectly to the society, government and the economy (Halabisky et al., 2012; Harms et al., 2014; Kibler, Wainwright, Kautonen, & Blackburn, 2011) by reducing older age unemployment (Kautonen et al., 2008) and overcoming discrimination in the workforce (Maritz et al., 2015 in Kenny & Rossiter, 2018).

It is therefore crucial to create those mechanisms that will provide space for the older individuals to think, decide and flourish in entrepreneurial related activities even after retirement by counting and capturing psychological capital components.

**Keywords**

Bridge employment, Senior Entrepreneurship, Work engagement, Need Satisfaction, Post-retirement entrepreneurial Intentions, USA

**Conference Track**

Entrepreneurial Practitioner Learning

**Presentation**

Full Paper

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### Achieving Match between Learning Design and Small Business Entrepreneurial Learning Needs

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**Abstract**

**Applicability to Conference Theme:**

Within this paper we give focus to the potential to more effectively draw upon the rich body of current research base on and understanding of entrepreneurial learning when commissioning, designing and delivery programmes of entrepreneurial learning. We orient our attention to entrepreneurial learning in a small business development context suggesting that the distinctiveness of small business vis-à-vis large companies and differences in the ways that small business entrepreneurs learn are not adequately recognised and addressed in the approach to small business entrepreneurial learning provision. This focus itself arguably takes us into new entrepreneurial places – as integral to our approach is the taking of small business entrepreneurial learning support provision into the actual small enterprise. But it is the foundations of our approach which nudge us into new ‘space’ and areas of exploration – with our utilisation of a drive theory to inform small business entrepreneurial learning practice and thereby offer totally new perspective and possibilities in the nurturing of small business development.

**The Aim of the Paper:**

To demonstrate the potential for more effectively recognising and meeting the learning needs of small business entrepreneurial learners

**Methodology**:

The perspectives and findings within this paper derive predominantly from own innovative qualitative case study investigation into small business strategy development processes and an action research-based ‘partnership working’ with growth-seeking small businesses in the undertaking of strategic development assessments.

The foundation of the research approach is that of epistemological bootstrapping whereby relevant areas of the small business, strategic management, entrepreneurship and entrepreneurial learning literatures are examined alongside small business practitioner insight to provide a ‘field review’ and  end of review conceptual framework. The conceptual framework then informs the design and approach to the subsequent case study investigation and/or action research.

Conceptual framework refinement is an ongoing process in the light of findings within progressive episodes of our research and partnership working with owner managers and from relevant areas of emerging understanding portrayed within the literature. Both the subsequent episodes of research and our approach to strategic development support are in this way incrementally adjusted and enhanced in accordance with our own ongoing learning.

The propositions within this paper draw in particular from the current rich entrepreneurial learning literature in combination with our own small enterprise research and ‘partnership working’. In this latter respect the paper draws upon rich, thick insight that we have unfolded during twenty years plus research into and strategic development support of growth-seeking micro and small enterprises in the developed economy context of the UK, the developing economy contexts of Malaysia and Ghana and the transitional economy context of Russia.

**Contribution:**

**Achieving Match between Learning Design and Small Business Entrepreneurial Learning Needs**

Whilst delivery of pockets of excellent provision in the areas of entrepreneurship education and small business management development has been evident in recent years, one can argue that the current knowledge base on entrepreneurial learning could be more effectively used to inform design and delivery of entrepreneurial learning. Traditional educational designs do not adequately reflect how entrepreneurs learn, resulting in a mismatch between learning designs and learning needs. In short, programmes for entrepreneurs do not fully recognise the different requirements of entrepreneurs from other types of learners [Pittaway, et al 2018].

With focus upon the small business development context, this paper addresses this shortfall in approach to the fostering and enhancement of entrepreneurial learning. Utilising a combination of the current literature-based understanding of entrepreneurial learning and our own case study of and partnership working with micro enterprises and small business, we proffer guiding creative support suggestions for those involved in the commissioning, design and delivery of entrepreneurial learning provision to growth-seeking small businesses and would-be entrepreneurs.

Our own creativity in this endeavour derives in part from utilisation of Personal Construct Theory [PCT -Kelly 1955] as guiding vehicle in making explicit the nature and form of the small business entrepreneurial learning process and the learning practices and activities that make up that learning. We also utilise PCT in the development of low level ‘guiding lenses‘ theory that we use in our actual nurturing of owner manager learning and development.

Giving focus to the distinctive organisational, managerial and infrastructural characteristics of small business vis-à-vis large companies, our use of PCT facilitates in-depth assessment and explanation of why and how particular learning activities are practiced by successful growth-achieving micro enterprises and small firms. In so doing we reinforce much of the findings on entrepreneurial learning embedded within the current literature and thus support the contention that at present that insight is not being adequately utilised in programme design. We also, however, add to and enrich key areas of those current findings both in terms of offering a more rigorous rationale as to the ‘why’ and ‘how’ small businesses undertake such learning activities, and with revelation of further entrepreneurial learning actions progressive entrepreneurial that we have found owner managers initiate.

Utilising PCT as interpretative vehicle, we demonstrate the complexity of the small business learning process showing how and why much small business entrepreneurial learning is adaptive with a strong learning the business along dimension and learning by doing. Integral to this, is focus upon the highly social and relational nature of the learning process - and how progressive owner managers vicariously learn from others. In this respect, we give specific attention to the crucial role of emotional competences in effective social process based learning.

Crucially, our use of PCT enables robust analysis and explanation of the role of emotions and emotional competence within entrepreneurial learning processes – explanation that transcends the oft-used trite proposition as to ‘business failure-emotions’ connectivity onto our richer consideration of the role of emotions in owner manager unlearn-reflection-relearn activities. And the demonstration of how owner manager experimentation and ‘try out’ is a natural part of the entrepreneurial learning process.

Moreover, our parallel use of PCT and distinct smallness of operation conceptualisation facilitates the making explicit of the situational and contextual nature of small business entrepreneurial learning – here we once again enrich existing literature explanation of this phenomenon. Certainly, we show that the small business external environment is far too complex and wide-spanning for total-context analysis and that the small firm owner manager is likely to ‘boundary’ his learning efforts into ‘slices’ of relevant change episodes. PCT, however, also channels us to proffer how progressive time-and resource-strapped owner managers are unlikely to relentlessly pursue an understanding of the minutia and fine detail cause-and-effect within a given situation and instead proceed on an understanding based upon approximation of elements of connectedness within the contextual situation under assessment.

It is, then, such integration of our self-researched and ‘partnership working’ derived small business learning insight with that of the existing literature based understanding that provides our guiding frames of reference, in the development of innovative approach to entrepreneurial learning provision for the micro enterprise and small business. In the final part of the paper, we utilise example of our creative small business accelerated growth programme as context for exemplifying the potential for addressing the requirements of small enterprise entrepreneurial leaners. Our use of PCT forms a main vehicle in the design, development and delivery of that provision and the roles of PCT within our approach will form a crucial part of our elaboration in the full paper.

The utilisation of our accelerated business growth programme in effect provides a contextual frame of ‘small business entrepreneurial learning in action’ whereby we are able to demonstrate opportunity to develop small business entrepreneurial learning provision which [by way of key examples here]:

* Gives parallel attention to building participant owner manager [and key workforce] understanding of the entrepreneurial learning process and of good small business learning practices and activities – and the offering of state of the art best small business management practice
* The making explicit of entrepreneurial learning as social process involving multiple internal and external stakeholders and actors – and the key role of emotional competences within the social learning process
* Programme delivery predominantly located within the owner managers own business context – with owner manager ‘partnership working’ with our small business development specialist in the undertaking of a strategic development audit of the business [the entrepreneurial learning is thus both business context situated and development or problem oriented]
* The distinct natural makeup of each small business is co-identified with the owner manager to determine potential problem types associated with size and infrastructure of the business – but also potential benefits of smallness: including relational and network opportunities for learning from the array of business relationship interfaces
* Provides off-site Workshop-based learning opportunities where like-minded progressive owner mangers come together to consider the potential use of key small business management vehicles and approaches [in the areas of marketing, finance, people skills and strategic management] and to vicariously learn from each other in exchange of current business development problems and tabling of possible solutions. Opportunity to hear the good practice of other entrepreneurs re-construed

The paper concludes with the offering of a guiding frame of insight embracing key requirements of progressive growth-oriented micro enterprise and small business owner managers that need to be recognised and addressed in the commissioning and design of entrepreneurial learning programmes for such individuals.

**Implications for Policy and Practice**

The approach to and findings within the paper proffer innovative guiding insight for those commissioning, designing and delivering programmes of entrepreneurial leaning for micro enterprise and small businesses – and for entrepreneurs and would-be entrepreneurs of such businesses.  In particular, the innovative use of Personal Construct Theory in informing and facilitating both programme design and small business development practice has great potential.

**Conference Track**

Entrepreneurial Practitioner Learning

**Presentation**

Full Paper

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### Small businesses as emotional worlds: a study of the emotional experiences of owner-managers and their impacts.

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**Abstract**

**Title**: Small businesses as emotional worlds: a study of the emotional experiences of owner-managers and their impacts.

## ****Topic****

The business history of the entrepreneur has been described as an emotional journey(Cardon, Foo, Shepherd, & Wiklund, 2012)and this view is supported by the accounts of many experienced owner-managers. However, until recently there has been little systematic study of the role of emotions in entrepreneurship. Even though there is an increasing body of work devoted to entrepreneurial emotion, very little of it considers the specific role of particular emotions (Forgas, 1998). While recognising that cognitive processes are affected by positive and negative emotions, the context in which owner-managers operates is not touched upon in detail (Baron, 2008; Forgas, 2011).

This research acknowledges the embeddedness of owner-managers within their businesses and also within their familial and social contexts, all of which contribute to their emotional experiences. The businesses that formed the study sample were all over 15 years old, providing a context within which each owner-manager’s emotional journey, and its impacts, could be explored in depth. The research thus moved well beyond the extant literature in exploring in depth the role and significance of emotion in the lives of a sample of owner-managers and attempting to understand its impact on the course of development of their businesses.

**Applicability to conference theme**

The emotional dimension of entrepreneurship is widely acknowledged to be a challenging new frontier in the quest to develop a rounded understanding of entrepreneurial behaviour. The research presented in this paper makes a significant contribution to this field.

**Aim**

## The broad aim of the research was to develop a richer understanding of the impact of owner-managers’ emotional experiences on their decision-making and on the development of their businesses. A subsidiary aim was to shed more light on the dynamics of higher-longevity businesses.

**Methodology**

To inform the research design, an extensive literature review was carried out, including the themes of small business, the owner-manager and emotion. Special focus was given to the literature of emotional appraisal, coping strategies and the ‘lifeworld’, the subjective inner world in which our emotions exist (Ashcroft, 2016). The review confirmed that while there is an emerging body of research specifically concerned with emotions in small business, it is primarily concerned with opportunity-seeking and business failure and limited both in depth and in breadth of focus. This study was designed to address these limitations and contribute to an enriched understanding of the role of emotions in the everyday lives of owner- managers of established businesses.

Following exploratory research, the main fieldwork involved two rounds of interviews with six small business owner-managers. The sample included both founders and successors and the businesses had all been established for more than 15 years. The interviews were in-depth and phenomenological in nature, focusing on issues concerning business development and relationships with both staff and family members.

A multi-stage analysis was conducted in order to gain an understanding of each owner-manager’s emotional world, to conduct an in-depth interpretation of the most deeply-felt emotions and to explore each owner-manager’s strategies for coping with their emotions. Finally, the coping responses were synthesised to form a model of each owner-manager’s emotional journey, which was then related to the development path of each business.

**Contribution**

The findings of this research throw new light on the intricate and unique way that emotions are entwined in the lives and decisions of the small business owner- manager (Jenkins et al., 2010). This research enabled a number of contributions to extant literature, attempting “to make entrepreneurship less heroic or mysterious and more congruent with everyday experience (vicarious or actual)” (Cardon, Zietsmab, et al., 2005, p. 25). This has been accomplished by means of interpretation of the emotional worlds of the owner-managers, enabling a richer and more complete understanding of their thoughts and behaviours.

This study has shown how emotions are involved in the business which do not directly arise from business issues. These emotions are to be found in the full context of the owner’s lifeworld, weaving their way into the history of the business and the owner’s relationship with it. The course of small business’s life is thus tightly interwoven with that the of the owner-manager, not only with respect to his or her role in the business but with his or her broader social and emotional worlds. This research has revealed the complexity of these interrelationships and generated new insights on the impact of the owner-managers’ emotional experiences on the course of development of their businesses. It was demonstrated that each owner-manager’s emotional journey impacted on their business’s development in a unique manner, reflecting their dominant emotions and their respective coping responses. More broadly, the findings make a significant contribution to understanding of the continuous role of emotion in the lives of owner-managers and the implications of this for their businesses.

**Implications for policy and practice**

The research findings have emphasised the need for increased sensitivity towards owner-managers’ worlds when conducting research or planning interventions. The revelation that owner-managers operate within a complex ‘emotional eco-system’ and this can have profound impact on the development of their businesses calls intervention that is broader and deeper in scope and also longer in duration.

The research also reveals opportunities for development in policy practice and policy relevant to higher-longevity business. These businesses represent a small but relatively stable sector of the small business economy which, because their churn level is relatively low, they offer the promise of stable employment and economic contribution.

These individuals have not only maintained their businesses over at least 15 years, they have exhibited flexibility in understanding the nuances of their markets and transformed their businesses accordingly. It also becomes clear from this particular sample, that some actively seek knowledge that will not only improve their knowledge base but also support themselves in running their businesses.

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**Conference Track**

Entrepreneurial Practitioner Learning

**Presentation**

Full Paper

## Rural Enterprise

#### Rural Enterprise

#### Time: 9:15 - 10:30

#### Date: 15th November 2019

#### Location: UTC: 102

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### ENTREPRENEURIAL SOCIAL CHANGE AGENTS IN POVERTY; THE ENABLING ROLE OF SOCIAL BRICOLAGE

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**Abstract**

**Topic and Entrepreneurial Places**

We are interested in establishing the emancipatory power of entrepreneurship for the poor. In spite of many national and international attempts to reduce the devastating impact of poverty, poverty still prevails in many parts of the world (Alvarez & Barney, 2014). One potential solution is entrepreneuring; small scale, bottom up, localised change mechanism. Entrepreneuring can be individual, although socially situated (Anderson, Younis, Hashim & Air, 2018; Lent, Anderson, Yunis & Hashim, 2019). It can also be more socialised, as social enterprise. The central idea in all poor entrepreneuring is to enable individuals to escape from the vicious cycle of deprivation.

Thinking about poverty evokes the question of what it means to be poor. Poverty is often considered and treated as simply very low income, insufficient to sustain the self and family. However, Sen (1999) sees poverty as deprivation of capabilities as well as financial hardship. Seen in this light, deprivation is not what people possess, but what it enables (or prevents) them from doing. Understanding poverty as a complex condition presents a process conceptualisation with dimensions and complexities (Khan, 2000), albeit characterized by “deprivation, vulnerability and powerlessness” (Waibel, 2012, p. 9; Sen, 1999). Importantly, this appreciation identifies how poor social entrepreneurship can work by addressing the cause for such deprivation; shifting attention from to means (processes) from ends (Sen, 1999).

Our concept of poverty include not only income, but  factors such as lack of access to resources and opportunities (Philip & Rayhan, 2004), lack of education (Philip & Rayhan, 2004), gender inequality (Lustig & Stern, 2000), social exclusion and a person’s right to decision making in civil, social and cultural aspects of life (UNDP, 1995; Han, 1998; Kabeer, 2000). Applying this conceptualisation, we examine social enterprise and enterprising in the Khyber-Pakhtunkhwa region of Pakistan, an area with acute poverty and deprivation.

**Aim and background**

Research show that one possible solution to alleviate poverty lies in encouraging start-ups, business activities through entrepreneurship (Singer, 2006, Hussein et al., 2014). Moreover, such development can improve general socio-economic conditions. Haan (2005) argues that there is much about the significance of enterprises in developing countries, but information about how enterprises operate is scarce. This lack of knowledge is heightened for poor enterprise. We do know that poverty is deep rooted in multiple facets of life and that poor entrepreneurs find it difficult to acquire and deploy resources. This makes poor entrepreneuring a complex problem. Hence looking at how social enterprises engage with poverty is likely to be useful. Social enterprise has a focus on social value creation. Indeed, we can understand social values (Korsgaard and Anderson, 2001) as addressing different dimensions of poverty. Consequently, there is considerable emancipatory promise in entrepreneurship as a bottom up solution. This may be because enterprising itself also has several dimensions (Anderson, 2015). Theoretically it may be possible to understand entrepreneuring as tackling several dimensions of poverty. Income improvement is the obvious immediate solution, but confidence, knowledge and social standing also need to be considered. Thus, entrepreneuring may address several issues or aspects of poverty.

But social enterprise which takes place in poverty may itself suffer from the same issues as poverty itself; limited resources and capabilities. The paper thus considers how social entrepreneurs with limited means find entrepreneurial solutions to resource constraints. We examine how they ‘make do’ with what is available; how they employ social bricolage. With this focus, we are moving social bricolage beyond its pure enterprise setting and into the everyday life, consequently providing novel insights into processes composing social bricolage in conditions of poverty. We argue that social bricolage plays an enabling role in entrepreneurial processes in a resource constrained context. We theorize that social bricolage makes poor social entrepreneurship viable, providing entrepreneurs with the means to develop and advance by assisting them in leveraging the resources needed to advance their goals. Even though the term Social Bricolage has been used for some time, there are limited studies that have examined it in resource constrained environments, leaving the question of how it is seen in the context of poverty. In this study we seek to examine these questions through a study of social change agents in Khyber Pakhtunkhwa, a region that is suffering from poverty in the aftermath of war and terrorism.

**Methodology**

It is argued that the gender and entrepreneurship studies are lagging behind, thus requiring researchers to develop their methodological repertoire (Henry, Foss & Ahl, 2016). Researchers are encouraged to move from broad quantitative approaches towards more focused qualitative methodologies (Henry, Foss & Ahl, 2016). We employ a qualitative research design to explain the subtleties and nuances of this context. Indeed the need for contextualized approach seems inherent to our study (Gaddefors & Anderson, 2016; Welter, 2011; Zahra, 2007).

Data collection took 24 months during 2017-2019. We collected in-depth life stories from 20 self-declared entrepreneurs, 9 male and 12 females in the Khyber Pakhtunkhwa using face to face interviews. The data were analysed using the constant comparative technique, which involves continuous iteration between the data and theory (Jack et al., 2015). We defined themes within the context, patterns of similarity and differences that can be conceptually linked to form explanations (Ukanwa et al., 2017; Anderson & Jack, 2015). Once we were convinced by the analysis (Haugh, 2012), we could use the conceptual themes to explain the processes. Thus, our data served as revelatory cases (Yin, 2017).

**Contribution**

We contribute to developing our understanding of social entrepreneurship, but especially poor entrepreneurship, beyond definition and structural arguments towards a fuller conceptual framing of logics and practices (Anderson & Warren, 2011). We believe that our narrative approach adds to both the entrepreneurship and poverty literature and uncovers important contextual elements in this process (Hamilton, 2014). In doing so, we are also extending the view of poverty from an economic term to a more multidimensional phenomenon. Furthermore, we address Di Domenico, Haugh and Tracey (2010) calls for such studies in which the researchers can focus on developing the concept of bricolage in entrepreneurship in poor developing country context.

We continue the tradition of unpacking the entrepreneurial process into its constituent aspects and phases. We argue that some types (social bricolage) of entrepreneuring For and By these people is capable of addressing several dimensions of poverty. The context, especially the poverty, offers us an extreme case to highlight processes. Our narratives show how social entrepreneurship is, or can be better understood, as change making and is not determined by conventional resource availability – ‘entrepreneurial entrepreneurship’! Here, we present exemplary practices (bricolage) that seem so relevant for the conditions of poverty. We use the concept of social bricolage for highlighting the different processes through which the social change agents’ makes entrepreneuring work. Although such forms of entrepreneuring are probably unknown in the affluent west, they fit the context of poverty (Anderson et al., 2019).

**Implications for policy and practice**

Alleviating poverty in practice is high on the policy agenda in many places of the world. By extending our view of the dimensions and processes of poverty, we focused on social entrepreneurship in a local, poor context. We have emphasized the appropriateness and usefulness of modest advances and the importance of small steps. We demonstrate how change making is about leveraging resources that appear to be of little value to become something of value for someone. Thus, weillustrated process and outcome of social entrepreneurship in a poor place and showed how policy needs to take context and social agency into consideration when combating poverty.

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**Conference Track**

Rural Enterprise

**Presentation**

Full Paper

### 117

### Mind the Gap! The Role of Space in Entrepreneurial Activities in Rural Areas

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**Abstract**

Rural entrepreneurship as a phenomenon is gaining its momentum in the contemporary research. There have been numerous attempts for defining ‘rural entrepreneurship’, developing theoretical framework in analyzing ‘rural entrepreneurship’, conceptualizing ‘rural’ and bridging the gap between rural entrepreneurship focused on developed versus countries indevelopment within  academic research and public/policy debates. In order to respond to these calls, space seems to have a paramount role in contextualizing entrepreneurship research and theories in rural realm. Therefore, in this paper we would like to contribute to the debate by highlight the role of ‘space’ as a context in rural entrepreneurship as well as emphasizing the gap in conceptualizing rural within academic research and public policy debates.

The review and analysis of the literature on rural entrepreneurship is conducted through identification of peer-reviewed research articles on rural entrepreneurship published in leading journals on entrepreneurship, rural entrepreneurship and rural studies. In addition, the selection of reports of OECD, UNDP and EC is conducted by searching the exact match of ‘rural development’. The research articles are selected by searching exact match of ‘rural entrepreneurship’ in the journals’ search engines from the following journals: ‘Entrepreneurship and Regional Development (ERD)’, ‘Entrepreneurship Theory and Practice (ETP)’, ‘The International Journal of Entrepreneurship and Innovation’, ‘International Journal of Entrepreneurial Behavior & Research’, ‘European Planning Studies (EPS)’, ‘Journal of Rural Studies (JRS)’ and ‘Sociologia Ruralis’. During this process, each article was reviewed to ensure that it addressed the topic adequately to be included in the review. Initially, we begin with identification of common views on spatial dimension in rural entrepreneurship provided by various authors and compare them within the entrepreneurship journal and journal of rural studies. Secondly, a comparison of views among various authors between the two journals on space as a context is conducted. Lastly, a comparison across academic research and public/policy debate on space in terms of location in rural areas is performed in order to identify the similarities and differences as well as key policy implications.

The aim of this study is twofold: firstly, it is to provide a more in-depth understanding of how rural is conceptualized in academic research and public policy discussions. Secondly, it is to provide a more thorough understanding of space as a context in rural entrepreneurship, along with its constraints and benefits regarding entrepreneurial activities in rural setting. Therefore, the Halfacree’s model on three spatial characteristics is applied as an analytical tool in order to provide a better understanding of conceptualizing rural. Taking Hafacree’s model as a point of departure aids in understanding rural in terms of: a) Rural localities which inscribe various structures that are considered as quintessentially rural such as collective consumption, and production activities. Since these actions are undertaken within a particular space in a society and facilitate material expression of intransiences as well as social reproduction are endorsed as spatial practices. Such practices are embedded in routine activities and are associated with everyday perception of space. b) Formal expressions of the rural implies that space is imagined and outlined by capitalist interests within capitalist production process. Representations of space are formal concepts as highlighted by politicians, planners, researchers and academics where procedures of signification and legitimization are vital. c) Everyday lives of the rural are the ‘real-and-imagined’ spaces of representation appropriated by those who inhabit it. Everyday life of the rural are incoherent and include individual and social features such as culture in mediation and interpretation of these experiences.  These are subjective and diverse spaces – that strive to dominate the other two facets. All these three features form rural space or Halfacree’s rural totality that displays potential dichotomy between locality and social representation. However, the extent to which one place can be considered as ‘rural’ depends on the degree to which the rural totality space is dominant in that particular setting relative to other spatial domains.

Therefore, the main contribution of this paper is to provide a comprehensive overview on conceptualization of ‘rural’ and how ‘rural’ is perceived in terms of space in the ongoing academic and public policy discussions. This helps in reducing the gap between developed and developing countries within rural entrepreneurship field in academia. Furthermore, the context of ‘space’ associated with the entrepreneurial phenomenon in rural areas is investigated in an analytical manner by using Halfacree’s threefold model of rural space in order to illustrate the spatial dimension in entrepreneurial activities. This in turn, enables a better understanding of the role of space in rural setting, mainly its benefits and constraints.

**Keywords:** Rural entrepreneurship, space, context, location, rurality,

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Working Paper

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### ****Entrepreneurship in Rural Areas****

### ****The future challenge for research and policy makers to promote****

### ****rural entrepreneurship in innovation driven economies.****

Hartmut Heinrich Meyer

FOM Germany, Bremen, Germany

**Abstract**

**Entrepreneurship in Rural Areas**

**The future challenge for research and policy makers to promote**

**rural entrepreneurship in innovation driven economies.**

1. **Introduction: Research objectives/question**

In rural areas, smaller companies are the backbone of employment and economic welfare. In today’s innovative-orientated economy with an increasing importance of e-commerce, location is of minor interest to market a product. However, location is still important in accessing resources, especially resources that support business innovation. To maintain competitiveness in a globalized economy, all businesses, including smaller companies, must generate and transfer knowledge, apply that knowledge, and network and exchange knowledge with other institutions. Thereby location appears to be a distinctive factor.

In innovation driven economies, one finds an increasing trend of urbanisation. The reasons have to be found as an effect of the digitalisation, mobility and the need of service and knowledge based industries to maintain a closed network. The ability to network becomes in these industries a competitive edge (Meyer 2018, Kichertz 2015, Lahner 2004). However, there are suggestions that this network appears not only to function through the social network as the example of silicon valley suggest. Therefore, one might think that rural areas offer several strategic disadvantages due to the distance (Kollmann 2005, OECD 2007, Dannenberg 2010). There be a growing concern that entrepreneurship in rural areas faces new problems due to several factors as:

* Lower density and therefore less active market places
* Difficult access to knowledge and networking
* Changing value added chain process from agriculture to service and tourism and health industry
* Changing mobility and social awareness of sustainability
* Digitalisation and trends of concentration
* Cost of transport and higher transaction costs.

The objective of  this paper is to initiate a discussion on how to promote entrepreneurship in rural areas. Thereby the question here is how to direct future research in order to give some directions for policy makers.

2. Theoretical Background of the study

The theoretical background of this research has to be found in the relationship between the environment and its influences to individual entrepreneurial behaviour. Thereby an entrepreneur is always understood as a person to react to a changing environment or creates change through innovation in order to develop business chances for an own income generation (Freiling 2006). This understanding of entrepreneurship suggests a number of interactions between the entrepreneur with different institutions of the society and its economy.  In particular, regional development theories with its different schools of location theory, life-cycle theories and knowledge and network theories concentrate on the interaction between the economic room and entrepreneurial activities. Here especially the eco-system is subject of these theories to outline an entrepreneurial friendly environment (Welter 2011, Sternberg/Litzenberger 2004). One result of these discussions to map this required environment to promote entrepreneurship is the model of the entrepreneurial ecosystem by Isenberg (2011) which itself refers back to the 12 pillars of competitiveness (see e.g. the Global Competitiveness Report 2014 - 2015). The identified variables determine the cost of transaction to convert business ideas into business activities.

The major point of the entrepreneurial ecosystem is that the nature and type of support offered must comply with the needs of the prospective entrepreneurs (Meyer 2018). Here it is of importance that the relationship reflects the actual economic environment and development stage (Isenberg 2011). The effectiveness of the entrepreneurial ecosystem is determined by the quality of the exchange of each pillar to the needs of the prospective entrepreneur.

The development of entrepreneurship as such is a matching process where the environmental factors need to be seen in the set of an uprising business opportunity following the two major relationships with the environment as outlined in the following figure (Freiling 2006, Fritsch 2016, Kollmann and Kuckertz 2005). The core process is thereby that the entrepreneur develops entrepreneurial intentions, which will be specified through the business opportunity towards entrepreneurial activities. The entrepreneurial behaviour can be measured as entrepreneurial intensions and activities. This behaviour, however, is a result of the interaction with the entrepreneurial environment and economic situation. Thereby the entrepreneurial ecosystem and economic situation influence the behaviour of the person as an entrepreneur which needs to be seen in a regional or rural context (Sternberg and Litzenberger 2004).

Figure 1: Basic Research Model

Source: own Source

This matching process was the subject of the a considerable amount of research to study entrepreneurial activities by analysing the effects of various  economic, social and political factors towards entrepreneurship (Freiling 2006,  Welter 2011, Grichnik/Immerthal 2005, GEM Research Model as in GEM Monitor 2014, Pilkova/Kovacicova  2015). Thereby the marriage between entrepreneurship and innovation becomes in innovation driven economies a key determinant for entrepreneurial activities (Freiling 2006, Kuchertz et al 2005, Sternberg/Litzenberger 2004, Kdudari 2017). This marriage seems to be a challenge to the eco-system in the support of entrepreneurship. Nevertheless, the research so far was based either one of the earlier mentioned. So far, one finds here only little information on the specific problems of entrepreneurship in rural areas.

## 3. Methodology

Within this research, we want to analyse the factors which determine entrepreneurial activities in rural areas. These analyses are done in the knowledge that the entrepreneurial process is embedded within an entrepreneurial ecosystem and the national economic situation. The methodology is based on the literature and discussion where the author has taken part. In a first step a content analysis approach has been used to analyse the links between the key words in the context of entrepreneurship. Here more than 50 articles have been reviewed which have been generated through digital based literature reviews, research gate and web-sides like the icsb.org, gem.org and further sides of entrepreneurship. In a second step a structural biographical analysis will be employed in order to verify the first identified mega-topics in a web-based text analysis. For more details of the methodology and data employed, please see (Meyer 2018).

## 4. Major Results

The first analysis and review of the existing material and enhanced by a number of own research work indicate the following areas which future research should concentrate to analyse the specific challenges of rural entrepreneurship:

* Access to knowledge has a major effect on entrepreneurship for all types of entrepreneurship. This applies also for rural companies. In particular in rural areas there needs to be a service in order to map the existing knowledge in order to enhance networking. This service appears to be vital (Meyer/Paulsen 2018).
* Demographic change is a major problem. Due to the movement of the younger generation to urban areas, the problems of the demographic change become more apparent. This problem has two sides: less purchasing power within the area in question and additional problems to finding staff. Here more focus needs to be done to foster the infrastructure in rural areas in order to stop to extend of this problem. Furthermore, there is a question how the cost of living and sustainability will influence the decision to leave rural areas (Prognos 2018).
* The business models changes more to a service, and cyber space model. This also requires reliable systems of accessing the cyber space. Here often in rural areas these services appear not to be fully developed as the case in many European Country shows (Thoma 2016, Prognos 2018).
* For the financial sector, rural areas are declining areas and investments in rural areas seem to have additional risks. Therefore, here is a public intervention needed in order to enhance investments in rural areas (Horsch 2013.
* The economic infrastructure has a vital role in promoting entrepreneurship. Here it is the question how the various entities of the entrepreneurial eco-system can be provided. Thereby the key question is how these services can be provided on a personal basis without losing in quality (Dannenberg 2010, Manning 2008, OECD 2007).
* The dominance and key branch of agriculture is losing the dominance in rural areas. Here more the importance of this branch and a key resource in rural areas needs to be measured in more detail. On the other hand tourism and in particular health tourism representing the values of heritage, natural and reliability become more of a source. Here health tourism as an effect of urbanisation and a changing working environment appears to change the value added chain in rural environments (OECD 2007).
* Social trends of individualism and technician have major effects on social behaviour. Rural areas are social communities and one needs to evaluate for which target group rural areas offer an alternative. Following this discussion also the business models of rural entrepreneurship should be adjusted in the area of tourism and social services. Here in particular also factors of national heritage, sustainability and regional value chains (Prognos 2018, Weber 2002).
* Mobility will change in the future and therefore also the accessibility of rural areas. This may become one of core strategic disadvantages in terms of costs and access to other resources. These implications need to be considered in the future business models (Prognos 2018).
* The role of craft needs to be evaluated in terms of financing. They have in particular in rural areas a high innovation and employment potential. Therefore the needs towards an entrepreneurial friendly environment need specific attention (Thomä 216).

**5. Conclusion and contribution to research and knowledge development**

The objective of this research was to outline questions and areas of future research to promote entrepreneurship in rural areas. The answers of these questions will contribute to the success of entrepreneurship in rural areas. Thereby the key question is how to create a sustainable entrepreneurial eco-system as well as whether rural areas should develop in line with urban areas or the need a completely different approach. In particular the outlined social trends will determine these questions in order to give new insights in the relationship between room and entrepreneurial activity.

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**Conference Track**

Rural Enterprise

**Presentation**

Full Paper

## Freelancing, Solo Self-Employment and Gig Working Economy

#### Freelancing, Solo Self-Employment and Gig Working Economy

#### Time: 9:30 - 10:30

#### Date: 15th November 2019

#### Location: Planet

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### Should mindfulness be incorporated into entrepreneurial alertness and recognised opportunity for business model innovation?

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**Abstract**

A business model is “management’s hypothesis about what customers want, how they want it, and how an enterprise can best meet those needs, and get paid for doing so” (Teece, 2010, p. 172).  It is common that a business model is seen as an important mean to commercialise innovations (Chesbrough, 2010; Chesbrough and Rosenbloom, 2002).  Some firms may be trapped in their own success by treating their business model as a permanent given (Doz and Kosonen, 2008; Lindgardt, Reeves, Stalk, and Deimler, 2009; Schneider and Spieth, 2013).     Due to dynamic environment entrepreneurs operates in, business model innovation can provide a way to proactively explore new avenues of growth, to address market disruptions and downturn-specific opportunities (Lindgardt et al., 2009).  Business model innovation is defined as “[process of] designing a new, or modifying the firm’s extant activity system” (Zott and Amit, 2010, p. 2) or as “the discovery of a fundamentally different business model in an existing business” (Markides, 2006, p. 20).

To recognize a new opportunity to redevelop a business model, entrepreneurial alertness is an essential skill or ability (Gaglio and Katz, 2001; Kirzner, 1979, 1997, 1999).  The alertness means “the ability to notice without search opportunities that have hitherto been overlooked” (Kirzner, 1979, p. 48).  Alertness is an awareness of gaps when new opportunities present themselves, but also can involve sensitivity to new opportunities through scanning the environment and searching for new information, as well as pulling together disparate pieces of information and building them into coherent alternatives (Tang, Kacmar, and Busenitz, 2012).  Entrepreneurs with high level of alertness can identify opportunities, even without actively search (Ardichvili, Cardozo, and Ray, 2003; Fischer, 2011; Shane and Venkataraman, 2000).   Gaglio and Katz (2001, p. 98) described the difference between non-alert and alert individuals as follow:

“ …non-alert individuals either do not detect, or they ignore, or they discount informational cues indicating that current way of “doing business” (that is, producing or marketing) may no longer be as efficient or as effective or both.  …Alert individuals, prompted by a schema emphasizing objective accuracy, apprehend the changing environmental cues and realize that the appropriate behavior at that moment requires reassessment of the situation and the environment”

The current paper extends the link between entrepreneurial alertness and opportunity recognition by proposing mindfulness as an antecedent of entrepreneurial alertness.  The study of mindfulness is vastly done in positive psychology and recently the concept has been adopted in management studies.  Mindfulness is a self-regulated, present-centred awareness of internal and external elements (Bishop et al., 2004).  In organizational context, mindfulness can involve the awareness of environmental complexities and evaluations of alternatives (Weick and Sutcliffe, 2006). Therefore mindful entrepreneurs may possess ability to understand problem or opportunity from inter-relational perspectives.  Another word, mindful entrepreneurs are more aware of and able to detect informational cues (such as the change of technology and consumer behaviours), than absent-minded individuals.  Figure 1 is a proposed relationship among mindfulness, opportunity alertness, and business model innovation.

**Figure1:** A proposed relationship between mindfulness, entrepreneurial alertness and business model innovation

The current paper **aims** to develop a model to further explain the relationship between opportunity alertness and opportunity recognition, which has been vastly focused in the current literature.  Extending from the positive relationship between alertness and opportunity recognition, the model posits that business model innovation, as an objective outcome of opportunity recognition can be explained by the level of enterprerial alertness.  Further, to differentiate an enterprerial sensitivity toward business informational cues (e.g. entrepreneurial alertness), the model postulates the role of mindfulness as an antecedent of the alertness. The concept of mindfulness in entrepreneurship is relative new and explorative nature and therefore **reflects the ISBE conference theme**.

The current paper **contributes** to the entrepreneurship literature in two important facets.  First, the propose model research extends our current understanding of entrepreneurial alertness and opportunity recognition relationship by introducing an antecedent to this relationship.  Second, the propose model provides useful information to put forward implications by proposing mindfulness skill to increase entrepreneurial sensitivity toward business information cues.

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**Conference Track**

Freelancing, Solo Self-Employment and Gig Economy Working

**Presentation**

PowerPoint Presentation

### 189

### Structure literature review on gig economy - in search of institutional paradigm

Małgorzata Skrzek-Lubasińska, Radosław Malik

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**Abstract**

Many economists believe the economy is currently undergoing quite fundamental changes [Leceta et al., 2017 Malik, Janowska 2018; Rifkin, 2014; Rifkin, 2001; Scholz, 2013; Tapscott, 2014]. The changes affect many spheres of human life. Technological revolution, along with its new ways of communication, impact real-world economy changing the way goods are produced, how services are provided, how business is organized and how work is provided and sold. The changes also impact culture, value systems, lifestyle and leisure time, etc. The transformation is crucial enough for scientists to try to analyze its consequences on an ongoing basis, to find interdependencies and create adequate theories, taking into account new operating conditions and developing forecasts as to its directions and intensity. The changes in management are also reflected in the change in vocabulary. In articles, the current economy is described with various adjectives: economy 4.0.[[1]](#_ftn1), digital economy, knowledge-based economy, or on-demand economy (see e.g. De Stefano 2016, Aloisi 2015). Schwab (2016) claims that we are now living in the times of the Fourth Industrial Revolution, which introduces not only changes in management and work, but also in the very nature of these activities. Schwab (2016, p. 55) gives an example of a new work ecosystem – the application economy that can be dated from 2008. In 2018, the value of this market was estimated at over USD 100 billion.

The change in the economy, related to the ways of running business, is accompanied by the transformation of the labour market and its conditions. The first and fundamental condition is the projected decline in global demand for labour. As demand for labour becomes a global one, it will depend on global (and not local) labour costs. Global capital and new technologies, together with the increase of relative labour costs[[2]](#_ftn2), will cause the tendency to substitute it with technology and capital to increase. The World Bank predicts that as much as 57% of jobs in OECD countries will undergo automation (Acemoglu and Restrepo, 2017). These are no longer Neo-Luddist forecasts, whose views are considered extreme and who anticipated the end of work (Reich 2000, Rifkin 2001). The inevitable decline in the global number of jobs is also recognized by economists and practitioners of economic life (Palacios-Huerta, 2016, Bill Gates 2017).

Another change in the nature of work is the increase in the importance of broadly understood flexible work, or "on-demand" work. According to some economists (Popma, 2013; Smith and Leberstein, 2015; Dwyer, 2016; Katz and Krueger, 2019, Supiot, 2001, De Stefano, V. 2016) this will involve changing the type of relationship between buyers and sellers of work. In the traditional economy, it was common to establish long-term relationships between employers and employees. Both parties were bound by a contract of employment, which contract was subject to legal regulations (the Labour Code). Under the contract, the employee provided work for the employer, but at the same time they were part of the organization, i.e. the enterprise. The employer co-participated in the employee's professional development, co-financed or financed their training, set their goals, the path of promotion, etc. The relationship between the employee and the employer was often long-term, often lasting throughout the employee's working life. Currently, such relationships are in decline. What is increasingly important is "work on demand", i.e. obtaining work results in as necessary a scope as for the implementation of the current tasks of the organization. At the same time, it is difficult to distinguish whether it is the sale of labour (provided by employees) or of services (provided by self-employed entrepreneurs). The fact is that industry 4.0 doesn’t increase the demand for labour, i.e. for formal, full-time jobs, but the demand for the purchase of "projects" "services" or specific tasks. These tasks can be carried out by contractors who aren’t necessarily related with the client in terms of location, thanks to technological development. Schwab mentions the "human cloud", i.e. people who provide services as independent specialists, often using technology, such as internet platforms. This cloud creates a highly competitive environment, with higher productivity and lower operating costs. One of the elements of cost reduction in such an economy is the possibility of reducing the costs of social security of the service providers, as stated by the labour law. Those working in the "cloud" are not employees but self-employed, and as such, they are not subject to these provisions.

Transformations of management, including the ways of providing labour, raise many questions:

- are the above mentioned changes already noticeable, or are they future predictions (if at all successful)?

- is the number of self-employed within gig economy, and their share in total job force, increasing?

- how does the number of gig workers change along with the change in business climate indicators.

In addition, there are general questions: are self-employed part of the labour market or part of the broadly understood entrepreneurship? Among experts and researchers of self-employment[[3]](#_ftn3) there is no consensus on the nature of this phenomenon and its impact on the economic growth of individual countries. For some, self-employment is a form of entrepreneurship. Sometimes the terms "self-employment" and "entrepreneurship" are used synonymously. Self-employed are identified as a group of micro-entrepreneurs who run independent business and bear the related risk. What differentiates them from entrepreneurs is only the scale of operation. However, there is a considerable group of researchers for whom self-employment is a flexible form of labour (see discussion: Szaban, Skrzek-Lubasińska 2018).

The questions are many. In order to answer them, one needs to constantly monitor the labour market. This need has been noticed by the International Labour Organization (ILO), which prepares guidelines on key indicators of the labour market. ILO indicators are taken into account by leading national and international statistical organizations such as Eurostat or OECD (ILO 2015, 2016 a and b).

In our article an analysis of labour market indicators will be presented, whether the currently collected data are sufficient and suitable for monitoring economic changes on the labour market (for example gig economy)?. Do they adequately reflect the scope of changes in the very nature of labour? Are they adequate for monitoring Economy 4.0?

**Aim:**

Of the research is to analyze up to the present literature on gig economy and synthesis the major directions of the research as well as identify potential areas for further scientific exploration. Based on the literature review we identify the key areas where former institutional paradigms describing the nature of work can not be apply any more due to the rapidly changing work environment.  Consequently we identify the key areas where within the gig economy the new concepts should be developed.  Based on the research we suggest possible direction where the new paradigms are the most likely to be developed.

**Methodology:**

Structure literature review

**Contribution:**

Current research is a continuation of research on the relationship between self-employment and entrepreneurship, and research on the nature of self-employment. The results of previous surveys have been printed in indexed journals. Currently, following the reviews of previous studies, self-employment considerations are focused on the gig economy.

**Implications for policy and practice:**

The results of the conducted analyzes will constitute a starting point for creating institutional conditions supporting economic development, including institutional changes in labour relations in Europe.

[[1]](#_ftnref1) Economy 4.0 is an economy in which computers, the internet and social media transform the service society into a digital society, see [Helbing, 2014]

[[2]](#_ftnref2) It is irrelevant how the work will be obtained: whether by hiring employees or by purchasing services from companies, which are the equivalent of work.

[[3]](#_ftnref3) In this paper, the term "self-employed" and "entrepreneur" will be used as synonyms.

**Conference Track**

Freelancing, Solo Self-Employment and Gig Economy Working

**Presentation**

Poster Session

## SME Growth and Performance: quantitative perspectives

#### SME Growth and Performance: quantitative perspectives

#### Time: 11:00 - 12:30

#### Date: 15th November 2019

#### Location: UTC: 103

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### Financial resources and firm engagement in science and innovation: a matter of firm size?

Mauricio Perez-Alaniz1, Helena Lenihan2, Justin Doran3, Nola Hewitt-Dundas4

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**Abstract**

**Topic:**

Science and innovation are key for firm competitiveness (Krammer, 2017). Science generates logical explanations about physical, biological and social phenomena (i.e. knowledge) by means of basic and applied research (i.e. scientific research; Stokes, 1997; Borrás and Edquist, 2014) that can serve as a roadmap for innovation (Fleming and Sorenson, 2001; Foray et al., 2012). Innovation is the combination of new and old knowledge, including scientific knowledge, for the creation of new processes, products and new forms of organisation (Schumpeter, 1934).  Innovation can result in cost savings by means of improved processes and superior organisation as well as more sales from new products (Uhlaner et al., 2013; Coad et al., 2016), and promote employment creation and economic growth (Aghion et al., 2009; Edler et al., 2016; European Commission, 2017).

However, firm engagement in science and in innovation remains low, especially amongst small firms, which for this paper are firms with fewer than 50 employees (OECD, 2017; Cusmano et al., 2018). An oft-cited explanation for low levels of firm engagement in science and innovation is that firms have limited internal financial resources for engaging in these activities (Hall, 2008; Czarnitzki et al., 2011; Hall et al., 2015).  For some firms, especially small firms, lack of collateral and the uncertain nature of research and innovation hinders access to external finance for these activities (Hall, 2008; Mazzucato, 2016).

Many countries, therefore, provide financial support for small firms to engage in science and innovation in the form of R&D grants and tax credits (Radas et al., 2015). The additional external financial resources are expected to ameliorate firms’ internal financial resource limitations and encourage more engagement in research and innovation (Mazzucato and Semieniuk, 2017; Mulligan et al., 2019).  This rationale rests on the understanding that higher levels of available internal financial resources (i.e. financial slack) positively impact firm engagement in research and innovation (Cyert and March, 1963; Sharfman et al., 1988; Salge, 2012; Jissink et al., 2018). High levels of financial slack, in particular, are expected to lead to more radical forms of innovation (i.e. new to the market) because it enables more exploratory research (George, 2005; Lee et al., 2014).

However, the pertaining empirical evidence that supports the theory that high levels of internal financial resources lead to more research and innovation remains inconclusive. Evidence supporting a positive relationship between internal financial resources and firm engagement in research and innovation (see George, 2005; Jissink et al., 2018) coexists with evidence of financial resource scarcity triggering, instead of hindering, engagement in these activities (see Hoegl et al., 2008; Keupp and Gassmann, 2013). Several factors internal and external to firms are also thought to influence the extent to which internal financial resources lead to firm engagement in research and innovation.  These include firm age and human capital resources (Hottenrott and Peters, 2012; Protogerou et al., 2017), market structures (Brush and Artz, 1999; Katila and Shane, 2005) and firm size (Demirkan, 2018).

Regarding firm size, research and innovation with scarce internal financial resources may be the norm rather than the exception for small firms (Baker and Nelson, 2005; De Massis et al., 2018). Small firms may compensate for internal financial resource scarcity by drawing on external resources by means of cooperation (Enkel et al., 2015; Roper and Hewitt-Dundas, 2015; De Massis et al., 2018) and by exploiting behavioural advantages, such as the lack of bureaucracy and flexibility in decision making in comparison to medium and large firms (Freel, 2000; Cusmano et al., 2018).  Furthermore, innovation may not need to be financially intensive, such as innovation from design and marketing (Rammer et al., 2009; Lee and Walsh, 2016). Thus, internal financial resources for science and innovation, may not be as prominent as the theory noted above predicts for small firms.

The inconsistencies between the theory of internal financial resources for research and innovation and the pertaining empirical evidence, as noted above, call for further research on this topic, particularly given the direct link between this theory and public financial support for science and innovation. As Bicen and Johnson (2014, p. 430) note, there is a “need to reconsider the conventional wisdom regarding the need for the abundance of resources in order to successfully innovate”.   For Hoegl et al. (2008, p. 1389), more research is needed for the construction of a “unifying theory of the role of financial resources in innovation management at large”. In particular, as Keupp and Gassmann (2013) outline, further research is necessary for the construction of a more holistic understanding on the topic of innovation with limited financial resources. This, in turn, may contribute to debates regarding the efficient use of public financial support for science and innovation, especially regarding the appropriateness of using public funds for supporting private firms (see Mazzucato and Semieniuk, 2017).

**Aim**

This paper specifically focuses on the role of internal financial resources in enabling firms to engage in scientific research and innovation. It considers whether the importance of financial resources (and their impact) varies across firm size (i.e. small versus medium-large firms) and over time. The key research question driving this paper is: do high levels of firm internal financial resources lead to more firm engagement in scientific research and innovation?  The paper makes a novel contribution to the policy-related literature on financial resources for science and innovation that can serve as a platform for unraveling policy-relevant insights to encourage more scientific research and innovation in small firms (Lenihan et al.  2019).

**Methodology:**

The paper draws on a rich dataset of firms in Ireland.  Ireland represents an interesting laboratory for this study as firms in Ireland are highly exposed to international markets, and science and innovation are viewed as vital for competing in such an environment (DBEI, 2015; National Competitiveness Council, 2018). The dataset was constructed by merging four waves of the Innovation in Irish Enterprises survey (IIE, formerly known as the Community Innovation Survey) with four waves of the Business Expenditure on Research and Development (BERD), Census of Industrial Production (CIP) and Annual Service Inquiry (ASI) datasets. It is an unbalanced panel with 2,549 observations from 1,503 firms for the period from 2008 to 2016 that facilitates an in-depth understanding of firm internal resources, particularly financial resources, firm engagement in scientific and developmental research (obtained from the BERD survey), as well as five types of innovation activities (obtained from the IIE).

Specifically, the dependent variables are basic and applied research (i.e. science), developmental research (i.e. development), and process, service, organisational, incremental and radical product innovation. All dependent variables are in binary form. A firm is considered to undertake scientific research if it invests in basic and applied research, and considered to undertake development if it invests in developmental research (Czarnitzki et al., 2011).  Five innovation variables indicate when firms introduce the innovations outlined above.

The ratio Net Operating Surplus (NOS) to Total Turnover measures firm internal financial resources. This is similar to measures of high-discretionary slack used by George (2005) and the measure of financial resources used by Hottenrott and Peters (2012).  NOS is the residual of Gross Value Added, Compensation of Employees (i.e. Salaries) and Indirect Taxes derived from the CIP and ASI surveys, which also include turnover data. The result is a continuous variable measuring the percentage of available cash (i.e. profits) per turnover.  The difference in financial resources between two consecutive periods (i.e. waves of the IIE survey) measures growth or contraction in financial resources.

The rich firm-level dataset permits controlling for a comprehensive set of factors reported to influence the relationship between financial resources and firm engagement in research and innovation. These include firm age, level of human capital, collaboration with external partners, clients, competitors and public knowledge providers, as well as the receipt of public financial support in the form of R&D grants. Key to this paper is firm size, which is measured as the number of employees. Firms with fewer than 50 employees are classified as small, and firms with 50 employees or more are classified as medium-large (OECD, 2015). Controlling for all of these factors together yields a more robust assessment of the relationship between firm internal financial resources and firm engagement in research and in innovation. The analysis is carried out by means of probit regression analysis.

**Contribution:**

The focus on scientific and developmental research, and on five innovative activities stems from an understanding firms may deploy internal financial resources to serve different scientific and innovative projects simultaneously (Doran, 2012; Garud et. al., 2013; Marin et al., 2015) and not necessarily in stages, such as research, followed by development and then innovation (Lee and Walsh, 2016; Arora et al., 2018; De Massis et al., 2018).  Thus, this research extends current studies that focus on innovation inputs such as R&D (Richtnér et al., 2014; Schmid et al., 2014; Amore, 2015) or on innovation outputs (Scellato, 2007; Pellegrino and Savona, 2017; Demirkan, 2018).  This is important because a narrow focus on each activity may omit the fact that firms may undertake other activities.  In particular, the focus on science and developmental research extends current studies as noted above that only focus on R&D, and enables the identification of how financial resources may have different impacts between scientific and developmental research.

Firm size plays an important role in research and innovation (Freel, 2000; Hall et al., 2015; Belitz and Lejpras, 2016). However, firm size is typically included as a control variable which impacts the dependent variable but does not interact with the financial resources of the firm. Yet research on financial scarcity or constraints has consistently identified the importance of firm size when studying the factors that drive firms to experience resource constraints (D’Este et al., 2012),  and their impact on R&D investment and innovation (Amore, 2015; Hall et al., 2015; Pellegrino and Savona, 2017). By focusing on the interaction between internal financial resources and firm size, this study enables a richer understanding of the effect of firm size on the marginal effect of firms’ likelihood to engage in different types of science and innovation activities at different levels of internal financial resources.

Furthermore, the paper analyses the extent to which changes in firms’ financial resources over time lead to different types of engagement in science and innovation. This analysis enables a richer understanding of changes in firms’ strategic decisions regarding science and innovation as firms’ levels of internal financial resources change.

**Implications for policy:**

The paper yields novel insights regarding the relationship between internal financial resources and firm-level scientific research and innovation for small, and medium and large firms. It identifies when and how internal financial resources influence scientific research and innovation at the firm level, while also accounting for firm size and firm performance over time.  The insights arising from this paper can be used as a platform from which policymakers could move beyond ‘one size fits all’  science and innovation policy instruments (Todtling and Trippl, 2005; Borrás and Edquist, 2013) by informing the design and implementation of more targeted instruments that account for differences in firms and heterogeneous objectives.

**Applicability to the conference:**

This paper makes a novel contribution to our existing understanding of the importance of firm internal financial resources for engagement in scientific research and innovation for small and medium and large firms.  This is in line with this year’s conference theme ‘SPACE –exploring new frontiers and entrepreneurial places’ that reflects on the importance of collaboration between the research community and policy practitioners in terms of designing more effective polices that promote science and innovation activity in SMEs.  In this context, the paper contributes novel insights on the factors that can encourage or hinder small firm growth by means of scientific research and innovation. The quantitative nature of the paper, the novel dataset employed, and the insights provided er are particularly relevant for the ‘SME Growth and Performance’ track as this track focuses on policy-relevant research that can inform the design and implementation of policies to encourage economic growth and improve performance for businesses.

**Acknowledgements:**

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**Conference Track**

SME Growth and Performance: quantitative perspectives

**Presentation**

Full Paper

### 30

### Resource Acquisition and Informal Firm Growth: Evidence from Zambia

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**Abstract**

**Resource Acquisition and Informal Firm Growth: Evidence from Zambia**

**​**

**Research Aim and Applicability to Conference Theme**

The quest to drive the growth of informal firms has strong implications for the social and economic development in poorer countries given that vast numbers of workers whose livelihoods depend on informal firms (Lay, 2014). Though informal firms are viewed as tiny, unskilled and low productivity and subsistence-based business entities with limited growth prospects (La Porta & Shleifer, 2014; Nichter & Goldmark, 2009), emerging evidence suggests that some informal firms are entrepreneurial and innovative enough to serve as conduits of business incubation and technical and business skills training grounds in weak institutional contexts (Williams, Martinez-Perez, & Kedir, 2017; Welter, Smallbone, & Pobol, 2015). This has encouraged governments and other development agents to design entrepreneurship training programmes, promote business linkages with formal firms, and offer financial and business support infrastructure in the hope that informal firms will grow and formalise. Two challenges remain: 1) which informal firms holds great chances for growth and 2) which measures are more likely to be effective in driving informal firm growth?

The study aims to improve the identification of informal firms that have higher growth prospects, and indirectly contribute towards designing of measure likely to benefit entrepreneurial firms that are capable of optimising use of resources and their impact on job and wealth creation, firm formalisation and private sector growth (Benhassine, McKenzie, Pouliquen, & Santini, 2018).

Drawing upon the resource-based view and the entrepreneurial perspective to firm growth, we postulate that endeavour of a firm to acquire resources manifests the firm’s aspirations, commitment and capabilities to compensate for its inherent resource constraints in pursuit of growth (Cai, Hughes, & Yin, 2014; Penrose, 1959; Jarillo, 1989). Given that informal firms face higher level of difficulties and risks in acquiring resources due to their lack of formal registration status, such endeavour serves as a vivid indicator for distinguishing informal firms with stronger growth orientation from the non-growers.

Accordingly, the study examines the association of resource acquisition acts with firm growth.  Firm growth is defined as ‘the increase in a firm’s size from one point in time to another’ (Nason & Wiklund, 2018, p.33), and it is captured in this study by change in number of employees and in business earnings (profitability). Informal firms are defined as ‘private production or sales units of legal goods and services that employ hired labour but are not registered with the official business registrar and tax authority’, which is line with definitions in existing studies (e.g. De Castro et al., 2014), the 15th ICLS definition of informal sector enterprises as well as that of Zambia Central Statistical Office (2015).

**Methodology and Findings**

We collected first-hand data through a structured face-to-face survey with owners of informal firms in Lusaka - the capital and commercial centre of Zambia, a landlocked country in southern Africa.  Zambia is an average African country that has a relatively stable business environment and ranks highly in the region in ease of doing business. A GEM (2012) regional report on African countries also indicates high entrepreneurship spirit Zambia particularly among its youth generation. Nonetheless, the urban informal sector in the country is still pervasive, accounting for the bulk of the total business establishments and employing over 72 per cent of the urban working population (Zambia Central Statistical Office, 2015). The figure is comparable to the average figures of other sub-Saharan African countries (ILO, 2014). The country provides an intriguing context to derive relevant insights to informal firm growth for other African countries and developing contexts in general.

Do Informal Firms Grow?

The findings showed noticeable growth rate of a significant proportion of the 325 informal firms included in the analysis. The average informal firm achieved an impressive 49 per cent increase in the 3-year period measured in number of employees, with about a third doubling their staff numbers within that period.  Five per cent of the firms have transited from a micro-firm (with fewer than 10 employees) to a small one within the period. In terms of business earnings, over half of the firms reported an increase within the 3-year period and two-third achieved a growth rate of 10 per cent or above. Our findings challenge the view that growth of inform firms is negligible. We are cognisant of the low base point. However, when one considers the magnitude of informal firms in many African and developing economies, the recorded growth rate may reveal a significant aggregate effect on employment and wealth generation by the sector.

What resource acquisition activities are influential to informal firm growth?

Of the external resources examined, pursuing and acquiring clientele outside local markets, building business linkage with formal firms, and obtaining information and knowledge from online sources intensively were positively associated with firm growth in number of employees as well as business earnings.  Surprisingly, pursuit of and obtaining external funding were not found to have association with firm growth in neither employees nor business earnings, even though lacking financial resources is commonly pinpointed to be a major constraint.   Similarly, seeking business advice from professional business development support providers even showed a negative association with informal firm growth.

**Contributions and Implications**

The study enriches knowledge pertaining to the growth of informal firms. The findings enhance the view that firms in the informal sector can be entrepreneurial and growth-achievers (Grimm, Knorringa, & Lay, 2012), thus, challenges the conventional belief of the survivalist nature of these firms.   By examining informal firm growth by two key dimensions: number of employees and business earnings, we offer a fuller view into the heterogeneous growth paths of these firms (Davidsson, Delmer, & Wilkund, 2006) while highlight the danger of relying on a single measure, particularly on increase in employees in extant informal firm literature to judge their growth prospects. Furthermore, we identify several resource acquisition activities that are predictive and explanatory of informal firm growth in the two dimensions, respectively.  These findings will help policy makers and development agencies to design not only indicators for identifying entrepreneurial informal firms that are worth supporting but also support programmes that promote, facilitate and develop skills for these influential activities.   Finally, we articulate the need for placing an emphasis on support measures that focus on enabling the achievement of increase in business earnings, which better matches the goal of growth-oriented businesses and helps them to establish stronger financial health as well as business capacity of the firm to fuel and manage other dimensions of growth, including employment growth.

**Conference Track**

SME Growth and Performance: quantitative perspectives

**Presentation**

Full Paper

### 244

### Publicly funded research centres and business investment in science: Reaching for the endless frontier.

Kevin Mulligan1, Helena Lenihan1, Justin Doran2, Stephen Roper3

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**Abstract**

Since Bush’s (1945) landmark work 'Science: The Endless Frontier', the potential societal benefits of government investment in science have been an important consideration for policymakers (for a discussion, see Pielke Jr. 2010). Academics based at public research institutions are an important source of scientific knowledge for firms (Roper et al. 2008; Hewitt-Dundas & Roper 2011). Collaborations between academics and firms are often incentivised by government. Previous studies have examined the impact of academic-industry collaborations on firms’ R&D intensity (Scandure 2016), innovation output (Beck et al. 2016; Szücs 2018) and performance (Comin et al. 2019; Vanino et al. 2019). While important, focusing on these outcome measures alone may overlook the crucial learning process which links collaboration to innovation and economic impact (Georghiou 2002; Clarysse et al. 2009; Hewitt-Dundas et al. 2019). This paper contributes to the literature by investigating the learning effects of academic-industry collaborations on firms’ research and development (R&D) investment behaviour.

Each year governments and public funding agencies throughout the world allocate vast amounts of scarce public money to fund research centres. As an instrument of science policy, publicly funded research centres have a dual mission to conduct leading-edge scientific research and transfer knowledge to industry through research collaborations (OECD 2011). The main policy goals of research centres are to build scientific capacity within a country and enhance R&D-intensive industries which policymakers deem strategically important (Intarakumnerd & Goto 2018). Both international policy documents (OECD 2011; EC 2012; 2015) and academic studies (Scandure 2016; Intarakumnerd & Goto 2018; Szücs 2018; Comin et al. 2019) emphasise the key role research centres can play in national innovation systems as an intermediary between science and industry.

However, no previous study has evaluated the learning effects of firm collaborations with public research centres. In the field of innovation policy evaluation, learning effects can be captured by examining behavioural additionality; defined as modifications to the manner in which firms carry out innovation projects which are induced by policy intervention (Georghiou 2002; Autio et al. 2008). R&D, a key input into many business innovation processes (Griliches 1979), can be divided into three components: basic research, applied research and experimental development. Though distinct from one another in many respects, basic and applied research are both concerned with the creation of new knowledge (OECD 2015), and constitute the scientific component of R&D  (Stokes 1997; Borrás & Edquist 2014). In contrast, experimental development involves the transformation of existing knowledge into new products and processes, which is more closely related to commercialisation (Pavitt 2006).

For firms, conducting basic and applied research is a crucial means of building scientific capabilities (Belderbos et al. 2016; Arora et al. 2018), which are a key source of competitive advantage (Gambardella 1992; Durand et al. 2008). Moreover, business investment in science often produces knowledge spillovers (Salter & Martin 2001), which have widespread societal benefits (Leibowicz 2018). As such, promoting business investment in scientific research is an important issue for policymakers (Arora et al. 2019). However, science is unique among business investments in terms of its complex, long-term nature, high, uninsurable cost and inherent risk and uncertainty (Rosenberg 1989; Becker & Dietz 2004); factors which tend to disincentivise business investment (Salter & Martin 2001). Therefore, this paper asks the following research question: Are collaborations with publicly funded research centres a catalyst for business investment in basic and applied research?

This question is of urgent importance for policymakers because, over the past 30 years, there has been a major fall in the scientific component of business R&D (UNESCO 2015; NSF 2016; Arora et al. 2018). Arora et al. (2019) argue that this trend has made firms less able to capitalise on scientific advances, thus slowing the rate of business innovation and hampering national productivity. Therefore, this paper interprets an increase in the share of basic and applied research in firms’ total in-house R&D expenditure during and/or after collaborating with a public research centre as a manifestation of organisational learning and a measure of behavioural additionality.

For the empirical analysis, this paper constructs a unique dataset which captures whether firms in Ireland collaborated with research centres funded by Science Foundation Ireland (SFI), the national science funding agency. SFI research centres conduct basic and applied research in areas such as biotechnology and software engineering. Importantly for this study, SFI research centres have a dual mandate to conduct leading-edge scientific research and to enhance the Irish economy through research collaborations with firms (DBEI 2014; SFI 2018). Both Roper et al. (2004) and Hewitt-Dundas et al. (2019) highlight that whether a research centre is oriented more towards research or development, and the specific nature of their research collaborations with firms, are crucially important factors when evaluating the impact research centres have on business R&D. As such, SFI research centres represent an ideal case for evaluating whether collaborations are a catalyst for business investment in science.

The final merged dataset draws on survey and administrative data and contains information on 5,633 unique firms over the period 2007-2018. The paper employs a propensity score matching (PSM) methodology to evaluate the differences in R&D intensity and composition between firms that collaborate with SFI research centres and a matched comparator group of firms that do not collaborate. Findings from this analysis indicate that collaborating SFI research centres significantly increases business investment in applied research.

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**Conference Track**

SME Growth and Performance: quantitative perspectives

**Presentation**

Full Paper

### 249

### The Cost of Discouragement: Financial Constraints, Investment and Performances of Small Firms

Stuart Fraser1, Mark Hart2, Anastasia Ri2

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**Abstract**

**Aims and applicability**

This study aims to test financial constraints hypothesis and further investigate the relationship between small firms’ access to external finance and their performances in terms of productivity and growth. We also attempt to answer how financial constraints affect firm performance by exploring the mediation mechanism of tangible and intangible investment. The research is applicable to the Conference theme as it addresses small business growth issue by exploring one of the major perceived barriers to SME growth.

**Rationale and Previous Literature**

Little is known about the mechanisms behind the relationship between financial constraints and growth of small firms (Fraser, Bhaumik & Wright 2015). The long-standing internal finance theory of growth suggests that the growth of small firms is constrained by the quantity of internal finance in their possession due to capital market imperfections (Schiantarelli 1995, Hubbard 1998).

Previous empirical research aiming to verify the relationship is often based on “internal finance approach” and tests whether the firm’s cash flows or entrepreneur’s personal wealth affect investment or firm growth (e.g. Carpenter & Petersen 2002). It is assumed that when a firm cannot obtain external finance, an additional dollar of internal finance should relax the binding constraint and generate an equivalent or slightly higher increase in assets. However, this approach suffers from a well-known endogeneity problem (other factors, correlated with the availability of internal finance, might also affect firm’s performance) and it fails to distinguish financial constraints from demand side explanations for using internal finance.

A more direct approach to testing financial constraint, i.e. “funding gap approach”, consists in looking at the relationship between funding gaps and firm’s performance. Funding gap is defined as the difference between the amount of capital needed to finance firm’s current operations and growth and the amount of capital available to the firm. The adverse effect of funding gaps on firm’s performance is realised only if the firm is financially constrained. On the contrary, the funding gap resulting from excessive over-optimistic finance demand, for example, will have no impact on firm’s performance (Fraser, Bhaumik & Wright 2015).

In this paper, we follow a powerful direct funding gap approach developed by Fraser, Peng & Roper (2018) to test the following hypothesis: financial constraints affect small firms’ performance mainly through the mediating mechanism of investment in tangible assets. Financially constrained for different reasons firm might postpone or cancel a pivotal investment decision leading to under-investment what negatively affects its productivity and growth.

Additionally, we also explore how financial constraints affect investment in intangible assets as it also may be a powerful transmission mechanism of firms’ unmet financial needs to their under-performance. Indeed, recent evidence suggest that, in the UK, investment in intangible assets has been growing steadily over the last two and a half decades and, since the early 2000s and till 2015, it has been exceeding tangible investment (Goodridge, Haskel & Wallis 2014, Martin 2018). Other recent evidence shows that investment in intangible assets is particularly prone to financial constraints due to its exploratory nature, hardly predictable total costs ex ante and lack of collateral to secure funding from traditional sources (Ferrando & Preuss 2018).

**Data and Methodology**

To test our hypotheses we use data from the first three waves of Longitudinal Small Business Survey (LSBS) which allows to categorise small firms in four distinct financial status groups with respect to external finance. The category of successful seekers consists of the firms who applied for finance during the last 12 months and succeeded in obtaining it fully or at least partially. Self-sufficient category understands those firms who have not sought external finance and reported no need for it, though may be under-capitalized. Failed seekers – firms who had applied for external finance but failed to secure any of the amount sought. And finally, discouraged borrowers are those firms who needed external finance but did not apply for fear of rejection. Financial status is used here as a direct proxy of funding gap. Two last categories are associated with financial constraints which result either from rejection by financial institution (failed seekers) or from discouragement (discouraged borrowers).

To investigate impact of financial status on firms’ investment and performances we link LSBS data to FAME which provides balance-sheet data for a large number of small firms in the UK. We use productivity (turnover per employee) and growth of total assets to measure small business performance. To test causal relationship and capture long-term effect we use financial status in 2015 and estimate its effect on investment and firm performance in 2016 and 2017. We use the Conditional Mixed Process (CMP) maximum likelihood estimator which allows for different types of dependent variables.

**Contribution and Implications**

This study contributes to the literature in the following ways: it tests financial constraints hypothesis by using powerful funding gap approach for small firms; it provides further insights on the mechanisms through which financial constraints affect firms performance and isolates investment in tangible assets effect from investment in intangibles effect; it also allows to distinguish effects of financial constraints of different nature (due to rejection or due to discouragement).

Financial constraints are reported and believed to be one of the major barriers to small firms’ growth. A better understanding of transmission mechanisms and magnitude of impact on firms’ performance is pivotal to improve small business support programmes. Our preliminary results confirm previous findings (Fraser 2014, Fraser, Peng & Roper 2018) that financial discouragement is even more harmful than rejection for firms productivity and growth. In policy terms it suggests that targeted support aiming to improve awareness of existing traditional and alternative sources of finance, financial skills and confidence of discouraged borrowers is necessary. Relaxing binding financial constraint through mentoring support to SMEs might well be one of the keys to the UK productivity puzzle.

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**Conference Track**

SME Growth and Performance: quantitative perspectives

**Presentation**

PowerPoint Presentation

## Entrepreneurial Practitioner Learning

#### Entrepreneurial Practitioner Learning

#### Time: 11:00 - 11:30

#### Date: 15th November 2019

#### Location: UTC: 101

### 325

### Executive Education or Executive Learning, which, when, why and what? (Though not necessarily in that order)

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**Abstract**

According to the Federation for Small Businesses, (FSB), in the UK small to medium sized enterprises, (SMEs), contribute to local economies by bringing growth and innovation to the community in which such businesses are established. They also help to stimulate economic growth by providing significant employment opportunities, (FSB 2017).

Research also shows, however, that many SME owner-managerssay that they do not haveconfidenceintheirabilitytoachievethree-years of continued growth and, worryingly, many believe it is hard to turn a small company into a mediumsizedenterprise. Increasing numbers feel that ithasneverbeenmoredifficulttogrowasmall business in the UK. More recently, the uncertainties of BREXIT have heightened concerns and further sapped confidence. Though the current, highly competitive, fast changing environment would suggest that most difficulties experienced by owner-managers are external to their businesses there is an emerging realisation that solutions must come from within the business. This points uptheneed,specifically,foragreaterfocusonthecompetencydevelopmentagenda. There is a clear and urgent need to support SME owners who still see potential to grow their businesses despite, perhaps because of uncertainties and to address issues of confidence and to develop leadershipskills, (Roper and Hart 2018).

In this conceptual paper, the authors aim to explore the relationship between executive education and executive learning as an alternative and even contradictory perspective. In particular, they consider the factors that might determine which of the two approaches is most appropriate and when, the rationale behind decisions made when choosing between the two and what a response in each case might look like.

The authors reflect and characterize the reality of the learning landscape of the owner-manager who has determined to grow their business and reflect on the implications for him or her in becoming an increasingly effective decision-maker in that business. In tune with popular rejoicing at the demise of the ‘business plan’ as the focus of entrepreneurial business endeavor and tuning into the implications of ‘effectuation’ principles the authors draw on entrepreneurial process and life cycle theories to explore the potential for developing a programme for strategic growth that fits the experiential learning experience of entrepreneurial practitioners, (Watson and McGowan 2018; Read et al 2017; Lange et al 2007; Gibb and Scott 1983; Lewis and Churchill 1983) . They provide a conceptual model for such learning.  It is predicated on the principle that participants in any programme designed around the model have come to recognise that their next significant stage of growth has to be planned strategically and that reliance on organic growth is becoming increasingly untenable. Such a model must provide support to company owners in managing the disruptive impact of strategic growth on their company commercially and on themselves personally, in terms of competence and emotions. Key learning themes focus on issues of entrepreneurial thinking and leadership, competitiveness and the innovative management of scare resources, including human, social, financial and reputational capital.

Essential to the successful engagement of the participant in any programme built around the model will be the potential to draw on the cumulative experience of participants to create an empathetic and supportive community of learners and practitioners. Innovative ‘assessment’ strategies are demanded that go beyond traditional methodologies and reflect the reality of practitioner-learners while obtaining and maintaining standards in terms of academic excellence. Educators who combine practical experience and academic knowledge of best practice, what the authors describe as ‘Pracademics’, are an essential ingredient in defining this non-traditional learning landscape. The role of such educators within the Business School is explored.

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**Conference Track**

Entrepreneurial Practitioner Learning

**Presentation**

Full Paper

### 190

### Turning practice into theory - the lived experience of an award winning entrepreneur turned educator.

Marcus Simmons

University of Central Lancashire, Preston, United Kingdom

**Abstract**

**Topic**

Turning practice into theory - the lived experience of an award winning entrepreneur turned educator.

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

Universities provide the space for new entrepreneurs to be educated and incubated.

But how fit for purpose are these spaces and the education they provide?

**Aim**

The transition from entrepreneur to university lecturer is quite rare. To many entrepreneurs it would not be an attractive option because of their business or income ambitions. To others it would not be possible due to lack of academic qualifications, with a master’s degree being the normal minimum requirement. More recently, perhaps driven by the Research Excellence Framework (REF), a PhD is required.

This inevitably leads to an academic focus to the study of enterprise and entrepreneurship, at the expense of more practical teaching that prepares students for business rather than further study.

**Methodology**

I will draw on my own lived experience of entrepreneurship and place key elements within a theoretical context.

**Contribution**

Having worked in big business, small business and my own award-winning online business, I have first-hand experience of a wide range of entrepreneurship issues.

Having moved into the higher education sector I have a unique practitioner / educator perspective and aims to put key issues he encountered into a theoretical context and establish key learning outcomes for policy, practice and education.

I will share my teaching practice and experiences together with the student feedback received.

**Implications for policy, if applicable**

The unexpected outcome of the REF could, ironically, lead to a reduction in the effectiveness of teaching if the trend towards research at all costs continues. Practitioners are the life-blood of effective and impactful teaching. But don’t just take my word for it – listen to what students say. They love a more practical approach and believe that it prepares them for the world of business far more effectively than endless lectures on and assessment of theory.

**Implications for practice, if applicable**

I would encourage entrepreneurs to engage with Universities in meaningful ways, although this also requires universities to enable that engagement. Courses like MBAs can play a useful role in enhancing the capabilities of people in business, but I would argue that frequently they are also too heavily bases on theory without sufficient context in practice.

**Conference Track**

Entrepreneurial Practitioner Learning

**Presentation**

Practitioner Paper

## Entrepreneurial Finance

#### Entrepreneurial FInance

#### Time: 11:00 - 12:30

#### Date: 15th November 2019

#### Location: Rocket

### 100

### Attention and Awareness of BAs Investing in Early Stage Startups

Abdel Malik OLA1, André Escórcio Soares 2, Catherine Deffains- Crapsky3

1University of Tours, Tours, France. 2Coventry University, Coventry, United Kingdom. 3University of Angers, Angers, France

**Abstract**

**Topic:**

Entrepreneurial firms (EF) face difficulties accessing financial sources due to asymmetric or incomplete information between the entrepreneur and the potential providers of external capital (Ang, 1992; Cassar, 2004). Even if no consensus exists on a definition of EF (Morris et al. 2018), we assume in this research that an EF is an independent nascent or new innovative one with a growth or high-growth potential (Löhrer 2017). EFs cannot provide sufficient performance or activity data required for financial assessment tools.  Even if they start making a turnover, the business model of EF is not proved like sustainable. They are commercially and technically uncertain (Huang & Pearce, 2015) and the lack of information make impossible an objective financial evaluation (Alvarez & Barney, 2007; Wallnöfer & Hacklin, 2013). It is recognized that the first external capital provider to EF is a Business Angel (BA) (Harrison et al, 2010; OECD, 2011). Diebold et al. (2010) consider that BAs are facing contexts of ‘unknown unknows” which means that they face both uncertainty and noise, that is a very high specific risk (quoted by Huang, 2017). Despite the increasing importance of angel finance, the literature focusing on the cognitive strategy of BAs is very limited probably because it ignores the effect of uncertainty on the investment decision approach (Huang & Pearce, 2015).

Uncertainty may create an incapacity or an intellectual paralysis at the decision-maker level (Milliken, 1987). Indeed,BAs have toidentify if the new venture represents an investment opportunity (IO). To explain their ability to have such perception, they claim to use their gut feel about the entrepreneur andthe venture (Hisrich & Jankowicz, 1990; Huang, 2017; Huang & Pearce, 2015;Ola et al., 2019). Such behavior could be seen as impulsive and emotional. The behavioralfinance framework could conclude to biases and false decision process (Kahneman andTversky, 1982). On the contrary, it has been demonstrated that the BA uses a creativeintuitive decision process based on structural alignment (Ola et al., 2019). Structuralalignment means that the BA can make sense intuitively in situ because he actively creates newinterpretation and new significations before investing. We lack what intuiting refer to in term of abilities probably because there is not a theoretical understanding of the real cognitive strategy of BA (Hisrich & Jankowicz, 1990;Huang, 2017; Huang & Pearce, 2015; Moesel & Fiet, 2001).

This study aims to explain behavioral aspects that explain the dominance of BA as a privileged financial partner of EF. We first suppose that their expertise is explained by the data collecting and processing methods (cognitive strategy). Second, we build on the concepts of attention and awareness in psychology, that may define the ability of certain actors than others to reliably make decision. Our development consistently relates these two concepts to angel cognitive strategy when coping with the uncertainty of EF in order to identify investment opportunity. We aim to stimulate the discussion around the cognitive processes of investment decision making, by bringing together literature about cognitive psychology and about entrepreneurship, more precisely about Business Angels.

**Aim: Development of a theoretical model**

The literature (e.g. Maxwell et al, 2011; Huang, 2017; Harrison et al, 1997; Scarbrough et al, 2013)identified three categories of behaviors that distinguish BA from other categories of investors: the non-compensatory heuristic; the process of judgment; and the collective decision making.

The non-compensatory heuristic is the fact that, contrary to Venture Capital funds (VC) who operate according to risk-return principle, BA will not balance risk and return when targeting EF in their investment strategy (Pedchenko et al., 2018). They will not choose to diversify their portfolio (Geibel & Yang, 2018)but focus on a fewopportunities which risk seems manageable and controllable according to their own perception. The non-compensatory heuristic consists in elimination by aspects i.e. some factors as deal killers that yield rejection of projects even if other aspects have a good score (Maxwell et al, 2011). The shortcut behind due diligence consists in weighing separately risk and return by aggregating different components and without threaten them as compensatory.

The judgment approach of BA is the conjoint use of soft and hard information when assessing EF (Huang, 2017; Ola et al., 2019). Soft information is non-codifiable tacit cues (feelings) that are subjectively produced by the angel involved in the decision-making process when hard data include library research, formal market research, formal information about the entrepreneurand formal technologies. Passion, preparedness, enthusiasm and commitment displayed are as important as figures and objective number in intuiting the quality of an EF. The cognition of BA can support such processing of diverse data.

BA’s investment decision is collective in nature. BAs are organized in networks and syndicates with communities of practices. They have the opportunity to benefit from the combined experiences of a group of individuals (Kelly & Hay, 2003). Angels’ groups or networks are recognized as effectivetemporary system able to identify investment opportunities, with their internal working rule (explicit or not) useful in overcoming the difficult transfer of tacit cues (Harrison et al, 1997; Scarbrough et al, 2013). Such efficiency is built on the open mind of BA that sustain collaboration and learning from other, more experienced angels and members of the same investment syndicate and investment partners.

The above three behaviors are often related to the gut feel of BAs. However, why they are the best in EF’s assessment probably relies upon their cognitive strategy. The latter is defined as the mental mechanism behind the selection and the processing of information before deciding. Positive relationship is found between traits such as attention and awareness and insight problem solving (Ostafin & Kassman, 2012), job performance (Dane & Brummel, 2014) and empathy (Dekeyser et al., 2008). They explain the ability to behave in the proper way in situation regarding its complexity. Likemany other psychological constructs, they have been brought into business and management literature (e.g. Brown & Ryan, 2003; Good et al., 2016; Leroy et al., 2013; Petchsawang & McLean, 2017). To the best of our knowledge, they are absent in finance literature.

Attention, as a state of mind, represents the ability to attend to a task without distraction, without a shift of mind from a given task to unrelated concerns (Good et al., 2016; Wadlinger & Isaacowitz, 2011). Angel needs to maintain attention during entrepreneur’s pitch and when personally experiencing the venture with the entrepreneurial team. Non-compensatory heuristic means that EF is perceived as a hole where each part is useful to construct the full image (Maxwell et al, 2011). Investors have to spend a long-time analyzing project from initial screening to the final agreement, with many meetings and negotiations steps, constantly collecting and updating objective and subjective cues. So, whatever is the stage during which the BA will experience the venture, they need to have stable attention and control that attention. This allows them to attend their task of building the right image of the project without distraction and to increase attentional efficiency. They need to be able to relate each new information to an old cue already presented or displayed by the team members. When assessing the risk level, they will continue to search for new deal killer or fatal flaw that can stop the process at any time (Clark, 2008). This leads to the following proposition:

**Proposition 1:**Attention stability, control and efficiency have an impact onBusiness Angels’ cognitive strategy underlying the identification of investment opportunity by BA

Awareness, as a state of mind, is involved in experiential processing which is attention to the internal (e.g. thought, emotion) or external stimulus and registering observable facts (Brown et al., 2007). In experiential processing, common psychological content such as mental images, self-talk and emotions are consciously processed by individuals (Good et al., 2016). Awareness refers to the conscious registration of stimuli, using physical senses, providing directand most immediate contact with reality (Brown et al. 2007). Before awareness to occur, a stimulus must be sufficiently strong to engage attention. In turn, attention guides awareness to a specific element of the experienced reality, which is manifest as an initial “taking notice of”, or “turning toward” that element (Bishop et al., 2004). Our argument is that awareness and attention will make it easier for BAs to identify “fatal flows” and to better assess risk and return. By being aware of and paying attention to their own reactions to new investment opportunities BA will be able to maintain a degree of mental distance or disengagement from self-relevant evaluations. This build on the fact that high awareness and attention increases the capacity to witness events, thoughts and emotions and judge them without being biased by personal memories, learned associations, or future projections(Good et al., 2016).

Awareness is opposed to self-efficacy. Indeed, control theory explains that self-efficacy functions may induce negative self-regulation by influencing individual effort and individual outcomes through a network of negative feedback loops which seek to “control” task related perceptions (Vancouver and Purl, 2017). Actors high in self-efficacy may exert less effort in tasks because their experience make them believe they are likely to easily achieve their desired task outcome particularly when task outcomes are ambiguous. Thus, awareness can weaken negative effect of self-efficacy and encourage more cognitive effort. It increases the perceived effectiveness of long information processing under complex and uncertain context.

Awareness and attention explain the open mind style of the angels. The BAs can notice and integrate reliably different kind of information, tacit and explicit ones. Tacit and not transferable information are produced actively in situ by focusing one’s attention on the present and being aware in the context. It is largely accepted that soft highly detailed cues are privileged by BA (Harrison et al, 1997; Smith et al, 2010). BAs need to actively assess trustworthiness, passion, tenacity and involvement.  The open mind of the angel will be useful to consider those critical elements during the personal information search, the non-structural meetings and the physical site visits (Carpentier & Suret, 2015). The propositions below follow from our argumentation:

**Proposition 2:**Awareness has an impact onBusiness Angels’ cognitive strategy underlying the identification of Investment opportunity by BA

**Proposition 3:**There is a positive relationship between attention and awareness.

**Proposition 4a:**BA cognitive strategy mediates the relationship between attention and the BA ability to identify an investment opportunity

**Proposition 4b:**BA cognitive strategy mediates the relationship between awareness and the BA ability to identify an investment opportunity

Figure: Model of BA’s ability to assess entrepreneurial firms

**Contribution:**

The main aim of this paper is to build a theoretical model explaining deeply the business angels’ cognitive strategy of decision making under uncertainty. We believe this is a first important step in understanding why BA can dominate the early stage financing of entrepreneurial firms while such activity is very risky in financial terms. More than the investment decision making, we aim to improve understanding of the decision-making behavior under uncertainty in organizations. BA and their groups are a good example of an efficient organizing activity to sustain business choices.

**REFERENCES**

**To respect the word limit, we have chosen to not provide the list of references that can be requested from the authors.**

**Conference Track**

Entrepreneurial Finance

**Presentation**

PowerPoint Presentation

### 50

### Financing cleantech firms: Issues and Evidence.

Sean O'Reilly1, Ciarán Mac an Bhaird2

1Technological University Dublin, Dublin, Ireland. 2Dublin City University, Dublin, Ireland

**Abstract**

**Financing cleantech firms: Issues and Evidence.**

* **Topic**

The recent report by the Intergovernmental Panel on Climate Change (IPCC, 2018) highlighted the urgent and immediate need to reduce global greenhouse gas emissions in an attempt to restrict global warming to 1.5° Centigrade above pre-industrial levels to avoid destruction of natural ecosystems and a significant increase in poverty. Awareness of the potentially catastrophic effects of further increases in global warming, the threat of climate change and the unsustainability of current practices is widespread, as evidenced by the work of agencies such as the Sustainable Development Solutions Network, an initiative of the United Nations. Reduction of harmful carbon emissions is one of the most important elements in striving for decarbonisation, and firms in the cleantech sector are vitally important to reducing harmful climate-altering emissions.

* **Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

Our study fits perfectly with the theme of ‘exploring new frontiers and entrepreneurial places’, as we examine how entrepreneurs finance early stage independent firms inventing and developing new technologies aimed at establishing more environmental, sustainable solutions for the planet. Entrepreneurial cleantech firms are critical for our survival, and through exploring new technological frontiers will hopefully ensure a more sustainable existence for future generations.

* **Aim**

The aim of our study is to analyse the financing of early stage cleantech firms across two time periods. Through analysing detailed financial data of cleantech startups, we examine age old issues of financing gaps, capital structure, cost of capital, and the effects of financing on financial performance and survival. We endeavour to answer the following research questions (1) What is the effect of provision of public funding on the capital structure of cleantech startups? (2) Does the cost of capital for cleantech startups vary over 2 subsequent time periods?, and (3) Is public spending on early stage cleantech firms justified?

* **Methodology**

We utilise a unique dataset of cleantech firms from 2 time periods, 2010 to 2014, and 2015 to 2017, to analyse the financing of cleantech over the past 8 years. We conduct detailed analysis of the sources of finance, capital structure, cost of funding and financial performance of these nascent cleantech firms. In performing this analysis, we aim to (1) ‘track’ the provision of public funding of firms in the sector across this relatively short time period, (2) examine the sources of funding used by firms in both time periods, (3) the cost of finance to these firms over the time period, (4) the potential effect of capital structure on the financial performance of the firms.

* **Contribution**

Although cleantech technologies are relatively new, and independent cleantech startups and small firms are operating in the early stages of development of the industry, there is a considerable literature on the subject, particularly on financing of the sector (Criscuolo & Menon, 2012; Knight, 2012), and provision of public funding for the sector (Sonnenschein, 2013). There are a large number of articles on the provision of venture capital and private equity to the sector (e.g. Knight, 2010; Tierney, 2011) and a recent article examines crowdfunding of the sector in 81 countries (Cumming et al, 2017). Articles also consider factors affecting the development of cleantech startups (Bjornali & Ellingsen, 2014).

Our study analyses cleantech firms at the nexus of these issues. We conduct a first time investigation of the cost of capital for cleantech firms over two time periods. Although these time periods are relatively close, our methodology facilitates examination of financing cleantech in the early stages of development of the sector, particularly the evolution of public programmes in financing firms. Our methodology also facilitates a comparative analysis of capital structures of firms over the two time periods, and an analysis of the changes (if any) in the cost of capital.

* **Implications for policy.**

Our study raises a number of potentially important issues for public policy, specifically the provision of public funds to cleantech firms. Agencies in many countries spend millions in financing cleantech firms, with little if any critical appraisal of these spending programmes. Through analysing the sources of capital used by cleantech firms over 2 relatively close time periods, we can assess (a) how public investment in cleantech in Ireland has changed over 8 years, and (b) the potential effects of the increase/decrease in the level of funding over this period or change in policy[5].

* **Implications for practice, if applicable**

We believe our study may have valuable lessons for funders and potential entrants into the cleantech sector. As with many sectors developing new technologies, cleantech experienced a very significant increase in venture capital investment in the early stages. Our findings provide funders with an indication of the potential returns from investment in early stage cleantech firms in Ireland, along with data on the preferred sources of entrepreneurial finance. Our study also provides potential entrants into the cleantech sector with information on the effects of sources of capital on financial performance, and the impact of grant funding.

**Conference Track**

Entrepreneurial Finance

**Presentation**

Full Paper

### 107

### The cost of high-growth: The cost of funding and capital structure over the life-cycle of high-growth firms.

Sean O'Reilly1, Ciarán Mac an Bhaird2

1Technological University Dublin, Dublin, Ireland. 2Dublin City University, Dublin, Ireland

**Abstract**

* **Topic**

Finance is a critical issue for growing businesses and forms the “primary resource base from which other factor inputs are acquired” (Dobbs and Hamilton 2007, pg. 306). According to the British Business Bank (2017, p. 43) “the financing needs of high growth firms are more complex that those of average growth”. Despite the fact that financial management is of critical importance for firms undergoing rapid growth, relatively little is known specifically about the financial issues confronting high-growth companies (Vanacker and Manigart, 2010). There is considerable empirical evidence stating the importance of high growth firms in job creation. Therefore, it is vital to know more about the financing requirements of high growth firms.

* **Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

Our study fits perfectly with the theme of ‘exploring new frontiers and entrepreneurial places’, as we examine how entrepreneurs and businesses finance high growth independent firms in the post financial crisis environment. A small number of high growth firms are crucial for job creation, particularly for developed economies experiencing stagnating productivity and sluggish growth.

* **Aim**

The aim of our study is to analyse the financing of high growth firms. Through analysing detailed financial data of high growth firms, we examine age old issues of financing gaps, capital structure, cost of capital, and the effects of financing on financial performance and survival. We endeavour to answer the following research questions (1) Does the cost of capital for high growth firms vary over the business life-cycle?, (2) does the capital structure of high growth firms vary over the business life-cycle? and (3) What are the differences between (a) High growth firms that survive and (b) high growth firms that fail.

* **Methodology**

We utilise a unique dataset of high growth firms from 2000 to 2015 to analyse the financing of these firms over their current life-cycle. We conduct detailed analysis of the sources of finance, capital structure, cost of funding and financial performance of these firms. In performing this analysis, we aim to (1) examine the sources of funding used by firms during these time periods, (2) the cost of finance to these firms over the time period, (3) the potential effect of capital structure on the financial performance of the firms.

* **Contribution**

While high growth firms represent a very small proportion of the total population of firms, they are responsible for a disproportionate amount of new jobs (Acs et al., 2008; Anyadike-Danes & Hart, 2018; Henrekson & Johansson, 2010; Holzl, 2014; Schreyer, 2000; Storey, 1994) and are important for innovation (Coad & Rao, 2008; Coad, Segarra, & Teruel, 2016; Colombelli, Krafft, & Quatraro, 2013; Holzl, 2009; Stam & Wennberg, 2009; Coad, Daunfeldt, Hozl, Johansson and Nightingale 2014). Policy-makers have promoted specific policies towards this group of firms (Smallbone, Baldock & Burgess, 2002; Audretsch, 2004;  Mason & Brown, 2011; Brown, Gregson & Mason 2016; Brown, Mason & Mawson, 2017; Shane, 2009) and various studies have investigated the main determinants of such extraordinary growth (Acs et al., 2008; Barbero et al., 2011; Lopez-Garcia & Puente, 2012; Moreno & Casillas, 2007; Parker et al., 2010).

The volume of research on the funding issues within high growth firms has been limited (Demir, Wennberg and McKelvie 2016). It has been noted by several authors that relatively little is known about the financial affairs of high growth firms (Vanacker and Manigart 2010; Demir et al. 2016). With the relatively small amount of research undertaken, there are two main issues in relation to fast growth business which are problems of availability and sources of finance (Lee, 2011; Lee 2014; Brown and Lee 2014)

We conduct an investigation on the cost of capital, capital structure, funding requirements and financial performance of high growth firms throughout their life-cycle. Our methodology also facilitates a comparative analysis of capital structures of firms and an analysis of the changes (if any) in the cost of capital. Our aim is to contribute to the knowledge of the financing process and the decision making of those who operate in high growth firms.

* **Implications for policy.**

Smallbone, Baldock and Burgess (2002) believe that help and support in acquiring finance is considered to be one of the most important support needs of potential high growth firms. If public policy is to better target firms which eventually achieve a period of rapid growth, it is vital that more is known about the nature of this very small proportion of firms. (Brown, Mason & Mawson, 2014).

Our study raises a number of potentially important issues for public policy, specifically the provision of funding to high growth firms (both private and public). Agencies in many countries spend millions in financing ‘hopeful’ high growth firms, with little if any critical appraisal of these spending programmes. Through analysing the sources of capital used by high growth firms over a time period we can assess (a) the cost of these funds and (b) the potential effects of the increase/decrease in the level of funding over this period or change in policy.

* **Implications for practice, if applicable**

We believe our study may have valuable lessons for funders, business owners who are experiencing growth and policy makers. Our findings provide funders with an indication of the potential returns from investment in high growth firms in Ireland, along with data on the preferred sources of entrepreneurial finance.

**Conference Track**

Entrepreneurial Finance

**Presentation**

PowerPoint Presentation

### 179

### Consumer Behaviour and Attitudes Towards a Future Cashless Society Within the UK

Kelly Smith, Emily Hesketh, Sunita Dewitt

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**Abstract**

Topic and Aims

Although this has now been rescinded, it had been announced that cheques as a payment method would be obsolete by 2018 with suggestions that cash would within the near future due to being at its lowest circulation rate since March 1972. Innovative payment methods are expected to replace the use of cash (Cleland, 2017). This study explores UK consumer behaviour with respect to a range of cash and cashless payment instruments, and investigates attitudes towards a future cashless society.

Payment of goods and services without transfer of physical cash is not new. The first UK payment card was launched in 1951 when Donald McCullough launched Finders Services after being inspired by a USA trip (Payments Card UK, 2018). This was followed by the spread of the Diners Club initiative to the UK in 1962 after the merger of Finders Services and Credit Card Facilities (Angel and Lazo, 2016). A ripple effect was evident as large corporations started to offer their card services in the UK, including American Express in 1963 and Barclays in 1966 (Angel and Batiz-Lazo, 2016).

In 1967, Barclays in Middlesex installed the first Automated Teller Machine in the world with early dispensers were designed to receive hole-punched vouchers of which had been purchased in advance by the customer for £10 from the bank for use when needed.

Many consumers benefited from the spread of card services that were offered in the 60’s and 70s, however there was no protection for consumers. In 1977, the Consumer Credit Act was enforced (Section 75) which provided protection to consumers buying goods costing between £30-£10,000 on their credit card. If the product fell below standard or they failed to receive it, they could claim compensation off the card-issuing bank (Acquisti and Romanosky, 2009). Then, in 1987, as an alternative to credit cards, banks started to offer consumers debit cards (Foxall and Szmigin, 1998) which transfers funds electronically to pay for a purchase (Amromin and Chakravorti, 2007). Debit Cards accelerated in popularity. Within seven years half of the UK population carried a debit card, and by 1995 debit had over taken credit card sales (UK Cards Association, 2018).

Cash machines were a growing popular method of obtaining cash thought the use of cards, with the one-billionth transaction taking place in 1996 (Angel and Batiz-Lazo, 2016). Retailers’ started to offer the consumer the option of “cash back” in 1990 where the customer could withdraw cash when making a retail purchase (Payment Cards UK, 2018).

Again, the issue of security and consumer protection came into focus, and banks added the feature of “chip and pin”, requiring the inputting of a four digit code instead of signing upon purchase before the purchase could be approved (Drimmer et al, 2010). Chip and pin was successfully trialled in Northampton and Dunfermline in 1997 with over 117,000 cards being issued and 535 terminals used within the trial (Payment Cards UK, 2018).

The invention of RFID technology by Charles Walton in 1973, triggered a new form of payment known as “contactless” (Floyd, 2012). Radio Frequency Identification (RFID) is a popular technology that is used in a wide variety of sectors due to the increased convenience to the business and consumer through the simplicity of action required (Hossain and Prybutok, 2008). Utilisation of the technology in payment transactions did not happen until later years, however. In terms of RFID and contactless payments, a small chip is embedded into the bankcard to allow identification of the bank account to occur through the “tap and go” process (Byoung-Cheon et al., 2017), so-called as a debit or credit card (and more recently mobile phones and smart watches) are tapping on top of the Point of Sale (POS), to complete the payment (Cavoukian, 2011).

Contactless payments started in 2007 in the UK with Barclays adding near-field communication (NFC) – the successor to RFID - to their credit cards (Alak. Et al, 2017; Elgar et al., 2009). In order for the connection to be successful the selected payment method needs to be within under 10cm to the POS (Alak. Et al 2017). After Barclays took the opportunity of distributing contactless cards and the success of the innovation was visible, other banks started to copy the trend. Following slow implementation, contactless payments have now become a mainstream payment method (Alak, 2015). UK Cards Association (2017) reported there were 108.4 million active contactless cards in April 2017, a 20.6% increase from 2016. £391.3 million was spent in the month of April 2017 via contactless cards, representing a 148% increase from the previous year (UK Cards Association, 2017).

A further issue relating to the move away from cash transactions relates to the rise of cryptocurrenices. which are leading the digital currency movement and have accelerated in popularity with a global market worth of over $300 billion (Carney, 2017). Cryptocurrencies are currently unregulated in the UK and there is no protection for individual investors (Zimkova, 2017). Regulators and governments around the world have been trying to keep up with the rapid growth and the decentralised nature. Regulation could be an enabler of a stable, growing cryptocurrency exchange within in the UK (Glen, 2018). G20 requests for recommendations on cryptocurrency regulation by July (2018) to explore what aspects should be regulated without restricting innovation and economic growth (Carney, 2017).

The rapid uptick in adoption of contactless payments in particular has lead to the potential for the UK to move towards becoming a cashless society, defined as a state where payment for goods and services are prohibited in the form of tangible bank notes and are only permitted through a variety of digital payments including contactless, payment cards or other means (Olusola et al., 2013; Lazo, 2014). Research published by Forex (2017) stated that cashless societies may exist as soon as 2022 and they predict the UK is the third “most cashless ready” in the world.

Small businesses could potentially be negatively impacted in the movement towards a cashless society. Federation of Small Businesses announced a large proportion of small businesses would struggle to deal with the cost associated with processing card payments as the operating costs of running a small business is at five year high and there are additional costs of accepting card payments towards the card merchant (FSB, 2018).

According to the House of Commons (2017), the UK population of SME’s equated to 5.4 million, employing less than 249 employees. From the 5.4 million of SME’s, three million of them do not accept card payments (Curry, 2017). However, there is a large emphasis for SME’s to accept card payments as a study by Square (2017) shows one in six British shoppers now only use their card to make a purchase. Small companies could be missing out on millions of pounds worth of sales by not accepting card payments (Square, 2017). SME’s may be slow at accepting card payments as Menzies (2017) found that almost two thirds of SME owners felt they lack support to implement card payments.

With respect to consumers, cash usage has declined with analysis in 2016 showing that nearly 47% of Britons carry less than £5 on a daily basis and 14% carried no cash at all (MasterCard, 2016). Certain individuals, groups, businesses and charities that are dependent upon cash, now have to find innovative solution to become digitally competitive.

In the UK in 2006 there were 2 million adults without a bank account (Mitton, 2008). Eight years later, in 2014, after society becoming more technologically advanced there were still 1.71 million adults in the UK without a bank account (Rowlingson and McKay, 2014). If the UK were to adopt a cashless society, in relation to the UK population the exclusion rate of individuals would be low at approximately 3.23% (ONS, 2017). A cashless society would, majorly affect a range of vulnerable people for example, people who come to the UK seeking refuge or those who are homeless. In addition, a cashless society would impact anyone who did not meet following criteria to qualify for a basic bank account (e.g. must be over the age of 16, have a residential address in the EU; proof of identity and address and, if a UK resident, consent to a credit register check (HSBC, 2018).

Additionally, charities could be impacted as we move towards a cashless society, as it has been found 55% of donations are conducted through the medium of cash in 2017 (Charities Aid Foundation, 2018). From the research by CAF (2018) it has been found that charities donations are predominately from traditional methods and it is suggested they are resistant to adapting to innovative methods of payments, even though it could increase their revenues.

One of the main objectives of this study is to understand consumer-reported use of a range of payment methods in the UK. In additions attitudes towards a future cashless society are explored.

SPACE – exploring new frontiers and entrepreneurial places

The research is applicable to the research theme through its focus on a new frontier – the move to a cashless society. The mechanisms for ‘everyday’ payment are changing and this has implications for society, consumers and business-to-consumer relations.

Methodology

Data was collected via an online questions was hosted platform Bristol Online Survey and accessed through an unique link attained through social media posts on Facebook and LinkedIn. In addition, the research was advertised to Coventry University staff and students through Coventry University online platform Moodle. Furthermore, the opportunity to take part in the study was emailed to professional contacts that may have had an interest in the study.  A combination of closed ‘tick box’ questions and open-ended questions for more detailed and individualized responses were presented. The study was active from the 14th December 2017 to the 20th March 2017 and generated 107 responses. Respondents were predominately young people between the ages of 18-25 (51%). 18% were aged 26-40, 19% were 41-55, and 13% were 56 or older. 45% identified as male and 54% as female.

Contribution

The results of the study showed that use of cash and contactless technologies are the most popular forms of payment with around 45% of respondents using each technology on a daily basis. 56% of the sample had not used cheques in the past year. Use of cryptocurrencies was the least popular regular payment method with 5% of respondents - all of whom were males - using it on a daily or weekly basis.

43% of the sample felt apprehensive towards the shift towards a cashless society. Open-ended questions elicited supporting evidence to why they felt in this position which included the fear of their privacy being stripped away, minimal trust in the banks, and concern their money will be not always be accessible. Conversely, 22% of respondents reported they were excited by the shift. Reasons provided include feeling it was part of a natural evolution of society and that traditional cash methods were becoming old-fashioned.

Positive aspects of a move towards a potential cashless society related to environment friendliness, convenience, and improved security. Negative aspects included security threats, and negative impact on society (such as exclusion of vulnerable groups) and on spending behaviour.

Implications for policy and practice

The results provide support to the proposal that consumers are moving towards cashless forms of ‘every day’ financial transactions despite some apprehensions. SMEs need to be prepared for this move and some may require advice and support, for example from business support organisations, to do so.

**Conference Track**

Entrepreneurial Finance

**Presentation**

PowerPoint Presentation

## Enterprise Education

#### Enterprise Education

#### Time: 11:00 - 12:30

#### Date: 15th November 2019

#### Location: Invicta

### 65

### Measuring Entrepreneurial Education outcomes: qualitative perspectives

Paul Jones1, David Pickernell2, Rebecca Connelly3, Celia Netana4, Kelly Smith3

1Swansea University, Swansea, United Kingdom. 2Portsmouth University, Portsmouth, United Kingdom. 3Coventry University, Coventry, United Kingdom. 4University of South Wales, Cardiff, United Kingdom

**Abstract**

**Abstract**

This study evaluates impact of entrepreneurship education (EE) on career considering evidence drawn from a qualitative study of alumni within three UK Higher Education Institutions (HEIs) from a retrospective perspective.  The existing literature charting the outcomes of entrepreneurship education remains nascent and further evidence is required to evidence its contribution and value. The growth of Entrepreneurship Education in the UK and globally has been prodigious with significant investment in curriculum and business eco-system development. The evidence represents a new and important frontier in validating the significant investment occurring in entrepreneurship education both in the UK and globally. This study offers a qualitative follow up to the quantitative study undertaken by Jones et al in (2017). The aim of this study is provide detailed insights into the careers of entrepreneurship education graduates and thereby reflect on the value of educational experiences.

The findings informs the value of the EE experience and its impact on both self-employability and wider employability career choices. This study will be of relevance to universities, enterprise support agencies and government policy makers. This empirical study considers evidence drawn from telephone interviews with former entrepreneurship education alumni of Coventry University, the University of South Wales (USW) and Huddersfield University. These universities were selected on the basis of their current and prior involvement with entrepreneurship education curriculum in the UK. Twenty-nine interviews were undertaken included 14 respondents from the USW, 11 from Coventry University and four interviews from Huddersfield University. Respondents were selected on the basis of their of their prior completion of an Entrepreneurship programme. Respondents were identified through Entrepreneurship educators in each institution and thereafter traced through social media sites like Linkedin or via personal networks. Initial contact was made and it was established whether they wished to participate in the study. Thereafter a mutual interview time was agreed between the parties. Interviews typically took 45-60 minutes to complete. Participants were sent a full transcript of the interview following the event to ensure data reliability. The interviews considered a range of issues in depth including prior experience, motivations for study, in course experiences, career pathway and outcomes and influence of course thereafter. The participants were asked to reflect on the value of the course in supporting their career development.  The data was evaluated using NVIVO software and key themes identified for each question.

 The data collected in this study is UK focused, however, it has relevance on a global perspective for the EE community. The rich qualitative evidence gathered here suggested indicates that EE programmes provide value both in terms of enabling viable business start-ups and also in supporting alternative career paths in employment in both the public and private sector through the enterprising knowledge and skill sets graduates acquire during their studies. A range of business start-ups is evident including stories of successful growth but also of business failure. A range  of actitivity is also evident including involvement in  social  enterprise and entreprenreneurial acitivity. This study contributes to the existing literature by recognising and measuring these contributions. For example, this study provide personal case histories of the entrepreneurship graduates adding to a limited literature.

 The HEI sector must critically evaluate its EE practices and measure the effectiveness of its graduates in terms of achieving sustainable business start-up. In course design, the evidence suggested that students value both the enterprising and entrepreneurial skills and knowledge components and discern value between them in their later careers. The findings suggests that EE graduates typically experience portfolio careers with multiple occupations in different sectors and roles within both employment and self-employment. Thus, it is important that EE programme design includes both Enterprising and Entrepreneurial components to meet the future requirements of their graduates post-graduation. This study contributes novel evidence regarding the long-term value of EE in UK HEIs. This evidence should further inform effective EE course design and policy makers regarding the value of EE in creating both self-employment and enterprising employees.

**Keywords**: Entrepreneurship Education; Self-Employment; Enterprise; Graduates; Enterprise

**Conference Track**

Enterprise Education

**Presentation**

Full Paper

### 314

### Entrepreneurship and Creativity: Breaking Bounds in Entrepreneurship Education

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**Abstract**

**Space: Exploring New Frontiers and Entrepreneurial Places.**

Entrepreneurship has been analysed from different approaches: trait, behavioural, economic, psychologic, sociologic, anthropology and managerial perspectives (Gartner, 1988) unfortunately, the term entrepreneurship still defies a universally accepted definition. However, this research dwells on entrepreneurship and creativity in entrepreneurship education.

Entrepreneurship as stated by (Vesper, 1982), is the creation of new organisations. (Stevenson, Roberts and Grousbeck’s, 1985), define entrepreneurship as the process of creating value by bringing together a unique package of resources to exploit an opportunity. According to (Schumpeter 1934, 74), entrepreneurship is the carrying out of new combinations. Rumelt (1987) views entrepreneurship as the creation of new businesses. As reported by Shapero (1975), entrepreneurship consists of taking initiative, meanwhile Ronstadt (1984) viewed entrepreneurship as a dynamic process by which wealth is created. Kuratko (2009) summarised Entrepreneurship as a dynamic process of change (implementing new ideas), and creating creative solutions. Entrepreneurs therefore are changed agents who question the existing paradigms, attempt to do more with less, and focus on long-term sustainability rather than short-term gain (Dees, 2001); (Egri and Herman, 2000).

Creativity is the breaking out from established patterns in order to look at things in a different way. It involves generating alternative approach, (Harris, 1998). It brings about a change in ideas and direction. It is getting what has been left out of the original way of looking at situations, (Okpara, 2007).  Creativity involves introducing and using discontinuity (Bono, 1984)

Initially creativity was seen as something brought about by luxury, chance, a by-product of an ego-seeking mind, or a mysterious magic gift, which some people have and others do not (Bono, 1984). Creativity is all these things, but only because we have not attempted to introduce discontinuity into our thinking in any other way. Creativity will continue to be associated with these factors but not in an exclusive manner. Once we develop skills in lateral thinking, this could be developed by anyone who takes the trouble to learn the principles and practice the process of lateral thinking (i.e. escape from fixed patterns, challenge assumptions, generate alternatives, jump to new ideas and find new entry points), creativity need no longer be a matter of chance, magic, chance etc, creativity is everybody’s business.

The focus of this research is on the current teaching and learning of entrepreneurship education in universities and what it ought to be with the help of entrepreneurial creativity. The broader educational trends and other business community demands have been consistent with an emphasis on entrepreneurship education, (Fayolle and Gailly, 2007); (Fayolle, Gailly and Lassas-Clerc, 2006). More attention to cross-functional integration, a shift  from quantitative to the qualitative, from the analytical to the subjective and the conceptual to the applied are all consistent with the nature of entrepreneurship education (Ivancevich, 1991). The increasing acceptance of entrepreneurship education into the mainstream could lead to the failure of existing entrepreneurship course or a slowing down of entrepreneurship majors and concentrations. Perhaps the greatest danger and yet the greatest opportunity is that, entrepreneurship education will lose its newfound identity and instead become integrated, piece by piece into other course work. This integration could threaten entrepreneurship as a field.

Despite this general optimistic assessment of the growth and acceptance of entrepreneurship education, entrepreneurship researchers have only begun to generate new knowledge and to seek confirmation of its validity. In addition, they have only begun to create concepts, the building blocks of theory. The field of entrepreneurship still suffer from conceptual deficiencies. Still, there remains only a lukewarm acceptance of entrepreneurship curricular in many universities and less acceptance in most countries in the world (Chusimir, 1988; Ivancevich, 1991). Despite the greatly increased attention on entrepreneurship education, much of the writing has focused mainly on individual programmes, compilations of course syllabi, and experience-based observations (Vesper and Schlendorf 1983); (Vesper1982); and Ziethaml and Rice 1985).Much of this writing address specific teaching and learning objectives as well as course content and other educational delivery issues. Students have low entrepreneurial attitude and mind-set. Worst of all, entrepreneurship graduates do not want to practice entrepreneurship upon graduation.

The concept “entrepreneurship education” has been understood more narrowly, aiming to give people, the knowledge and skills needed to become self-employed and develop a new business for a long time. Entrepreneurship education is now attainable for the students at public and private universities in Cameroon, but the question is how it is taught and how effective is it for the students to enter the labor market after graduating from the universities? This research will throw more light on what entrepreneurs have to do and how, in order to maintain entrepreneurship as a course.

**Aim**

The main aim of this research is to explore ways in which entrepreneurial creativity through lateral thinking could question, challenge and change current traditional entrepreneurship concepts, and generate alternative concepts that could sustain present day entrepreneurship education as a course in higher institutions of learning.

**Method**

Interviews were conducted with unstructured and semi-structured questionnaire with different types of learners in the University, eg. Five from Undergraduate students, MBA students, PhD students, non-business student**s**of the University of Edinburgh Business Schooland Adam Smith, University of Glasgow. Forty students and two staff each from entrepreneurship group from each university. Questions were asked on their intension for studying entrepreneurship and whether they would like to become entrepreneurs upon graduation, why and why not etc. The sample is small enough for a deeper understanding of the current problem of entrepreneurship education. I chose Edinburgh and Glasgow because of proximity and they both have entrepreneurship programme. Although creativity is every one’s business, the scope of this research is limited to higher education. This is because of time limit and financial constraint.  Data was coded in SPSS and analysed qualitatively using themes.

**Findings**

There is need to analyse learners needs.There are different learning styles based on different learning theories (Block and Stumph, 1972), but entrepreneurship researchers have not significantly evaluated these factors.Although many students seek to start entrepreneurship one day, others seek to satisfy intellectual curiosity or consider a possible career alternative. Many other students may anticipate supporting entrepreneurs as customers, whether budding bankers, financial planners, consultants or in some other supplier role. Students could anticipate working in a mature corporation and interacting with entrepreneurs as suppliers or they might hope one day to earn the title of corporate intrapreneur. In all these cases, the level of previous business education and experience will shape their interests and needs.

The demographic (e.g. women business owners), psychographic (e.g. part-time business owners with competing interests), industry and other characteristics could also be considered in identifying the different needs of different types of learners. There is a big challenge to advance and broaden the scope of entrepreneurship education through entrepreneurial creativity.

The second aspect of analysing learner needs involves answering the question, “Do potential and existing business owners have different learning styles? (Upton 1987, 1988).There are varied learning styles based on different learning theories (Block and Stumph, 1972), but entrepreneurship researchers have not significantly evaluated this factor.

Expanded programmes could create courses around the business plan, rather than around business functions. New teaching methods are needed to highlight students’ interaction and participation.

Higher institutions of learning are hindering entrepreneurship especially in developing countries for instance Cameroon.  Most introductory courses in entrepreneurship focus on an overview of the business plan.

Other than casual observations, entrepreneurship researchers have largely ignored any systematic market analysis of different learner segments. Perhaps we are so tradition bound as university educators that we somehow forget to do what is routinely treated as infallible knowledge in foundation courses such as marketing principles and business.

Entrepreneurship is about being practical, having the knowledge, vision, competences, capabilities and the resources to change the way we live our lives. It is having the experiences, and critical understanding in creating new values.Entrepreneurship courses require not only academic teaching of the highest standard but also an exposure to successful entrepreneurs through videos etc This gives students an edge and confidence that they will need, when they go out and seek employment within the industry or start on their own.

**Contribution**

This research has broaden our knowledge on how entrepreneurial creativity through lateral thinking could be used to escape from fixed or vertical pattern of thinking, by generating alternatives, questioning and challenging conventional/traditional assumptions of entrepreneurship education in higher institutions of learning. This paper has also contributed to knowledge in

**Implication to practice**

Re-evaluating the ways educators think about and communicate their subject matter. Specific suggestions include the following: Define business as a fundamentally entrepreneurial undertaking whose purpose is to create value by bringing together unique bundles of resources to exploit opportunities.

Focus more on planning as an adaptation to a changing environment, emphasising instead its role as a vehicle for affecting change. Discard traditional and simplistic approaches to market segmentation, which ignore market dynamics. Instead, develop creative ways for classifying customers based on their responsiveness to marketing variables.

Essay exams and problem solving exercises can allow students to demonstrate entrepreneurial thinking. Case-oriented courses might be taught with less emphasis on what the firm actually did/does and more on unique/novel solutions to traditional problems. Also live cases may instil more of an entrepreneurial perspective than historic ones. When teaching students, how to prepare cases, time should be devoted to creativity, and how it can operate within both individuals and groups,

Courses that typically require group projects might be more entrepreneurially successful if they stress individualistic solutions. Although this may conflict with the current tide of group-oriented management philosophy, more individualism rather than less, at least in some courses, is beneficial for students. Alternatively, some courses might be taught with a heavy emphasis on techniques for fostering team entrepreneurship (i.e. brainstorming, group rewards).

Good educators however should be responsive to students’ differing needs and preferences with respect to learning. It is not enough to know the material we teach, we also need to know the students.

Students should be taught in a way that they would develop a creative mind-set, entrepreneurial awareness and the capacity to identify entrepreneurial opportunities. They need to be taught the essential strategies for promoting enterprise growth, how to evaluate decisions, successful scaling strategies and how to create sustainable solutions. These will prepare students for a wide range of possibilities using entrepreneurial skills and knowledge to start a venture or contributing to an enterprise or community venture.

**Conference Track**

Enterprise Education

**Presentation**

Full Paper

### 319

### A Systematic Mapping and Review of the Entrepreneurship Educators’ Role, Profile and Cognition

Andrea Lane

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**Abstract**

**Applicability to the conference theme**: By exploring the current state of literature about entrepreneurship educators this paper contributes to an emerging space within entrepreneurship education research, and extend its current discussion beyond those about the learner, i.e., student, the curriculum, and the pedagogy applied (Newcastle University, 2015; Lilischkis, 2017; Sharma, 2017).

**Aim:**The current body of knowledge on entrepreneurship education focuses significantly on the learner (i.e., students), and the content of what they should be learning (Kabongo and McCaskey, 2011; Neck and Corbett, 2018; Steiner, 2014). While educators are instrumental in the implementation of entrepreneurship education in schools and universities (Ikävalko 2009; Hannon, 2005, 2006; Ruskovaara & Pihkala, 2013; Gibb, 2013) their profile continuous to be unexplored (Steiner, 2014) and their perspective “remains relatively silent” (Neck and Corbett, 2018). To shed a light on the available body of knowledge about entrepreneurship educators a systematic mapping study (SMS) and systematic literature review (SLR) about entrepreneurship educators were conducted and will be reported in detail in this paper.

**Research Question:**

The systematic mapping study of the body of literature about entrepreneurship educators aimed to answer the following research questions:

-What are the core subjects and research questions in the field since 2000, and how has that changed over time?

-Who is publishing in the field, and how has that developed over time?

-Which are the leading publication outlets for articles on the subject?

-What methodologies have been applied in the field?

The systematic literature review aimed to answer the following research questions:

-What is the biographical profile of entrepreneurship educators, and how does that impact their beliefs and practice?

-Which cognition (beliefs, attitudes, assumptions, conceptions and perspectives) do entrepreneurship educators have about the entrepreneurship teaching, learning, students, the subject matter, curricular, instructional activities, and their self?

-What is known about factors shaping their cognition, and how does their cognition influence their pedagogical practice in entrepreneurship education?

**Methodology:**The author conducted a systematic mapping study, more frequently found in the field of system technology and medicine, and a systematic literature review to consolidate the various findings about the cognition of entrepreneurship educators.

While not analysing the empirical evidence of the 60 primary studies included in the systematic review, a systematic mapping study constitutes a “inventory of papers on the topic area (Petersen, Vakkalanka & Kuzniarz, 2015, pp. 2) whereby the value derives from the descriptive overview of the literature on a specific topic (Kitchenham, Budgen & Bereton, 2011) enabling the researcher to identify gaps in the literature and trends of topics being worked on (Kitchenham, Budgen & Bereton, 2009). The subsequent systematic literature reviews constitutes a “recognized method for conducting evidence-based policy” (Pittaway & Cope, 2007, p.5) by adopting a replicable, scientific and transparent process and constitute a “scientific investigation in themselves”, (Cook, Mulrow & Haynes, 1997: 377)

To identify the body of knowledge in the field the first step constituted a comprehensive electronic databases search targeting two databases, ProQuest and EBSCO. Using the following combination of search strings: "Entrepreneurship Education" OR "Enterprise Education" AND “Teacher” OR “Educator” OR “Lecturer” OR “Academic”. To ensure a high quality of research, only articles published in peer-reviewed published journals we added, excluding literature reviews, book reviews, Intro to Special Issues, grey literature, and conceptual papers. The comprehensive search process, including database search, reference and forward citation search, key author search, and manual search in 39 journals and three databases yielded 60 articles published between 2000-2018 relevant to the research question, which for the systematic literature review were reviewed using the SALSA framework (search, appraisal, synthesis and analysis).

**Contribution:**Faced with the absence of clear-cut pedagogical guidelines for entrepreneurship education, entrepreneurship educators are placed in the role of educational change agent to translate a broad curriculum into practice based on their philosophical and conceptual understanding of the concept (Ruskovaara & Pihkala, 2013; Gibb, 2013; Hannon, 2005, 2006). Understanding their cognition is subsequently considered necessary for understanding and improving the implementation of entrepreneurship education in schools and universities (OECD, 2009; Hannon, 2005, 2006). However, as it has been argued that there is a dearth of literature about the profile and perspective of entrepreneurship educators (Steiner, 2014; Neck and Corbett, 2018) this study systematically unveils the current state, key contributors, and significant contributions about the topic. With that, the paper contributes to an emerging space within entrepreneurship education research (Newcastle University, 2015; Lilischkis, 2017; Sharma, 2017).

**Implications for policy, if applicable:**The research highlights the need to move beyond the study of students and the curriculum in entrepreneurship education research, to hearing the voice, understanding the profile and cognition, and subsequently, addressing the needs of those responsible of implementing entrepreneurship education – entrepreneurship educators.

**Implications for practice, if applicable:**Two implications for practice emerge: Firstly, based on the emerged knowledge inventory, teacher educators, faculty development departments, as well as management officers responsible for the implementation of entrepreneurship education, will gain an enhanced understanding of the impact of tacit knowledge and biographical factors influencing the performance of entrepreneurship educators. Subsequently, they can align professional development policies to enhance their support for them. Secondly, researchers focused on enhancing the knowledge about entrepreneurship educators can identify suitable potential publishing avenues, research collaborators, and gaps in the literature.

**Conference Track**

Enterprise Education

**Presentation**

Working Paper

### 55

### Entrepreneurial Training: Concept Mapping of Challenges, Needs, and Realities of Emergent Entrepreneurs

L. Martin Cloutier1, Étienne St-Jean2, Claudia Pelletier2

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**Abstract**

**Topic**

This research examines the conceptualization of needs, challenges, and realities of nascent and newly established entrepreneurs, on the one hand, and investigates existing gaps in perceptions held by trainers, coaches, and advisors working in public-supported agencies about these needs, on the other hand.

**Applicability to the conference theme – “SPACE – exploring new frontiers and entrepreneurial places”**

This research is entirely aligned with the conference theme, as it investigates the needs of emergent entrepreneurs. Throughout the research steps, entrepreneurs and entrepreneurial support professionals were both engaged in a process to identify how the former could improve gains from training by the intervention of the latter, while strengthening the commitment toward enterprises through impactful research aimed at regional entrepreneurial aspirations.

**Aim**

From previous studies, the positive effect of training on intention and success in business was noted (Bergh and Jacobsson, 2011; Bergman et al., 2011; De Faoite et al., 2003; Solesvik, 2013). Professional support is also valuable to fasten the business creation process (Delanoë, 2013). Despite these encouraging findings, Fairlie and Holleran (2012), in one of the few experimental randomized control studies, found that the effect of training nascent entrepreneurs and in providing advice from support professionals is most useful for risk-tolerant individuals. In general, training and support have only a temporary effect to speed up business creation, but they have not found any medium-term effect on organizational sustainability or performance. Another experimental randomized control study shows that the observed effect of training on personal initiative (that could also be considered as proactivity) of the entrepreneur, tends to be similar to the control group after a two-year period has elapsed, except for individuals with high cognition needs who remain higher on personal initiative (Mensmann and Frese, 2019). This result raises the doubt that traditional training would not be effective in supporting aspiring entrepreneurs, at least in the mid-term, and for everyone else. In addition, recent work nuances some beliefs about the positive effect of training on the entrepreneurial process. Indeed, it has been shown that entrepreneurship education can have a negative effect among those who have previously been made aware of entrepreneurship via a family business or through personal experience (Fayolle and Gailly, 2015). Others have shown that entrepreneurial self-efficacy is likely to decline following theoretical training, but is likely to increase when practical activities constitute the bulk of the training (Piperopoulos and Dimov, 2015). Thus, training and support for entrepreneurs appear to be effective for particular profiles only, or for a specific training delivered to specific entrepreneur profiles.

From an ecosystemic perspective, many prior studies have drawn attention to the positive effects of external forces on the creation and functioning of early-stage ventures (Roundy and Fayard, 2018). With regard to the divergence of perceptions in between actors interacting when it comes to support entrepreneurs and SMEs, other research have also highlighted the need for a better articulation of efforts in general (Pelletier and Cloutier, 2019; Cloutier, Cueille and Recasens, 2016). Nevertheless, questions remain as to the relevance of training itself, the real influence of external actors, and the potential misfit of training and small business support. Do trainers take into consideration real needs, challenges, and the reality of entrepreneurs when developing training contents, or do they just create new training based on their thoughts, deductions and understanding about entrepreneurial needs? To put it differently, does a misunderstanding of entrepreneurial needs and challenges by trainers, educators, and coaches lead to a mismatch in the training offered to entrepreneurs?

In this project, difficulties, needs and challenges of emerging entrepreneurs were identified and conceptualized (from nascent to new entrepreneurs (i.e. less than 42 months of paid salary), following Bosma and Kelley (2019), as well as the perception of training and support professionals.

**Methodology**

To achieve this goal, the group concept mapping (GCM), a multivariate mixed methods-based approach was employed. At step 1 of the GCM, six brainstorming sessions with emerging entrepreneurs in major centers in Quebec (Canada; i.e., Montreal, Mauricie, Outaouais, Bas-Saint-Laurent) were conducted. Four group discussions with business support professionals (i.e., trainers, advisors and coaches) were also organized at the same locations. A particular attention was paid to participants selection so experiences and profiles are varied (entrepreneurs in training and supported or not, types of organizations, gender, etc.) in order to collect ideas from a diversified pool of perspectives. This step generated over 150 ideas which were formalized into a final list of 89 items developed by three team researchers. For the step 2 of the GCM, individual written data was obtained from the initial pool of participants and an additional pool of participants, from the same regions, and also from the Quebec City area. Entrepreneurs and entrepreneurial business support professionals were invited to sort and rate the structured item list established at this step. At step 3, the multivariate data analyses (Multidimensional Scaling Analysis (MDS); Agglomerative Hierarchical Cluster Analysis (AHCA) using the Ward algorithm) helped estimate the concept map, and conceptualize the perspectives, needs, and challenges form the qualitative sort data, on the one hand, and measured perceptions of ‘relative importance’, ‘relative priority’, and ‘availability of training in the region’, by the different participant groups calculated based on scale rating data, on the other hand (Rosas, 2017). Step 4 of the GCM resulted in debriefing sessions held with small groups of participants at each region to ensure external validity and initiate knowledge transfer. Finally, step 5 of the GCM, provided results mobilization, either in the form of theorization (Cloutier et al., 2016), simple recommendations to entrepreneurial actors across regions, or even for item structuration with intention to perform confirmatory studies. The GCM has been used successfully for entrepreneurial support evaluation (Cloutier et al., 2016).

**Contribution**

Results provide conceptualizations and comparative knowledge of the challenges faced by emergent entrepreneurs as well as the perceptions of entrepreneurial support professionals (i.e. trainers and coaches). The convergence and divergence in between reality and perceptions highlight myths to be debunked, and by the same token, information to be disseminated to entrepreneurial support professionals. The group concept map obtained is a contribution to research that can be used as a conceptual framework that comprises eight clusters of challenges and needs: 1-Entrepreneur personal equilibrium and well-being; 2-Becoming entrepreneur (soft skills); 3-Becoming entrepreneur (know-how); 4-Managing business operations; 5-Managing business finances and financing; 6-Digital technology tools and knowledge; 7-Learning processes; and 8-Strategic and entrepreneurial development. The gap in importance attributed to each cluster from entrepreneurs and trainers/business support counselors is a useful contribution both for research as well as for establishing action roadmaps useful to entrepreneurial actors as well as their partners in the whole ecosystem, whether these are other entrepreneurs or business support professionals alike.

**Implication for policy, if applicable**

To improve public support for entrepreneurs, training should be developed in accordance to the conceptualized needs and challenges identified by entrepreneurs. This is an important step in showing the needs of emergent entrepreneurs, and what ought to be done to improve the effectiveness of training and support.

**Implication for practice, if applicable**

This research shed light at the discrepancies of understanding challenges and needs of entrepreneurs from entrepreneurial support professionals (i.e., trainers/business support advisors). This could also help explain why some entrepreneurs do not benefit from the training in the long term. The interest of the contribution from this research extends beyond the proposed context in which the study was carried out. In particular, the methodological framework combined with the resulting conceptual representations and perceptions of entrepreneurs and support professionals could provide guidance for enterprise education curriculum development.

**Conference Track**

Enterprise Education

**Presentation**

PowerPoint Presentation

## Entrepreneurship in Minority Groups

#### Entrepreneurship in Minority Groups

#### Time: 11:00 - 12:30

#### Date: 15th November 2019

#### Location: Locomotion 1

### 41

### Multicultural Hybridism: Comparing Mixed Embedded Breakout Experiences between African and Chinese Entrepreneurs in Birmingham

Xiping Shinnie, Thomas Domboka, Charlotte Carey

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**Abstract**

**Abstract:**

**Aims**

A new wave of migrant entrepreneurs from dozens of locations across the globe has brought ‘super-diversity’ into the theme of entrepreneurship research, demonstrating strong historical continuity within the mixed embedded mainstream business environment. In a mixed embedded context, ethnic minority migrant entrepreneurship, as a set of connections and regular patterns of interaction among people sharing common national background or migratory experiences, encompasses ethnic enclave entrepreneurs. These are increasingly fulfilling double roles in ethnic niches since many ethnic enclaves evolve into multi-ethnic neighbourhoods, and middleman minorities. They are showing increasing presences in affluent middle-class suburbs within the primary sector of mainstream economy. In particular, there is an emerging trend of ethnic minority migrant entrepreneurs breaking out of their co-ethnic markets gaining access to mainstream businesses. This paper focuses on the emerging trend of ethnic minority migrant entrepreneurs breaking out of their co-ethnic markets into mainstream economies. Through a critical review of the existing literature on theories of migrant entrepreneurship, with an emphasis on the importance of shifting from an ethnic exceptionalism perspective to a multicultural hybridism approach we re-examine the role of ethnic culture in migrant entrepreneurship. The present study aims at developing and extending the mixed embeddedness theory to the breakout context from a multicultural hybridism perspective. The study will make comparisons of breakout strategies between two under researched ethnic groups, namely African and Chinese migrant entrepreneurs in Birmingham, the second largest metropole in the UK and a global city with a significant and diverse ethnic population. To develop and extend theory on mixed embeddedness from a multicultural hybridism perspective. The current study focuses on breakout strategies in connection with four factors of migrant entrepreneurship, namely spatial structure, social capital, entrepreneurial intention and opportunity structure, under the mixed embedded social cultural context.

**Methodology**

Grounded theory is adopted to carry out a systematic qualitative investigation on breakout experiences of Birmingham based African and Chinese entrepreneurs. The research is designed to examine the breakout entrepreneurial experiences of two groups of enterprises from African and Chinese minority migrant community groups. It is proposed between 15 and 30 entrepreneurs will be carefully selected from the two ethnic groups based in Birmingham. Given the fact that the aim of the current research is to identify trends on a number of leading enterprises within the minority migrant business community, it is likely that a group size of 15 to 30 is a reasonable sample as a number of researches show 31 as the mean sample size with adjustment in consideration of the principle of saturation. There will be an initial quantitative analysis of the study. The purpose of the analysis is to identify the similarities and differences of the two selected groups of African and Chinese enterprises in terms of sizes, markets, capitals as well as the features of the entrepreneurs including age, gender and industrial experience. Detailed information on language, culture and home city of majority of employees as well as the entrepreneurs are recorded in order to draw an accurate picture on characteristics of multicultural hybridism for both the enterprises and the entrepreneurs. On the basis of the initial quantitative data analyses, grounded theory is used to carry out the main qualitative study, focusing on multicultural hybridism within the breakout process of migrant entrepreneurship. Longitudinal research method is adopted, and for every participant enterprise, it is expected to carry out interview on all stages of the breakout process. Semi-structured interview is used in this research, with the researcher functioning as a listener to ask open-ended questions about the enterprise and the entrepreneur encouraging them to elaborate the stories sharing their memories, experiences and expectations.

**Contributions**

This study aims to enhance understandings towards ethnic minority migrant entrepreneurs by producing a theoretical framework to extend the mixed embeddedness theory in the context of migrant businesses breaking out of their own ethnic niche into the mainstream market. It also hopes to draw meaningful implications between culture, migration and entrepreneurship in the sphere of migrant entrepreneurship. Furthermore, the UK government policy has long been criticised for not being engaging with the changing social and economic landscape of migration. This is significant given that breaking out of the co-ethnic market into the mainstream business is of profound implications not only to economic development of both the minority groups under consideration and the mainstream local economy but also to help achieve social and cultural integration. Therefore, it firstly aims to help government agencies to produce effective policies and strategies specifically supporting minority businesses to break out of their niche market. Secondly, it hopes that initiatives and support agencies are formed in assisting the minority enterprises to enter into the mainstream market. Thirdly, it is desirable for the government to link up business support agencies, private organisations as well as government institutions together to support ethnic minority entrepreneurs not only break into the mainstream market but also integrate into the mainstream economy.

**Key Words:**Ethnic Exceptionalism, Multicultural Hybridism, Ethnic Culture, Theories of Migrant Entrepreneurship

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Working Paper

### 128

### Social Capital, Decision-Making and Capital Resource Acquisition: A Focus on Pakistani Immigrants in South Africa

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**Abstract**

**Social Capital, Decision-Making and Capital Resource Acquisition: A Focus on Pakistani Immigrants in South Africa**

Applicability to the conference

The paper is relevant to the conference under track ‘Entrepreneurship in Minority Groups’, as it empirically investigates the extent to which social capital networks and levels of trust in the Pakistani immigrant community in South Africa impact entrepreneurial decision-making.

Considering that human migration has many effects on cultural and social arrangements, where various ethnicities have their own form of social capital and networks are structured in their own unique ways, this provides an opportunity to examine how an immigrant population is utilising social capital to improve decision-making, by leveraging human capital and financial capital acquisition.

Aim

A small, large-scale and a large, small-scale sector characterize most African economies. In between is the medium-scale sector, which has been called the missing middle in African economies. Only two percent of all African businesses have 10 or more employees. The majority are micro and small-scale enterprises that consist of one to three employees, mostly in the informal sector. In South Africa the growth and development of the small and micro-enterprise business sector, in particular, has been identified by many stakeholders as being of utmost importance in an effort to create employment and address poverty.

There is growing literature suggesting the importance of networks to entrepreneurs and even arguing that social capital may be the most significant source of knowledge for entrepreneurs. Studies indicate that networking allows immigrant entrepreneurs to enlarge their knowledge of opportunities, to gain access to critical resources, and to deal with environmental issues.  In the absence of political stability, and formal support structures, networking and personal trust become even more important as they offer some form of consistency and predictability in hostile environments. Through social capital, entrepreneurs can provide the functions of missing formal institutions, such as contract enforcement and access to financial credit and capital. Despite the importance of social capital and entrepreneurial networking, little empirical or theoretical research has examined the dynamics of networking from an immigrant African country context.

Over the years, xenophobic attacks by locals on various immigrant communities have taken place in South Africa. Despite these atrocities, many immigrants remain, as strong social networking ties are prevalent in these communities that make it easier for these immigrants to operate successful businesses. The purpose of this study was to empirically examine the relationship between social capital and decision-making of Pakistani immigrant entrepreneurs in Johannesburg, South Africa. More specifically the study hypothesed that social capital networks and trust would be positively related to gathering information and making faster decisions, which in turn would assist this group of entrepreneurs in acquiring higher levels of financial and human capital.

The study adds to the burgeoning theory on immigrant entrepreneurs and social and human capital, where it is suggested that immigrant entrepreneurs are able to survive in hostile environments due to their high levels of social capital. Prior studies indicate that immigrant entrepreneurs tend to have established social capital networks which allow them to embed themselves in the host country using their social capital structures that are already in place to garner additional human capital and financial capital. Moreover, the amount of time needed for collecting and searching for information is greatly reduced when social capital is employed, allowing for more beneficial decision-making. Indeed, social capital in terms of networking and trust is beneficial when acquiring information, which in turn leads to strategic decision-making based on the private information acquired.

Methodology

The population for this study was Pakistani immigrants in Johannesburg, South Africa, who engage in formal or informal entrepreneurial activities. The research design was a quantitative, survey-based study, where the data was collected (n = 162) using structured questionnaires.  Instrument validity and reliability was first established with factor analysis and the hypotheses were tested using correlation and multiple regression analyses.

Contribution

The study findings reveal a positive relationship between the level of trust in the community and information acquisition for decision-making. Furthermore a positive relationship between the level of trust in the community and human capital acquisition such as tacit and explicit knowledge is established. These findings resonate with past theory and research where it is noted that the decision-making ability of the individual increases due to access to information through social networks and where human capital improves decision-making, due to knowledge that immigrant networks would share with each other. This knowledge affords immigrant entrepreneurs the opportunity to learn from the mistakes or experiences of others without having to go through the same processes. Based on the relatively modest regression results obtained for level of trust in the community and human and financial capital acquisition, it could be postulated that in an emerging country context, such as South Africa, individuals often form loosely structured networks without clear governance mechanisms to coordinate activities, pool resources, and pursue joint strategies. This means that networking is largely unstructured and spontaneous in nature amongst Pakistani immigrants in Johannesburg, South Africa.

Moreover, communities tend to learn best from those that are at the same level as themselves, and tend towards emotional and personal balance across their social relations. Not only can an individual’s social network be influenced by a variety of social relations and support factors, but the greater the political and societal legitimacy of entrepreneurship in a particular region, the greater the rate of business formation. Small firms are important in innovations through their linkages with larger firms and influence a nation’s economic activity through the interplay of established, new and small firms.

In sum, these findings confirm that social capital, based on trust and networks, increases the individual’s ability to access information, which enables the individual to access various resources including human and financial capital.

Implications for policy and practice

The study findings can support policy-makers and other relevant stakeholders in channelling their interventions and resources towards helping immigrant entrepreneurs. Policy-makers need to recognise that fostering social capital amongst immigrant entrepreneurs would be beneficial to local South African entrepreneurs as well, since there needs to be continuous interaction between different business communities for a mutually beneficial relationship to be developed. As a directive for future action, it is recommended that government, equipped with a better understanding of social capital influences, facilitate the emergence of both trust and networks amongst immigrant entrepreneurs, allowing for strengthening of specific network practices, as well insuring that the benefits of co-operation increase between different groups of entrepreneurs. Such practices would allow for the development of a new type of ‘networked’ economy, where intensive development of local and international networks would transform a predominantly necessity driven informal entrepreneurship economy to a more opportunity-driven entrepreneurship economy.

Training entrepreneurs to be aware of the multiple influencing factors in networking will raise their level of sophistication and ability to correctly gauge opportunities across communities. Small business owners must develop external relationships, such as relationship strength, network size, network structure, relationship type, goal compatibility, and existing trust. An entrepreneur’s network of social ties creates opportunities for social capital transactions. External ties to others provide entrepreneurs the opportunity to leverage their resources. Thus, multiple diverse contacts are important, as diversity increases access to a wider circle of information about potential markets, new business locations, innovations, sources of capital, and potential investors.

Entrepreneurs, educators, and consultants all benefit from better understanding of how social capital and networking practices are relevant to increase entrepreneurship outcomes. The notion of community networking support may also be captured and fostered through the ‘Batho Pele’ principle in the broader South African context.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Full Paper

### 129

### Taking a closer look at entrepreneurship and integration: Refugee entrepreneurship in Birmingham and Cologne.

Kristina Stoewe

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**Abstract**

**Taking a closer look at entrepreneurship and integration: Refugee entrepreneurship in Birmingham and Cologne.**

Abstract submitted by a PhD candidate (2nd year)

**Introduction**

With the arrival of more than 1.4 million refugees in Europe in 2015 and 2016 (UNHCR 2019), their integration into work and society has become one of the key social issues of our time. In public discourse, labour market participation of refugees and other migrants is often equated with integration into wage labour. Although an increasing number of refugees have already become entrepreneurs and set up businesses across Europe, this alternative pathway has only recently received more attention by researchers and policy makers.

In those cases where entrepreneurship is considered a viable alternative to wage employment, policy makers tend to emphasize the role of entrepreneurship as a means for integration and social inclusion of newcomers into the host society (Rath et al. 2015; Blackburn & Ram 2006). However, only a few research studies have explicitly sought to understand how entrepreneurship among refugees and their integration are interlinked (e.g. Shneikat & Alrawadieh 2019; Sak et al. 2017). Also when considering the broader literature on migrant and ethnic minority entrepreneurship, the relation between entrepreneurship and integration – beyond the economic dimension – has only played a minor role to date (e.g. Beckers & Blumberg 2013; Zimmermann 2016). As a result, there is still scope to explore this new frontier in entrepreneurship research.

In this article, the following research question drives the investigation: How are entrepreneurship among refugees and their integration into the host society related to each other?

To address the research question, this article draws upon the experiences of refugee entrepreneurship and integration in Birmingham and Cologne. These two cities represent ‘bounded systems’ (Smith 1978) in which entrepreneurial activity takes place and are embedded in countries with contrasting welfare systems and policy approaches to refugees’ labour market integration.

**Note on terminologies**

Entrepreneurship is here understood broadly as business ownership (cf. Zhou 1996) and self-employment is seen as the simplest form of entrepreneurship (Blanchflower & Oswald 1998). An entrepreneur is seen as ‘an individual who organizes, operates and assumes the risk of creating new businesses’ (Baumol & Schilling 2008, p. 1) and either runs a one-person business or employs other people (OECD 2008).

The entrepreneurs included in this study are former refugees, who share the experience of forced migration. They are here described as ‘entrepreneurial refugees’. Refugees are a specific group of migrants (Carling 2017), who are different from other groups of migrants in their reasons to immigrate. While migrants as a whole can be characterized as ‘people who have moved from their usual place of residence, regardless of their legal status and their motivations for moving’ (ibid.), it is commonly understood that a refugee is ‘a person fleeing life-threatening conditions.’ (Shacknove 1985, p.1). As a consequence, refugees often have to leave everything behind and therefore enter their host country with a different set of social, economic and psychological resources than other groups of migrants (Gold 1992; Betts & Collier 2017; Shneikat & Ryan 2017). In addition, refugees are often faced with a particular legal situation, which can restrict their access to the labour market (Calo et al. 2019).

**Theoretical underpinning**

This article adopts the concept of integration developed by Spencer and Charsley (2016), which emphasises five dimensions of integration: social, structural, cultural, civic/political and identity integration. With its focus on the interplay between the integration context and individual resources, the concept is a suitable tool to explain similarities and differences in integration processes of entrepreneurial refugees in the two case sites. Integration is regarded as a complex multi-dimensional, multi-layered and individual process that involves the efforts of both the newcomers and the host society (Penninx 2009; Ager & Strang 2010; Phillimore 2012; Charsley & Spencer 2019). It is recognised that the receiving societies themselves are ‘increasingly fluid and diverse’ (Grzymala-Kazlowska & Phillimore, 2017, p.9) and that this new complexity results in new requirements, but also challenges for both newcomers and host societies.

**Methodology**

The research seeks to discover and understand the interaction between entrepreneurial refugees and the context in which they enact entrepreneurship (Willis 2007; Heilbrunn 2019), and how this interaction is related to integration. It therefore adheres to the interpretivist paradigm by adopting the multiple case study approach. A focus on two European cities as case sites is chosen to provide ‘situated knowledge’ (Mills & Birks 2014) about entrepreneurship among refugees. As typical for case studies, several data sources were used. The information is triangulated in order to converge the data from different sources and increase its validity (Yin 2014). The main data collection method adopted in this study is qualitative semi-structured interviews with entrepreneurial refugees as participants. Specifically, aspiring and practising entrepreneurs with a refugee background were chosen to participate in interviews. Furthermore, semi-structured interviews with key informants with formal or informal knowledge about the entrepreneurial ecosystem in both case sites were conducted. Secondary sources included a context analysis of the local entrepreneurship ecosystem, on-site observations and data from policy and media reports.

As of May 2019, 35 entrepreneurs and 10 key informants have been interviewed, with data collection still ongoing until data saturation is reached (Onwuegbuzie & Collins 2007). Research participants were identified through a mix of purposive and chain referral sampling. In order to cover a large variety of experiences (Patton 2002), the sampling goal in identifying entrepreneurs was to reach maximum variation regarding the country of origin, business sector and location, level of education, age and duration of stay. Key informants were chosen according to their knowledge about the entrepreneurial ecosystems for refugees in Birmingham and Cologne, the sampling goal being to create an expert sample. Through these sampling approaches, the study sought to achieve analytical, rather than statistical generalisation (Vershinina et al. 2011). Since participants were part of a ‘hidden’ population, the sampling processes started with a convenience sample (Heckathorn & Cameron 2017). In both cities, intermediaries were identified to facilitate access to entrepreneurs with refugee background and to establish trust between the researcher and participants (Jones et al. 2006).

**Data analysis**

In order to identify shared and diverging patterns across research participants of both case sites, thematic analysis was applied (Braun & Clarke 2013). Preliminary insights from the first set of interviews (n=45) suggest that in both case sites, entrepreneurship can have a supportive as well as a hindering impact on refugees’ social integration along the five dimensions of integration (Spencer & Charsley 2016). First insights show that the impacts per dimensions differ strongly between the two case sites. Since interview transcription and data analysis are still ongoing, the nature of these effects is still to be explored more in-depth in the course of the following months, enabling the presentation of further findings in a full article.

**Contribution and implications**

Entrepreneurship among refugees, or ‘refugee entrepreneurship’, is an emerging field of research with a need for comprehensive empirical investigation (Heilbrunn & Iannone 2019). This article contributes to the existing research body by casting light on the relation between refugee entrepreneurship and integration in two concrete city cases. By doing so, it gives valuable insights into the interplay between the actors, the entrepreneurial refugees themselves, and the context in which they enact entrepreneurship. The insights from these two case sites can lay the ground for further theory building regarding entrepreneurship and integration (Eisenhardt 1989). With its comparative and geographically bound multi-case approach, the article also contributes to a methodological gap in the broader fields of migrant and ethnic entrepreneurship studies (Ram et al. 2017; Aliaga-Isla & Rialp 2013).

On a policy level, the results can provide clues on how the existing legal and institutional frameworks for entrepreneurship among refugees support and/or hinder their integration. In relation to practice, the case studies reveal insights into the target-group specific needs among different refugee communities and business sectors, and there are clear implications as to how those diverse needs can be met.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Working Paper

### 218

### Identifying Opportunities and Network Ties: A Focus on African Transnational Entrepreneurs

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**Abstract**

**Topic: Identifying Opportunities and Network Ties: A Focus on African Transnational Entrepreneurs**

**Abstract**

**Applicability to the conference theme –**The 2019 ISBE conference explores the theme: SPACE – exploring new frontiers and entrepreneurial places’. Our current study applies to the theme as we investigate African Transnational Entrepreneurs and the role of social networks in their opportunity identification process. The study is of particular importance to the conference theme as we offer insights to the role of social networks across borders and their role facilitating the opportunity identification of TEs.

**Aim** - There is a growing body of work on the increasing role transnational entrepreneurs (TEs) play facilitating cross-border entrepreneurship. Through their entrepreneurial activities these individuals function as key agents of economic change and entrepreneurial growth (Brzozowski, et al., 2014; Kim et al., 2018) in their home countries. Similarly, TEs businesses in the host countries contributes to the economic development of these countries.

A key distinction of TEs from other entrepreneurs is that they are embedded in at least two environments (Urbano, et al., 2011). In other words, they engage in business and network activities in their home and host countries. TEs cross-border networks provides them with diverse resources for their businesses (Sommer and Gamper, 2018). There is a growing body of work on the role that TEs play as facilitators of entrepreneurship in their home and host countries (e.g., Bagwell, 2018; Pruthi, et al., 2018), however, what is not fully understood at present is how TEs identify business opportunities in both countries. Much of the existing literature on TEs tends to focus on the outcomes of TEs’ cross-border entrepreneurship, such as the growth and economic performance of transnational businesses (e.g. Brzozowski, et al., 2014; Kariv, et al., 2009; Neville, et al., 2014), and internationalisation by TEs (Jiang, et al., 2016), rather than the antecedents (Urbano et al., 2011) of such transnational entrepreneurship.

This study therefore aims to investigate how TEs identify business opportunities in their home and host countries. In particular, we examine the form of network ties that TEs engage with in their home and host countries during the opportunity identification process. Specifically, this study examines how TEs of African origin in the United Kingdom identify business opportunities in their respective home countries and in the UK. The study also seeks to understand the form of network ties that are involved in their opportunity identification process. The relationships between many African countries and the UK date back to the colonial era, this has made the UK an attractive destination for many African immigrants. In addition, many African countries are currently faced with several challenges including: high unemployment, weak institutions, and poor institutional infrastructure, among other issues. These challenges act as ‘push factors’ (Riddle and Brinkerhoff, 2011; Riddle et al., 2010) for African immigrants to seek new livelihoods abroad.

**Methodology** - Given the explorative nature of this study, and its theoretical underpinnings, we adopted a qualitative approach to gather and analyse our data (Guba and Lincoln, 1994). We employed a case study research approach (Eisenhardt, 1989; Yin, 2013) utilising interviews (Kvale and Brinkman, 2009) as narratives for knowledge construction (Dyer and Wilkins, 1991) by analysing interactions between the interviewer and the interviewee. A case study method was selected because of its usefulness in detecting nuances in the ways that transnational entrepreneurs (Aliaga-Isla and Rialp, 2013) identify business opportunities. In addition, this approach was deemed relevant because the study focuses on a real-life environment in which the phenomenon of opportunity identification takes place.

**Contribution** - This study contributes to the mainstream literature on entrepreneurship in the following ways: first, we contribute to the growing literature on African TEs) as we highlight the determinants of opportunity identification for these entrepreneurs in their home and host countries. Theoretically, we highlight the role of TEs formal and informal social capital in the opportunity identification process at home and abroad.

**Implications for practice** - In conclusion, in line with above findings, it will appear that TEs draw on their formal and informal networks as they interact with their dual social fields – their home and host countries – differently. However, we present evidence to suggest differences in how TEs use their social networks as triggers of opportunity identification in the home and host countries and differences in the nature and form of networks TEs engage with at home and in the host country. We argue that specific TE human capital and the motivation to engage in cross-border entrepreneurship inform how identify cross-border businesses and engage with their transitional networks.

Keywords: Transnational Entrepreneurs, Opportunity Identification, Network Ties, African Entrepreneurs, Migrant Entrepreneurship

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Full Paper

## Business Creation, Early Stage Development and Business Closure

#### Business Creation, Early Stage Development and Business Closure

#### Time: 11:00 - 12:30

#### Date: 15th November 2019

#### Location: Victory

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### The dynamic application of effectual and causal decision-making in low-uncertainty new venture creation

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**Abstract**

Topic

Entrepreneurs’ strategic decisions regarding choice of entrepreneurial opportunities in new venture creation have been discussed by many entrepreneurship scholars (inter alia Shane and Venkataraman, 2000; Alvarez and Barney, 2007;  Gartner, 1985; Bird, 1992; Timmons, Spinelly and Tan, 1994).   One argumentation line begins with opportunities and their exploitation dependent on their identification (Shane and Venkataraman, 2000). Conversely, other scholars regard entrepreneurs able to create opportunities through their own agency (cf Alvarez and Barney, 2007).   Under both circumstances, entrepreneurs face unknown environments, involving ambiguity and Knightian uncertainty that could influence their choice whether to pursue an opportunity recognition path or the opportunity creation path. Brinckmann et al. (2010) distinguished how entrepreneurs deal with uncertainty into planned versus learning approaches. The planning approach envisages a pathway along which opportunities are firstly predicted, market segmentation undertaken based on competitive analysis and finally resources assembled for opportunity exploitation (Ansoff, 1988, Brinckmann, 2010; Mintzberg, 1978). The learning school argues that following a flexible path allows an entrepreneur to better deal with emergent opportunities in uncertain environments, based upon entrepreneurial learning (Welter, Mauer and Wuebker, 2016; Mintzberg, 1978; Wiltbank et al., 2006).

A leading entrepreneurial theory dealing with learning in uncertain environments is effectuation theory (Fisher, 2012; Welter and Kim, 2017). Sarasvathy (2001) contends expert entrepreneurs tend to follow an effectuation approach (Sarasvathy 1998, 2001, 2009), an incremental and learned approach where entrepreneurial decision-making involves taking small forward steps without a clear final end-point clear but maintaining entrepreneurial control over available resources. Novice entrepreneurs follow a different approach: causation (Dew et al., 2009) which presumes the future can be predicted, an end-goal determined, and via planning the means assembled to achieve that end-goal. Causation makes sense under conditions of low uncertainty (Fisher, 2012) and indeed forms the basis for much of what nascent entrepreneurs are taught (Dew et al., 2009). But if effectuation can be learned, then entrepreneurs should follow a more effectual approach. However, Arend et al. (2015; p.646) portray Sarasvathy’s expert entrepreneur sample as “outlier-successful experienced entrepreneurs”, unrepresentative of majority of entrepreneurs in society.  It is not known whether learning allows ‘ordinary’ entrepreneurs to become Effectual Experts, or whether it is an exclusive characteristic of these outlier entrepreneurs.  This research therefore seeks to address this gap with an exploratory qualitative study exploring of ordinary entrepreneurs' decision-making process in venture creation process, asking whether as they learn, they become more effectual.

Applicability to the conference theme

This paper is exploring the frontiers of entrepreneurship research in terms of contributing to debates around entrepreneurial decision-making, the psychology of entrepreneurship, and its relations to entrepreneurial decision-making.

Aim

It is possible to distinguish decision making processes in new venture creation between causal approaches and effectual approaches (Sarasvathy, 2001). Entrepreneurs face high degrees of uncertainty in new venture creation (Knight, 1921) and face a trade-off between controlling what can currently be controlled in order to produce desired changes in the future. Experts use a controlled approach (effectuation) in these uncertain situations, while novice entrepreneurs prefer a planned (causal) approach (Dew et al., 2009).  A causal approach can differentiate from the effectual approach along four dimensions (Reyman, 2015; Fisher, 2012; Brettel et al., 2012), planning and goals setting, attitude towards unexpected events, attitude towards outsiders and risk & resources.  Sarasvathy’s original research presented the two approaches as dichotomous (Sarasvathy, 2001). Subsequent empirical studies (cf Brettel et al. (2012), Chandler et al. (2011) and Dew et al. (2009)) have highlighted the role of uncertainty in effectuation. Arend et al. (2015; p.639) explain that “effectuation’s context involves uncertainty, but not true ambiguity or true predictability.” This implies without proving that if effectuation is used in a context which can be considered truly ambiguous, causation would be used in a truly predictable environment. Dew et al. (2009) indicate that novice entrepreneurs will use a causal approach and expert entrepreneurs use an effectual approach under conditions of uncertainty. However, under conditions of market certainty, one would expect to see a heightened preference for planning, also by expert entrepreneurs. We therefore hypothesize that

H1. In a certain market, novices will use only causation while experts will use causation and some effectuation.

H2. Novices use comparatively more causation than experts.

Sarasvathy et al. (2014) indicate that effectuation can be learned by novices and therefore, over time, there should be a shift from a causal approach used by novices in the initial phases of new venture creation towards an effectual approach in the later stages.

We use a stage-model for new venture creation, which allows for an analysis of strategic decision making of entrepreneurs across various points in time (Reymen et al., 2015). Also, Jiang and Rüling (2017) indicate there are several episodes which can be distinguished in which effectuation and causation might be used in combination. We are interested in the sequence of stages which we identified as the opportunity assessment stage, the actual start-up phase of the venture and the moment the venture starts to mature. We will therefore research the hypotheses in an empirical setting which will secure that we can either reject or accept the hypotheses. Our hypothesis here is this:

H3. Novices’ proportion of effectuation increases over time.

Methodology

This research uses an exploratory qualitative methodology to iterate the initial heuristic.  We used semi-structured interviews (Rand, 2009) to gather data around our model’s process, learning and choice variables. The interviews lasted between 40 and 75 minutes. Reymen et al. (2015) and Jain and Sharma (2013) describe the procedure of identifying decision events which we followed. Originally, the method was developed by Van de Ven and Poole (1990) and Poole et al. (2000). The definition describes decision events as ‘actions or decisions taken by the entrepreneur for creating the venture’ (Reymen et al., 2015, p. 359). Examples of decision events are conducting market research, involving stakeholders in the production process and involving customers in new product development. We structured our interviews in such a way that we discussed three stages with the entrepreneur. The first was the opportunity stage in which the entrepreneur was asked what sort of decisions were made before the actual start of the new venture. The second stage was about the first stage of the venture being in existence and the third stage was about the moment the venture was still in existence after two years.

We purposely selected 32 craft beer brewers, of whom 12 agreed to participate. The selection was based on three criteria. The first requirement was that the founding entrepreneur would still be active in the venture (in line with Reymen et al., 2015 and Jiang & Tornikoski, 2018). This was done to assure the entrepreneur had gone through all the stages as discussed earlier on. The second criterion was that entrepreneur must generate their primary source of income with the craft beer brewery. Craft beer brewers who brewed their beer as a hobby could potentially make different decisions, e.g. when there is no monetary risk. The third criterion was the venture was founded between 2011 and 2016 to assure similar market circumstances for all brewers. We followed Mathias et al. (2015) approach to contact brewers. Some brewers were contacted via personal networks, but brewers were also approached during a beer festival and the remaining entrepreneurs were contacted by making use of snowball sampling. All brewers were independent. To be able to distinguish novice and expert entrepreneurs we followed Fisher and Reuber's (2011) classiication. We distinguished seven novice entrepreneurs without prior venturing experience and four expert entrepreneurs with earlier entrepreneurial experience.

 Data was prepared by coding interview transcripts following a codebook setup by two coders, one effectuation research expert and one novice.   Codes were retrieved by focussing on the principles heuristics and by following the process described by Jiang and Rüling (2018). Coders coded individually, comparing transcripts and resolving differences mutual discussion to produce the authoritative coding. One interview lacked sufficient depth for validity purposes. The analysis followed the constant comparative method. This method a repetitive cycle of coding text prevents from “…intrusion of bias into interpretations” (Straus and Corbin, 1998: p. 44). The discussion at times revolved around concepts which could be coded into two different codes. We decided to follow the chronological stages to code the different instances. An example was a craft beer brewer who had a goal to start producing bigger batches (causal approach). For this the entrepreneur needed finances to be able to produce the batches since he did not have these means himself. He found an investor who was willing to finance him (on the basis of expected returns). Later, the investor decided to pre-commit to the venture by becoming a partner for future developments of the venture (partnerships). In this example we coded two instances as causal and one as effectual.

Contribution

Our results are summarised in Table 1 below.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Novice (N=7) | Expert (N=4) | H1  (Nov -/+, Exp +/+) | H2  (Nov E:C<<Exp E:C) | H3  (Nov s1<s2<s3) |
|  | Instances effectual and causal usage (and % of total) | Instances effectual and causal usage (and % of total) |  |  |  |
|  | Effectual | Causal | Effectual | Causal | Novice | Expert | Novice | Expert | Novice |
| **Stage 1** | 19 (27%) | 18 (23%) | 9 (27%) | 10 (27%) | +, + | +, + | 1 | 1 | S1<s2  BUT  S2>S3 |
| **Stage 2** | 30 (42%) | 19 (24%) | 10 (30%) | 12 (32%) | ++, + | +, + | 1,5 | 1 |  |
| **Stage 3** | 22 (31%) | 42 (53%) | 14 (42%) | 15 (41%) | +, ++ | +, + | 0.5 | 1 |  |
| **Total & outcome** | 71 (100%) | 79 (100%) | 33 (100%) | 37 (100%) | Reject H1  (no match) | Reject H2  (only s3) | Accept H3 |  |  |

 Table 1: instances & % per stage; hypotheses accepted or rejected

Our first hypothesis, H1, “In a certain market, novices will use only causation while experts will use causation and some effectuation, cannot be accepted. In table 1, we see that there is no real difference which specifically points out that in the craft beer industry, a context which can be considered “certain”, the usage of causation by novices is the only choice. We found that the effectuation approach is also used and even to the same extent or more than causation.

Our second hypothesis, H2, “Novices use comparatively more causation than experts”, also was rejected. As can be seen in table 1, only in the 3rd stage, we see that this holds. Comparatively, the first and second stage show the opposite patterns of what could be expected from literature.

Our third hypothesis, H3, “Novices’ proportion of effectuation increases over time”, was accepted. Especially in the process of going from stage 1 to stage 2, we see in table 1 that there is a substantial increase in the usage of effectuation. In stage 3, we still see that the usage of effectuation increased in comparison to stage 1. However, what we do see is that there is a tendency to use more causation than effectuation in the third stage and the amount of effectuation used is less in comparison to the second stage.

Our research makes several contributions to effectuation research.  First, our research demonstrates novice entrepreneurs use effectual strategies, depending on the venture positioning, fitting Reymen et al (2015)’s hybrid decision. A possible reason for this could be found in the work of Smolka et al. (2016), who indicate entrepreneurs who use both effectual as well as causal approaches will have better venture performance, with expert entrepreneurs might have learned this over time.

Secondly, our research shows novice entrepreneurs’ approaches gradually shifting over time, suggesting a learning process rather than the existence of discrete categories.  We therefore contend more consideration is required for hybridity and fuzziness, learning and transitions in categorical definitions of entrepreneurial strategic decision-making. Our study is not without limitations. One of these is the number of entrepreneurs, especially the limited number of expert entrepreneurs. Due to the purposeful sampling we tried to minimise the risk of finding outlier entrepreneurs. We had to cancel one of the outcomes of an interview which did not give enough basis for an analysis (length and dept were insufficient). With this we tried to assure the outcomes were reliable, but we do understand they might not be generalisable.

**Conference Track**

Business Creation, Early Stage Development and Business Closure

**Presentation**

Full Paper

### 188

### The Role of Pivoting in the Decision-Making of Angel Investors

Gregory Fleet, Daniel Doiron

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**Abstract**

**Topic**

The decision-making process of angel investors continues has been widely studied worldwide (Croce et al., 2016; Dutta & Folta, 2016; Harrison et al., 2015; Smith et al., 2010). Angel investors, or business angels, are individuals who bring their own financial and human capital to assist early stage start-ups and nascent entrepreneurs. These investments typically occur during the very early stage of start-up growth, where market position is less established, and their product/service value proposition is still developing. Therefore, the angel decision process must rely less on quantified, historical performance or market data, and more on qualitative assessments and even “gut feel” (Huang, 2018; Morrissette, 2007).

At the same time, it is not uncommon for researchers to identify angel investor criteria that is based on earlier work with venture capitalists (Mason & Rogers, 1997; Zacharakis & Meyer, 1997). In these, and more recent studies, an entrepreneur’s product/service may be identified within the top factors in an angel’s assessment, but it also tends to be broadly defined (e.g., insufficient quality, differentiation or scalability potential; see Mason et al., 2016).

In other words, criteria studies that examine the factors that angels use to evaluate potential investment opportunities often discover that assessments of management team, their experience and market potential as key reasons for rejection, yet few look closely at the product/service factors such as customer validation or decision making biases of the entrepreneur.

This seems unusual given that start-ups are frequently admonished to be “ready to pivot” (i.e., quickly make changes to their product/service offering to better meet the need(s) of the customer). In his words, they needed to “fail fast” in order to succeed; essentially suggestingthat pivoting is almost a required part of the start-up process, and that the sooner an entrepreneur gets to a pivot, the less chance they will fail. According to this thinking, success arrives sooner for the start-up, and at a lower cost to the angel investors. Knowing that angel investors play a key role in the success of early stage entrepreneurial ventures, one of the goals of this study will be to understand the extent to which investors are aware of and support the notion of pivoting.

In addition, customer validation of a company’s value proposition has been identified as a keydriver to the success (or failure) of a start-up venture, along with the number and nature of pivots these ventures experience (Fleet and Doiron, 2016). Given the direct link between pivots and evolving their value proposition, entrepreneurs and their investors should be hyper-focused on defining and testing their value proposition with customers early in the start-up process. Understanding the extent to which angel investors see the value of future pivots at the pre- investment stage, should prove insightful to understanding the relationship between angel investors and successful investments.

Therefore, this study continues the working hypothesis that start-ups focus too much attention and capital on their technology (or products), and not enough of their time engaged in early stage validation of their solutions with potential customers. In other words, there is too much focus on the technology and not enough on customer validation, sales and marketing, leadingto “great” solutions that customers do not value.

**Theme**

The exploration of entrepreneurial space (frontiers and places) includes the space/place of decision making, which we would argue requires a precise lexicon, specifically for ensuring success around support for new ventures.

**Aim**

The goal of this paper is to continue the work reported by Fleet & Doiron (2018), but using a larger sample of angels, and focusing questions more specifically on (a) how early stage customer validation was used or not used in their pre-investment decision-making, and (b) what risk was associated with the likelihood of future pivots in relation to this customer validation.

**Methodology**

A survey and set of interviews will be conducted in June with angel investors sampled from a national angel investment association, providing a much broader geographic perspective than previously measured. This convenience sample will identify and group participants into three broad categories: experienced, novice and nascent angels (Harrison et al., 2015). The survey will examine the degree and type of customer validation that was considered by the angel, as well, whether (a) that validation was directly assessed as part of their acceptance criteria, or (b) experienced by the start-up post-investment, including the high potential of an early pivot as defined by Fleet & Doiron (2016).

**Contribution**

We know that angel investors, whether new or experienced, expect that only a fraction of their investments will provide returns (often well below 50%). In fact, Shane (2012) reported that less than 10% of angel investments account for 75% of financial returns. We also know that failure is pervasive in the start-up space (especially with technology start-ups) with upwards of 85 per cent failing to provide a return for their investors.

Therefore, an understanding and educating of angel investors on the value associated with stronger early stage customer validation, along with value associated with pivoting fast, may provide for better investment decisions, and returns.

This study will continue this understanding of the investor’s view of pivoting and finding both the role and the balance in the building of a new ventures’ value proposition. Few studies havelooked specifically at the role of these factors in how investors make their decisions.

**Implication for practice**

This study will not only provide a better understanding of how investors identify risk and choose where to invest, but will be most helpful for pre-incubator education programs, and for entrepreneurs themselves when learning how to pitch their ideas to investors.

**Conference Track**

Business Creation, Early Stage Development and Business Closure

**Presentation**

Working Paper

### 204

### Influence of Institutional Dimensions in Necessity and Opportunity Entrepreneurship and New Business Survival

Tatiana Lopez1, David Urbano1, Claudia Alvarez2

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**Abstract**

* Topic

Policymakers and different stakeholders in the entrepreneurial ecosystem are called to support entrepreneurial activity through different strategies. Such as educational programs, financial support, business development, and mentoring, among others. However, the resources are scarce, and especially governments should decide what types of entrepreneurs support through their programs and policies. At this point, the actors of the entrepreneurial ecosystem face some dilemmas: how to distribute resources in an efficient way to help entrepreneurs to grow? What type of entrepreneurs should focus their programs and what type of programs in each case?

Prior literature has shown that opportunity entrepreneurship, which is defined as the creation of new business based on knowledge and innovation (Ghura, Li, & Harraf, 2017), or when the business activity commencement is motivated by a potential opportunity (Amit & Muller, 1995), contributes more to growth than necessity  entrepreneurship (Ghura et al., 2017; Wennekers, Van Wennekers, Thurik, & Reynolds, 2005). For their part, Reynolds et al. (2005) presented that through knowledge-based entrepreneurship, value is added to the market; they argued that this type of new ventures could transform an opportunity into a real business.

Despite the importance given to entrepreneurship by opportunity over entrepreneurship by necessity, the factors that influence both types of entrepreneurship are important to address, due to the existence of both types of entrepreneurs and the role that entrepreneurship plays in countries not only to generate innovative firms but also to reduce unemployment rates (Aparicio, Urbano, & Audretsch, 2016).

In order to improve entrepreneurship support strategies, both for entrepreneurship by opportunity and necessity, it is essential to find such differences in the environment, at the level of regulation and social and individual support that influence the decision to start the new venture and how these institutional factors can influence the closure or the survival of them.

* Aim and Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places

In this sense, the aim of this study is to analyze the influence of institutional dimensions in both necessity and opportunity entrepreneurship, as well as the new businesses survival. The applicability to this conference is evident because through this objective we explore institutional dimensions that, to our knowledge, have not been considered until now in the research of entrepreneurship by opportunity and necessity, expanding the frontiers of research in this sub-field. Moreover, opportunity and necessity entrepreneurship are presented in different spaces and it is necessary to know the factors that influence them in each situation. This is a study that allows, on one hand, to recognize the factors that facilitate opportunity entrepreneurship (associated in the literature with high impact and growth ventures). And on the other hand, to find the institutional dimensions that influence necessity entrepreneurship (linked to less productive new businesses), which is the kind of new businesses that are the predominant in developing countries, spaces, and contexts in which research in this regard is still needed.

* Methodology

To test the hypotheses, a logit model for panel data analysis is conducted as well as survival analysis. We firstly adopt a panel logit approach to model the influence of institutional dimensions on opportunity and necessity entrepreneurship. Secondly, we focus on survival analysis methodology in order to examine the influence of institutional dimensions on the survival of the new business in the study. Thus, we study the time duration until an event, in this case, the exit of the new firm, happens. Particularly, we use the semi-parametric Cox proportional hazards model as well as the Parametric Survival Model.

We run the model considering a sample of 1,214 new businesses, from The Panel Study of Entrepreneurial Dynamics (PSED II). This research project enhances the understanding of how people start businesses. The project offers reliable data on the process of new business creation based on United States representative sample of entrepreneurs who are active in business creation. Some of the information in this dataset includes the activities undertaken during the start-up process, the stakeholders, the nature of the new firms, as well as demographic information of the entrepreneurs (Reynolds & Curtin, 2008). The PSED II started with interviews in 2005-2006, followed by six interviews yearly. One of the most valuable aspects of the PSED II is its longitudinal nature, which allowed us to develop the analysis of the hypotheses.

* Contribution

Institutional dimensions (Scott, 2014), applied to entrepreneurship research have begun to be considered as an important theoretical framework to explain entrepreneurial activity from different points of view. For instance, to analyze entrepreneurial rates between countries (Alvarez, Urbano, & Amorós, 2014), in some cases focusing on women entrepreneurship in different contexts (Yousafzai, Saeed, & Muffatto, 2015), or innovative and high-growth new ventures (Stenholm, Acs, & Wuebker, 2013). Likewise, the institutional dimensions are a robust theoretical framework to show differences between types of entrepreneurship such as opportunity and necessity, although it is a field to which researchers have paid less attention (Chowdhury, Audretsch, & Belitski, 2019). The complexity of reality makes it difficult to find the variables that influence these types of entrepreneurship. Based on this, the contribution of this study is the application of institutional theory, specifically institutional dimensions to model the factors that influence opportunity and necessity entrepreneurial activity, and the survival of the new companies. In this order to find, based on the empirical evidence, the way in which different stakeholders should deal with the problems they face, especially concerning maximizing resources.

* Implications for policy

There are differences in the institutional dimensions that influence the likelihood of one type of entrepreneurship or another, and based on this information the results are useful to generate specific public policies that support entrepreneurs in a specific way according to the institutional factors that influence them.

One important result is how the level of education influence positively the opportunity entrepreneurs. If policymakers seek that the new ventures creation in their regions become opportunity entrepreneurs, educational policies should consider this objective. However, although high levels of education are associated with opportunity entrepreneurship, technical and vocational education affect survival. Thus, for the entrepreneurship survival, an integral education is needed and policies must be designed in this line.

There are some suggestions for future studies., First, conduct comparative studies between different countries. Second, conduct a multilevel analysis considering variables at a regional level for normative and regulative dimensions, which are not available for the regions in this study. This study presents different proxies for the measurement of institutional dimensions, and some of them are statistically significant to explain entrepreneurship by opportunity and necessity, however, this type of variables must continue to be validated considering other samples.

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**Conference Track**

Business Creation, Early Stage Development and Business Closure

**Presentation**

Full Paper

### 235

### Infrastructure and Entrepreneurship in Developed & Developing Economies: A Systematic Literature Review & Research Agenda

Christopher Ghogomu, Li Jun, Carlos Juan

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**Abstract**

Historically, entrepreneurship research has paid scant attention to poverty; occasionally, when it does, the focus is usually on using the poor to serve as a market for firms from mature economies rather than a means to help poor people break away from poverty. A 2018 report by the World Bank Group ([www.worldbank.org](http://www.worldbank.org/en/topic/poverty/overview)) claims that, today, nearly half the world lives on US$5.50 a day. Bruton et al.(2013) suggest it’s time for entrepreneurship scholars to investigate issues that encourage & sustain entrepreneurship among those living in poverty in order to improve their lives. Consistently, policymakers and researchers have for a number of years now recognized entrepreneurship as key driver of economic development, and is known to foster growth, job creation, technology adoption, innovation, and poverty alleviation (Brixiova, 2010).

Hessels (2008) confirms entrepreneurship as an important mechanism for national economic development and, in recent years, most world governments have taken measures to improve on business environments as a means to boost economic activities. However, in the opinion of Bennett (2018), one aspect of the environment that has received sparse attention is investment in physical infrastructure development. Additionally, Woolley (2014) opines the role of context in entrepreneurship cannot be emphasized enough because environmental conditions into which ventures are started tend to influence their performances and survival over time.

Infrastructure is increasingly being seen as a veritable determinant of entrepreneurship not only in countries of the developed world economies, but also in countries of the developing world economies; the importance and possible impacts of the infrastructure sector as a whole on national, regional and/or local social & economic developments are attracting more attention from both scholars and policymakers. With almost 20% of total workforce said to be employed in the infrastructure sectorsin the Middle East & North Africa region in recent years (Ianchovichina et al., 2012), infrastructure investments have deep and far reaching impacts on economic development. Rives & Heaney (1995) describe infrastructure as an amenity which plays the role of a magnet in the location decisions of firms and households. The availability and quality of infrastructure result in different investment decisions that have the potential to influence migration & business establishment locations (Snieska and Simkunaite, 2009). Therefore, investments in reliable infrastructure facilitate the free movements of people, goods/services and information (Stewart, 2010) and is very imperial for the economy to flourish.

As noted from above, investments in infrastructure have the potential to promote social and economic developments in communities and regions world over. Similarly, improvements in entrepreneurship has the potential to boost social & economic developments in communities & regions world over. Although these two constructs seems to have a lot in common, surprisingly, there is paucity of study on the nature of relationships that exist between infrastructure and entrepreneurship. Alderete (2017, P.256) states that “there is little research analysing how entrepreneurship is related to ICT, and especially to mobile technology such as broadband penetration”. Audretsch et al. (2015) find the impact of infrastructure investments on overall regional firm start up rate in Germany to be generally positive. However, they regret that a large number of more specific types of infrastructure were not analysed due to lack of explicit measures. This view is supported by Holl (2004b) in a statement that only few studies distinguish various types of infrastructure.

Limited evidence exists on the relationship between physical infrastructure & entrepreneurship (Audretsch & Belitski 2017) andespecially, public infrastructure has been quite overlooked despite its potential importance in the new firm formation context (Fotopoulos & Spence 1999).   Consequently, Audretsch et al.(2015) suggest that subsequent research should take infrastructure more seriously by creating new measures of more specific types of infrastructure. Following such recommendations, this systematic literature review has as main objective to shed more light on the meaning of infrastructure and the nature of its effect on new venture creation. As a veritable first step towards creating new measures, we ultimately need  an ample understanding of what constitutes an infrastructure. Therefore, the goals of this review are two folds:

§First, to systematically explore and further develop extant knowledge about infrastructure; its definition, its classification and its importance.

§Second, to critically appraise & cross-examine nature of the effects on entrepreneurship (especially new venture creation) of some selected sub-classes of economic & social infrastructures in the developed and developing world economies, and propose a research agenda.

This systematic review contributes to extant literature in two ways. First, it sheds more light on an understudied relationship between infrastructure and entrepreneurship by offering an extended definition and a tentative classification of infrastructure. This initiative is a necessary first step towards a proper understanding and improved measurement of infrastructure. By exploring and providing further understanding of concepts and theories relevant to study of infrastructure, this systematic review also brings knowledge about different categories of infrastructure that may reconceptualize the way infrastructure is understood to relate to entrepreneurship today. Second, by digging into the dynamic nature of effects of some economic and social infrastructures on entrepreneurship, this review contributes literature that can help policy makers to quickly decide which infrastructure to improve upon (and by how much) or even those to replace completely.

Despite its importance, researchers turn to limit investigations of the potential influence of infrastructure solely to some selected phases or stages of the entrepreneurial process. Using 82 studies carried out between 1980 and 2019 in 73 countries and published in 44 high quality academic journals,we demonstrated in our systematic review the need not only to have a greater insight on the meaning of infrastructure, but also offered a tentative taxonomy to facilitate the understanding and measurement of infrastructure. Such categorizations are important because, not only will they promote deep and detailed definition of the term, but will also initiate and facilitate measurements and independent investigations of specific sub-categories of infrastructure that could result in the reconceptualization of their current relationships with entrepreneurship.

We also cross-examined nature and type of effects of certain sub-categories of infrastructure (economic & social) on entrepreneurial activity in general, and location and spatial distribution of new ventures in particular. Our critical views on these systematically selected studies, which are undertaken in both the developed and developing world economies, permitted us to identify some gaps in the literature. We suggested ideas to be considered by future researchers in this domain in order to promote infrastructure as an imperative tool not limited to established entrepreneurs, but also nascent and latent entrepreneurs. We support views by other researchers that entrepreneurship is a multiphase process. Therefore, some of its phases may be influenced more and better so by some categories of infrastructure than others.

This study is organized in five sections. Section two describes the research methodology used. Section three presents the analyses of results from the review of selected studies. Section four offers a discussion relative to undertaken studies and proposes an agenda for future research. Finally, section five concludes the review.

**KEY WORDS**: Infrastructure, entrepreneurship, location & spatial distribution, developing world, developed world, research agenda

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**Conference Track**

Business Creation, Early Stage Development and Business Closure

**Presentation**

Full Paper

## Family and Community Business

#### Family and Community Business

#### Time: 11:00 - 12:30

#### Date: 15th November 2019

#### Location: Planet

### 178

### The postponed succession in family SMEs. An investigation of socio-cognitive factors affecting business transmission planning

Filippo Ferrari

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**Abstract**

**Topic**

Business continuity is undoubtedly one of the most important non-economic objectives for a family business (Berrone et al., 2010; 2012; Chua et al., 2009; Gomez-Mejia et al., 2007). Although much has been written about the factors influencing both the intention (De Massis et al., 2016 and here presented references) and the real outcome of the succession process (De Massis et al., 2008; Sharma, Chrisman, & Chua, 2003; Sharma et al., 2001; Venter et al., 2005), little attention has been given to modelling the reasons why intra-family succession might not take place when there is an intention to do so and a potential successor is available (De Massis, 2008). Literature has tried to analyze the propensity for business succession using theoretical models such as Theory of Planned Behaviour - TPB (Ajzen, 1991; De Massis et al., 2016 e Sharma, et al., 2003). However, this stream of research has not yet provided definitive answers on if and how family firms actually plan and research on this issue has been until now based mainly on self-reported questionnaires.

**Applicability to the conference theme**

The business succession is a complex process, with a high social salience, and it is therefore possible that the research conducted so far by adopting this approach have underestimated organizational/situational factors (Sharma, Chrisman and Chua (2003). The psycho-social literature identifies in attitude the most important antecedent of a behaviour (e.g. the business succession). This is true given certain circumstances such as social desirability and perceived self-efficacy. The focus of this study is therefore in particular on the attitude / desirability toward business succession, as is known (Bagozzi, 1995); an attitude is strongly conditioned by social and cultural factors, but also by cognitive factors, as locus of control (Rotter, 1990) and other cognitive evaluation biases (see for instance Pohl, 2017; Kanheman et al., 1991). In doing so, this paper explores a new frontier in the investigation of business succession from a socio-cognitive point of view.

**Aim**

Researchers suggest that many family firms leave succession planning to chance (e.g., Rue & Ibrahim, 1996; Leon-Guerrero, McCann III, & Haley, Jr., 1998; RoyNat Inc., 1998; Sharma, Chua, & Chrisman, 2000). Consistent with the TPB, the probability that a business succession occurs is dependent on the intention of an individual to engage in that behaviour (Ajzen & Fishbein, 1980; Ajzen, 1987). However, in spite of the fact that the research in a variety of contexts supports the theoretical relationships between attitudes, intentions, and behaviour (Ajzen, 1991; Chrisman, 1999; Krueger, 1993; Sheppard, Hartwick,  Warshaw, 1988), the TPB shows some weaknesses in overlooking the contextual factors (Armitage, Conner, 2001; Cavazza, 2007; Fazio, 1990, Fazio, Towles-Schwen, 1999). Given this theoretical and methodological motivations, and drawing on TPB model, the aim of this study is to investigate qualitatively how and why business succession is not actually planned in family SMEs even when a successor is available. In doing so, this paper provides an explanations of socio-cognitive factors affecting and undermining business transmission planning. Given this theoretical scenario, it’s possible to formalize the following specific research question:

RQ1: What's the real attitude towards business transmission planning of the involved generations?

RG1bis: What cultural, value and social factors influence the attitude towards business transmission planning?

**Methodology**;

This paper adopts a constructivist approach to qualitative research (Bryant & Charmaz, 2007; Fendt & Sachs, 2008; Murphy, Labrechts, 2015). The research was conducted on a group of Italian family SMEs. In-depth qualitative interviewing was the main data collection method employed by the researchers in this study.This procedure is in line with qualitative theory procedures (Corbin & Strauss, 1990; Charmaz, 1995; 2006).

**Results**

The following section will detail key findings.

RQ1: What's the real attitude towards business transmission planning of the involved generations?

Analysing the answers, from the point of view of the seniors, business continuity is undoubtedly strongly desired. Nevertheless, the risk in the transmission of business seems systematically underestimated.

Results also show that the next generation in general wants to continue the family business. With the exception of two young daughters and a son, the sample showed a strong intention in business continuity. Generally speaking, the participants also declared a widespread need for autonomy, and they look forward to the future in order to become ‘the boss’. 11 participants (2 son, 9 daughters) showed a certain anxiety level thinking to the future without the father’s/mother’s everyday guide. Often there is no awareness that planning is an action independent of retirement. Enzo, founder, firm A: “I do not understand why I should plan the succession, since I have no intention of retiring”

RG1bis: What cultural, value and social factors influence the attitude towards business transmission planning?

The social norms regarding the succession generally foster the involved generations’ commitment to the business. All participants clearly posited an idea of social responsibility even as a ‘mission’, an explicit duty versus the local community. Both the seniors and the juniors show a very limited time horizon. The shared idea is that it is premature to worry about events that will happen in a future. Despite the statistical evidence, there is no perceived urgency to run for cover, "in time you will see ...". The participants are perfectly aware of many real cases where the business succession has not happened, for example in other companies that were their suppliers or customers. But despite this, there is the perception that "in their case the situation will be different".

When the succession involves a daughter, the sample showed a shared gender stereotype affecting  the attitude toward business succession planning in both the involved generation. Thinking to a ‘regular’ (i.e. planned) business transmission process, the sons declared a high self-efficacy level, in comparison with the daughters who often showed low self-efficacy level, due to a technical skills shortage.

**Discussion**

Starting from this descriptive evidence, findings have been analysed searching for similar constructs emerging from the data. Descriptive data were analyzed following a grounded methodology (Charmaz, 2006). Thus, it has been possible to highlight two common themes (Miles & Huberman, 1994), all related to cognitive and socio-cultural factors: fatalism/foolhardiness e covert sexism, at the basis of the discussion in the following paragraph.

Companies overlook systematically  the (negative) statistics on generational change failures. Therefore, a bias in the assessment of the situation seems to be confirmed: the participants are pessimistic about the business succession outcome in general, but optimistic about their specific case. Findings seem to suggest that in business succession planning optimism bias plays an important role. People tend to overestimate the probability of positive events and underestimate the probability of negative events happening to them in the future (Sharot, 2011).

Moreover, the results of this research seems to support that at a cultural-cognitive level is widespread a fatalistic attitude about the future. There is a perception that the future largely depends on elements outside the control of the owner family. The locus of control (i.e. is the degree to which people believe that they have control over the outcome of events in their lives. Rotter, 1990) seems to be influenced by cultural and value aspects. The cross-cultural  research provide copious evidence of this fact in several cultures (Welsh, Raven 2006).

This research seems to suggest that the sample of entrepreneurs is affected also by a sort of foolhardiness. Although literature (Bentgsson, Ekeblon, 2014) documents that entrepreneurial optimism may not be a behavioural bias that gives rise to irrational decision-making, unfortunately this is not seems the case of the business succession. This study shows that despite the fact that the statistics about catastrophic outcome in business transmission and others’ previous experiences are available to the entrepreneur in the decision-making process, business succession is neglected  and not planned.

Finally, results confirm that business transmission process face major criticism when a daughters is involved. This finding is consistent with previous research (Dumas, 1989, 1990, 1992; Curimbaba, 2002; Ferrari, 2017; Lozano et al., 2011 Vera and Dean, 2005). As a result, in family firms there a dearth of daughters successors (Overbecke et al., 2013), due to a complex of gender norms and vision that could lead even to a covert sexism (Benokraitis and Feagin,1986; Benokraitis,1997; Jandeska and Kraimer, 2005).

**Main theoretical contributions**

In this group of firms, the business succession is neither planned nor realized even when it involves male children, who have greater self-efficacy and adequate skill match. Therefore, this study seems to confirm that the Theory of Planned Behaviour  shows some weaknesses in predicting actual behaviour due to the fact that it overlooks both contextual factors and cognitive factors (Cavazza, 2007; Fazio, 1990, Fazio, Towles-Schwen, 1999). These factors play a role in business succession planning under the threshold of awareness of involved generations. In business transmission, intention does not lead automatically to a subsequent, coherent action. Evidently, the generational transition is a complex process that is affected by multiple psychological, cognitive-affective and social aspects. These results suggest that, in the study of business succession, it is appropriate to adopt a systemic rather than an individualistic approach.

Hence, in order to better clarify the family firm approach and attitude toward business succession, it could also be useful to shift the focus of the explanation from an individual, micro-level of analysis to a macro-level, paying attention to the cultural issues which could drive the strategic decisions within a family firm. As highlighted by Zellweger et al. (2011),  in family business field of research has been found the social norms construct has a strong impact on decisions. This evidence contradicts studies in other areas of research where the social norms construct was often found to be a weak predictor of intentions (Kuiken, 2015).

Therefore, Kuiken suggested (2015) to consider further factors in business succession investigation at organizational/contextual level.  A number of studies (for example, Mitchell et al., 2000; Tàpies, Navarra, 2010; Thomas and Mueller, 2000; Valdez, Richardson, 2013; Welsh, Raven, 2006) have explored the connection between national characteristics and entrepreneurial activity. Taken together, these studies suggest that institutions may be important predictors of entrepreneurial activity. This paper suggests an institutional perspective helps to structure the exploration of how societal factors influence entrepreneurial activity, and the intention to abandon it. Cross-cultural studies show differences in facing business succession depending from the specific culture (Gupta, Levenburg, 2010). For example, the social norms such as the degree to which a society admires entrepreneurs and values innovation will affect an individual’s motivation to launch a venture (Busenitz et al., 2000), but also to left it.

This paper highlights the role of gender stereotypes in business succession planning. The literature has so far highlighted the motivational factors in the attitude towards the intergenerational business transmission. This study therefore suggests that also the cognitive aspects must be considered in the analysis of the factors that allow or hinder the correct planning of the business transmission.

**Implication for research**

Findings of this study have several implications and leads to further development in exploring business succession from a psychological point of view.

Lack of transmission planning and resistance to retirement is a relatively under-investigated topics in family business literature. Thus, further research should deeply investigate this phenomena by adopting Heavy Work Investment approach. Thus, exploring issues as entrepreneurs’ biography, current work motivation, aspiration level, work dominating needs, perceived effort (both physical and psychological), and work engagement (Schaufeli, Salanova, 2007). Literature suggests of investigate also mental satiation (Mojzisch & Schulz-Hardt, 2007).

Business succession represents indeed a deep change in involved people’s biography. Therefore, it should be useful to apply other models that explain change resistance or readiness to change, such as RTC model (Armenakis, 1999; 2003; Holt et al., 2007).

**Conference Track**

Family and Community Business

**Presentation**

Working Paper

### 110

### Rural Business in an Urban Setting: Understanding Collaboration in a Community-Based Enterprise (CBE)

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**Abstract**

**Topic:**In recent years, community-based enterprises (CBE’s) have emerged as a new direction towards developing sustainable and competitive economies. The emerging body of community-focused research highlights the increasing recognition that “enterprising people devise small-scale and simple collaborative solutions to address the social needs that exist in their local communities” (Zahra et al., 2009, pg. 525) through the creation of CBE’s. Due to their integrative and co-operative nature, CBE’s are viewed by many academics, practitioners and policy makers as progressive and effective economic and social tools. By their very nature, they create a more entrepreneurial, dynamic, social and innovative society (Hinrichs, 2000; Andersson et al., 2004) enabling entrepreneurial community-based firms and communities to benefit from economic and social perspectives alike. CBE’s provide entrepreneurial firms with opportunities for collaboration, access to resources, acquisition and exploitation of new knowledge, and valuable information and advice (Di Domenico, Tracey and Haugh, 2009; Coulson, 2012; Pret and Carter, 2017). All associated benefits are closely linked to collaboration and social connections within the community (Barth et al., 2015; Akemu et al., 2016). The local nature of CBE’s advocates that entrepreneurs, as members, are likely to know each other, and have social ties and connections, characterising the structural dimension of collaboration. The conception of collaboration and its underlying aspects of co-operative exchange, relationship building and trust, and networking and knowledge sharing was first observed in entrepreneurial cluster research by Saxenian (1994) who reported that effective collaboration emerges through co-operative exchange following close interaction and informal meetings with individual members constantly learning from one another, and about the market. Saxenian (1994) observed that informal business relationships, based on experimentation and communication, were distinctive features of collaboration, and it was only  through repeated interaction and co-operative exchange, that shared identities and mutual trust developed over time. The way collaboration materialises is thought to be intertwined with underlying value systems resultant from shared mutual aspirations, and common goals and objectives, distinctive features of CBE's. A high level of collaboration is advantageous as it facilitates the exchange of information between its members, and supports cognitive and relational dimensions i.e. shared vision, and trust and norms (Austin et al., 2006; Pret and Carter, 2017). Collaboration, underpinned by co-operative exchange, relationship building and trust, networking and knowledge sharing, is increasingly taking centre stage (Rosenfeld, 1997; Kuah, 2002; Ceglie, 2003; Molina-Morales, 2012), however, the actual nature of it and its underlying aspects is not yet fully understood, and so is the driver for this particular research.

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’:**This research addresses the evolving and advancing role of community-based enterprises as a means of achieving not only more sustainable and competitive economies, but developing economies that address social needs in local communities. This research positions CBE’s as core entrepreneurial places in local communities that warrant attention given the contribution they make through their shared values, norms and beliefs in creating social value. Further, the context of this study concentrates on the food and beverage sector, increasingly challenged by a highly unsustainable food distribution system. Increasingly, it is becoming necessary to minimise food miles by reducing physical and social distance between producers and consumers, and so local community-based enterprises are viewed as a means to not only reducing environmental impacts, but also improving food safety and production transparency (Kim, 2011). Furthermore, local food distribution is economically viable for producers, consumers and communities, utilising ecological production, and ethical distribution practices. Numerous social values such as mutual trust, reciprocity, democracy and the sense of community are created through local CBE’s. Thus, it is critical that CBE’s receive attention from academia, policy-makers, support agencies and practitioners alike given their role in addressing global issues at a local level.

**Aim:**This research seeks to address the gap and advance knowledge and understanding of collaboration and the underlying aspects of co-operative exchange, relationship building and trust, networking and knowledge sharing in a community-based enterprise. The challenges of collaboration in CBE’s are also investigated.

**Methodology:**The research approach is exploratory in nature. A qualitative research methodology was utilised, to gain an increased understanding about the nature of collaboration and the related aspects of co-operative exchange, relationship building and trust, and networking and knowledge sharing in a community-based enterprise. A community-based enterprise comprised of entrepreneurial firms operating in the food and beverage sector is the unit of analysis. The distinctive community-based enterprise features of interconnectedness, regional geographic concentration (located in an urban region, on the outskirts of a city), and community co-operation are evident. The selected cluster is in operation for 6 years, and currently counts 26 small entrepreneurial firms.

**Contribution:**The importance of this study lies in its ability to provide new insights into collaboration and its underlying aspects in community-based enterprises. Such insights provide a number of contributions for academia, policy-makers, and practitioners alike.This study develops the literature in a number of different ways. Firstly, it adds to the lacuna of community-focused research providing a deeper understanding of the shared values of CBE members. Secondly, it contributes to the literature by exploring the concept of collaboration and the underlying aspects of co-operative exchange, relationship building and trust, networking, and knowledge sharing, and their influential factors. In particular, it brings to the fore how collaboration evolves and develops, through the interplay of these three features while also highlighting the ensued benefits collaboration offers. Thirdly, this empirical study shows how idea sharing and knowledge diffuses around CBEs, spilling over within and outside the community, through formal and informal interactions and relationships.

**Implications for policy, if applicable:**From a policy perspective, this study highlights the importance of a shared value system as an enabler of effective co-operation and collaboration in CBE’s- an important point to note for policy makers wishing to foster new community-based initiatives, and improve on existing ones. In supporting community-based enterprises, local development agencies need to be cognisant of, and have an appreciation for the value systems held by such enterprises. As depicted in this particular study, a shared value system plays a crucial role in cultivating trust-based relationships between its members- an essential foundation to ensure the success of collaboration agreements and partnerships. A further consideration for policy makers revolves around the need for collaboration between entrepreneurial community-based enterprises and local educational institutions and research centres. Such relationships assist with research and development, new product development, and process experimentation and improvement. The resulting knowledge and skills gained helps to create more innovative firms, leading to more dynamic, competitive and sustainable CBE’s.

**Implications for practice, if applicable:**This research highlights the key and significant role of the CBE management team in facilitating co-operation, network formation and relationship building amongst community members, clearly encouraging and more importantly enhancing collaboration within this particular enterprise.  The composition of the management team, the formal and informal roles they play, and the skills profile of individual members of the team warrants further investigation given the significant role they play. Through the development of a more informed profile of the CBE management team, relevant support, and appropriate training and development needs can be assessed to ensure the enhancement of their role in nurturing and advancing collaboration in the CBE.

**Conference Track**

Family and Community Business

**Presentation**

Full Paper

## Gender and Enterprise

#### Gender and Enterprise

#### Time: 11:00 - 12:30

#### Date: 15th November 2019

#### Location: Northumbrian

### 127

### Women’s entrepreneurship in the UAE: Making dreams come true

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**Abstract**

**Women’s entrepreneurship in the UAE: Making dreams come true**

**New Frontiers and entrepreneurial places**

Panda (2018) provides a literature review for the period 2005 to 2017 on issues women face succeeding in entrepreneurship in developing countries.  She finds women in the UAE face “gender discrimination”, “work family conflict”, “lack of entrepreneurial training and education” and “personality-based constraints” (p18). Throughout the (limited) literature, particularly on UAE nationals, there are conflicting findings on both barriers and ‘enablers’ (Jabeen and Faisal, 2018).  As the context of UAE is a complex one, being at the nexus of both globalization and Islamic culture, the treatment of women in the extant literature is inadequate for developing theory or reaching valid conclusions.  As such, the call by Henry et al (2016) for a reconsideration of women’s entrepreneurship in terms of framing and also methodology, is compelling. Here we seek to “demonstrate the profoundly gendered nature of entrepreneurship” (p218) by redefining and recontextualising entrepreneurship for Emirati women.

**Aim**

Prior studies on women entrepreneurship conducted in the Arab Muslim region focus mainly on the motivations and barriers to entrepreneurship. While it is important to examine the motivations and barriers for women entrepreneurs to understand their ‘why or why not?’ decision to start their own business, there is a gap in our understanding on the entrepreneurial pathways of women in this Arab Muslim society. There is a dearth of knowledge on the challenges faced by these women entrepreneurs and how they overcome them. As the UAE is developing a raft of changes to support women entrepreneurs, our study unfolds some stories that can be used as lessons or inspiration to prospective women entrepreneurs. This is also in line with the call of Tlaiss (2015b; 578) to reflect on “the success of women-owned businesses and how owners operationalise their successes”. Extending Tlaiss (2014; 2015b) on motivations, we interview fifteen established Emirati women entrepreneurs to glean operational insights post start-up experiences.

**Methodology**

Women entrepreneurship involves multiple realities that are socially constructed and constantly changing (Berger & Luckmann, 2002). In view of the UAE’s desire to achieve gender balance and strengthen women empowerment in recent years, it serves as a unique research context compared to neighbouring countries in Middle East region. Following an inductive reasoning approach aiming for new discovery, we conduct semi-structured interviews with fifteen women entrepreneurs in Al Ain City, Abu Dhabi Emirate.   Al Ain has the largest number of Emirati national’s resident, and is home to the main campus of the main national university (UAEU) where the majority of the graduates are women. We used three criteria to select Emirati women into the study. Following the Global Entrepreneurship Monitor (GEM) classification, to be considered as part of our sample, firstly the woman entrepreneur must have a business which has existed for more than 42-months. This allows her to provide sufficient evidence and experience of her entrepreneurial journey. Second, she must also employ at least two full-time workers to show her ability in job creation. Third, she must fully own and manage her business herself. The interviewees were contacted through Abu Dhabi Chamber of Commerce and Industry. All of the businesses are in the category of micro and small enterprises (MSEs) with 3-40 employees, consistent with previous studies (Nichter & Goldmark, 2009; Minniti, & Naudé, 2010). Personal observations of the entrepreneurs and their business operations were included in the interview notes for triangulation purposes. Qualitative data analysis software Nvivo 11 was used to discover the emergent patterns and themes.

**Contribution**

Our study offers several theoretical contributions. We respond to Henry et al. (2016) in considering the gender of our interviewees is a socially and culturally constituted framework, and believe this to be consistent with Islamic teaching, which primarily regards Muslims as believers to be evaluated according to their good deeds before any other consideration – including their biological assignment and its associated skills and qualities. The findings shed light on how women’s entrepreneurship is shifting gradually in the Arab Muslim society where women’s role are being redefined. While the women are being empowered by the institutions with better education and access to start-up assistance, our findings showcased some of their entrepreneurial struggles along the growth pathway. Though the women are protected and provided for under the Islamic social structure, women entrepreneurs do not enjoy any privilege in the business world. They have to work as hard as their male counterparts, sometimes harder, to gain legitimacy in the industry. These women entrepreneurs prefer to venture into ‘safe’ havens such as creative and service industries, where the industry structure is more fragmented, allowing many niche players to co-exist.

Prior studies (Tlaiss, 2014; Panda, 2018) have also suggested that the UAE society has a high fear of failure with a risk-averse mentality resulting in the rejection of the idea of women starting their own businesses. However, this is inconsistent with the fact that women are not financially vulnerable, given they are not responsible for the financial support of anyone - even themselves – and are very confident of their own abilities. The uncertainty avoidance and risk profiles are worthy of further investigation. There is literature that suggests that the attribution of a risk averse mentality in Muslim populations is an inverted reading of an Islamic mind set which suggests just the opposite (Sulaiman, and Willett, 2003).  Instead of either paid-employment or staying at home, these women entrepreneurs are engaging with a higher risk by working for themselves. As shown in the findings, they have struggled in growing their businesses and paid substantially for some early poor decisions made. Their privileged and protected upbringing results in some challenges in the beginning but through this steep learning curve, they have developed persistence and become firm in their business dealings. Their entrepreneurial passion, unwavering hard work and positive attitudes help them continue growing their venture with plans for future expansions.

Many women entrepreneurs worldwide are being denied any support towards becoming an entrepreneur because of cultural stereotypes of women’s roles in society (Erogul and McCrohan, 2008; Tlaiss 2015b). Our study extends prior findings in this context by showing how the society is transforming the landscape of women’s entrepreneurship in this country. We found strong moral and financial support from both parents and spouses, indicating entrepreneurship is an acceptable, even desirable, career pathway for the women in UAE. In addition, many of these women entrepreneurs are aware of the financial assistance provided by the governments and financial institutions that allowed them to start their business with sufficient capital. We could not find any evidence of gender discrimination in their access to financial assistance as portrayed in Tlaiss (2015b). This could be due to the improving awareness through the education system and social networks. Our sample are exceptionally confident, and are strongly agentic in pursuing their goals and dreams in entrepreneurship.  They are extensively and happily supported by their culture, their religion, their families, husbands and their state.

**Implications for policy**

There is a saying ‘success breeds success”, and the findings from our study provides some pointers for future women entrepreneurs. As many of the oil-dependence Arab Muslim countries are moving towards a more diversified economy with much emphasis on entrepreneurship, the stories shared by these women entrepreneurs offer valuable lessons. Still, women entrepreneurs must be ready to overcome limitations to gain market acceptance. Besides the favourable external enablers from government, family and society, it is important for the women entrepreneurs to be intrinsically motivated with entrepreneurial passion and positive attitudes in tackling challenges. All the Emirati women entrepreneurs we interviewed are located in the Al Ain city, our study reveals that many of them are well supported by their culture and received financial support from the family. They also have good access to public funding and women-centric assistance programs. This leads us to ponder on the efficiency of government funding. To ensure Emirati women living in rural areas are not left behind in pursuing entrepreneurial dreams, government funding could be better targeted to less advantaged groups where the level of entrepreneurship is much lower.

**Conference Track**

Gender and Enterprise

**Presentation**

Full Paper

### 233

### Factors Influencing Business Performance of Women Entrepreneurs in SMEs in Bangladesh

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**Abstract**

**Factors influencing Business Performance of Women Entrepreneurs in SMEs in Bangladesh**

**KEYWORDS:**

Women Entrepreneurs; Business Performance; SME, Entrepreneurial Ecosystem, Emerging economy

**ABSTRACT:**

This paper explores entrepreneurial eco-system factors impacting the business performance of 174 Bangladeshi women-owned SMEs. Majority of the researches on women entrepreneurs are based in developed economies especially the USA and Europe; there exist relatively a few researches on business performance of female-led SMEs in developing economies (De Vita, Mari and Poggesi, 2014). Existing literature reports of difference in social structure in terms of family, work and social life between developed and developing nations (Lerner, Brush and Hisrich, 1997). But these variations have not been taken into consideration in explaining the business performance of women-led enterprises in the extant literature.

Bangladesh has seen a staggering 19.8 % increase in labour force participation in the year 2016 compared to 1995-96 (BBS, 2017). Among these working women, approximately 12% are entrepreneurs which accounts for around 0.43 million women (estimated) and around 5.9 % of entire entrepreneurs in Bangladesh (Ahmed, Hossain and Hossain, 2018). At the same time, around 23% of the GDP of Bangladesh originates from SMEs (Mowla, 2018), which also happens to be the biggest sector concerning employment creation (Bangladesh Economic Review, 2014). Despite these key contributions of these SME oriented women entrepreneurs to the economic development of Bangladesh, there is a dearth of research on them.

Most of the existing researches on women entrepreneurs have either focused on the reasons for starting an enterprise (Buttner and Moore, 1997; Lee, 1997; Manolova, Brush and Edelman, 2008) or the impediments faced by these women entrepreneurs in their journey to set up an enterprise (Brindley, 2005; Pellegrino and Reece, 1982). But very few studies so far have attempted to explore the business performance of women entrepreneurs in SMEs in developing countries. Consequently, Drawing on these abovementioned areas of academic interest such as women entrepreneurship, business performance, SMEs, developing economies, this research explores the factors that impact the business performance of women entrepreneurs in SMEs in Bangladesh. It also explores the magnitude of the impact of each factor on the business performance of these women-led SMEs.

This paper is grounded in the entrepreneurial eco-system model since entrepreneurial ecosystems are driving forces behind economic vibrancy at the local level and economic growth at the national level (Kauffman, 2019).  Though there exist a number of entrepreneurial eco-system models at present (Acs et al., 2017), the ‘entrepreneurship ecosystem strategy for economic development’ by Daniel Isenberg (2011, p.1) has become the most popular one in the recent years. Hence, we have followed this entrepreneurial eco-system model in our paper. Isenberg (2011) identified six factors namely a favourable culture, accessibility of appropriate finance, enabling policies and leadership, venture friendly markets, quality human capital, and institutional supports as part of the entrepreneurial eco-system. Each of these factors consists of numerous sub-factors interacting with one another in a distinctive and complex way. Hence, it is important to understand the context of each eco-system which goes through a distinct group of situations and conditions.

This is a quantitative research based on primary data analysis. A list of women entrepreneurs was collected from the SME Foundation of Bangladesh (the apex body of SMEs in Bangladesh). Following this list, a sample of 174 SME led women entrepreneurs engaged in 5 sectors (Beauty Salon, Handicraft, Textile Boutique Shop, Agri-business, and Readymade Garments) were chosen from the capital city of Bangladesh applying a stratified sampling technique. 200 printed versions of the structured questionnaires were distributed to the respondents and after a stipulated period, 174 finished and workable questionnaires were received from the respondent.

Data has been analyzed using STATA. To ensure the reliability (internal consistency) of items under different entrepreneurial eco-system factors, Cronbach's alpha method was applied. Then, factor analysis was applied to find out key entrepreneurial eco-system factors affecting the business performance of women entrepreneurs in the SMEs in Bangladesh. Thus, the factors obtained from the factor analysis were used as the independent variables and the firm performance (annual firm revenue) was used as the dependent variable in the Pearson's correlations and multiple linear regression analysis.

Factor analysis identified policy and support, human capital, culture, and market-related factors as instrumental to these women entrepreneurs’ business performance. The Cronbach's alpha test report a value of 94.6 % for policy and support factors, 74.2 % for human capital factors, 60.8% for market factors, 71.3% for culture factors which shows that almost all the factors (except market factors) hold acceptable internal consistency (Bonett and Wright, 2015).

Further, multiple linear regression results report that the business performance of female entrepreneurs in SMEs in Dhaka city is positively influenced by enabling policies and leadership and institutional support such reasonable tax, access to information, access to policy makers, access to technology, access to administrative bodies, government support and adequate infrastructures. Contrary to the outcomes of World Bank (2003) and ILO (2003), this research found that access to information and technology is not a challenge for female entrepreneurs in Dhaka city which might be ascribed to distinctive reasons. To begin with, as this research is done in the capital city, these issues may not be as prevalent as the rural locations. Secondly, since those studies were done some years ago, certain changes may have surfaced in between. Likewise, factors regarding government support, administrative bodies as well as support from financial institutions have not been found to be challenges for female entrepreneurs in SMEs in Dhaka city. This indicates a few initiatives have been taken in facilitating female entrepreneurs in SMEs in Bangladesh but this is not adequate compared to developed nations according to World Bank (2007) and ILO (2003).

Similarly, as per the regression results, the business performance of female entrepreneurs in SMEs in Dhaka city is positively influenced by venture friendly market factors such as networking with male and female entrepreneurs, access to markets and access to distribution channels. Prior researches show that access to market, more knowledge of the market and informational network are some of the core factors motivating women to become entrepreneurs in Bangladesh (Hossain et al., 2009). Market-related factors also impact the overall entrepreneurship journey of women entrepreneurs (Brush et al., 2009). Anecdotal evidence shows that women entrepreneurs’ network mostly consists of other women, friends and family members. This structure of women entrepreneurs’ network is a reason for their weaker performance compared to men (Sorenson, Folker and Brigham, 2008). This is consistent with our findings that networking with both male and female entrepreneurs are the market factors which positively contribute to the business performance of women entrepreneurs in SMEs in Bangladesh.

Due to the increased exposure of media in Bangladesh in recent years, it was assumed that a more women-friendly cultural shift has taken place which should impact the women-led enterprises favourably. But our regression results show that these culture-related factors such as the positive attitude of employees, cultural and religious freedom, positive attitude of society and not performing multiple tasks in the family don’t impact business performance in SMEs in Bangladesh significantly. So, these culture-related factors such as class biases, gender inequalities and unfavourable attitude of employees are still challenges for female entrepreneurs in SMEs in Dhaka city which is consistent with the outcomes of World Bank (2003) and ILO (2003).

Likewise, the regression outcomes show that the business performance of female entrepreneurs in SMEs in Dhaka city is not significantly influenced by human capital factors such as level of education, having a business plan, maintaining accounting and access to necessary training. Descriptive statistics of this study show that the majority of the women entrepreneurs received education till higher secondary level (grade 12 complete). Hence, it is understandable that these women won’t be exceptionally qualified or taught. Most of them don’t maintain accounting and don’t have a business plan. Moreover, very few of them have access to the necessary training. Hence, these human capital factors don’t significantly impact the business performance of these female entrepreneurs.

As mentioned earlier, women entrepreneurship related issues (such as business performance) in the SMEs have not been explored extensively in the developing country like Bangladesh compared to developed countries (De Vita, Mari and Poggesi, 2014). Therefore, there still exists a research gap around this topic. Accordingly, by exploring the entrepreneurial eco-system factors impacting the women led SME performance in a developing country like Bangladesh, this paper contributes to the entrepreneurship and gender literature. Consequently, it has implications for academicians. However, it also has implications for consultants, policy makers and especially for the women entrepreneurs. The outcomes of this study will assist female entrepreneurs to be aware of the distinguishing factors that have the potential to impact their business performance positively. Moreover, the findings of our study have the potential to help policy makers to formulate policies which will be more congenial to the business performance of women entrepreneurs in Bangladesh. Further, this paper holds implication for other developing countries with similar social, cultural and economic contexts.

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**Conference Track**

Gender and Enterprise

**Presentation**

Full Paper

### 194

### Social Entrepreneurship and Women’s Empowerment through Feminist Community Practice: The Case of Mahila Umang Producers Company Limited, India

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**Abstract**

**Social Entrepreneurship and Women’s Empowerment through Feminist Community Practice: The Case of Mahila Umang Producers Company Limited, India**

**Topic**

This paper presents a case study of women led and women owned social enterprise ‘Mahila Umang Producers Company Limited’ in Ranikhet, Uttarakhand. The study qualitatively assesses the effectiveness of social enterprise in order to empower women using gendered lens. The researcher interviewed 15 women from eight different villages in the hill region who joined the enterprise at different stages of their lives using research tools such as home visits, observations and in depth interviews.

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

Social Entrepreneurship is a rapidly emerging field in India. Despite being an old practice the terminology is nascent to the development field. Having its roots in the management domain, it is a novel concept in both development research and practice. This is particularly true for emerging economies due to their diverse contextual complexities (Bruton et al. 2008; Bruton et al. 2010; Ratten et al. 2016).

 The multidimensional understanding of social entrepreneurship has led to definitional debates globally (Collava, 2017).  The interdisciplinary nature of entrepreneurship field further enriches it and makes it very relevant for a distinctive academic field of research.  This idea is also highlighted by Gartner et al. (2006: 325): ‘‘Entrepreneurship scholars borrow heavily from their disciplines because doing so enhances their intellectual enterprise and promote effective dialogue with their peers.’’ This is where the study adds new dimensions to the field of social entrepreneurship by highlighting the relevance of feminist community practice.

With the rise in neo-liberalism, markets have taken over the role of state and have influenced the state policies in a big way throughout the world. This is particularly true for the so called ‘developing countries’ where the whole idea of development is distorted in the favour of markets. Thus social entrepreneurship needs to be analyzed critically. ‘‘Entrepreneurship scholars borrow heavily from their disciplines because doing so enhances their intellectual enterprise and promote effective dialogue with their peers.’’ Thus it becomes imperative to learn from social work practitioners to effectively harness the change potential through entrepreneurship.

**Aim**

The research largely explores women’s life cycle from their childhood to the present by closely looking at the interface of women’s lived experiences with the social enterprise and also the social institutions such as marriage, family and gender in the larger patriarchal structure. It qualitatively maps women’s life journey and the processes of empowerment from women’s point of view. Ideas of collective power, power to and power within were further explored from women’s perspectives. The study captures both enabling and constraining factors that lead to women empowerment; social enterprise being one of the major actors that facilitate this process through conscientisation, expansion of assets, and recognition of worth and enhancing her agency at different levels. Women can be empowered by giving them equal access to critical economic resources and by eliminating structural gender inequalities in the labour market (Leibenstein (1968), Tornqvist and Schmitz, 2009). This study addresses how gendered social enterprises can play an important role in uplifting the status of marginalized women both socially and economically. It also examines the nuances of feminist community practice embedded in this social enterprise chosen for the study. Women’s lived experiences form the source of knowledge to explain complex concepts of patriarchy, feminist perspectives, agency and social entrepreneurship.

**Methodology**

The purpose of this study was to gain an understanding of women's lives before and after joining the social enterprise. Qualitative research design was used for this study as the emphasis of qualitative research is on the human experiences. The most important reason to opt for this research design was to get information-rich data. The credibility of a qualitative study is found in the descriptive interpretive dimensions of the experience so that others in a similar life situation would recognize it as their own story. Phenomenology is used to explore the lived experiences of the women who are part of the social enterprise. The researcher sought to uncover the functioning of the organization, women’s daily lives, women’s role and place in the organization and the impact of participation on their lives. Phenomenology is a way to investigate subjective phenomena, and is based on the belief that essential truths about reality are grounded in everyday experience (Spiegelberg, 1975; van Manen, 1984, 1990). This is why phenomenology was considered as the best approach to examine the meaning and get the essence of the experience being studied. Such an approach also provides rich, in depth, descriptive and interpretive information that promotes greater understanding of a particular phenomenon.

**Contribution**

Decision making process must be feminized by allowing the growth of organic, shared and collective leadership (Hyde, 2004).  Democracy, networking and participation are given utmost importance when working with a feminist perspective. Such principles were visible in Umang’s work where women respect each other’s individuality and are proud of their collective. Entrepreneurship has the potential to effect change in gendered relations (Hanson, 2009). Women have traditionally been more confined to home, jungle and the farms in this region. Umang became the new home to create and reclaim women’s spaces in this region such as market, organization’s office, training centres, SHG meeting spaces and many more where initially women’s entry was restricted. This gendering the understanding of spaces finds a lot of relevance when working with women because it is these gendered spaces that allow or constrain women’s progress. Umang has four business verticals namely Himkhadya (farm produce), Kumaoni (food preserves), Umang (hand-knitted items) and Bamboo (bamboo craft items). These business verticals are also gendered because Umang’s product line is evident to the fact that it creates value out of what women do in their lives by building their professional skills. Feminist principles suggest that such community work is about celebrating and reclaiming women’s history and traditions (Hyde, 1986). Building on women’s existing skills can be very empowering as women identify themselves more with such work.

**Implications for policy**

Social entrepreneurship has caught the attention of governments nationally and globally in the recent years, especially as the forces of the market are overpowering the development paradigm. In the newer welfare context it is looked at as a new way of addressing the pressing social issues. So it is very important to distinguish social entrepreneurship from other development interventions which are focussed merely on increasing income. This is where the policy makers need to engender the social enterprises to fully realize the potential of this newer form of development intervention.

This would mean bringing women at the forefront and acknowledging how their issues are the starting point to engage with them. Most of the times such policies ignore the institutional power structures those restrict women in various ways. Power dynamics in political, economic and household sphere marginalize the women and obstruct her growth (Kabeer, 1999, Ramanathan, 2004, Hanson, 2009). More specifically livelihood programs reduce women empowerment to income generation whereby not questioning the institutional exploitation. Development policies must reflect this gendered perspective by giving focussed attention to women’s overall capacity building. This would also mean transcending the conventional funding programs, implementation plans and program evaluation techniques. Right from fund allocations to monitoring mechanisms, women’s capacity building and consciousness raising would play a critical role to sustain such entrepreneurial initiatives. This study not only shows how social entrepreneurship can reduce the institutional inequalities but also brings out the key strategies while working with the women to achieve those goals.

**Implications for practice**

In social entrepreneurship, most of the times idea takes over the social and people are left behind. Especially now as the government is encouraging the new entrepreneurs this study emphasizes the importance to keep a balance between the ‘social’ and ‘entrepreneurship’.

Social entrepreneurship is all about considering people as active partners and not beneficiaries.

Hazel Johnson (1992) defines empowerment as a process where women can empower themselves by gaining some control over their daily lives but at the same time empowerment also means to gain some control over the power structures to change them for the better. She is basically pointing out to the larger goal of women empowerment that targets equal and just society. Rowlands (1997) discusses the meaning of empowerment in the context of social work and education. She says empowerment is a process in which consciousness raising alone isn't enough but rather an individual must move from insights to action. Women's knowledge is the secret to build a successful and sustainable social enterprise. Most social enterprises work with a gender blind approach and there is a need to create gender sensitive organizations so that gender transformatory potential of entrepreneurship is realized. The ‘social’ in social entrepreneurship is what is the most important and crucial part of the whole approach as to who defines it and for whom. The study guides the practitioners to be very critical about this social value that can be created with people centric approach.

There are multiple perspectives on feminism and so it is difficult to explain its relevance in development practice but this research unfolds the meaning of feminism for field practitioners. Throughout the study, feminist community practice emerges as the core of gender practice framework. Umang has shown a way forward by enabling women to be social entrepreneurs in their lives and the communities as whole. The feminist slogan ‘personal is political’ re-emphasizes the relevance of women’s personal experiences to understand the politics in women’s lives. Women have multiple identities like caste, gender, age, class, ethnicity and they can be oppressed by several forces (Ramanathan, 2004). Creating more collective spaces for the women on the foundation of emotional connect and the feeling of sisterhood is what helps women to build ‘power with’ and ‘power within’ to challenge the power structures (Rowlands, 1997). Feminist community practice emphasises that when women organize women, it is much more than just women helping women and it leads to an extent of empowerment which otherwise doesn’t result (Hyde, 2004). Most importantly gendering is also about recognizing diversity and ensuring inclusivity so that newer value systems can be created on the shared feeling of togetherness. One of the most radical elements of this practice framework is that unequal power relations must be challenged and adhering to social norms will never empower women (Batliwala, 1993). This holds equally true when the goal is to create sustainable women based social enterprises.   
 

**Conference Track**

Gender and Enterprise

**Presentation**

Full Paper

## Rural Enterprise

#### Rural Enterprise

#### Time: 11:00 - 12:30

#### Date: 15th November 2019

#### Location: UTC: 102

### 206

### Understanding the social impact of micro businesses in rural communities in the Borderlands county of Northumberland

Sarah Green

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**Abstract**

Understanding the Social Impact of Micro Businesses in Rural Market Towns in Northumberland

ABSTRACT

Applicability to conference theme

 With rural communities facing momentous change post Brexit and many commentators suggesting “broken communities” led to the Brexit vote, this paper considers the role of small businesses as social agents for change within rural communities in Northumberland, a frontier county bordering an increasingly devolved Scotland.

The paper considers the micro-businesses contribution to creating sustainable rural  communities. It tackles new frontiers challenging the current policy focus on high growth business support by demonstrating the significant value created by micro- business to support viable and inclusive rural community space. The paper reinforces the analysis from the Small Business Longitudinal Survey (Phillipson et al 2018) which dispels the myth that rural spaces are less entrepreneurial than urban space.

Post Brexit funding streams for SMEs and rural areas will need to be redesigned due to the loss of European funding via schemes such as LEADER and the Common Agricultural Policy.  Previous government funding focused on agriculture as the main driver of the rural economy.  Whilst there is a shift of focus from paying farmers for producing food towards subsidising farmers for providing “public good”, the focus for broader rural enterprise policy continues to be economic productivity.  Brexit and the reducing “post productivism” contribution of agriculture to the rural economy has resulted in a focus on the wider rural economy and how best to restructure government funding post the end of the UK’s involvement in the EU Common Agricultural Policy.  With continued reductions in local government funding to support community resilience, this paper argues that there is an opportunity to recognise small businesses as social agents for change rather than simply economic players.

Aims

This paper aims to:

* Develop new ways to identify, understand and assess the social impact of SMEs in a rural context;
* Explore conditions at a macro (policy), meso (community) and micro (the SME) that help or hinder SMEs create positive social impact; and
* Provide understanding to inform policy debates on small business support, regeneration, community resilience and rural entrepreneurship by exploring the relationship between characteristics of place and social impact.

Methodology

This qualitative project explores methodologies, rooted in ‘grounded theory’ to examine the value of small businesses in three case study areas in rural Northumberland in North East England.

As a study undertaken in the context of rural market towns, the research explores conditions at a macro (policy), meso (community) and micro (SME) level that enable SME social impact.

Due to the requirement to understand this phenomena from three different perspectives, a qualitative methodology was used.

The micro level analysis focused on the role of the small business in creating social impact and was researched through 30 semi- structured interviews with entrepreneurs and community leaders based in three case study areas.

The meso level is examined by focusing the qualitative interviews within three case study areas situated in the same policy environment within North Northumberland, allowing the opportunity to compare and contrast.  The case study for the purpose of this research is an electoral ward, a physical geographically bounded space and a space defined by politics.

The use of case studies is to help understand the complex relationship between factors as they operate within a social space. The case study approach allowed the researcher to see whether theoretical predictions were found in multiple settings or whether there are specific contextual phenomena which embed it in place. This allowed further explanation of why and how small businesses create social impact.

The macro level research relates to policy makers at a regional level and was undertaken via 10 semi -structured interviews.

Contribution

There is growing recognition that context matters in entrepreneurship (Boettke & Coyne 2009).  This research contributes to rural enterprise theory considering the collective capacity of entrepreneurs to transform communities and to generate a value that can be measured in“greater possibilities for living” rather than simply the monetary (Daskalaki, Hjorth & Mair, 2015, p420).

The research shows that at micro level of analysis, small businesses consciously and unconsciously impact their communities. They do this by delivering trusted local services/ products that make living rurally easier; underpin infrastructure by creating employment and demand for auxiliary services; enable community by acting as a hub; import new ideas, skills, capital, collaborations, quality; and, promote their community.

At a meso level of analysis, the SMEs report limited institutional support suggesting that “local policy – making” is not reaching small businesses in rural communities. But there is also  clear reluctance from small businesses to form a network or join business clubs. This is in part due to the entrepreneurs’ “individualist” and “positive” characteristics which fail to see the need to work collectively and dislike the reputation of business groups as “whinging” and “problem orientated” rather than celebrating entrepreneurial success. The research highlights that rural entrepreneurship takes place not in abstract sites of production and consumption but in the domain of meaningful social life –in complex spaces of cultural and social interaction –where people live and learn. These rural places  - both physical, historic and perceived – provide the motivation for many business, shape product offering and inspire brands.

At a macro level of analysis, interviews with policy makers highlight that government views small business policy as incentivising economic growth rather than recognising the social impact of small businesses. Policy makers cite evidence-based policy making and current economic metrics as a barrier to recognising the social impact of SMEs, in particular Treasury evaluation metrics for business support which focus on jobs created or saved and a narrow definition of productivity are cited as a key barrier to supporting micro businesses.

Policy and Practice Implications

This research recognises that Small Business Social Responsibility requires a theoretical grounding distinct from broader CSR (Soundarajaran 2018), and that current policy making is not reaching micro-businesses.   Through this enhanced understanding of SME’s social impact and how to assess this within rural communities, policymakers can make better informed decisions on: whether there is wider benefit to support specific forms of government intervention aimed at micro-businesses within these policy and societal communities; and if so, the appropriate mechanisms to communicate and deliver this support

Keywords. - Entrepreneurship & micro businesses; Social Responsibility; Rural; Community; Family Business

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**Conference Track**

Rural Enterprise

**Presentation**

Full Paper

### 154

### Farm Innovation and Technology Adoption: Drivers, Barriers and Success Factors

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**Abstract**

**Title: Farm Innovation and Technology Adoption: Drivers, Barriers and Success Factors.**

**Topic**

This paper explores the role farm innovation and technology adoption has in the context of farm entrepreneurship. Throughout this paper we explore the drivers, barriers and the Critical Success Factors (CSF's) of innovation and technology adoption. Extensive literature exists highlighting innovative technologies and practices within both the arable and pastoral sectors (King, 2017). The larger scale farms possess abilities to achieve economies of scale, particularly within the dairy and arable sectors, and appear more welcoming to technology adoption (Morris, 2017). Many farm managers within these sectors invest in agricultural software and technologies to streamline farm management, increase productivity, and make efficiency gains to improve the strategic positioning of their farming enterprises (Barnes et al., 2019).

National improvements in Information Technology (IT) infrastructure drives the development of technology within the sector. Through the development of ‘Internet of Things’ (IoT), Artificial Intelligence (AI), and big data, farmers can now integrate emerging technological innovations into their business models, engaging in precision agriculture and smart farming practices, through the utilisation of; drones, autonomous machinery, crop and weather monitoring software and automated milking parlours, helping to overcome challenges within the agri-economic environment (Wolfert et al., 2017; NFU, 2019). The role of innovation and technology within the farming sector is vital for future agricultural policy development, ensuring; the production of affordable and high-quality produce, supply chain traceability, and the production and maintenance of public goods, whilst ensuring farmers are doing their part to reduce carbon emissions, combat climate change and achieve environmental targets (GOV.UK, 2019; DEFRA, 2019).

Whilst policy ambitions for technology adoption are high, many farmers remain pessimistic. Much of the British agricultural sector is lacking in terms of technology development, with panic of the digital revolution and the move to ‘Industry 4.0’ bypassing that of UK agriculture (Morris, 2017). Many farmers, hill farmers in particular, still to this day maintain traditional farming practices for varying reasons relating to; farm suitability, topography, age of farm holder, skillset, broadband connectivity, costs inter alia (Morris, Henley & Dowell, 2017). For many farmers, the need to adopt technology is not there, the level of agricultural production is too small to justify the costs, their way of life does not require any technology outside of what they have (Lima et al., 2018). Agricultural innovations and technological developments offer remarkable opportunities in terms of farm business improvement, but there are immerse challenges in influencing farmers to adopt such technologies.

Entrepreneurial farmers are embracing technology adoption, diversifying through innovation adoption with technology forming a key cornerstone of farming enterprises. The rise of vertical farming and Controlled Environment Agriculture provides opportunities for farming in urban, as opposed to rural, areas. Yet, 40% of farm holders in the UK are over the age of 65, with less than 3% being under the age of 35, with a significant proportion of the industry represented by traditional farmers. This paper explores, through the opposing world-views, the attitudes and perceptions towards technology adoption between the ‘traditionalist’ and ‘entrepreneurial farmer’. The study engages with two real-life farming cases; Gordon, a conventional livestock farmer and Stacey, an entrepreneurial vertical farmer exploring the drivers, barriers and success factors of technology and innovation adoption.

**Applicability to conference theme: ‘SPACE – exploring new frontiers and entrepreneurial places’.**

Innovation and technology is changing agricultural practices and re-defining the role of the farmer. Through technological integration the farmer is no longer limited by natural land space. Technological diversification allows the entrepreneurial farmer to explore new frontiers, some of which is unknown territory to conventional farmers.

**Aim.**

The aim of this paper is to understand the role technology adoption and innovation has within a farm entrepreneurship context. The paper builds upon published research by exploring in greater depth the farm technology adoption process.

**Methodology.**

The present study is exploratory in nature adopting a qualitative methodology and the case study research strategy. Semi-structured interviews with farm owners were conducted, applying an interpretive lens to understand the subjective attitudes and perceptions held by farmers regarding innovation and technology adoption. The methodology is underpinned by an adapted version of McElwee’s (2008) taxonomy, interviewing farmers reflective of the entrepreneurial and traditionalist typologies.

**Findings & Contribution.**

The findings build upon prior literature relating to farm entrepreneurship, technology adoption, farm business success and business strategy. The findings make several literary, practical and policy-based contributions. Additional barriers absent from the literature were found; consequences of technology use, cultural change, and skill-loss. The drivers were explored, finding technology adoption would not help the traditionalist farmer achieve farm success but plays an integral role in the entrepreneurial farmers operations.

**Implications for practice.**

The findings can be useful for actors within the agri-economy, providing an insight into the; drivers, the motivations for farmers to adopt technology; barriers, understanding the rationale behind technology not being adopted; success factors, understanding how technology fits in with the farmers vision of success. The utilisation of the two farmer types allows a collaborative learning approach, integrating multiple farmer world-views.

**Implications for policy.**

The results could be useful to policymakers, providing a practical insight into the lived experience of farmers. Agricultural policy-redesign places pressures on farmers to adopt entrepreneurial strategies to increase productivity. The UK government pledges its support for an Agri-tech strategy to boost farm based-productivity and strengthen national agricultural competitiveness. This studies illustrates the existing attitudes of two farmer typologies significant to the agricultural industry.

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**Conference Track**

Rural Enterprise

**Presentation**

Full Paper

### 186

### Strategic entrepreneurship: A new frontier for small farm competitiveness.

Afamefuna Obi, Juliette Wilson, Andrea Tonner

University of Strathclyde, Glasgow, United Kingdom

**Abstract**

**Aim**

This research aims to identify and analyse the strategic resources of small farm businesses in order to explore their potentials for opportunity creation and improved competitiveness. The poor competitiveness of small farm business in food production has resulted in their engagement in diversified activities that may be a threat to long term food security. Worryingly, this diversification trend has continued as farmers increasingly adopt non-food activities to bolster ailing profits (Scotgov, 2019).

Entrepreneurs may be defined as “economic actors who seek to exploit opportunities in pursuit of wealth creation” (Barney, Alvarez and Anderson 2013 p302). As individuals, they have also been described as alert persons acutely perceptive at recognising and exploiting opportunities (Kirzner 1979). Since many opportunities in business environments usually result from shocks to the established systems e.g. changes in technology (Tushman and Anderson 1986), political and social change (Schumpeter1939) etc. entrepreneurial activities have also been associated with discovering opportunities in such volatile or dynamic business environments. Thereby encouraging the personal characterisation of entrepreneurs as risk takers (Caird 1991), extroverts (Wooten et al. 1999), over-achievers (Begley and Boyd 1986) etc. Despite this fact, entrepreneurial activities are not limited to such business environments nor individuals. In the UK for instance, entrepreneurship was noted to be the most important aspect of farming (Phelan and Sharpley, 2012) which is a business sector that has shown an aversion for change or risk. Governments and other stakeholders have consistently resisted changes in the sector by providing subsidies for farm businesses since they consider the stability of the sector as crucial to rural economies (ScotGov, 2015). These regulatory activities, in turn, limits the possibilities of shocks as well as opportunities, in these business environments. Furthermore, a preponderance of family businesses in the small farm sector may also be moderating risk-taking. This is because many family farmers were observed to be risk-averse in order to ensure the continuity of their farm businesses which ensure their inter-generational transfer goals (Barnes et al., 2016). Invariably, entrepreneurial activities in the small farm sector cannot simply rely on spontaneous opportunism and risk-taking for its success. Rather, entrepreneurs in this sector must adopt a strategic approach aimed at creating opportunities that may ensure their success (Westgren and Wuebker, 2019).

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

This research explores the extent to which strategic behaviours in the small farm sector can be thought of as entrepreneurial, a sector where the environmental characteristics and individual attributes do not at first seem to accord with the entrepreneurial aspects highlighted from findings from prior research. The entrepreneurship discourse may be enriched from this empirical examination that broadens the scope of entrepreneurship to atypical business environments whilst uniquely incorporating a customer perspective in its examination.

**Methodology**

This research followed a two stage methodological process. First, 20 in-depth interviews were undertaken with customers at farm shops and farmer’s markets. In order to accommodate assertions that differences may exist between the rural and urban customer (Ilbery, 1991; Carey et al., 2011); a sample frame reflecting these sort of respondents was developed.  Glasgow, the largest urban area by population in Scotland, was selected as the frame for urban respondents while it’s surrounding towns - over 20km from Glasgow center (Ilbery’s et al. 1996) - was selected as the sample frame for rural respondents. On this basis, two farmers’ markets and four farm shops were selected. The respondents’ selected from the same frame were those that were observed buying a fresh agricultural product.

The customer benefits in the sector were identified and served as the basis for identifying  strategic resources. We then purposively sampled our farm business to ensure the selected farm business directly provided these benefits to customers either through a farm shop or a farmers market. From this sample frame, we recruited eighteen small farm businesses which were stratified to broadly represent the sector. This stratification yielded four small farm categories i.e. crop, livestock, dairy and poultry. Semi-structured interviewing techniques were used to collect relevant data that were content analysed using the Nvivo software.

**Findings**

Our findings identified eleven strategic resources within the Scottish small farm sector of which four presented potentials for opportunity creation in all the farm categories. The remaining strategic resources were exclusively relevant to specific markets i.e. four for crop producers, three for livestock producers and one for dairy producers. These strategic resources should have the potentials to create opportunities in perceived customer benefit areas including taste, health and choice benefits.

**Contribution**

This research unearths opportunities within food production that may stall, or even reverse, the non-food diversification trend currently prevalent within the small farm sector. Our examination highlights the strategic entrepreneurial potentials of small farm businesses in creating opportunities that can be exploited to improve their performance. This creative process involves the endogenous development of business resources and capabilities that are strategically exploited to create opportunities (Barney, Alvarez and Anderson, 2013; Van Rensburg, 2013). A key contribution of this research is the deployment of both firm-based and customer-based perspectives for resource deployment and value creation. Whilst we employ the resource-based perspective to identify the strategic resources of the small-farm businesses, we incorporate a customer perspective, following persuasive arguments that the economic success of any value creation process must be based on customer needs (Priem, 2007; Barney, Alvarez and Anderson, 2013).

**Implications for Practice**

The implication of these findings for Scottish small farm businesses is that it highlights those business activities they can effectively combine to develop strategic resources that create opportunities that may improve competitiveness. Additionally, they also benefit from the proposed entrepreneurial approach which is particularly suited to their unique business environment and context.

**Implications for Policy**

Relevant government agencies and policymakers may also consult the finding of this research to encourage farming activities that promote food production to, hopefully, stall the possible threat to food security that is based on non-food diversification.

**Conference Track**

Rural Enterprise

**Presentation**

Full Paper

### 224

### Reshaping space through pooled entrepreneuring – synergies and ripples in a rural micro-venture network

Richard Ferguson

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**Abstract**

Topic, aim and applicability to the conference theme

This paper focuses on a concept we call pooled entrepreneuring, where individual venture development activities extend over firm boundaries, giving rise to collaborative ventures and innovative use of place-bound resources. These pooled collaborative ventures can redefine prevailing conditions, allowing micro-ventures that would otherwise be untenable to develop and survive. Our aim is to provide insight into how micro-actors in a shared rural place interact and work together to solve their individual venture development challenges, and in the process develop new opportunity and collaborative ventures. Our attention is directed towards identifying and understanding the entrepreneuring that arises when local actors pool their problems, resources, and creative energies; and how this pooled entrepreneuring builds a local community that reshapes some of the constraints of rural space.

We take our point of departure from the rural entrepreneurship literature, where rural ventures are identified from their location, their product and their market (Bosworth 2012), with a specific interest in place-tied rural entrepreneurship as opposed to loosely coupled entrepreneurship in rural space (Korsgaard, et al 2015). We recognize the distinction between place, where there is local meaning, identity and value (Cresswell 2014), and space, which we view as structure that arises and is recognized through action (Low 2008). While the structure of space in many ways defines and confines action, through entrepreneurial processes, structure can also bring about action that forges new and reforms existing links creating change (Gaddefors and Anderson 2017).

Methodology

Our results are based on a case study of a farmer network in a mid-Sweden rural community. The place is typical for Sweden, with local population of about 2500, mostly living in a village center, surrounded by farms in a moderately less-favored agricultural area. The community has good access to two a large urban center, less than one-hours drive. Data has been collected through a set of interviews with nine network participants, all of whom have diversified ventures in addition to primary agricultural production in their farm business. This interview data is combined with information from a broader ethnographic study of the local rural place.

Contributions and implications

All of the nine interviewed network participants own and manage farm businesses with diversified enterprises. In the firm of one of the interviewed participants, the agricultural resources are now rented out, and the active venture has become specialized in contract machine work, including agriculture, construction and road service. The other eight interviewed participants are actively working six farms (in two farms, couples were interviewed), with a range of primary production and size: One of the farms is a “typical” Swedish mid-sized commercial dairy farm, with crop and beef production supporting the main dairy production. These other farms are smaller and also “typical” for Sweden in that their limited resources make them non-competitive on the conventional agricultural markets.

These “typical” stereotypes reflect the space for farming and agricultural production: The increasingly competitive and global market of conventional food production demands large production units, with strong economies of scale and favourable natural resource conditions, producing large volumes of low-margin standardized raw produce for large-scale non-local processors. Yet in many places, farm and agricultural resources do not fit well in this conventional space. Our studied cases show how individuals in a community work in parallel and in collaboration to develop value-creating ventures with the limited resources they have at hand. As these new ventures establish a foothold for their survival in and with the local place, they challenge existing structure of space and create not only pragmatic solutions but also new models of practice that can redefine space.

Our study shows that the development of these spatially-disadvantaged enterprises is characterized by what we call pooled entrepreneuring. Pooled entrepreneuring involves a parallel process of individual actors finding solutions to their individual micro-enterprise needs, together with collective efforts to develop collective ventures. Individual entrepreneurial processes interweave with other individual entrepreneurial process, sometimes in mutually beneficial exchange, sometime spawning a joint-venture, and sometimes in simple acts of community exchange.

We can see in this pooled entrepreneuring both synergy effects, where sub-optimal micro-ventures gain a platform that supports their continued existence and development, and ripple effects, where the collaborative efforts give rise to new enacted opportunities.

We believe our findings have implications for policy and practice: Individually, the separate ventures that have been studied make marginal contributions to local development, and many make but marginal contributions to a family’s or whole farm businesses’s economy. Taken together, however, we can see that the individual ventures create a critical mass that not only supports the existence of the individual micro-ventures but also contributes to sense of community and identity of place and puts pressure on some of the spatial constraints. While this study does not have the scope to see how space has been affected in the long-term, it does show how individuals in local community work together in navigating the limitations of individual small-scale, and that as their solutions emerge, they change the conditions (space) for others – both locally and non-locally.

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**Conference Track**

Rural Enterprise

**Presentation**

Full Paper

## Technology Entrepreneurship

#### Technology Entrepreneurship

#### Time: 11:00 - 12:30

#### Date: 15th November 2019

#### Location: Locomotion 3

### 71

### Enacting Pure Digital Entrepreneurship - Mechanisms Driving New Venture Creation

Kisito Futonge Nzembayie, Anthony Buckley, Thomas Cooney

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**Abstract**

## ****Aim****

This paper offers mechanism-based explanations for consequential drivers of pure digital new venture creation and an evidenced-based pragmatic model of tactical value. It presents the narrative of a pure digital entrepreneurial journey in EdTech that was sequentially recorded from idea conceptualisation to validation and the acquisition of thousands of active, lead users. The narrative informs the departure point for theorising the actor-dependent and actor-independent mechanisms and their generative structures that causally interrelate to drive the growth process of a digital new venture. Based on the findings, the paper suggests practical guidelines for nurturing the growth of similar pure digital new ventures at pre-scaling phases.

As Nambisan (2017) argues, dynamic process theories of entrepreneurship such as effectuation and the lean start-up are useful in helping to explain digital entrepreneurship. However, they stop short of offering ‘fine-grained’ insights that explain the complex process of pure digital entrepreneurial emergence. This is largely a consequence of the distinctive technological basis of the phenomenon. Pure Digital Entrepreneurship (PDE) is defined as entrepreneurship in which digital artifacts and digital platforms are solely the new venture ideas and market offerings, while digital infrastructures and related technologies are external enablers of the process (Nzembayie et al., 2019).

Digital artifacts are loosely coupled ‘quasi objects’ (Ekbia, 2009) such as mobile apps and software, distinct from physical and tactile market offerings. Their extreme modularity and granularity contribute towards their modifiable, interactive and distributable characteristics (Kallinikos et al., 2013). These characteristics in turn inform a different type of ‘economics of bits’, whereby loosely coupled digital artifacts may be expensive to create but can be reproduced at nearly ‘zero marginal cost’ (Shapiro and Varian, 1999; McAfee & Brynjolfsson, 2014). Accordingly, von Briel et al. (2018) posit that when new venture ideas are based on loosely coupled digital artifacts, their material agencies prompt distinctive behaviours in the process of new venture emergence. These behaviours are in turn driven by the actor-independent mechanisms, which are action potentials hidden in digital technologies (Leonardi, 2011; Autio et al., 2018). Actor-independent mechanisms produce determinate meanings that interrelate with actor-dependent mechanisms of cognition and behaviour to drive the digital entrepreneurial journey.

Through mechanism-based theorising, this paper surfaces consequential mechanisms and their temporal order of occurrence in the digital entrepreneurial process. As McKelvie and Wiklund (2010) argue, mechanism-based theorising provides the tools for explaining ‘growth as a process’ in entrepreneurship. However, mechanisms are often not directly observable. Taking a critical realist ontological stance, they reside in the actual and real strata of reality, while observable events exist in the empirical stratum (Bhaskar, 1989). Accordingly, Berglund and Korsgaard (2017) suggest that actor-independent mechanisms are less tractable and therefore offer distal explanations of process. Thus, emphasis should be on pragmatic, actor-dependent mechanisms that are more observable and proximal to process (Gross, 2009). However, as Van de Ven and Engleman (2004) suggest, actor-dependent mechanisms are limited by their emphasis on efficient causes, which obscure other Aristotelian causes of change – material, formal, efficient and final causality. Thus, to offer robust and comprehensive explanations of forces driving the digital entrepreneurial process, mechanism-based theorising assists in uncovering the complex ‘causal pathways’ (Ylikowski, 2018) that interrelate to shape venture emergence.

## ****Methodology****

To achieve phenomenon-methodology fit (Edmondson & McManus, 2007), this research adopts a Multimethod Insider Action Research (MIAR) approach that combines reflective practice with collaborative inquiry and design research for third-person knowledge production (Coghlan & Brannick, 2014; Nzembayie et al., 2019). The choice of inquiry aligns with the argument that only a journey into the ‘swampy lowlands’ of entrepreneurial practice can unearth fine-grained insights on the complex and messy world of digital new venture creation (Schon, 1987; Dimov, 2016). Further, MIAR addresses the shortage of event-driven process inquiry (Aldrich, 2001) based on the enactment and chronicling of entrepreneurial journeys in real-time (McMullen & Dimov, 2013). Hence, this study enacts a pure digital new venture creation process spanning three years and records fine-grained details of events in temporal order. To arrive at findings, data reduction began by distilling volumes of recorded events into a synthesised but comprehensive narrative. Using reflective analysis, thematic narrative analysis (Riessman, 2008) and mechanism-based theorising (Pentland, 1999), the narrative was analysed and reflected upon with sensitivity to temporality. Through a two-round sequential process of Nvivo-assisted coding, consequential mechanisms were surfaced. In an abductive engagement with theory and data (Davidsson, 2016), the study arrives at theory-aided best explanations of causal mechanisms that drive successful digital new venture creation under similar circumstances. Based on these findings, the study develops a pragmatic process model, underpinned by an eclectic mix of relevant theories.

## ****Contribution****

The study finds that concurrent piecemeal co-creation and data-driven operation are two higher-order mechanisms that interrelatedly combine with sub-mechanisms to drive digital new venture enactment and performance. Digital technology affordances (mechanisms) are found to interact with actor knowledge, cognition and motivation, to generate actionable mechanisms that drive growth as a process. The effects of these interacting mechanisms is the gaining of temporal efficiencies, reduction in task-specific and outcome uncertainties, as well as the achievement of network effects as value creation (Amit & Zott, 2001). Based on these findings, the study develops a process model that suggests prescriptive practitioner guidelines for creating similar ventures, as expected of action design studies (March & Smith, 1995). The research also answers the call for an action design approach to digital entrepreneurship research (Nambisan, 2017) that involves enacting and living the entrepreneurship experience as the basis for developing knowledge that accurately represents and guides practice.

## ****Implications & Value****

Indeed, digital entrepreneurship has very recently received significant attention in top journals of entrepreneurship (Nambisan, 2017, Kraus et al., 2018). Given the nascent stage of inquiry into the phenomenon, theory is still under-developed in terms of determining the forces giving shape to the phenomenon. The findings suggest that while extant theories such as effectuation (Sarasvathy, 2001) and bricolage (Baker & Nelson, 2005) offer plausible mechanisms for explaining a PDE process, on their own, they are insufficient for offering comprehensive guidance of tactical value. Likewise, while innovation models such as the Lean Startup (Ries, 2011; Blank, 2013) and Design Thinking (Brown & Katz, 2011) are found to be useful sources of actionable guidelines, in isolation they are insufficient. Thus, the value of this research is anchored in providing insights on how extant theories and models combine to provide fine-grained explanations at temporal phases of digital new venture creation. In the end, the paper offers an evidence-based model of pure digital new venture creation of actionable value. Hence, this research is of value to agencies, policy makers and actors invested in nurturing the growth of potential digital ‘gazelles’ (Storey & Greene, 2010). Its pioneering design approach and findings are also of practical utility in entrepreneurship education based on the argument for studying entrepreneurship as a science of the artificial (Venkataraman et al., 2012).

**Conference Track**

Technology Entrepreneurship

**Presentation**

Full Paper

### 151

### An exploration of cyber-security risk management in small businesses: The case of UK Micro and Small firms

Arun Sukumar1, Zimu Xu1, Krishna Satyanarayana2

1Coventry University, Coventry, United Kingdom. 2Indian Institute of Science, Bengaluru, India

**Abstract**

• Topic

The issue of cybersecurity has been receiving increased attention in recent years and with the exponential use of Information and Communications Technologies, the scope for information related security threats via the Internet has expanded drastically. The current cyber threat levels are creating significant pressures on businesses both small and large and policy makers are actively pursuing avenues to deal with the changing landscape of information related security threats. The losses due to cybersecurity threats are well documented. Businesses in the UK lost £29.1 bn due to cybercrimes in 2016 (Samarati, 2017). The most common cybercrimes listed were Phishing, Viruses and Hacking. These threats exploit system as well human vulnerability and contribute to extensive financial losses.

In Europe, Small and Medium Sized Enterprises (SMEs)[[1]](#_ftn1) make up more than 99.5% of all registered enterprises and Cybercrime is of major concern to all of them. Indeed a poll of 500 SMEs in the UK, conducted by Barclaycard earlier in 2017, found that 44% were worried about being hit by cybercrime or a data breach. UK SMEs spent £2.9bn on cyber security in 2016, equating to an average of £1,600 per business (Barclaycard, 2016). The current literature on SMEs and cybersecurity is aimed at understanding adoption of cyber security policies (Toping, 2017), cyber security investment (Hills & Atkinson, 2016), cyber security perception in SMEs (Osborn, 2015) and comparative studies in a regional context (Nycz et al, 2015; Kent et al, 2016; Renaud, 2016). These studies though contributing to our knowledge about SMEs in general are not specific in the context of micro and small businesses. The studies group SMEs as a collective and do not try to understand the role of micro/small firm characteristics in their ability to manage cyber threats. When it comes to small/micro businesses and small business entrepreneurs, there is a distinct lack of understanding on how they deal with cyber security threats. Micro/ Small businesses have different firm characteristics when compared to medium enterprises and the perceived lack of knowledge and resources can expose them to vulnerabilities (Kurpjuhn, 2015; Renaud, 2016); vulnerabilities often arising because of exposure to social engineering threats, improper design of policies, procedures and lack of knowledge on the applicability of correct information security standards and their implementation. It is in this context that this research work is set; its main aim is to understand how small/micro businesses entrepreneurs manage cyber security threats at an operational level.

• Applicability to the conference theme – ‘SPACE - exploring new frontiers and entrepreneurial places

It is applicable to the conference theme as it focuses on SMEs and shared insights on their perceptions and current management practice in relation to cyber security threats. Moreover, the shared insights and lessons from a particularly place, UK, may then inspire academics, policy makers and practitioners to address cyber security related challenges in other localities.

• Aim

The main aim is to understand how small/micro businesses entrepreneurs manage cyber security threats at an operational level. It explores attitudes, knowledge, training, and risk management practices towards cyber threats in a small firm context.   The paper is structured as follows, the next sections explains the theoretical background in the context of a small entrepreneur’s ability to address and manage cyber risks. The third section details the data collection approach used in this paper, the fourth section reports and discusses on the data collected while the final section highlights the contribution and further research in this area.

• Methodology

A qualitative enquiry was adopted in this study to explore cyber risk management of micro and small businesses in UK. Qualitative enquiry allows a deeper exploration of issues relating cyber threats and the ability of micro and small businesses to manage them in their own contextual setting.  Given the unique contextual landscape of small and micro businesses, it is important to understand how cyber threats are viewed and managed at an operational level.  Purposive sampling was adopted and selected micro and small businesses were engaged to develop a rich picture on the engagement with cyber risk management.   Data was collected through semi-structured interviews. Interviews were conducted from the period of July 2018 to Dec 2018. Majority of the interviews were face to face. Only two interviews were via telephone. Interview conversations were recorded and conversations were organised and analysed thematically. The data analysis process involves multiple stages of iterative reading, coding and analysing to cultivate findings and ensure quality reflection of the primary data.

• Contribution

This research complements the currently quantitative survey based studies in cybersecurity field. In terms of contribution, from a theoretical perspective, we have extended the framework suggested by Julisch (2013) and have examined how psycho-technical approach may influence individuals of micro and small business enterprises in developing mitigating strategies against cyber threats. This piece is work expands socio-technical theory in understanding attitudes of decision makers and resultant risk management practices in a small business environment. Practically, this research contributes to the training and knowledge sharing of existing and potential cyber security threats and strategies and practices that can be used to mitigate that.

• Implications for practice, if applicable

From a practice perspective, the research can contribute in the development of tool kits and routes for collaborative approaches in the training and knowledge sharing of cyber security threats and mitigating strategies and practices. Cyber security training programs in the context of small and micro firms is an issue, many of the firms we interviewed did not have formal/ informal training program to educate the users on cyber threats. The effectiveness of cyber security awareness programs offered by local and regional agencies is questionable. The firms in the study noted that though there was availability of free knowledge sharing sessions, they at times missed the context. Typical advice in relation to ‘what’ needs to be done was provided but the question of ‘how’ in the small/micro firm context was missed. In relation to this, operational aspects of current UK policies towards creating cyber threat awareness needs improvement.  For future research areas, this paper examined the issue of cyber security management from a qualitative perspective; attempts can be made to quantitatively test the framework through regression modelling and SEM.

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[[1]](#_ftnref1) In this paper, SMEs are defined as business with fewer than 250 employee. Micro Businesses (0-9 employees, turnover less than EUR 2m), small businesses (10-49 employees, turnover less than EUR 10m) and medium sized businesses (50-249 employees, turnover less than EUR 50m).

**Conference Track**

Technology Entrepreneurship

**Presentation**

Full Paper

### 270

### An Insight Into The Extrinsic And Intrinsic Challenges Faced By Irish SMEs Exploring The Digital Frontier

Bairbre Brennan1, Josephine Browne2, Therese Moylan2

1Technological University Dublin, Dublin, Ireland. 2IADT, Dublin, Ireland

**Abstract**

**An Insight Into The Extrinsic And Intrinsic Challenges Faced By Irish SMEs Exploring The Digital Frontier**

Online shopping is something which is growing in importance for Irish consumers. Over 70% of Irish consumers shopped online in 2017, an increase from 56% in 2014 with 60% doing so regularly (Digital Health Index 2016, European Commission 2018). Almost 90% of Irish consumers have reported that they will use the internet to enable them to find “better deals or make better purchases” (UPC 2014 p. 26). Irish consumers are partaking in the global trends of showrooming (research instore, shop online) and ROPO (research online, purchase offline). Nonetheless, 72% of consumers have researched products online but still purchased locally and 42% of those who did not shop online wanted to support local retailers. Given the importance of domestic demand for the Irish SME sector, it is clear this presents an opportunity for Irish firms to trade online.

However, the SME sector has been slow to adopt this opportunity. Less than 30% of Irish SMEs currently trade online although almost half do have a digital presence (European Commission 2017). Irish SMEs lead their European counterparts in the rate of adoption of this opportunity so their laggardliness is not geographic in nature, rather reflective of an overall slow response across European SMEs.

**Applicability to the conference theme – SPACE- exploring new frontiers and entrepreneurial places**

This paper will contribute to the overall conference theme by providing research insights about the challenges experienced by entrepreneurs as they move from known places of business to exploring the new frontiers as they adapt to doing business online.

**Research Aim**

A digital immigrant is a descriptor typically applied to an individual born before 1985, who has not grown up in the age of the widespread availability and use of technology (OxfordDictionaries.com 2018). The terms ‘digital native’ and ‘native’ have also been applied to those businesses which operate predominantly or entirely in the online and digital environment. These may be social networks, such as Facebook, or media organisations such as Buzzfeed. With this context in mind, the term digital immigrant is used here to describe a traditional firm trading in the offline environment who seeks now to immigrate or expand into the new entrepreneurial space, the digital world.

Just like any immigrant, these firms are presented with numerous extrinsic challenges to overcome in order to successfully achieve their emigree status. Research has identified several key barriers which organisations face when seeking to trade online. These include the investment costs of trading online, logistics and IT capability (Stockdale & Standing 2004, Afshar Jahanshahi et al 2013, European Commission 2016). Research has further established the challenges faced by individuals when adopting new technologies. For example, the TAM model (Davis 1989) has been extensively shown to link the Perceived Usefulness and Perceived Ease of Use of the technology on the rate and effectiveness of technology adoption (Venkatash 2000, Kim, Chan & Gupta 2005, Afshar Jahanshahi et al 2013). This paper proposes that in addition to these extrinsic barriers, firms, like individuals, also face intrinsic challenges created by their relationship with technology when they choose to adopt this new trading environment. In particular, because the SME owner in the micro and small sized firm is often also the entire management team, it is anticipated that the firm owner’s interaction with technology is of particular importance when it comes to the firm’s successful migration from traditional to online format (Miller 1983).

**Methodology**

This exploratory study employs a mixed methods approach combining a series of case study interviews with individual SME owners at various stages of digital expansion and a quantitative survey of a number of SME firm owners. The study was part of a wider study relating to attitudes to online trading and expansion into the digital environment, an aspect of which examined the barriers that the respondents experienced in relation to their intended growth. By utilising a mixed methods approach, it is adds both depth, through the qualitative data, and breadth, the quantitative data, to the findings which emerge. In particular, this research method allows for the finding of both complementary and diverse viewpoints of similar experiences, allows a more complete representation of experiences, and can also compensate by combining the two methods to overcome the weakness of each (Carruth 2013). Triangulating the data in this way, where they are gathered separately but analysed simultaneously, throws greater light on the phenomenon and enables the identification and exploration of the underpinning mechanisms and structures at play. This combined approach, therefore, enhances the validity of the findings, providing a greater degree of confidence in the data collected.

**Research Design**

In total three qualitative interviews were undertaken with SME-owners of diverse backgrounds, digital experience and firm duration. In addition a quantitative survey was undertaken of SME owners who may or may not have traded online, but who had given the option some consideration. A snowball sampling approach was utilised as the most effective means of accessing this cohort. For this reason, the sample can be considered neither representative nor extensive. Nonetheless, it does reflect a diverse cohort of small and micro Irish business owners based in the Dublin and Kildare areas.

**Contribution**

This paper contributes to the overall research around SME firms expanding into the online environment, by identifying, exploring and contextualising some of the barriers, both extrinsic and intrinsic, experienced by the SME owners which then impact on their ability to successfully trade online.

**Implications for policy**

The European Commission, and all the related SME support bodies within the EU28, have already stated their intent to encourage and support SMEs as they expand into the online trading environment. As such, it is vital that policy makers understand not only the extrinsic challenges which face the SME sector but the additional intrinsic factors relating to their experience, knowledge and skills and their ability to apply them to this new world. In addition, like other immigrants, many new arrivals will need greater softer supports in order to establish themselves successfully in their new community – for example, education, mentoring, introductions etc.

**Implications for practice**

For SME owners, awareness that the challenges that they have perceived are real and experienced by more than themselves may help SMEs engage with support bodies and reach out amongst their own communities to re-establish networks online that exist offline. These could help newly arrived digital immigrants with challenges that they are experiencing. This could be through lobbying for support policies and financial aid, or education and guidance.

**Conference Track**

Technology Entrepreneurship

**Presentation**

Working Paper

### 339

### Applying an online Business Simulation to an Undergraduate module with 900+ Students

Peter Harrington, Mike Ashwell, Graham Thomas

Sim Venture, York, United Kingdom

**Abstract**

In 2019, academics Graham Thomas and Saeed Taheri from Nottingham Trent University applied an on-line business simulation to an Enterprise and Business Development module.

As the Business School Learning and Teaching Manager (and with a background in climate simulations) Graham Thomas was keen to explore how a dynamic learning resource could be used to enhance student engagement and subject understanding.

As part of the planning phase, Graham and Saeed chose to use the on-line business simulation ‘SimVenture Evolution’ published by the UK-based company Venture Simulations (VSL). SimVenture Evolution is a business simulation developed over 4 years in a partnership between VSL and 9 UK university institutions. The technology was first published in 2016.

As part of the ISBE presentation, Graham (accompanied by VSL’s Learning and Teaching Manager Mike Ashwell) will explore: Why the simulation was chosen to support a large module cohort; How the module was planned and prepared; How students responded to the simulation; And how student work was assessed. Graham will also compare and contrast the impact of using the simulation technology compared to previously used pedagogies.

The presentation will also reference how and why the simulation works with both small and large groups of university students working solo and/or in teams.

Further information about use of the simulation on the module at NTU is available on film: <https://simventure.com/evolution/experiential-learning-technology/>

**Conference Track**

Technology Entrepreneurship

**Presentation**

PowerPoint Presentation

## Social, Environmental and Ethical Enterprise

#### Social, Environmental and Ethical Enterprise

#### Time: 11:00 - 12:30

#### Date: 15th November 2019

#### Location: Locomotion 2

### 120

### The Economic Frontier: An Empirical Exploration of Spence's Small Business Social Responsibility (SBSR) Theory

Fern Davies, Simon Brooks

Swansea University, Swansea, United Kingdom

**Abstract**

**The Economic Frontier: An Empirical Exploration of Spence’s SBSR Theory**

Small Business Social Responsibility (SBSR), Corporate Social Responsibility (CSR), Small and Medium-Sized Enterprises (SMEs), Ethic of Care, Moral Proximity

**Topic**

This paper explores how corporate social responsibility (CSR) is constructed and practised in small and medium-sized enterprises (SMEs).  More specifically, it aims to establish the appropriateness of Spence’s (2016) redrawn small business social responsibility (SBSR) theories. The relationship between business and society is fundamental, yet complex.  Societal expectations are changing and the growing significance of SMEs is progressively being recognised.  This has led to an emphasis on their environmental and social impact and responsibilities expanding past the economic.  However, the majority of extant CSR research has been in large organisations (Jenkins, 2004; Lähdesmäki & Suutari, 2012; Spence, 2016), meaning that the important economic and social contribution of SMEs has been somewhat overlooked.  Decontextualisation is a problem commonly recognised by small business researchers, whereby theorisation fails to acknowledge “specific characteristics, relationships and attributes of small businesses” (Lähdesmäki, Siltaoja & Spence, 2017, p. 3).

However, there have been a number of important contributions in recent years, with an expanding body of work that responds to this by acknowledging the distinct characteristics of SMEs.  A significant strand of this literature calls to reclaim the moral foundations of CSR (Brooks, 2010; Baden & Harwood, 2013; Baden, 2016; Nijhof & Jeurissen, 2010; Spence 2014, 2016), following recognition that the concept has previously been constricted by economically rational justifications and a search for the business case.  Consequently, a need is identified for practical and theoretical progressions that more accurately explain CSR in SMEs and address the subordination of morality.  Spence (2016) is one of the few academics to attend to this need.  She offers “appropriately crafted theory” (p. 45) for empirical testing and further development, arguing specifically for the importance of two moral perspectives: moral proximity and the ethic of care (Spence, 2014).

**Applicability to the Conference Theme**

The proposed paper is applicable to the conference theme as it acknowledges the economic frontier in current CSR literature, reintroducing a moral space from which the concept can be redefined as predominantly ethical.  Moral proximity is deemed a relevant theory for CSR in SMEs due to distance being “the manner in which human beings view moral issues in respect of physical, psychological, cultural and social parameters” (Spence, 2014, p. 382).  These parameters are what link responsibility to owner-managers and stakeholders closest to them, influencing the salience of moral issues.  The ethic of care, a previously marginalised theory, compliments moral proximity by explaining the behaviours and practises resulting from different classifications of closeness.  It does not focus on principles, outcomes or processes like traditional theories, but relationships and context.   Both of these theories are claimed to be central to progress the CSR debate in SMEs, yet have not been empirically explored.  Therefore, it is to this development of the discourse that this paper contributes.

**Aim**

The broad aim of this research is to develop an understanding of how CSR is constructed and practised in SMEs and the relevance of two moral perspectives to explain such engagement.More specifically, the study responds to the calls above and aims to establish the role of moral proximity and the ethic of care, exploring their relevance through an empirical analysis of Spence’s (2016) redrawn stakeholder theory and SBSR pyramids.  Therefore, the key objective of this research is to establish the empirical appropriateness of Spence’s SBSR theories. To provide direction for the study, the key research questions are as follows:

|  |
| --- |
| Research Questions |
| 1) How do SME owner-managers conceptualise and make sense of their responsibilities towards society? |
| 2) Do Spence’s redrawn CSR theories reflect the empirical reality of CSR in SMEs? |
| 3) Do Spence’s redrawn theories provide a relevant theoretical basis to progress the SBSR research agenda and address the economic frontier? |

**Methodology**

In order to address the main research aim, the study adopts a social constructionist perspective.  This is appropriate to acknowledge CSR as related to a “wider cultural, economic and political context” (Alvesson & Deetz, 2000, p. 1) and to draw from the interpretive repertoires of owner-managers as central actors of SMEs (Jenkins, 2004: Spence, 2016). It follows a qualitative research strategy, whereby the data collection methods consist of four exploratory focus groups integrated into the regional meetings of The Federation of Small Business (FSB), and thirty in-depth interviews with SME owner-managers from diverse sectors.  This is in response to the claim that “small firms tend to be homogenised by quantitative studies” and “only a qualitative approach responds to the differences within and between firms” (Holliday, 1995, p. 174).

In order to analyse the findings, the focus groups and interviews are transcribed and a qualitative content analysis utilised to derive coded themes from the discourse. Findings of the focus groups are studied according to a multidimensional framework of analysis; accounting for contextual factors from individual, organisational and institutional levels.  This allows for a holistic view of CSR and the establishment of conceptual boundaries.  The interview findings are then analysed in relation to two specific levels in line with the focus of the research and will be subsequently presented and analysed using verbatim quotations from the discourse, interposed with explanation from the researcher.  This methodology helps to uncover differing interpretations of CSR, opening up enquiry into the role and relevance of the two moral perspectives and core theories proposed by Spence (2016).

**Contribution**

On a theoretical level, the main motivation of this study is to address an ongoing issue in the literature that suggests a need for SME specific CSR research.  First, as discussed previously, past CSR research has somewhat overlooked the distinct perspectives of SMEs.  Whilst there has been a shift in attention and rise of descriptive research, this study will develop the discourse by empirically exploring and confirming the appropriateness of two theoretical perspectives.   Second, the need for contextually sensitive theorisation of CSR in SMEs led the researcher to explore the empirical appropriateness of these perspectives via two redrawn CSR theories.  The research contributes as the first study to empirically explore the theory crafted by Spence (2016) and by offering a morally grounded theoretical base that future CSR research in SMEs can build from.  It extends knowledge first by confirming the theoretical value of the moral perspectives to inform understanding of CSR, and second by making suggestions to enhance the conceptual work to better reflect the complexity of the concept.Third, there have been recent calls to reclaim the moral foundations of CSR following the subordination of morality to economic rationality. Literature suggests that the emphasis on instrumental outcomes has created an economic frontier, driving out the intrinsic motivations of CSR.  Therefore, this research contributes by opening the door to a moral space for theories of CSR in SMEs.

**Implications for Policy and Practice**

On a practical and policy level, the research findings provide guidance for support institutions, policy makers and practitioners in the UK and inform academic debate.  This guidance will be important to accommodate the unique conception of SMEs as pressure increases for them to formalise their CSR engagement, particularly with the introduction of acts such as The Wellbeing of Future Generations Act (2015) in Wales. This focus on the specific characteristics and needs of SMEs will aid the formulation of relevant mechanisms to facilitate a unified conceptual understanding and communication channels that promote the value of their social impact and reclaim the moral foundations of CSR.  As Spence (2014) identified, without acknowledging moral perspectives, “normative judgements about behaviour are being made in a moral vacuum with only a popular, at worst journalistic, interpretation of ethics” (p. 381).

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**Conference Track**

Social, Environmental and Ethical Enterprise

**Presentation**

Full Paper

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### Is the honourable Businessman still alive?Comparing Historical roots of entrepreneurial Responsibility and sustainabiliy by the image of the honourable business man and social entrepreneurship

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**Abstract**

**Is the honourable Businessman still alive?**

**Comparing Historical roots of entrepreneurial Responsibility and sustainabiliy by the image of the honourable business man and social entrepreneurship**

## Introduction

In the past years, there exist a strong discussion of the demand by the society requiring changes in the art of conducting business and enterprises (Prabhu 1999, Spear 2006). In particular the discussions of social entrepreneurship implied a stronger implementation of business values, principals and ethics. There appears to be an increasingly growing picture that business models, based on the ideas of social entrepreneurship, are  stronger ethical based in order to incorporate the needs of the society rather than individual needs. These discussions recall the idea or picture of the honourable and respectable business man which is deeply grounded in the German image of entrepreneurship and its institutions (IHK 2012, Risch 2011).

In particular since society applied demands of social responsibility and sustainability, new social and cultural business ideas have been developed and implemented (Abereijo 2016, Momberger 2015). Moreover, in particular, in innovation driven economies, a number of business ideas have been developed in the area of social welfare,  health, education in order to cope with the effects of e.g. demographic change, migration or environmental changes.

This paper attempts to compare the idea of social entrepreneurship and the picture of the honourable business man. While identifying the differences in a qualitative review, the question should be answered how the development in entrepreneurship changes the image of entrepreneurship to a new set of values or whether one finds perhaps a revival of existing and perhaps forgotten values. The contribution to knowledge will be to give new impulses in the discussions of entrepreneurial personality and how entrepreneurship could be addressed in innovation driven economies in order to promote entrepreneurship.

2. The two historical lines of the honourable business man and sustainability leading to social

In the following picture shows the two main streams leading to social entrepreneurship on the ground of corporate and social responsibility (the image of an honourable business man) and the idea of sustainability.

Figure 1: The streams of responsibility and sustainability leading to social entrepreneurship

Source: Walker et al 2011

Social entrepreneurship is defined by having a stronger relationship between society and entrepreneurship and its exchange. Thereby within social entrepreneurship it is attempted to based business ideas on the social needs of society which are in exchange solved through business services in a commercial way (Momberger 2015, Freiling 2006). The idea of the honourable businessman is based on an charismatic person, driven by ethical values in a Schumpeterian sense (IHK 2012).

The picture of the honourable businessman can be trace back historically to the “hanse” and the introduction of the commercial Code (HGB)  in Germany. The “ ehrbare Kaufmann”  (respectable or honourable businessman) has formed the picture of a reliable and correct businessman in the conduct of the business. These characteristics have found in the peak of industrialisation (la belle epoche) where the bourgeoisie gained a future and also set up new civil values for the conduct of it. This has been shown in particular in a fair conduct of business and the achievement of a mutual benefit.

These thoughts are still incorporated into the German commercial code and contract law. In particular, the financial accounting standards proved deep concerns on a reliable documentation and information policy for its creditors. The particular though of believing protection is a central aspect in the documentation. It forces more the understatement of fortune and only profits which have been realized are allowed to be shown. All evaluations have to be done under the aspect of commercial prudence in order to protect the fortune of the creditors. A though which had further implications to the credit law and insolvency law in Germany.

These values found further their entrance into constitutional framework of the German economy by the concept of social market economy (soziale Marktwirtschaft by Müller – Armark). The particular emphasis is of the fair conduct of competition and to regulate market forces. The idea is that competition should be based on innovation rather than on institutional power.

A second stream leading to social entrepreneurship is sustainability. The concept of sustainability needs to be understood as a demand of society to conduct business in a social responsible way. Thereby the concept of sustainability is based on the pillars incorporating environmental issues (pollutions, energy), social issues (responsibility towards society and employees) and economic issues such as (maintainable business ideas, contracts of the basis of a mutual benefit). In particular, long term views were forwarded in the conduct of the business and its relationship to society.

As a result, the social and environmental conduct of an enterprise became competitive positions apart from the development of new business chances within an upcoming sharing economy. The idea of corporate responsibility also had a major impact in the social conduct of an enterprise above all in the service and trade industry. Also ethical aspects of a fair distribution of income, social welfare of employees, work live balance or corporate health care systems as well as educational system decided on the attractiveness as an employer.

## 3. Qualitative Comparison between the social entrepreneur and the honourable business man.

The methodology used for this paper was explanatory and based on a structured review of existing contributions within this field. The main focus was to identify differences for a later in depth analysis. Thereby, the literature has been selected by various online-library services as well as research gate. Also the method of observation has been employed for this initial stage. The results of this review were in this first step of the analysis very limited showing that the idea of business ethics, the art to conduct social entrepreneurship and responsibility where often treated as a rather new development. There were only limited links towards the idea of the honourable business man has in the German society deep roots the hanse time, a period of developing trade and commerce since the 14th century where the thoughts still dominate todays thinking and acting in Germany. For example is this though and developing culture has still a major stake in the conduct of the chambers of trade and commerce in Germany.

The starting point of the initial analysis were the following sections:

* Entrepreneurial personality
* Leadership and business models
* The relationship between the business and society

1. Entrepreneurial Personality

The focus of the analysis within this section was whether factors determining the entrepreneurial personality of an social entrepreneur relies on traditional values or rather new values. Within the literature the honourable businessman as a person is described as a

* liberal minded person and a global thinker,
* has a strong emphasis towards his word, a handshake is binding,
* has a good competence of commercial judgement and cautioned action.

The social entrepreneur is more described as an entrepreneur in a classical sense who solves social problems through the conduct of business activities. In particular, the way of thinking is combined to balance sustainability and a mutual benefit between the business and his stake- and shareholders. Both types of entrepreneurs are driven by creating an income and to build up a fortune which is demonstrated on a low profile. Whereas the honourable business man is primarily focused to build up the a fortune and to redistribute a part at a late stage (e.g. Bill Gates or Marc Zuckerberg) is the social entrepreneur acting towards a mutual benefit in the first place (education etc.). His conduct is measured by the proportion he reinvest profit for social projects within the organisation. (see IHK 2012, Meyer 2016, Spear 2006, Tibor 1999)

1. Leadership and business models

The honourable businessman is pictured more as a charismatic person who regards him as a leader and being exemplary in his actions. He is known by his fairness and his objective to create conditions for an honourable acting. This objective are long-term business engagements and assignments in a sustainable way. Therefore the business models are build up on high values of a reliable financing and solvency. The management style is based on a strong own involvement and hands on approach. He is highly value orientated and performance orientated which is also implemented into his corporate culture. The social entrepreneur here is more orientated towards integration into the business and relies more on management tools in the performance of the business. Thereby he sets more objectives rather than setting personal examples. Nevertheless also he is driven to build up sustainable business ideas and seeks long-term-engagements. (see Danke/Brunner (2010), Carton 1988, Veronika et al, 2006)

1. The relationship between the business and the society

The honourable businessman is supposed to act according to this faith and personal principals. He has a strong feeling to maintain economic and social order and assumes in this field a strong responsibility. These values are also transferred towards the conduct of the international business. Nevertheless, he regards himself as a special and outstanding group within the society. The social entrepreneur himself seeks here more integration although also he aims to change behavioural structures through the services offered. The main focus here is the particular balance between the society and the business. (see Davison 2004, Brooks 2009, Jones et al 2008)

4. Conclusion

In summary, the honourable businessman stands for decency, honesty, reliability and responsibility in the conduct of his business. The social entrepreneur one cannot deny these values as such in social entrepreneurship the particular difference needs to be seen in the relationship between the organisation of an social entrepreneur/honourable businessman and the society. Here the honourable businessman regards himself more as an outstanding and of explanatory nature whereas the social entrepreneur seeks more the integration. However, both analysed personalities seeking long-term relationships of mutual benefit.

As in particular the values of a honourable businessman do find considerable attention within the latest discussions (protective developments of economies, the value of business ethics, increasing environmental awareness), the values find a revival not only for social entrepreneurship. Therefore, the picture of an honourable businessman should be further transferred into an integrative image. Besides all, the honourable behaviour and social commitment and its result should be integrated into an entrepreneurial marketing in order to support the attractiveness of entrepreneurship. In the end, this paper was only able to identify the characteristics of a social entrepreneur and an honourable businessman. Nevertheless, the initial qualitative approach needs to be elaborated in order to concentrate on the key characteristics to be used for marketing and entrepreneurial training.

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**Conference Track**

Social, Environmental and Ethical Enterprise

**Presentation**

Full Paper

## Practice and Impact Panel Event

#### Entrepreneurial Practitioner Learning

#### Time: 11:45 - 13:00

#### Date: 15th November 2019

#### Location: UTC: 101

“Scholars don’t know about entrepreneurship; entrepreneurs do”: How can we connect research and practice?

Join this Practice and Impact SIG panel event where we will bring academics and practitioners together to debate and consider how to bridge gaps in engagement between these communities.

For more details, please click [here](https://isbe.org.uk/isbe-2019/workshops/pi_panel/).

## Bringing the Real World into your Entrepreneurship Classroom

#### Time: 12:30 - 14:00

#### Date: 15th November 2019

#### Location: Locomotion 1

Organised by The Case Centre, the independent home of the case method, the intended outcome of this workshop is that you become more aware of the potential of cases in your teaching – and the various types of cases and case material you might use – and more confident and committed to use them.

Pre-booking is required.

<https://isbe.org.uk/isbe-2019/cases-workshop/>

## ESN SIG AGM & Alternative Investment and the Social Economy Workshop

#### Time: 13:00 - 14:00

#### Date: 15th November 2019

#### Location: Rocket

Sponsored by ISBE’s [Entrepreneurship Studies Network SIG](https://isbe.org.uk/special-interest-group/esn/), this workshop will focus on alternative investment and the social economy, highlighting published articles and other research in progress.

The session will also include the ESN SIG AGM to which all existing and prospective members are warmly invited.

<https://isbe.org.uk/isbe-2019/workshops/alt-investment/>

## ECR Forum AGM

#### Time: 13:00 - 14:00

#### Date: 15th November 2019

#### Location: Invicta

The Annual General Meeting of ISBE's Early Career Researcher Forum Special Interest Group

<https://isbe.org.uk/special-interest-group/ecr/>

## Gender and Enterprise SIG AGM

#### Time: 13:00 - 14:00

#### Date: 15th November 2019

#### Location: Northumbrian

## SME Growth and Performance: quantitative perspectives

#### SME Growth and Performance: quantitative perspectives

#### Time: 14:00 - 15:30

#### Date: 15th November 2019

#### Location: UTC: 103

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### Low Incidences of High Growth Firms in Scotland: Why is Scotland lagging behind?

Neha Prashar1, Mark Hart1, Karen Bonner1, Jun Du1, Anastasia Ri1, Jonathan Slow2

1Enterprise Research Centre, Birmingham, United Kingdom. 2Scottish Enterprise, Scotland - various locations, United Kingdom

**Abstract**

**Low Incidences of High Growth Firms in Scotland: Why is Scotland lagging behind?**

**INTRODUCTION AND AIMS**

High-growth firms (HGFs) have attracted an increasing amount of attention in the last decade as economies begin to emerge from a period of deep recession and policymakers take a renewed interest in firms which generate jobs on a large scale**.**Currently, as flagged in the UK’s Industrial Strategy, the Scale-up agenda is to have a prominent role in driving local growth, with the focus on the importance of identifying, targeting and supporting more HGFs or scale-ups. When looking at Scotland, it is shown that, even when removing London from the analysis, the number of HGFs in Scotland is lower than the UK average (2015-18). This is in contrast to previous years, as explained in Mason et al (2015), where for the three-year period 2007/10, Scotland had a higher incidence rate of HGFs when compared with other UK regions, excluding London[[1]](#_ftn1).

In the paper, we investigate through quantitative analysis the drivers behind HGFs that can explain why Scotland, in recent years, has experienced a lower than UK average number of HGFs when compared to other regions in the UK at the Government Office Region (GOR) level. This will help to shape future policy and practice in increasing the high-growth performance of Scottish firms by identifying key factors. This also contributes to the current literature on HGFs as it presents a fresh quantitative look at HGFs and determinants of HGFs in Scotland and the rest of the UK using up-to-date data. As such, this study fits in well with the conference track “SME Growth and Performance: Quantitative Perspectives.”

**METHODOLOGY**

In this study, we analyse the impact of different geographical indicators and average individual characteristics have on incidences of HGFs in Scotland vs the rest of the UK at the Government Office Region (GOR) level. There are a number of definitions of HGFs that could be used. Initially, we use the recommended three-year growth period where the Eurostat-OECD metric for identifying an HGF (see EUROSTAT-OECD [2007, Chapter 8]) requires that we count firms which have to meet the following conditions,

**Condition 1:** Firms are born before the beginning of the period

**Condition 2:** Firms are alive at the end of the period

**Condition 3:** Firms have at least 10 employees at the beginning of the period

**Condition 4:** Firms record an annual average growth of 20% in employment[[2]](#_ftn2) over the period

The percentage of HGFs for each three-year period is calculated using the Business Structure Database (BSD), which is derived from the Inter-Departmental Business Register (IDBR), from 2010-2018. We choose this period as it is post-recession and continues from previous work by Mason et al (2015) to give an update on the Scottish high-growth story. However, there are problems with using this strict definition of an HGF as it can lead us to formulate the problem in a way that is unhelpful to policy-makers (Anyadike-Danes and Hart (2017); Anyadike-Danes and Hart (2018)). Therefore, we look at additional measures of HGFs for robustness.  The second measure of HGF is also considered, where the OECD has recently relaxed their 20% threshold (condition 4) to 10% in employment over the period[[3]](#_ftn3). This revised measure would include more firms that previously would not be considered as high growth and impact what we see between Scotland and the rest of the UK regions. The final measure of HGFs relaxes the three-year period assumption to look at one and two year-periods, where both the 20% and 10% measures are used.

Audretsch (2012) provides a comprehensive overview of what past literature has identified as drivers of HGFs and argues that both characteristics of the entrepreneur and geographical indicators are important factors. In this study, our key variable of interest would be the categorical variable of UK regions (GOR level). This would interacted with various other control variables to assess the possible causes behind low incidences of HGFs in Scotland. These include (but not limited to) period averages of R&D expenditure, GVA per head and unemployment rates as regional indicators and period averages of gender ratio, human capital and market orientation.

**CONTRIBUTION AND SUMMARY**

This study provides a look at HGFs in the UK post-recession, where there is a clear slowdown overall in the number of HGFs, as shown from recent ERC Dashboard reports, particularly in Scotland when looking the OECD 20% growth in a three-year period definition. By looking at various measures of HGFs and the impact of different factors on incidences of high-growth, we can pinpoint specific measures that business support and interventions should target to improve the high-growth story in Scotland. Thus, aiding policy-makers in adopting better practices to help Scottish firms and contributing to existing literature on HGFs in the UK.

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[[1]](#_ftnref1) Although, it should be noted that this paper goes on to explain that Scotland HGFs are much smaller than HGFs in the rest of the UK and generate less employment due to a larger overseas presence.

[[2]](#_ftnref2) Alternatively, an annual average growth of 20% in turnover over the period can be used as the criterion, but only employment is used here.

[[3]](#_ftnref3) In 2014 EUROSTAT changed the growth criterion used to define HGFs from 20% per year over three years, to 10% per year over three years. Although there does not seem to be any published rationale for this change, the Statistics Directorate of the OECD confirmed that the HGF threshold was lowered to suit the data requirements of an innovation indicator (OECD[2018]). EUROSTAT still collects data on the 20% criterion, but Member States supply it on a voluntary basis. The OECD publishes data on both definitions, see OECD [2017, pp. 90-93].

**Conference Track**

SME Growth and Performance: quantitative perspectives

**Presentation**

PowerPoint Presentation

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### Managerial Resilience and Performance: A Human Capital Approach

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**Abstract**

Managerial resilience is a strategic resource within the contingencies of organizing in Small and Micro Enterprises (SMEs). In this regard, the notion of resilient human capital has come to dominate the contemporary discourse on the performance of SMEs. Drawing on human capital theory as a meta-theoretical lens, we examine the cumulative impact of managerial training on the performance of managers in the context of relatively underdeveloped institutions and markets. Employing a quantitative research methodology, data for our empirical inquiry comes from a survey of 506 Ghanaian SMEs operating in diverse sectors of the economy. Following SMEs being at the convergence point of resource constraint, we show why some firm managers are more likely to exhibit managerial resilience than others. Our data evidence suggest that targeted managerial training, in practice, has the potential to strengthen managerial resilience. Nevertheless, the content, efficiency, and frequency of the training received, we argue, accounts for the differential performance of managers within the contingencies of everyday organizing in the SME. We conclude by delineating some relevant implications of our study for the theory and practice of managerial resilience nurturing in SMEs.

**Conference Track**

SME Growth and Performance: quantitative perspectives

**Presentation**

Full Paper

### 9

### Sociocultural Institutions and Business Survival Strategies of Established Female Entrepreneurs Within The Context Of Turkey And The UK

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**Abstract**

**Topic: Sociocultural Institutions and Entrepreneurial Success Strategies Relationship**

This study examines whether the networking strategies, growth orientation and lifestyle choices of well-established female entrepreneurs vary between two different sociocultural environments, namely the UK and Turkey. And therefore the study is applicable to the conference theme and is relevant to SME growth and performance, gender and enterprise and international entrepreneurship focuses of the conference.

The Institutional Theory draws on the concept of formal and informal institutions as “rules of the game,” as introduced by Douglass C. North (1990). Formal institutions are political and economy-related rules which create or restrict opportunity ﬁelds for entrepreneurship. Informal institutions, which include the norms and attitudes of a society, inﬂuence the opportunity recognition of potential entrepreneurs as well as opportunity exploitation and access to resources (Kuratko, 2014). The application of Institutional Theory has proven itself to play a major role in helping to explain the forces that shape entrepreneurial success (Bruton & Ahlstrom, 2003) through analysing, for example, the direct action of governments in constructing and maintaining a supportive environment for entrepreneurship, in addition to the societal norms that exist toward entrepreneurship (Bruton, et al., 2010).

This study aims to develop a better insight into the impact of social institutions, and in particular of national culture, on business success, further considering how these institutions influence entrepreneurial decisions around networking strategies, growth orientation and lifestyle choices of established female entrepreneurs. It additionally examines how the female entrepreneur finds her way around these institutions in order to help her business succeed, evaluating whether this success is a culture-independent phenomenon that can be achieved through employing similar, potentially advantageous strategies regardless of national context, or whether adjustments are required before entering a foreign market..

British and Turkish women entrepreneurs are surrounded by fundamentally different social structures and cultures in every area of life and business. Therefore, their entrepreneurial behaviours are shaped differently according to these structures. From the institutional theory perspective it is expected that, the two countries’ female entrepreneurs should exhibit fundamentally different patterns with regards to the factors of networking strategies, growth orientation and lifestyle choices. If not, then we might question whether the cultural environment has a significant impact upon the development of entrepreneurial behavioural patterns.

This study aims to present the findings from quantitative survey-based research conducted with 240 female entrepreneurs from the UK and Turkey (120 from each). The respondents were selected on the basis of business survival where the majority of businesses were older than five years. The target sample group was comprised of successful female businesses within northwest England and western Turkey. These regions were selected due to their convenience and accessibility. On the UK side, the sample group was accessed through women business support organisations (such as the Liverpool Ladies Network), the University of Liverpool’s Lead Innovative Leadership Programme, Manchester University’s Innospace Programme and Chamber of Commerce organisations. On the Turkish side, women were accessed through Chamber of Commerce organisations, Çanakkale Onsekiz Mart University business network and women business support organisations. The survey was also applied through face-to-face interviews at various business events. After collecting the responses, the final sample selection was made on the basis of business success. Only successful businesses or, in other words, established entrepreneurs were accepted to this study. The business success criteria were: age of business (>5 years); stability or growth recorded on profitability; sales volume; and number of employees within the last financial year.

Although research on the relationship between culture and female entrepreneurship has developed strong insights, to date limited studies have examined the country-specific factors which may account for variance in women entrepreneurs’ behaviour and subsequent outcomes (Kaciak and Welsh, 2018, p.631). Therefore, this study attempts to close this gap through taking a closer look at the country-specific cultural factors creating differences in female entrepreneurs’ success strategies within the context of Turkey and the UK.

Moreover, understanding the differences in the success strategies of established female businesses in different countries will help female entrepreneurs develop feasible market entry strategies towards internationalisation; an almost inevitable step to ensure survival in the realm of the globalised economies and markets of today.

This study, additionally, evaluates whether the established female entrepreneur’s success is a culture-independent phenomenon that can be achieved through employing similar, potentially advantageous strategies regardless of national context, or whether adjustments are required before entering a foreign market. Should any female business strategy have become successful in one country, then policy-makers and women support organisations can work on developing ways for benchmarking.

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**Conference Track**

SME Growth and Performance: quantitative perspectives

**Presentation**

PowerPoint Presentation

### 74

### SME Productivity, Business Capabilities and Innovation

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**Abstract**

**Topic**: SME Productivity, Business Capabilities and Innovation.

Applicability to the conference theme – ‘SPACE - exploring new frontiers and entrepreneurial places.

**Aim**: Improving productivity is a key challenge for the UK Government since its levels are currently lower than other major European economies, and significantly behind the rest of the G8 economies.**The UK’s Industrial Strategy seeks to raise the country’s productivity by supporting businesses to innovate. However, many small businesses lack the capabilities and / or motivation to innovate and there is a ‘long tail’ of poor productivity Small and Medium Sized Enterprises (SMEs). Therefore, this paper examines the relationships between productivity, business capabilities and innovation of SMEs, considering potential determinants such as business network membership and technology used.**

**Methodology: The empirical analysis draws on data from the UK’s Government Longitudinal Small Business Survey, specifically, the records of 13,400 SMEs in England in 2015. Innovation is often critical to enhancing productivity (McCann, 2018; Roper, 2018), yet untangling causal effects is tricky as firms with high productivity are also more likely to be innovative (Baumann and Kritikos, 2016; Hall, 2011; Hall et al., 2009). Also, given strong business capabilities (e.g. in innovation and operations management), firms can enhance their potential to develop new and improved products and/or processes (Adler and Shenbar, 1990; Rajapathirana and Hui, 2018), so that business capabilities aid firms to improve their productivity and business performance (Saunila, 2016).**

**To provide a more nuanced understanding, in this study innovation is divided into five forms: process innovation combined with product innovation new to the market, process innovation combined with product innovation new to the business, only process innovation, only product innovation new to the market, and only product innovation new to the business. The analysis uncovers, as expected, that realised innovation has a strong relationship with business capabilities for introducing or developing new goods or services and capability for operational improvement, providing further support for the importance of management competencies in SMEs for stimulating innovation (Srećković, 2018). However, business capabilities are not directly associated with productivity. Therefore, to estimate the relationships between productivity, innovation and business capabilities results in an endogeneity problem. To address this and to examine the complex relationships between productivity, innovation and business capabilities, we employ an Extended-Linear Regression Model (ERM).**

**Contribution:** The results show that process innovation is likely to improve an enterprise’s productivity, while product innovation does not substantially improve productivity. The latter is likely to reflect learning effects and the trial and frequently error of new product development (Love and Máñez, 2019). We also find that the business’s capability for processing and operational improvements is positively associated with only process innovation. This suggests that government policy to improve firm level productivity should thus embrace the facilitation of process innovation amongst SMEs, considering ways to upgrade their capabilities for processing and operational improvement. These are important for upscaling a small business but rarely considered in initial start-up assistance for new, small businesses (Kesting and Günzel-Jensen, 2015).

The results reveal that business network membership matters. Specifically, membership of a local Chamber of Commerce and a social media based business has a positive effect on productivity. These are both typically ‘loose tie’ networks (Granovetter, 1973) which allow SME owner managers to gain market information and opportunities for adding value outside of their immediate circle of contacts. The analysis also reveals that possessing and managing their own website is associated with improved productivity, whereas relying on a third party website for sales, ceteris paribus, negatively affects productivity. This lends support to public sector initiatives to improve digital competences amongst SMEs (Frontier Economics, 2016). Overall, the results regarding digital competences and network membership give credence and empirical support to digitally informed, network based conceptualisations of business performance (Koch and Windsperger, 2017).

We also find that higher productivity is positively associated with the SME being over 20 years of age, while enterprises younger than five years of age tend to have lower productivity. Sole traders and women-led businesses are negatively associated with productivity. Larger SMEs (small-sized and medium-sized rather than micro-businesses) are significantly more productive. Being located in London and South East is also positively associated with productivity. However, businesses located in deprived areas are negatively associated with productivity. In addition, the sectoral composition of the economy matters. Firms operating in the primary, manufacturing, construction, wholesale and retail, transport and storage, food and accommodation, information and communication, financial and real estate, administrative and support, and professional and scientific sector tend to have a positive association with productivity. However, health and social work has a negative relationship with productivity.

**Implication for policy:**The findings provide evidence-based recommendations for policy makers regarding potential policies to enhance SME productivity.  This links with debates regarding the Industrial Strategy and development of Local Industrial Strategies.

**Implication for practice:**The paper unpicks the relationships between innovation and productivity, offering lessons for SME owners for how best to boost their business’ productivity.

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**Conference Track**

SME Growth and Performance: quantitative perspectives

**Presentation**

PowerPoint Presentation

### 66

### Home-based Businesses and the Factors Affecting their Collaborative Propensity

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**Abstract**

**Background to the Research**

Home-based businesses, or HBBs, are defined by Mason, Carter & Tagg (2011, p. 12) as “any business entity…operated by a self-employed person…that uses residential property as base from which the operation is run”. Such businesses are notably common, with around 50 percent of all businesses within OECD countries falling within this category (Mason, 2010) and due to their prevalence are significant contributors to local and national economies (Burgess & Paguio, 2016), with HBBs producing over £300bn per year in the UK alone (Enterprise Nation, 2014). Despite their frequency and economic contributions, HBBs remain an under researched business sector (Jain & Courvisanos, 2013) and are largely underrepresented by policy makers and the media (Daniel et al., 2015). For HBBs to overcome their enduring under-valuation, research must be performed investigating their real-world activities, including their collaborative and cooperative activities (Mason, 2010).

The formation of these collaborative relationships is one method which can be utilised by HBBs to achieve success and growth (Hudnurkar et al. 2014; Casals. 2011), with the possible benefits offered including the reduction of transaction fees, access to new markets, improvement in market position and access to previously unavailable knowledge and resources, resulting in the adoption of collaborative behaviours being predominantly seen as a positive force (Carniero et al., 2013; Antonelli & Taurino, 2011; Casals, 2011; Knop, 2007). Also of note are the indirect benefits offered through the establishing of collaborative relationships including job creation and wealth feeding back into local economies (Mason et al., 2009). The adoption of collaborative behaviours can be particularly beneficial for businesses of small scale – the category in which the vast majority of HBBs belong – with Pouly et al. (2005) finding that 82 percent of businesses which established one or more collaborative relationships reported an increase in their competitive position.

Previous studies have demonstrated that collaboration among HBBs is widespread, with approximately 76% of HBBs engaged in one or more collaborative behaviour (Hastings et al., 2018). While a number of small scale studies have been performed assessing the reasons for the formation of these relationships from the perspectives of the business owners, what remains unclear are the underlying factors which predispose HBBs to begin such relationships, or the factors which make collaboration possible. This research presents an empirical study utilising a high dimensional, international dataset to investigate an area which is largely unexplored within the literature. Furthermore, the research utilises statistical methods which are rarely utilised for the investigation of collaboration among HBBs, with the intent of shedding light on a hitherto little understand phenomena.

**Relevance to the Conference Theme**

The research directly explores the theme of collaboration among a subset of entrepreneurial businesses. Collaboration has been noted as method frequently adopted by small businesses to survive and grow in a competitive business environment (Casals, 2011), and this study aims to identify the factors which allow for such relationships to form.

**Research Aims**

The primary aim of the study is to establish the key factors which possess an effect on the collaborative propensity of an HBB, both in terms of overall propensity and with regard to a number of individual forms of collaborative activity. This research presents a data-driven, quantitative study utilising a dataset produced by the Global Entrepreneurship Monitor, or GEM (Global Entrepreneurship Monitor, 2016), with data on approximately 4000 businesses, using data from both the larger dataset, pertaining to 20 different OECD countries, as well as subsets of the data from four countries which were identified as being substantially different in terms of operating environments for HBBs: Spain, the Netherlands, Ireland and Hungary.

**Research Methodology**

Through reviewing the available literature, a number of variables were identified which have previously been identified as potentially impacting collaborative propensity, including factors such as attitudes held by the owner; attitudes held by others in the environment; strategic orientation and market position, among others. The various subsets of GEM data were then analysed by each form of collaborative behaviour to identify the various relationships and associations.

The research uses a method of variable selection known as Lasso (least absolute shrinkage and selection operator) (Tibshirani, 1996) to determine the variables with a statistically significant impact on collaborative propensity for each data subset, in which the effects sizes – when the selected variables are used within a generalised linear model – are utilised to demonstrate relationships between the factors (as in, independent exogenous variables) and participation in collaborative activities. Comparisons were then made between the results of the various data subsets to identify patterns and commonalities.

**Research Contribution**

The research is able to identify a number of key relationships between organisational factors and collaborative behaviours. The findings indicate that with regards to home-based business collaboration, there is a positive relationship between the projected number of employees in 5 years’ time and collaborative activity, with businesses holding larger workforce's being seen as more likely to engage in collaborative activity. A strong relationship exists between the export intensity demonstrated by a business and their collaborative propensity, with the level of innovation exhibited by an HBB also seen to be associated with collaboration.

**Research Implications**

The research has a number of implications for various parties, including researchers, practitioners and policy makers. Researchers should consider further investigation into the links between the factors identified and the adoption of collaborative behaviours to confirm causal linkages. The findings allow for a better understanding by practitioners of the factors which are associated with collaborative activity, allowing for businesses to identify potentially suitable partners which exhibit those key characteristics. Policy makers looking to establish new commercial environments or communities should take note of the practices and characteristics of which businesses are more likely to seek collaborative relationships, and of the nature of the businesses which seek differing forms of collaborative partnerships. Through the concurrent investigation of personal, organisational and environmental factors, this research provides previously unidentified insights into the organisational attributes and environmental conditions of those HBBs which exhibit a variety of collaborative behaviours, with the research illustrating the factors which are strongly associated with the exhibition of collaborative behaviours among HBBs.

**Conference Track**

SME Growth and Performance: quantitative perspectives

**Presentation**

Full Paper

## How to Communicate Research Beyond Academia

#### Entrepreneurial Practitioner Learning

#### Time: 14:00 - 15:30

#### Date: 15th November 2019

#### Location: UTC: 101

In partnership with ISBE’s [Practice & Impact Special Interest Group](https://isbe.org.uk/special-interest-group/pi/), this workshop will draw on [Research Retold](https://www.researchretold.com/)’s experience of working with researchers across 10 UK universities to create visual and accessible summaries, presented at high-profile forums to governments, the private sector and global institutions.

Limited 25 places available. To register, and for further information, please click [here](https://isbe.org.uk/isbe-2019/workshops/research_retold/).

## Entrepreneurial Finance

#### Entrepreneurial FInance

#### Time: 14:00 - 15:30

#### Date: 15th November 2019

#### Location: Rocket

### 215

### Is FinTech lending associated with a loosening of credit standards?

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**Abstract**

• Topic:

FinTech Lending

• Applicability to the conference theme – ‘SPACE - exploring new frontiers and entrepreneurial places

FinTech lending is a novel mode of alternative financing which operates outside of

the more traditional institutional finance market by directly connecting consumers and businesses who are excluded from traditional lending channels and private individuals and households with surplus cash. The mechanism by which the two groups are connected to each other is the FinTech lending platform. Individuals with a need (demanders) for funds post their request on the platform and individuals with surplus cash balances (suppliers) make an offer to provide the necessary funds. In this sense, FinTech lending has potential of improving in lending efficiency and credit accessibility for traditionally underserved entrepreneurs.

• Aim

FinTech lending platforms’ automated algorithms for credit assessment and decision-making are non-transparent, unsupervised, and untested through stressed economic cycles. Financial regulators have raised concerns that FinTech credit innovation could weaken its lending standards. To provide empirical evidence on the effects of FinTech lending on credit standards, this paper examines whether the Fintech lending platform under-prices the credit risk of loans it issues in both ex-post and ex-ante senses.

• Methodology

We test whether the guarantee fees charged by the platform are sufficient to cover the ex-post realized loan losses and the ex-ante predictable loan losses, by using loan-level data from a Peer-to-Peer lending platform. The dataset consists of 5,594 loans, 1,026 of which end up in default. For each loan, the data contain information on the loan characteristics, borrower characteristics, loan outcomes, etc. For the ex-post test, we use Mincer-Zarnowitz regression(suggested by Lopez and Saidenberg, 2000) to test whether a guarantee fee is an unbiased predictor of the ex-post realized loan losses; If not, it means then, on average, the actual realised loan losses cannot be absorbed by the guarantee fees and thus the platform has underpriced the credit risk in ex-post sense. For the ex-ante test, we first develop a procedure to generate ex-ante, predictable loan losses for each credit grade from historical data. Then, we design a loss coverage ratio regression to test whether the predictable losses can be compensated by the guarantee fees. If not, it suggests that the platform under-prices credit risk in ex-ante sense.

• Contribution

This paper offers empirical evidence relating to regulatory concerns about the impact of FinTech platforms on financial stability.

The growing literature and research interest in FinTech credit focused on the following three broad questions:

(a) How can finance outcomes be improved via different mechanisms/tools in FinTech credit markets?

(b)What affects access to credit in these markets?

(c) What is the impact of FinTech credit on banks and the credit market.

Questions (a) and (b) stem from long-standing research questions in the credit market literature, which maintain sustained attention for researchers since the seminal work of Stiglitz and Weiss (1981) on credit rationing in the presence of asymmetric information. The literature that addresses questions (a) and (b) provides insights and evidences for these fundamental questions in the context of FinTech credit markets. Specifically, in respect to (a), the literature analyses the effectiveness of different mechanisms/tools on improving borrow’rs' signalling or lenders’ lending decisions (e.g., Lin et al.,2013; Iyer et al., 2015). Improvements in borrow’rs' signalling and lending decisions may lead to better transaction outcomes, such as lower interest rates and default rates. In respect to (b), the research works focus on the determinants of funding success, and some of them examine the existence and extent of credit discrimination against certain groups on this market (e.g., Ravina, 2012)

More recent studies in FinTech lending address question (c), from both a theoretical and empirical perspective. The theoretical works (e.g. Thakor and Merton, 2018) focus on modelling the competitive interactions between non-intermediated FinTech lenders and traditional banks Empirical studies (e.g de Roure et al., 2018) look at how FinTech lending fits into the wider credit market. These literature has given much attention to the potential benefit of FinTech lending (such as improvement in lending efficiency and credit accessibility for traditionally underserved borrowers). However, recently financial regulators have raised concerns over the risks to financial stability posed by FinTech lending. In a series of policy discussion papers by Financial Stability Board (FSB) (e.g. FSB, 2017,2018 and 2019), FSB identifies the potential micro-financial and macro-financial risks that could undermine financial stability with the emergence of FinTech credit innovation. These risks could be mismatch of maturity and liquid and loss of investor confidence and could also originate from a weakening of lending standards. However, there is little empirical assessment of FinTech credit activity’s adverse impacts on the financial system at present. This paper provides an empirical analysis regarding the impact of FinTech platforms on financial stability.

**Conference Track**

Entrepreneurial Finance

**Presentation**

PowerPoint Presentation

### 229

### Syndication in cross-border venture capital: the effect on local venture capitals

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**Abstract**

**Syndication in cross-border venture capital: the effect on local venture capitals**

**Aim**

Cross-border venture capital investments, which is investments of portfolio companies made by local venture capitals syndicating together with foreign venture capitals, have become a more and more popular investment activity (Bottazzi et al., 2016, 2004; Mäkelä and Maula, 2005; Wright et al., 2005). Venture capital investments spanning national borders have begun to increase (Wright et al., 2005). Deloitte (2006) researched that over 68% venture capital firms in Europe stated that they have a plan of expansion in their international investments in the 5 year. It is because the increasing competition in maturing VC industries of developed countries has made these venture capital to find new investment opportunities abroad (Meuleman and Wright, 2011). Cross-border venture capital have played a particularly  important role in growth-oriented companies with limited domestic supply of venture capital, especially for high-tech industries (Mayer et al., 2005).

Apart from providing funds, they add value by engaging in monitoring, recruiting executives and directors, formulating strategies, modernizing firms, helping with fundraising activities and in other ways (Bottazzi et al., 2007; Li et al., 2014). Foreign venture capitalists have crucial expertise in helping entrepreneurial firms to become successful through better deal structure, providing product market support, professionalizing firm management, setting effective incentive monitoring firm management (Chemmanur et al., 2016, 2011; Hellmann and Puri, 2002). This expertise effect tends to be stronger for investments in emerging nations, where local venture capitals tend to have less experience in such investments (Chemmanur et al., 2016) and local venture capitals can learn from these activities. Moreover, for internationalizing ventures and some born-global firms, cross-border venture capital investors are an important element on supporting internationalization(Mäkelä and Maula, 2005).

However, cross-border venture capital investments often with different legislation, language, culture and long distances are problematic when local venture capital syndicated with foreign venture capital (J. and M.V.J., 2007; Mäkelä and Maula, 2005; Meuleman et al., 2017). In particular, it is often very challenging for local venture capitals to attract or cooperate with foreign venture capitals to syndicate with them. Given the critical role of international investors in many markets, understanding how local venture capital can access to syndicate with foreign venture capital to finance ventures and can get experience and benefit from them is an important question with implications to local venture capital (Tykvová and Schertler, 2011) as well as to the emerging theory on internationalization and international social capital (Autio, 2017; Wong et al., 2005)

**Methodology**

For us, we prefer to choose an inductive approach building on case studies (Eisenhardt, 1989) and inspired by the grounded theory approach on the formation of cross-border venture capital syndicates and the benefit of local venture capital from syndication. While grounded theory is especially suitable for new research topics(Eisenhardt, 1989), it could also provide a new view into a subject that has been previously studied (Hitt et al., 1998). The grounded theory method allows researchers to benefit from the quality of rich, qualitative data (Birkinshaw, 1997). Furthermore, the use of comparative case studies has increased in recent years (Lichtenstein and Brush, 2001). They study multiple cases so as to enable the ‘replication logic’ (Eisenhardt, 1989; Eisenhardt and Graebner, 2007). Using this approach, they first studied the cases as independent ‘experiments’ (i.e. treating each case as a distinct experiment that stands on its own as an analytic unit(Eisenhardt and Graebner, 2007), advancing subsequently to cross-case analysis to contrast findings between cases.

The unit of analysis in this study is the entity formed by an investee firm first investing by local venture capital investors and following by foreign venture capitals. When referring to investor firms, we use pseudonyms throughout the paper. These ‘anomalies’ present interesting views into how the start-ups have managed to obtain investments with the participation of a local investor and with the participation of a cross-border venture capital and why some firms do syndicate with foreign venture capital investors. Analysing these three cases helped us to develop the understanding of the circumstances under which the benefit of local venture capital from syndication with foreign venture capital in cross-border investments.

**Contribution**

The paper investigates the increasing internationalization of VC investments in recent years and assesses the factors which determine the effect of local venture capital in cross-border VC investment flows. Our research contributes to the cross-border venture capital literature. We argue that syndication with foreign venture capitals have effect on local venture capitals in cross-border venture capitals investment, show that different types of background foreign venture capital investors may have negative impact on syndication and local venture capitals. Domestic venture capital investors may be better on this syndication process or maybe not. We furthermore show that bundling the diverse background from different types of foreign venture capital investors in syndication with local venture capitals allows showing the effect on them.

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**Conference Track**

Entrepreneurial Finance

**Presentation**

PowerPoint Presentation

### 239

### Stakeholder Perceptions and Influence of Crowdfunding as a Source of Entrepreneurial Funding: The Case of Pakistan

Hafiz Muhammad Ali, Russell Williams

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**Abstract**

**Topic:             Stakeholder Perceptions and Influence in Pakistan’s Crowdfunding Landscape**

**Keywords:** crowdfunding; fundraising; entrepreneurial finance; entrepreneurship; Start-ups

**Applicability:**

This research is aligned with this year conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’. As “in an environment of momentous change”, there is a need to address issues like how at the initial stage, entrepreneurial finance can help early-stage entrepreneurs in Pakistan. Kate Karas, who is Associate General Counsel at Lending Club, the world’s largest online credit marketplace says, “Crowdfunding platform is for early-stage investments” (Assenova et al., 2016). The findings of the research will not only contribute to the academic literature, but they will also have an impact in policy and practise for the issues relatively highly unemployment and low economic growth that face Pakistan’s economy.

**Aim:**

“The purpose of academic literature is to contribute towards knowledge, and it only can be achieved through a quality paper” (Drost, 2011).

This presentation sets out a research project in the domain of entrepreneurial funding. Specifically, the presentation details the potential role for crowdfunding in Pakistan. Crowdfunding platforms first emerged in 2001 (Hui et al., 2012) harnessing the power of the internet as a means of connecting individuals; here entrepreneurs as project proposers and individuals as backers. The presentation provides a brief overview of the benefits crowdfunding offers to both entrepreneurs and backers and in doing so the motivations of both parties. As the motivations of both entrepreneurs and backers are tempered by the categories and models of crowdfunding (Equity; Pre-purchase or reward, Donation, and All-or-nothing or partial funding), an overview of each of the categories and models is also presented. In equity crowdfunding, entrepreneurs look for the investment by giving up some ownership of their company in the form of equity to investors (backers). One potentially limiting factor here is that the current laws relating to selling such equity are at the early stage of development and it is still challenging to sell equity online. One of the most well-known equity crowdfunding platforms is WeFunder (Wefunder.com, 2019). The reward-based model is also known as the pre-purchase model. Here, backers invest in projects to gain extrinsic reward such as a finished product and or some extrinsic reward such as feeling good because they have helped some cause and can make an impact in society. The leading reward-based platform is Kickstarter (Kickstarter.com, 2019); (Tomczak and Brem, 2013). With the donation-based model such as JustGiving.com; Kiva.com, entrepreneurs ask for the funds from the crowd, usually for a social cause without a condition to return it. A leading example is JustGiving, 2019. At this juncture, the presentation proposes that a gap in our understanding of the potential for crowdfunding exists. Existing literature in research sets out to establish a relationship with crowdfunding pitch and its success factors, for example (Kaur and Gera, 2017); (Forbes and Schaefer, 2017) and (Cordova et al., 2015). Entrepreneurs do not exist in a vacuum; they make decisions about financing options in a context a part of which involves the influence of key stakeholders. The presentation sets out a number of potential key stakeholders and also sets out a discussion of the method of elite interviews (Harvey, 2010; Harvey, 2011) that are being considered for the research. In providing an understanding of the perceptions of key stakeholders in this context, the presentation discusses how this insight may help both crowdfunding platforms and government institutions charged with creating an entrepreneurially driven economy realise the potential benefits this funding mechanism has the potential to offer.

**Methodology:**

The quality of the paper can be determined by looking at the research topic, its theoretical approach and methods of data collection (Drost, 2011). As the research question is about the stakeholders’ (e.g. educators, incubators, accelerators) perception (experience) in Pakistan, a qualitative approach would help us better understand this phenomenon. Currently, around 50 institutions (Azhad, 2018) are working in Pakistan to initiate further entrepreneurial growth. These include Accelerator, Incubators, Angel Network, Venture Capital Firms, among 34 are Accelerators and Incubators. The research purposes to initial design is to select only accelerators and incubators that have been operating for more than three years and have been producing results in the shape of successful entrepreneurs. From 34 institutions this research would select 12 to 16 leading institutions and would select one participant (elite) representing each institution for semi-structured interviews. A case study method has been selected for this research due to the complexity of the social phenomena that is the perception (experience) and belief. A case study can interpret a distinct situation through multiple sources of evidence, e.g. interviews and participant observation (Yin, 2015). An exploratory case study research method is the most appropriate research method for this study because the research questions seek an in-depth explanation of ‘If’ and ‘how’ crowdfunding is a viable source of finance for early-stage entrepreneurs in Pakistan. Bashir et al., (2008) also assert that the purpose of the qualitative approach is to share the human experience by understanding and describing the world.

**Contribution:**

The World Bank (2013) has emphasised the importance of crowdfunding in the developing countries, with 344 million households making small investments with the potential of crowdfunding investment of US$96 billion a year by 2025 (The World Bank, 2013). The research contributes to our knowledge and understanding of entrepreneurial success helping future academic researchers to explore different aspects of this topic in the context of Pakistan, a domain that has hitherto received little or no attention. In better understanding, the context of entrepreneurial finance the research also has the potential to offer insight for policymakers tasked with facilitating entrepreneurial growth in Pakistan.

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**Conference Track**

Entrepreneurial Finance

**Presentation**

PowerPoint Presentation

### 175

### The financing of incremental innovations in UK SMEs: Has this helped internationalisation via exports?

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**Abstract**

**A. Topic:**The financing of innovation and the internationalisation of UK SMEs

**B. Applicability to the conference theme – ‘SPACE - exploring new frontiers and entrepreneurial places:**The paper addresses the internationalisation of UK SMEs

**C. Aim**

1. To analyse the financing of innovation in UK SMEs between 2009 and 2018
2. To evaluate the role of public sources and financial intermediation in SME incremental innovations.
3. To assess how innovation has influenced internationalisation through exports during the period.

**D. Methodology**

According to the European Commission (EC) and European Central Bank (ECB)’s latest report, 98 out of every 100 non-financial businesses are SMEs (and 93 are micro-enterprises!), these employ 67 in every 100 employees, generating 57 cents approximately in every Euro of Economic Value Added. According to the same report, around 21% of the financing is devoted to developing/launching new products and approximately 45% of SMEs in the EU did exports (European Commission, 2018a). After Brexit, the UK will be entering waters it has not navigated for decades, therefore the overall health of its SME sector at this stage will be used as an indicator of where things were left just before leaving, regarding innovation and exportation activities.

I use the SAFE (Survey on the access to finance of enterprises) by the EC and the ECB, on 28 EU countries. The sample is stratified by country, enterprise size class and economic activity (European Commission, 2018b). This data has been collected from March 2009 to September 2018, every six months, totalling 19 waves so far. During this period in the UK were interviewed 2291 micro, 1091 small, 1030 medium, 2684 mixed SMEs and 786 large size firms, totalling 7882 enterprises. Precisely because of their survey nature, these firms are deemed to be statistically representative of the entire industrial fabric of the British economy.

The data is analysed both as pooled cross-sections of survey data and panel data, however at this stage only pooled cross-section results are available. I develop an in-depth analysis applying Structural Equation Two-level models so that this data is treated as clusters, where level 1 is size group and level 2 is firm age (I apply what is known in Statistics as Generalised Mixed Models, to be more precise). These are logistic models, namely, generalised models, which are interpreted in terms of odds and are described as follows:

**Generalised Structural Equation Multilevel models**

**RESPONSE VARIABLES**

**COVARIATES**

**D.    Contribution**

A descriptive analysis of this SAFE data shows that in the British economy  during the period 2009- 2018:

o   Around 49% of SMEs were older than 10 years

o   Over 51% of them were in Services and Trade, with a notorious 34%, namely roughly a third of the economy, in SME Services.

o   About 55%  of enterprises declared to be Autonomous profit-oriented SMEs

o   56.13% of them were owned by one owner, family or group of entrepreneurs

o   Interestingly enough, regarding internationalisation via exports, 33.19% of these SMEs declared to be headquartered in the UK, 6.98% in the EU and 10.48% is outside the EU.

The GSEM models' results so far show that:

1. UK SMEs between 2009 and 2018 that implemented new production processes and methods, were more likely to generate over 50% of their turnover through exports. In fact, firms that innovated in processes and methods were around 30% more probable to generate an exports turnover compared to other types of incremental innovations.
2. New processes and methods, as well as, new products and services were over two times as likely to be financed by means of grants and/or subsidised bank loans, compared to other financial sources.
3. On the other hand, debt securities were 99% and factoring 71% more likely, second and third respectively behind government grants and/or subsidised bank loans, to be used to finance new production processes and methods.
4. UK SMEs between 2009 and 2018 that did new organisation of management were approximately 63% more likely financed by debt securities, whereas the ones that improved product/service tended to be financed by factoring as twice as much as  by any other financing source. Indeed, firms generating an export turnover between 25% and 50%, had a higher chance of implementing new management organisation and/or improved products/services.  On the other hand, it is particularly important to highlight that Family/friend loans were as four times as likely to be applied to finance new management organisation, as bank credit lines were.
5. Thinking of incremental innovations as a whole, the ones that significantly impacted internationalisation via exports were the ones concentrating on production, not distribution.
6. In terms of financial intermediation, SMEs during this period were using investment banking more intensively than retail banking (approx. 2.5 time more). Nonetheless, when it came to internationalisation, regarding innovations in management organisation (which were proved to have some impact on exports turnover), non-intermediated financing such as family and/or friends loans were around four more probably to be employed than credit lines were.
7. Government grants and/or subsidised loans had a significant role in incremental innovations affecting new processes, methods, products and services, which in turn were more likely to positively influence internationalisation via exports than any other incremental innovation.

**E. Conclusions, so far...**

* Incremental innovation matters for “internationalisation” via exports
* Government’s financial aid had played a key role in the last 10 years
* Weak banking usage:  But why?

**F. Policy-making and practice implications, so far...**

* Public funding aiding innovations with more Economic Value Added
* If even Asset-Based Financing is being more employed in innovation than retail banking, what is the role of it in this process?

**G. Next steps**

* Carrying out robustness tests
* Work with the rotating Panel Data of the dataset

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**Conference Track**

Entrepreneurial Finance

**Presentation**

PowerPoint Presentation

## Enterprise Education

#### Enterprise Education

#### Time: 14:00 - 15:30

#### Date: 15th November 2019

#### Location: Invicta

### 245

### Are new wine in old bottles? - exploring new pathways to economic development in Africa

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**Abstract**

**Contextual analysis**

Economic development in Africa presents an interesting paradox. With its largest economies expanding rapidly, several interconnected factors are responsible for Africa’s remarkable turnaround. Chief amongst these is the increased China-African cooperation, which has given Africa a renewed momentum to forge new types of global partnerships in ways not seen in recent times. China’s multibillion dollar ‘Belt and Road’ initiative, to which many African countries including Djibouti, Egypt, Ethiopia, Nigeria and Uganda have committed despite its polarising features, has ensured that Chinese $26.0billion Outward Direct Investment (ODI) to Africa had significantly surpassed its ODI to the United States, which stood at $22.0billion as at 2015. This cooperation is not only fuelling a resurgence in Sino-African trade, but also it has created the impetus for increased intra-Africa trade. To strengthen this impetus and galvanise support for intra-Africa trade, the African Union Commission (AUC) in March 2018 launched the African Continental Free Trade Agreement (AfCFTA). If ratified by 22 members of the African Union, Africa will have the largest free trade zone globally, and by 2023 may be worth about $4.2trillion dollars in consumer and business spending. Secondly, China-Africa cooperation was accelerated by the recent 2008 global financial crisis, which meant that global economic activity was significantly driven by Emerging Markets and Developing Economies (EMDE) led by Asia and Africa.  As a result, since 2009, economic growth in sub-Saharan Africa (SSA) has averaged 3 percent, with the region’s latest economic growth  expected to average more than 4 percent in 2019-20. World Bank estimates that gross national income (GNI) per capita in SSA has more than doubled from $1529 in 1999 to $3683 in 2017, while GDP for the region surpassed expectations to peak at $1.8trillion in 2014.

The third factor driving Africa’s economic growth is migrant remittances due to surge in international migration from Africa. Migrant remittances to Africa increased exponentially by more than 50% to $66.2 billion by 2009. World Bank estimates that remittances to SSA alone accelerated by 11.4% to $48.0 billion in 2017 led by Nigeria and Egypt with recorded inflows of $22.0billion and $20.00billion respectively. In terms of contribution to economic growth, migrant remittances account for a significant share of the GDP of many African countries including Liberia at 27 per cent, The Gambia at 21 per cent and the Comoros at 21 per cent. Fourthly, a combination of macro and micro economic reforms including fiscal discipline have ensured the injection of much-needed external investments in Africa. The 2018 UN’s report on world economic outlook showed that Africa will receive more ODI as it continues to witness increased recovery and robust economic growth in the coming years. By and large, Africa’s economic sucess is fuelled by the region’s growing middle-class, rapid urbanisation, rising incomes and widespread mobile technology adoption. The improved economic conditions in SSA contrast with weak economic forecasts for the Eurozone including Germany, estimated to grow by 0.7 per cent amid fears that the Italian economy (Eurozone’s 3rdlargest) may contract further and tip over into recession as it struggles to maintain fiscal discipline.

Yet, even in these circumstances, Africa cannot be complacent. The region is home to nearly one third of the global population living in extreme poverty. With mass unemployment, especially amongst a growing youth population because of lack of inclusive economic development,there is an urgent need to tackle persistent poverty and its associated factors of political violence and conflict.Alongside these are host of serious historical challenges including corruption, state fragility, failing institutions, and poor human development. In addition to these historical problems are a new set of emerging challenges, such as, brain drain and demographic shifts, which threaten the region’s economic stability. Africa’s population growth has widespread implications for other socio-economic concerns, such as, youth unemployment, intergenerational poverty, rising inequality, peace and security. Apart from these, there is the related issue of skills mismatch between education provision and labour market needs. Young African graduates, frustrated with their state of joblessness and inability to secure livelihoods, are questioning the relevance and value of the education and training that they have been provided.  Moreover, access, quality and relevant education and training as well as options to build entrepreneurial and employability skills are lacking for young people in Africa. These concerns, made worse by evolving challenges in global affairs in relation to climate change with its implications for food security, mean that demographic dividend in Africa seems a distant reality. Africa desperately needs a new type of workforce with the right knowledge, skills and experience essential to survival in a globalised knowledge economy.

To compound matters, most African economies rely on Official Development Assistance (a.k.a. foreign aid) to drive their socio-economic development initiatives. This means that, unlike other regions of the world, many of Africa’s big economies with huge youth population are caught up in a seemingly intractable cycle whereby they rely on foreign aid to supplement their budget to support critical infrastructures in security, education, and health. The vicious cycle of social and economic decline in these African countries (e.g., Nigeria and Egypt) is depressing as they are unable to create the economic conditions for inclusive and sustainable growth. Partly because, aid flows are generally dictated much more by geostrategic considerations of donor countries than by the social and economic needs of recipient countries. Access to foreign aid not only hinders effective economic planning, it creates less incentive to build the economic and political institutions for inclusive growth. Besides this absurd situation, there is a looming debt crisis in Africa. As at 2017, the median debt-to-GDP ratio as percentage of Africa’s GDP has increased to 53 per cent. Consequently, about one-third of SSA countries have been classified as being “either in or at a high risk of debt distress”. To reverse this condition, Africa needs to decouple its economies from foreign aid by pursuing the transformative vision set out in the African Union’s (AU) Agenda 2063. Core to this vision is investment in education as a way to encourage the uptake of entrepreneurship, particularly amongst Africa’s growing youth population.

In keeping with this vision, the AUC spearheaded the launch of the ‘1 Million By 2021 Initiative’ on 24thApril 2019. By building on the AU’s African Youth Charter (AYC) to introduce a whole new direction and platform that creates direct opportunities for the African youth, the aim is to foster new meaningful ways of re-engaging the African youth in accelerating the region’s socio-economic development, thereby realise the demographic dividends. Under this new initiative, the overriding ambition is to reach millions of young Africans across the continent with concrete opportunities and interventions in key priority areas of “Employment”, “Entrepreneurship”, “Education” and “Engagement” (a.k.a. 4Es) through leveraging partnerships and private sector opportunities. Serving as drivers of these 4Es are twelve overlapping pathways including ‘scholarships’, ‘models for teacher development’, ‘internships and apprenticeships’, ‘nurturance of start-ups’, ‘capitalisation of youth-led start-ups’, ‘digital skills and literacy’, ‘skills transfer hubs’, ‘leadership programmes’, ‘exchange programmes’ and ‘annual youth engagement forums’. Of course, there have been various previous initiatives to tackle the issue of lack of opportunities for young people in Africa. Unfortunately, in most cases, their implementation has been lopsided because they were not co-created with young people and employers in the private sector. This has led to ambivalence and even more frustration amongst young people uncertain about their future. Thus, to underscore the centeredness of youths in driving the ‘1 Million By 2021 Initiative’, 400 young people in education and employment invited across the continent as part of the launch were tasked with co-creating solutions for its implementation.

**Paper’s Aim**

To scrutinise more firmly the rationale and the interconnectedness of AU’s new direction vis-à-vis other existing initiatives designed for inclusive growth in Africa. Within that the aim is to explore how demographic shifts is influencing debate about how to mobile resources including education and entrepreneurship for Africa’s future social and economic development. Primarily, the paper will show how investment in entrepreneurship education development and building the capacity for its effective delivery at higher education can be a powerful mechanism through which to engage more meaningfully with the social and economic concerns affecting Africa’s young population. From this, the first objective arises from the need to lay bare the deficits of the foreign aid economic development model, and how by realising AU’s new direction, the ‘1 Million By 2021 Initiative’ can become an antidote to foreign aid. It is in these perspectives that a new understanding will emerge, of the type that views entrepreneurship education as a crosscutting feature of the 4Es, which are essential to extending the frontiers of practice and policy impacts.

**Methodology**

As this is a participatory study, the paper employed a qualitative structured systematic observation in collecting primary data from diverse participants that attended the launch of the ‘1 Million By 2021 Initiative’. Amongst the participants were youths, international development partners, higher education providers, private sector, and the civic society. Using the 4Es (i.e., Employment, Entrepreneurship, Education, Engagement) as variables, data was collected in a participant observation during the launch over a four-day period in Addis Ababa, Ethiopia. Consistent with other studies, thematic analysis will be employed as a method of data analysis based on the field and personal notes gathered during the observation.

**Policy and practice implications**

The need to evaluate new continent-wide initiatives, such as the newly launched ‘1 Million By 2021 Initiative’ of the AUC, designed to drive inclusive social and economic development in Africa cannot be overstressed. This is important, not least the poor implementation in the past of many such initiatives. But also, crucially, in the wider context of the socio-economic ramifications of Africa’s growing youth population for the rest of the world, especially Europe. With youth unemployment and poverty on the rise and still the root causes of most conflicts and forced migration either within or outside Africa, and with the labour market unable to absorb a majority of African youths who have either completed education or not in education, employment and training (NEET) because they are poorly equipped to meet labour market demands, it is important that any new initiative designed to engage and support young people at least recognises and emphasises the importance of entrepreneurship education as a cross-cutting pathway to deliver the right outcomes. From education practice standpoint, such emphasis is not only likely to help young people to acquire the necessary knowledge and skills needed for survival in the labour market, it will also boost their self-esteem, thereby reduce their vulnerability to conflict and forced migration. Thus, whilst it is heartening to see a new initiative emerging in the form of creating a continental platform to re-engage young Africans in a concrete and meaningful dialogue about the future of their social and economic wellbeing, it is important nonetheless to scrutinise the relevance and efficacy of such an initiative. Within that, a key policy and practice priorities must be to gauge and establish the preparedness of African countries to localise and effectuate such initiative, and then perhaps offer better direction for proper targeting, resource prioritisation and better implementation.

**Conference Track**

Enterprise Education

**Presentation**

PowerPoint Presentation

### 320

### The Role of Space and Place in University Entrepreneurship Education Programmes

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**Abstract**

**Keywords: Entrepreneurship Education; context; space; place; social networks; conceptual**

* **Topic**

The role of non-formal aspects of entrepreneurship education and the impact on design and outcomes.

* **Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

This paper directly relates to the conference theme by considering the ‘entrepreneurial spaces and places’ in which university entrepreneurship education takes place.

* **Aim**

The aim of this paper is to understand how the non-formal aspects of entrepreneurship education, in the form of space and place, influence programme design and stakeholder outcomes. This paper particularly focuses on the social and material aspects of learning, including wider economic, instutitional and social contexts in which programmes occur, the entrepreneurship education ecosystem of educator, student and industry and the physical settings in which these interactions take place.  In taking this approach, it considers the social context in which students study, the role of educator engagement and the role of wider external engagement as they occur through formal university entrepreneurship education programmes and the physical settings in which these take place.

* **Methodology**

This conceptual paper will be based on an entrepreneurship education, entrepreneurship and education. In education research, social background, context and physical setting are seen as key influences in the efficacy of educational outcomes (Stake, 2006). In doing so it will propose a methodology to identify how programmes of entrepreneurship education relate to their educational, economic, political and social contexts through strategic and regulatory environments.

* **Literature Review**

QAA Guidelines for Enterprise and Entrepreneurship Education and the EU’s Entrecomp framework, both present entrepreneurship education as a set of activities which students encounter as they develop entrepreneurial competence. Research in entrepreneurship education tends to focus on the impact of individual curricular and co-curricular programmes in developing entrepreneurial motivation and self-efficacy amongst individuals, or how specific entrepreneurial pedagogies are engaged with. Separately, initiatives have developed to map out the wider entrepreneurial ecosystem of universities, through the UK’s Small Business Charter Accreditation and European HEInnovate framework. Similarly, research has developed which maps regional and university entrepreneurship ecosystems. Both of these recognise the role of universities in engaging local enterprise but play down the role of entrepreneurship education in this ecosystem. While these forms of research have developed our understanding of the impact and efficacy of entrepreneurship education, they often overlook the social, economic and physical contexts in which these interventions take place and the impact of physical settings and social interactions on the efficacy of entrepreneurial pedagogies.

While research on entrepreneurial ecosystems has identified the importance of institutional actors and economic geography in developing outcomes (Mason and Brown, 2014). It has been identified that entrepreneurship education ecosystems may act as a subset of wider entrepreneurship ecosystems (Regele and Neck, 2012; Brush, 2012; Wraae and Thomsen, 2019) but the connection between these ecosystems and their enaction through specific programmes remains relatively under-researched. As a result this paper develops an entrepreneurship education ecosystems community view of entrepreneurship education, by considering the social context of the intervention, the social interactions That take place through interventions and the physical setting in which it takes place.

* **Contribution**

This paper contributes to the existing literature by outlining the potential for further research into the role of space and place in the efficacy and outcomes of entrepreneurship education. It further provides pathways to consider how entrepreneurship education research may bridge into related fields including education, entrepreneurial learning, SME Leadership Development programmes and entrepreneurial ecosystems.

* **Implications for Policy**

This paper provides a basis for senior university management to plan the use and development of space for facilitating enterprise and entrepreneurship education. It further provides a basis for local government, educational authorities and national bodies to consider how to support and leverage entrepreneurship education through non-curricular interventions.

* **Implications for Practice**

This paper provides a framework for practitioners to consider the limitations and opportunities which space and place provide their courses, and how social and physical settings may provide a context for leaning and a pathway to innovation and increasing outcomes.

**Conference Track**

Enterprise Education

**Presentation**

Working Paper

### 286

### Talking into Space: Dialogical Reflexivity and social poetics in the Entrepreneurial Educators “Polyphonic” classroom

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**Abstract**

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**  - In a similar way to how context plays a major role in entrepreneurial engagement (e.g. Sarason et al., 2006; Alvesson et al. 2008; Welter et al., 2011; Welter and Smallbone, 2011; Zahra et al., 2014), we view the context in a classroom to contribute to student learning. In this sense, we see the relevancy of the physical space ‘the classroom’ and its contribution to how we educate through offering the resources and the medium in which dialogical interactions take place. Dialogic pedagogical approaches to entrepreneurship education draws focus to methods of verbal interaction that create space for thinking and conversation. The concept of dialogic pedagogical practice builds upon a long tradition of theoretical and empirical research in education literature into the role of talking in learning and engagement, (Bakhtin, 1981, 1986; Lipman, 2003). Many classroom researchers (Galton et al., 1980; Alexander, 2000) have provided influential perspectives on the role of dialogue in learning. Through this paper I position learning as a process of relational responses, a way of thinking more reflexively about how we develop and construct multiple and emerging realities through dialogue (Cunliffe, 2002; Hardy and Palmer, 1999; Shotter, 2012).From a relational constructionism position, how we learn, develop and appreciate dialogism as a pedagogical practice is expressed through our language, the emergent nature of the dialogue we use in making sense of our experiences (Fletcher and Watson, 2007).

**Aim -**In this paper I draw upon the pedagogical potential of “polyphony” in the context of Entrepreneurship Education. The paper focuses towards Bakhtin’s notions of “dialogism” and social poetics to develop an understanding of the “polyphonic” open-ended and socially situated nature of learning, through enactment. The traditional and now conventional approach to the education of entrepreneurship students, which is commonly presented in Entrepreneurship programmes of study, is to set out a body of knowledge which is taught, learnt and applied by students enabling them to achieve the ideology of being an entrepreneur or be entrepreneurial.  Such a traditional rationale approach towards how we educate and develop aspiring entrepreneurship students has being met with criticism but despite this the EE field still seeks to teach about how to be an entrepreneur, presenting to students, concepts, skills and tools which they can apply and use in their everyday practice of what we understand to be entrepreneurship, (Fayolle et al,. 2006; Fiet, 2000; Gibb, 1993; Kuratko, 2005). In terms of pedagogy the educator makes clear what it is the student needs to know, the transfer of this knowledge being both objective and disembodied, supported through the use of a structured syllabus, lecture notes and case based material, as entrepreneurial studies is an applied field, the issue here is that the student is sheltered and not exposed to real life practice, to the practical elements of what it means to practice.  Such pedagogical practices are characterised by a monologic perspective in which the ideas and voice of the educator are the first and last ones uttered in the classroom. Rather than positioning the educator - student relation as monologic[[1]](#_ftn1), where the voice of the educator is dominant, we could view the entrepreneurship classroom relationship as being dialogical (Polyphonic), socially constructed and negotiated. Dostoevsky’s ‘dialogical principle’ is counter posed to the ‘monologism’ (single-thought discourse; also termed ‘homophony’ – single-voice) characteristic of traditional modes of expression and inquiry. In monologism, one transcendental viewpoint integrates the entire field, and thus integrates all the signifying practices, ideologies, and values that are viewed as having significance. Where teaching material and sessions are designed to ensure students learn how to speak and think like an entrepreneur, time presses upon the educator to ensure all the learning outcomes are covered. Through this paper I discuss the following how might a dialogic learning experience be created? What would make it different to current pedagogical practices? And what would be the potential benefits to recipients of such a learning experience?

**Methodology -**I take a position of a reflexive voice when considering how I begin to engage with the nature of dialogue as a pedagogical approach to Entrepreneurship Education, while acknowledging the way myself as an educator and my own subjectivity both mutually and continuously affect both the research process and emerging design. The prevalence of self in how we inquire draws upon a source of reflexive intellect, which encompasses a personnel auto-ethnographical narrative towards how I deal with and become aware of my own positionality regarding my practice as an educator. My position in this paper is that we create our social realities, meaning, and self in our embodied and situated dialogue, (Boje and Tyler, 2008; Ellis and Bochner, 2000; Humphreys, 2005).  I draw from an autoethnographic position of participatory observation and immersion in my teaching experience, to understand and interpret how I engage in my own pedagogical practises. By using the self and others as the subject of the research, it has enabled me to expose multiple layers of conscious spaces between subjectivity and objectivity, passion and intellect, and autobiography and culture” (Ellis and Bochner, 2000, p. 761).

The auto-ethnographic methodology which supports the empirical material presented in the paper was collated in the form of diary accounts and visual imagines of dialogical exchanges which took place during the delivery of a 5-day intensive module on Entrepreneurship undertaken during a scholarly visit to a European University in 2019.  . It was a conscious decision to use drawings and diary notes as a method of data collection, to capture “arresting moments” in the students learning and my own, at moments when actions and judgements were most critical (Watson, 2011; Van Maanen, 2011). Through the use of in class reflexive interactions I sought to develop a form of unlearning, causing one to question existing ideas and assumptions, where the ontological position of language sought to informed the students approach to what it means to be an entrepreneur, thorugh the unfolding conversations which shaped and influenced the classroom discussions and module delivery. The experience of “being” involved within a learning process enabled me to immerse myself consciously into the learning experience of the students, where every event/action been observed, discussed and moments of judgement was experienced As suggested by Johannisson (2011), we understand better the practice of human learning if we experience it in everyday life, what i can claim through this research is that my understanding is derived and grounded in lived action. Puddephat et al,. (2009) argues that effective research does not simply come from the meticulous performance of “prescribed methodological procedures” but rather from the cultivation of our own awareness. In other words, the cultivation of ideas which emerge from the field, the classroom setting with that of theory, all the time seeking interplay between these two principle points.

**Findings -**Through current research findings we know there are a variety of differing factors and mechanism which influence entrepreneurship education but as a field our knowledge is fragmented and limited at best, (Kolvereid and Moen, 1997; Matlay and Carey, 2007; Seikkula-Leino et al., 2010; Sequieira et al., 2006; Solomon, 2007). To advance our appreciation and understanding of what it means to educate the empirical data presented in this paper seeks to illustrate the different components of Bakhtin’s concept of dialogism as a starting point for a more reflexive theoretical framework for pedagogical practice. As conversations interweave they provoke questions, adventure, a carnival of discussion, where students, entrepreneurial theory and course design can converse in ways that are generative of new learning through an enacted practice. Dialogic education as a teaching method requires the reappraisal of ownership and authority over the learning process but no less important is an attention to the moment-by-moment activities of the educator and student in creating a polyphonic classroom.

**Implications for practice -**Dialogic education pedagogies focus towards the educator as a facilitator who shares their authority with the students, just as Dostoevsky’s shares his authorship with the characters in this novel through a ‘dialogical principle’. The shared voices of exploratory talk and judgement become more pronounced, the centrality of sharing voice is just that - the sharing of ideas, thoughts; discussing differing opinions not right or wrong. The role of the educator is to facilitate the process, they are not a judge or referee, but rather guide. A dialogic environment is rather like a carnival according to Bakhtin, there are no universal powers, providing the space to discuss and create opportunities for co-constructive learning.  The aim in the discussing differing opinions is just that, the use of multiple voices discussing differing opinions, not winning or losing but rather offering expression and reach a negotiated consensus. The role of the educator is to facilitate the process, the educator is not a referee or judge, they are simply a guide. A dialogic classroom is like a carnival, drawing from Bakhtin, there are no universal (omnipresent) powers. In this paper I seek to illustrate the different components of Bakhtin’s dialogism concept as a starting point for a more reflexive theoretical framework for pedagogical processes. Dialogic education as a teaching method requires the reappraisal of ownership and authority over the learning process but no less important is an attention to the moment-by-moment activities of the educator and student in creating a polyphonic classroom. The shared voices of exploratory talk and judgement become more pronounced, the centrality of sharing voice is just that - the sharing of ideas, thoughts; discussing differing opinions not right or wrong.  The educational challenge from this is to focus upon the opportunities and methods which allow the student to become “empowered to do” and how such behaviours of thinking can be supported and facilitated by the education process.

**Value/Originality -**Many entrepreneurship educators practicing today are engaged in the routine tasks of teaching, planning, assessing and administrating their programmes of study, leaving little time to consider or reflect upon the meaning and direction of their pedagogical practice. As opposed to underlying principles and values, which underpinning those very actions.  So, an obvious question is “why is speaking and listening so important in the entrepreneurial classroom and how do we enact these activities or practice them? Any form of human expression, intelligence, is developed through our ability to speak and listen. The quality of our existence depends on our developed ability to think, enact and our ability to express (communicate) and discuss what others about how we feel, think and understand. Our voice is intrinsic to literacy and our ability to form relationships with our experiences and those collectively involved in those experiences, to make sense and understand our realities. As educators our voice (dialogue) and how we use it is the primary means through which we have the capacity to hold and develop human knowledge (knowing), through our capacity to articulate (express) our consciousness and understanding is developed. To share our emotions, experiences and activities with others (Tomasello et al., 2004). As educators this is our dialogue capacity, through this capacity we can share, create and develop conceptual tools which can aid our thinking. Bakhtin suggested that the basis of what it means to “being” human is not simply self-identity, but our ability to be open to conversation, such a willingness implies the simultaneous inter-animation of more than one voice (Sidorkin, 1999). As Vygotsky (1978) noted, “all the higher mental functions originate as actual relations between human individuals”.

My rationale is constructed in the following manner, I draw upon Bakhtin’s ideas of “dialogism” and “polyphony” and how these ideas contribute to a relational constructionist / social poetic approach to entrepreneurship education as a lived learning practice/experience. Where meaning is evolved out of interactions amongst the characters (students) and the author (educator), dialogism also recognises how the characters (students) and author (educator) are affected by the contexts in which they are placed, namely the soci-cultural and political forces which are encountered.

**Conference Track**

Enterprise Education

**Presentation**

PowerPoint Presentation

### 243

### The Entrepreneurial University Space and ‘The Imposter’ within: reflections and lessons from ACTION For Impact, a Researcher-focussed development programme

Victoria Mountford-Brown, Jenny Brady

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**Abstract**

**TOPIC**

This Practitioner paper centres on the excellent and distinctive practice in enterprise education and researcher development, focusing on the development and delivery of ACTION for Impact, an innovation and enterprise programme for postgraduate students (PGR) and early-career researchers (ECR) aimed at creating impact of all kinds from research. It has been shaped by a novel collaborative initiative between Newcastle and Durham Universities and aligns to both Universities Research Strategies, helping demonstrate the societal and economic impact of research, and of our researchers, by fostering a spirit of innovation and knowledge exchange. It aims to develop researchers’ awareness of the problems and challenges that they are addressing in their work and to help them fully realise the impact of their research through knowledge exchange with key industry and professional partners. The realisation can be facilitated by competitive Impact Projects, which include engagement with industry, society and the world outside the lab /office.

ACTION for Impact has created an environment that fosters collaboration between disciplines and creates an opportunity for interdisciplinary initiatives and innovative ideas to be developed.  The 3-day programme focuses on developing innovation and enterprising behaviours and capabilities whilst encouraging an entrepreneurial mindset. It brings enterprise and impact training initiatives for researchers, from two Universities and across a wide variety of academic areas and funding requirements, into one coherent programme. It utilises funding from numerous sources (EPSRC, Welcome Trust, ESRC NPIF), prevents the duplication of training events and leads to a much richer and dynamic research environment creating positive change for society as a whole.

The development of this programme is one example of the growing investment and interest in the ‘Entrepreneurial University’  (Fayole & Redford, 2014; Taylor, 2014; Pugh et al, 2018) as a ‘as a major driver for self-development and innovation and as an appropriate response to succeeding in highly turbulent and unpredictable markets’ (Sperrer et al, 2016: 37). This paper will consider the development of entrepreneurial universities and their researchers at student and staff level.  By reflecting on the role of the individual researcher as an agent of change, within and beyond the Entrepreneurial University we also consider the notion of ‘imposter syndrome’. The concept of ‘Imposter Syndrome’ (Clance & Imes, 1978) is not new but is perhaps arguably more frequently cited now than ever before, with particular with prominence in academia (Bothello & Roulet, 2019) and leadership (Pedler, 2011).  We consider individuals as social actors in the field of Higher Education (HE) navigating high pressure workloads and increasing demands, engaged in the complex exchange of capital (Bourdieu, 1980, 1988; Bourdieu & Passeron, 1977) and suggest the pedagogical approaches employed in ACTION for Impact and the theoretical underpinning of Effectuation (Sarasvathy, 2009) present rich opportunities for overcoming the ‘imposter syndrome’. We use this to underpin the case for extended qualitative research in this area.

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

This paper connects to the conference theme in several ways.  Firstly the notion of ‘space’ is explored physically/geographically in relation to both the University as a hive for entrepreneurial development and its significance in the regional economy, as well as the physical spaces of the two Universities involved in the ACTION for Impact programme. This is the first time that an impact-driven training initiative, which includes both EPSRC and ESRC-funded researchers at the two Universities has taken place and is therefore very much an exploration of new frontiers in the regional HE landscape.

We also further explore the ‘Entrepreneurial University’ through the lens of social (or sociocultural) space and reflect on the potential for positive transformational impact on (entrepreneurial) researcher identities through engaging in the enterprise education style of professional development. We consider the concept of the ‘entrepreneurial academic’ and the different ways in which social identities embody, refuse and take-up entrepreneurial identities, with intersectional and often changing identity categories as a particularly fascinating new frontier in these considerations of social space.  We further propose that developing and internalising enterprising behaviours (Kirketerp, 2011) could have significant personal impact, particularly in the (positive) development of the self.

**AIM**

The aim of our approach is to enrich the practitioner and research community around these topics through the sharing of best practice.  Additionally our aim is to consider the rich learning opportunities for practitioners involved in training of this nature to further understand the complexities of their ‘audience’ (training delegates) through conducting qualitative in addition to quantitative data collection tools.

**METHODOLOGY**

The data highlighted in this paper is based on quantitative and qualitative analysis of self-assessment questionnaires completed by researchers taking part in an intensive 3-day development programme using the principles and pedagogical approaches of active/experiential learning of enterprise and entrepreneurship education. We also include anecdotal and observational evidence that experiential learning from both the participant and facilitator can be effectively used to suggest rich avenues for research exploration.

**CONTRIBUTION**

In addition to offering insights for practitioners, we link into debates regarding the role of Universities (and researchers) in regional/national/international development and creating social and economic impact (including commercialisation of research).  As an extension of this we critically analyse the role of the ‘entrepreneurial academic’ and consider the complex identities intersecting in the HE field. We therefore aim to contribute to policy discussions, academic debates and exploration of theory in different contexts.

**IMPLICATIONS FOR POLICY AND/OR PRACTICE**

This paper is focused on practitioner experiences of the development and delivery of a programme of entrepreneurial training for academic researchers; the evaluation data from participants and anecdotal and observed evidence from co-leads (authors) in this programme.  As such it offers considerable value and implications for policy and practice; in terms of the former we posit that in addition to evidencing and establishing the need for such developmental programmes to become more widely available, there are countless opportunities to positively affect researcher well-being; successful career development and project completion rates; as well as greater research impact and potential commercial successes.  In terms of the latter we offer a unique opportunity for enterprise and entrepreneurship educators and practitioners to benefit from the learning gained through developing and delivering a programme across disciplines, departments, funders and institutions.

**Conference Track**

Enterprise Education

**Presentation**

Practitioner Paper

### 221

### Entrepreneurial Intent on Induction to Undergraduate Business Courses: A Comparison of Two Higher Education Institutions in the UK

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**Abstract**

**Topic**

Entrepreneurial intent (EI) is defined as the “self-acknowledged conviction by a person that they intend to set up a new business venture and consciously plan to do so at some point in the future” (Thompson 2009:676). EI of Higher Education students has been explored in a variety of studies in the UK and internationally (e.g. Weaver et al., 2006; Joensuu et al., 2013, Zhang et al., 2014, and GUESS 2012 and 2016).

Entrepreneurial intent has been shown to decrease at the highest levels of education (Weaver, Dickson, and Solomon, 2006; Dubit, 2009; Joensuu et al., 2013). However, there are conflicting views here (Zhang, et al 2014). For example, Bushells’ (2013) study found that EI increased the closer students came to graduation. The same study event noted a decrease in EI as students were about to start up, which casts some doubt on the reliability of the question – or at least a need to review how the questions are received and processed by students. There is some evidence that the drop in intent may be offset with engagement in entrepreneurial learning at university (Pittaway and Cope, 2007; Souitaris et al., 2007; Greene and Saridakis, 2007; Selcuk, 2009) however the conversion of intent to start-up may be delayed until some years after graduation (Souitaris et al., 2007; Lange et al. 2011).

The 2016 Global University Entrepreneurial Spirit Students Survey (GUESSS, 2016) measured the entrepreneurial intentions and behaviours of students attending universities across the world including 1,074 respondents from universities in the UK. Out of the UK sample, the 6.5% of the sample of students reported intent to be involved in a franchise, freelance, or in a firm of their own immediately after graduation; this was down on the 2011 results of 14.9% (GUESSS, 2012). The 2016 survey respondents’ intent to become a founder within five years of graduation rose to 28.3% (the 2011 survey result was 39.7%).

A series of surveys of EI in UK HE students on induction has been conducted at Coventry University every year for over 10 years using a simple survey tool for mass data collection. A comparison of two cohorts staring university in 2011 and 2016 (Smith et al 2017) suggested a high level of EI with an average of 68.8% of new students stating that they would like to start their own business in the future. This reduced however from 71.8% in 2011 to 65.4% in 2016. The desire to develop entrepreneurial skills for employment was also high with 80.2% of new students responding positively; this increased over time (78.7% in 2011 and 82.0% in 2016).

This study will explore EI in undergraduate students on induction across two UK Higher Education Institutions (HEI) at the transition point between secondary and tertiary education levels. This period of undergraduate study has been relatively ignored in the wider field of EI and can help shed light on the shifting aspirations of students as they progress through HE.

**Aim**

The aim of this study is to explore patterns of self-reported EI in new undergraduate Business students from two UK HEIs. This study builds on previous work at Coventry University, UK (Williamson and Wick 2013 and Smith et al 2017) in order to see if high EI rates are replicated across institutions. It reports on the responses of students from 2 UK HEI Business Schools (Coventry and Birmingham City University – BCU), entering undergraduate study in 2018. The study will compare data collected during induction week, before any formal teaching has commenced.

**SPACE**

Students with self-reported EI and/or a desire to improve their enterprise skills for employability have selected to study at a Business-related course at one of the HEIs presented here. The paper therefore links to the conference theme through comparison of two HEI places that students have chosen to help them develop subject-specific and careers goals.

**Methodology**

Over the last 5 years, a questionnaire has been distributed to all first-year undergraduate students attending a face-to-face session during induction week at Coventry University. The questionnaire was designed with student input to be very simple in order to encourage a large number of responses in a very short time frame. In 2018/19, BCU deployed the same tool in order to create a first-attempt comparison. In this first iteration, the comparison was restricted to Business school data. Students at each Business School were presented with a core set of six questions with a YES or NO answer. The six questions explored current and previous experience of self-employment or business ownership, future entrepreneurial intent, and desire to develop entrepreneurial skills to improve employability potential. An additional Likert-style question explored confidence in start-up ability.

**Contribution**

Coventry and BCU appeared ripe for comparison with both being post-92 universities, geographically located in the West Midlands conurbation and having historically attracted and competed for a predominantly local cohort of students.  The survey tool used at Coventry University allowed for an exploration of entrepreneurial intent and experience of large numbers of students when they first arrive at university. It is simple to administer and to complete by students across a range of subject disciplines. Therefore, would the results from Coventry be similar to those at BCU?

Indeed, much of the data between the two institutions was similar: both appear to have equal number of students expressing entrepreneurial intent, and similar numbers had experience of self-employment and reported aspirations of starting a business one day. However there were some interesting anomalies: when asked if they had a business idea that they would like some help developing, fewer BCU students responded positively (29% BCU to 45% Coventry). When asked if they had a business idea that they would like some help funding, a similar pattern emerged. Deeper exploration of the data suggests that the make-up of the student body, such as cultural background, might be playing a part in perceptions of support needs.

Implications for policy and practice

The work presented here suggests that EI of students on induction is higher than that shown in studies looking at intent in students further on in their studies. Further research is required to confirm whether EI, measured using the tool used here, reduces over the duration of an undergraduate course and, if so, the reasons behind this reduction. This has implications for policy and practice relating to the provision of enterprise and entrepreneurship education and start-up support by HEIs for their students and recent graduates.

**Conference Track**

Enterprise Education

**Presentation**

Full Paper

## Entrepreneurship in Minority Groups

#### Entrepreneurship in Minority Groups

#### Time: 14:00 - 15:30

#### Date: 15th November 2019

#### Location: Locomotion 1

### 222

### Picking up the pieces: social capital and entrepreneurship for livelihood recovery among displaced populations in Northeast Nigeria

Oluwaseun Kolade1, Gaim Kibreab2, Saiba James3, Robert Smith4

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**Abstract**

In the past few decades, there has been a significant increase in the rate of forced displacement, often precipitated by persecution, civil wars, terrorism, transborder conflicts, as well as natural disasters. The United Nations High Commission for Refugee (UNHCR) reports that there are 25.4 million refugees and 68.5 million forcibly displaced people, and only a small fraction are able to return to their former homes (UNHCR 2019). Boko Haram insurgency in Nigeria has precipitated humanitarian tragedy on a scale comparable to the Nigerian civil war (1967-1970) and arguably the worst of any manmade or natural disaster in Nigeria's history. The Internal Displacement Monitoring Centre estimates that up to 3.3 million people have been internally displaced due to terrorist violence perpetrated by the Boko Haram (International Displacement Monitoring Centre 2015). The number of people displaced by the conflict is the largest in Africa and the third largest in the world. Using quantitative and qualitative data obtained from questionnaires and interviews conducted with respondents in Northeast Nigeria, the study examines the extent to which the displaced populations are drawing on social capital and human capital to withstand, cope with and recover from the adverse experiences and consequences of the insurgency and counterinsurgency.

Given that most forced displacements occur in developing countries like Nigeria, government resources are increasingly stretched to deal with the crisis, and there are calls for fundamental rethink of the traditional approach to interventions in disaster situations. In particular, scholars and practitioners are highlighting the need to shift from the current emphasis on technological solutions and financial input, to an approach that combines both technological solutions and social solutions, bringing people and communities to the forefront of interventions (Aldrich & Meyer 2014; Wind & Komproe 2012; Johnson et al. 2013). Forced migration is a social process in which human agency and social networks play a major part. These networks can be instrumental in the construction and (re)-construction of livelihood systems and communities shattered by insurgencies and protracted conflicts.

**Methodology**

This paper draws on archival documents and in-depth interviews of key stakeholders to explore how social networks and individual skills are operationalised as critical survival resources among displaced populations in Northeast Nigeria. We then propose a conceptual framework that illuminates the role of social capital as a driver of entrepreneurship among displaced populations, and how entrepreneurship can play a key role in livelihood recovery. Detailed empirical findings will be reported in the full paper.

Study context

Northeast Nigeria is one of the six geopolitical zones in the West African nation, and it comprises of  six states: Adamawa, Bauchi, Borno, Gombe, Taraba, and Yobe. It is the poorest geopolitical zone in the country, and the region with the highest levels of illiteracy and unemployment. In 2002, the terrorist group Boko Haram was formed in Maiduguri, Borno State, by the radical cleric Mohammed Yusuf. Its official name is Jamaatu Ahlus-SunnahLidda Awati Wal Jihad, the Arabic for “People Committed to The Prophet’s Teachings for Propagation and Jihad”. Its popular name, Boko Haram, derives from its core teaching that western education is forbidden (Adesoji 2010)

Borno State, the epicentre of the Boko Haram insurgency, has an estimated population of 5.2 million and a landmass of 61,435km2, the largest state by landmass in Nigeria. Borno State lies between latitudes 100 and 140 N, and longitudes 110 30' and 140 45' E (University of Maiduguri 2009). It is bordered by Niger Republic to the North, Chad to the North East, and Cameroon to the East. Within Nigeria, it shares borders with other Northeastern states of Adamawa, Yobe and Gombe states. Maiduguri is the capital city of Borno and the largest city in Northeastern Nigeria, covering an area of 543 km2, and with an estimated population of 1 million (Mayomi & Mohammed 2014).

**Preliminary discussion and theoretical framework**

Although there has been a surge of interest in the phenomenon of social capital and how it may influence and improve the development process (Lautze & Raven-Roberts 2006), the literature on social capital and how it interacts with violent conflicts, especially in the context of intrastate wars still remains limited. Unlike in inter-state conflicts in which the need to confront an external national enemy fosters national unity and strengths social cohesion, intrastate conflicts generally result in the weakening of the social fabric of the communities concerned. Such violent conflicts often divide populations by eroding interpersonal and communal group trust and weaken or even destroy the social norms and values that underpin cooperation and promote collective action in pursuit of common interest. Erosion of social capital lies at the heart of communal strife. Not only does the destruction of social capital increase the likelihood of violent conflict, but this can also hamper the process of reconciliation and recovery after cessation of hostilities. Without the restoration of social capital, provision of other forms of capital is unlikely to promote economic and social development in post-conflict societies (Uphoff & Wijayaratna 2000; Grootaert 1998; Uphoff 2000)

As used in this study, social capital refers to systems that result from social and economic organisation, trust, solidarity, shared values and norms of reciprocal cooperation, informational and economic exchange, and informal and formal groups and associations (Grootaert 1998; Uphoff 2000; Uphoff & Wijayaratna 2000; Putnam 1994; Putnam 1995; Putnam 2001). Social Capital is recognised as a key livelihood asset in the sustainable livelihood framework, by means of which individuals and communities can overcome vulnerabilities by transforming structures and processes to achieve livelihood outcomes (Krantz 2001) Social capital is classified into bonding social capital between people with similar socio-economic characteristic and family and religious identities; bridging social capital among people belonging to different ethnic, social and religious groupings; and linking social capital between citizens and those in authorities (Claridge 2013).

The large-scale displacement in northeast Nigeria is caused by neither inter-state nor intrastate violent conflict. It is rather the result of terrorism that affects every segment of the communities in the areas affected by the Boko Haram insurgency. This situation offers a unique opportunity to examine the effect of violence on social cohesion and mutual trust and cooperation among the affected communities and also in terms of whether severe crisis faced in common by diverse communities engenders social bonds reflected in mutual trust and norms of reciprocity. Although the impact of the insurgency might have been differentiated at the initial stage of the conflict, currently, it seems that all the communities in the impacted areas are to a large extent affected detrimentally. If that is true, the communities may set aside their pre-existing differences to face a common enemy. This is likely to foster inter-communal harmony and cohesion which are critical to the development and utilisation of bridging social capital. This, however, is an empirical question which cannot be determined a priori.

Scholars have also highlighted the need to put human capital at the heart of development interventions. One of the leading figures of modern human capital theory, Theodore Schultz, observed that there was an apparent contradiction between the assumption of donor countries that poor countries are poor mainly because they lacked capital, and the views of experts that poor countries have low rate to absorb additional capital. According to Schultz, this apparent contradiction can be resolved with emphasis on particular forms of capital. Most development aid are provided in the form of financial--grants, loans, etc--or physical-structures, equipment, inventories- capital. There is little or no investment in human capital. As a result, ‘human capabilities do not stay abreast of physical capital, and they do become limiting factors…’ (Schultz, 1961).

Human capital is defined as “the aggregation of the innate abilities and the knowledge and skills that individuals acquire and develop throughout their lifetime” (Laroche & Ruggeri, 1999, pp.89). It is acquired and developed mainly through formal education, on-the-job training and other informal means (Acemoglu & Autor, 2011; Becker, 1964; Schultz, 1961) Although formal education is regarded as the principal source of human capital, latter researchers have also drawn attention to the importance of innate abilities, which are “defined as all physical, intellectual and psychological capacities that individuals possess at the time of their births” (Laroche & Ruggeri, 1999, pp. 89). The aggregate stock of human capital- in educational qualification, vocational skills and talents- are effective drivers of entrepreneurial performance, especially in turbulent environments. This complements the role of social capital, in terms of opening access to new markets and facilitating new linkages with suppliers and other key actors in the entrepreneurial ecosystem. In turn, entrepreneurship is known to have transformative impacts in conflict situations by facilitating increased transactions and lowering outgroup prejudice in multi-ethnic and multi-ethnic communities and other similar contexts (Tobias, Mair and Barbosa-Leiker, 2013).

**Conclusion and practical implications**

Traditional, mainly material approaches to interventions in disaster situations have come under increased scrutiny in recent years because they have failed to deliver desired long-term outcomes and have encountered resource and capacity constraints in the face of continually expanding humanitarian crises. The study therefore examines the extent to which the displaced populations are drawing on social and human capital to withstand, cope with and recover from the adverse experiences and consequences of the insurgency and counterinsurgency. This can point to opportunities and methods for humanitarian actors to stimulate social and human capital among crisis-affected people purposively as part of their interventions, with the aim of better outcomes and value for aid money.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Full Paper

### 250

### Immigrants Entrepreneurs: A case of Syrian immigrant in the UK

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**Abstract**

**Topic**

The UK, as well as many other European countries, have witnessed a rapid increase in flow of immigrants who moved to settle in those countries in the last two decades. This migration has further increased since the outbreak of the so called Arab Spring and the Syrian civil war in 2011 (Refugee Council, 2016), as well as the other forms of war and social unrest in for example, Sudan, Nigeria, Eritrea and many other countries (Khosa and Kalitanyi, 2015).

Immigrants come to the UK through different routes. According to the Gov UK (2018), immigrants enter the UK either through claiming asylum as refugees, EU, EEA and Commonwealth family members, Family visa, sponsor workers or students, stateless person visa, student visa, tourist and short-visit visa and work visa. The word ‘immigrant’, in this research, will be used to refer to the immigrants who immigrated to the UK and claimed asylum as refugees.

Since the outbreak of the civil war in Syria, thousands of Syrians immigrated to the UK as refugees. Due to tendency for most immigrants to choose to start-up their own businesses, this research will investigate the experiences of Syrian immigrants’ entrepreneurs in the UK who have already started their own businesses through the lens of institutional theory, social action theory and structuration theory. Since the increased immigration of Syrians into the UK is a new phenomenon relatively to other ethnic groups immigration, there is lack of research about exploring the factors that push them to start their own businesses, or the factors that hinder them to do so in the UK.

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

This research is applicable to the conference theme as it explores immigrants entrepreneurs experienced from the Syrian perspective. It is estimated that approximately 10,000 Syrian refugees claimed asylum in the UK since the outbreak of the civil war (Refugee Council, 2016). The UK government has also promised to resettle another 20,000 Syrian refugees from refugee camps to the UK by 2020 under the Syrian Vulnerable Persons Resettlement Scheme (VPRS). It has already resettled 5,706 Syrian under this scheme until 2017 (Gov UK, 2017). Syria occupied the 6th highest country that outsourced immigrants to the UK in 2016 (Refugee Council, 2016). Thus, this research can provide the conference with a new theme focusing on a poorly research ethnic group in the UK.

**AIMS**

This doctoral thesis aims to investigate the experience of the Syrian immigrants’ entrepreneurs who have set up businesses in the UK either in the formal or informal economies. Ultimately, I theorize the process of immigrant entrepreneurship through the lens of institution theory, social action theory and structuration theory.

**OBJECTIVES**

* To explore the motivational factors of Syrians immigrants to become entrepreneurs in host countries
* To investigate the factors that lead Syrian immigrants to become successful entrepreneurs and business owners.
* To analyse the barriers that prevent Syrian immigrants’ entrepreneurs from developing and expanding their business activities

**Methodology**

This research applies qualitative research method. Drakopoulou-Dodd et al. (2014) argues that qualitative research method is an efficient way to explore and investigate entrepreneurship elements and characteristics. Shane and Venkataraman (2000; Refai et al., 2018) agree with this claim, and further argue that qualitative approach is more advantageous than quantitative approach when it comes to investigate entrepreneurial experiences. Krantz and Gilmore (1990) claimed that quantitative research methods such as survey were proven to have limited access to certain type of data when it comes to investigating experiences and feelings.

The research philosophical paradigm that is used for my research is the social constructionism paradigm. The main reason for choosing this paradigm in particular because my research does not seek to generate or collect statistical data. It rather seeks to explore ‘lived experiences’ that may not be effective or possible to be researched by using other paradigms (Bryman, 2012). Since my research aims to investigate the live experiences of the Syrian immigrants' entrepreneurs in the UK, it can best fit in the social constructionism paradigm, because this paradigm concerns the way people interact with realities in the world. Lindgren & Packendorff (2009) support the use of social constructionism paradigm with entrepreneurship research, especially when it comes to investigate people’s views and perceptions about live phenomena and how they construct knowledge based on their norms. This is the case of my research, as I will be examining the experiences of the Syrian immigrants entrepreneurs in the UK from their perspective. Therefore, each participant would provide me with his/her views and thoughts about the success factors or challenges that they faced, or they are facing while they are performing their entrepreneurial activities. The concept of entrepreneurship will then be reconsidered as a socially constructed phenomenon based on the views of the new sample (ibid).

A single case study approach of one Syrian entrepreneur in the UK will be conducted who came as refugees to the UK after 2011, and who started his own business in the UK. Data is collected using semi-structured interview. This is also completed by secondary sources which are in the form of published newspapers about the chosen case study.

**Contribution**

Since the increased immigration of Syrians into the UK is a new phenomenon relatively to other ethnic groups immigration, there is lack of research about exploring the factors that push them to become self-employed and start their own businesses, or the factors that hinder them to do so. Despite the number of research that has been done to investigate the experiences of entrepreneurs from other ethnic groups in the UK such as Polish immigrants (Helinska-Hughes, Hughes, Hughes and Lassalle, 2011; Knight, 2015), Asian immigrants (Basu, 2011), Caribbean and Chinese immigrants (Kloosterman, 2010), there is lack of research that has considered the Syrian context. Syrians come from a different background relatively, and under different circumstances compared with Polish, Chinese, Caribbean and Asian immigrants. In addition, Kloosterman (2010) claims that there is a variation between the characteristics and traits of different groups of immigrants. Therefore, due to the importance of the immigrants’ contribution to the economy (Kairoseurop, 2016), this research will particularly investigate the Syrian immigrants experiences who started their own businesses in the UK.

As a result, scholars of immigrant entrepreneurs are being asked to refocus their efforts toward the better understanding of how immigrant entrepreneurs influence and are being influenced by a “multiplicity of agents, agencies, institutions and process” (Miller, 1994, 1). This thesis proposes to move towards this objective by incorporating both the Institutional and Structuration theories to develop theoretical framework useful for a more effective contribution to immigrant entrepreneurship literature.

Institutional theory grounded in social theory concerns the development of the taken for granted assumptions beliefs and values underlying organisational characteristics and practices and is becoming a dominate theoretical perspective in organisation theory research. The institutional framework has also provided useful insights into the practice of immigrant entrepreneurs in societies. There are several studies that discuss and examine immigrant entrepreneurs based on the institutional theory (Vickerie, 2017; Turkina & Mai, 2013). However, such work is not without its limitations. Relatively little theoretical consideration is given either to the process whereby institutional practices are established, transported and decomposed or the socio-economic and political context that constitutes the framework for these organisational practices. By looking at organisations and practices solely as outcomes of examining them at a given point of time, the emphasis is on the constraining and limiting nature of institutionalised beliefs and values and not on the dynamics associated with change or the role of human agency.

Another limitation of the institution theory-based research is that they concern the role played by power, special interests and the political nature of organisations. Further, an emphasis on the symbolic nature of most organisational actions and the related doubling of internal operations from external operations tends to limit the applicability to immigrant entrepreneurs, because the focus of the analysis is exclusively on the organisational field level. The immigrant entrepreneurs research usually focus on either the institution theory solely or structuration theory solely, but no research considered both theories in the same research.

The rising interest in institutions among immigrants entrepreneurs reflects a growing disenchantment with theories that portray efficiency as the driving force behind decision making or that treat variations in formal structure as rational adaptations to technical and environmental conditions (e.g. Woodward 1958; Lawrence and Lorsch 1967; Blau 1970). Unlike these more traditional theories, institutional theory highlights cultural influences on decision making and formal structures. It holds that organisations, and the individuals who populate them, are suspended in a web of values, norms, rules, beliefs, and taken-for-granted assumptions, that are at least partially of their own making. These cultural elements define the way the world is and should be. They provide blueprints for organising by specifying the forms and procedures an organization of a particular type should adopt if it is to be seen as a member-in-good-standing of its class (Meyer and Rowan 1977).

These arguments bear a resemblance to certain tenets of structuration theory as articulated by Anthony Giddens (1976, 1979) and those who have brought Giddens' insights to organization studies (Ranson et al. 1980; Pettigrew 1985,1987; Willmott 1987). Like structuration theorists, institutional theorists acknowledge that cultural constraints do not completely determine human action (DiMaggio 1988, 1991; Oliver 1991; Strang 1994). Rather, institutions set bounds on rationality by restricting the opportunities and alternatives we perceive and, thereby, increase the probability of certain types of behaviour. However, just as perfect rationality is rare, so too is completely bounded rationality. Through choice and action, individuals and organisations can deliberately modify, and even eliminate, institutions. The acquisition of suffrage by women in the United States, the dismantling of apartheid in South Africa, and the collapse of the Soviet Union represent a few ready examples.

Nevertheless, even though organisational theorists may now more willingly acknowledge the interdependence of actions and institutions, they have only begun to develop the theoretical and empirical implications of such a stance. Thus, in this thesis, I propose a framework based on, yet expanding, Institutional theory, as generally represented in entrepreneurship literature providing comprehensive conceptual basis for investigating the practice of immigrant entrepreneurs in the host countries. The framework explicitly recognises the political nature of institutional change and provides a basis for a more completing understanding of the dynamics involved in such a change. I combine Weber’s notion of capitalist institutional with dynamic structuration theory in an attempt to understand better the process of associated with institutional change in society. First, drawing on Weber’s ideas concerning rationality and power are integrated with the structuration theory (Gidden, 1976) in developing a socio-cultural framework that integrates institutional dynamic and the context of institutional practices. The resulting framework outlines a dynamic social context within which the processes of institutionalization, transposition and deinstitutionalization take place and within which radical as well as incremental change can be addressed. As a result, the changes in the employment environment that Syrian immigrants witness when they immigrate to the UK and the influence of these practices will be more clearly understood.

It is hoped that exploring the experiences and challenges of the Syrian immigrants experiences in the UK would contribute to deeper understanding of immigrant entrepreneurs experiences and challenges based on developed framework that explain how institutional theory interpret immigrant entrepreneurs from a sociological perspective.

**Implications for policy, if applicable**

There are several benefits of immigrant entrepreneurship on the economy of host countries. Immigrant business founders are an essential lever for economic growth (Kerr & Kerr 2016). According to Kerr and Kerr (2016), more than half of the entrepreneurs in Silicon Valley in the United States are of immigrant origins. Migrant entrepreneurs may eventually expand their businesses and employ additional migrants. Thus, they do not become a burden on the state. Positive spillover effect as ascribed by Perri et al. (2015) includes innovation and productivity. Thus, this research entails implications for policy makers to become aware of the Syrian immigrants entrepreneurs experiences and the challenges that they face.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Working Paper

### 264

### Displaced, excluded, moving on: a study of refugee entrepreneurship in Kenya

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**Abstract**

**Displaced, excluded, moving on: a study of refugee entrepreneurship in Kenya**

The global refugee crisis has grown in scale over the last 30 years. There are currently 25.4million refugees worldwide of whom 85 percent reside in developing countries (UNHCR, 2019). As a result of the protracted violence and instability in the East African region, Kenya has been on the frontier of receiving refugees and asylum seekers since the 1970s. However, the official approach of the Kenyan government has been to enact a unique encampment policy that has effectively stripped the refugee community of the right to free movement and employment across the country. Most refugees are restricted to camps located in predominantly arid and semi-arid areas that have often been subjected to socio-political marginalisation (Campbell et al, 2011). In effect, these refugees are denied the opportunity to contribute to the economy of the host country by using their entrepreneurial skills and resources to create value and enhance national productivity. In the same vein, the imposed restrictions make it difficult for the refugee households to support themselves, raise household income, and forge a path to long term resettlement or return.

However, in spite of these constraints, the refugees are employing new strategies to overcome institutional and infrastructural barriers and challenges. This paper therefore presents a study of refugee entrepreneurs within Kakuma refugee camp in Kenya. We examine the role of social capital- in its bonding, bridging and linking forms. We draw from in-depth interviews of key stakeholders, supplemented with archival documents and policy papers, to review existing policies and interrogate the models of refugee entrepreneurship in Kenya. We also examine the link between refugee resilience, self-reliance and ingenuity on the one hand, and entrepreneurial success and livelihood recovery on the other hand. We then propose a conceptual framework that highlights the role of social capital in overcoming institutional and infrastructural constraints to entrepreneurship among refugee populations.

The increase in refugees and asylum seekers is often perceived as taxing on host communities, creating a stigma around financial and social burdens (Stearns, 2013; Tumen, 2016). Engagement in entrepreneurial activity by refugees has proved to help improve both socioeconomic prospects of refugees and the host community. Refugee entrepreneurship has gained traction in the last two decades (Rizma, 2017; Wauters and Lambrecht, 2008;; Turcotte and Silka, 2007 and Bollinger and Hagstrom, 2004). Though refugee entrepreneurial activity has been viewed under ‘immigrant entrepreneurship’ the dynamics around institutional, infrastructural and social capital structures differ from other migrant groups (Bemak and Chung, 2014) as they are subject to international law and as well as refugee laws specified by each country receiving them (Rizma, 2017). Moreover, refugees tend to have less extensive social networks (Gold, 1992) having fled persecution with little knowledge of possible opportunities ahead. Most refugee entrepreneurs are necessity driven due to discrimination faced in employment, capital markets and even consumer markets (Wauters and Lambrecht, 2008 & Coate and Tennyson, 1992). These barriers are further exacerbated by stringent policies in host countries that often create incumbents for refugee integration. Formal institutions that are rigidified and fail to address the interests of refugees create protracted situations. Furthermore, refugees who are placed in camps for repatriation undergo further isolation from interacting with institutions and host population creating a further unlikely place for fostering entrepreneurship. The exile and local resentment limits access to resources and markets adding to reduced incentives to risk investment of time and resources in entrepreneurial activity (Down and Warren, 2008).

Entrepreneurship is embedded in social contexts (Aldrich and Zimmer, 1986), social networks (Carsrud and Johnson, 1989) and can be understood in terms of the various situations encountered by the social groups they relate to (Gibb and Ritchie, 1981). Refugee entrepreneurs encounter political, social and economic challenges and in such environments development is fostered through identifying possibilities and opportunities that exist in order to enhancement their advancement and development (Piazza-Georgi, 2002). Entrepreneurship that is fostered by and fosters social capital, as in the case of refugees, constitutes a mechanism to implement self-development creating a drive for economic capital (infrastructure and financial resources) and improved institutional capital (institutional structures and mechanisms within the community).

Kenya’s encampment policy has been in existence since 1992 following an influx of refugees from Sudan and Somalia a notion that was driven by the overwhelming numbers of refugees and political and ethnic dimensions (Campbell, 2011; Lindley, 2011). The refugee management system was deemed suitable as it allowed for provision of assistance to the large number of refugees by UNHCR whilst serving the interest of security concerns of the Kenyan government (IRC, 2018). As a result, the policy violates human rights restricting freedom of and rights to work for refugees. The unique case of Kakuma camp has shown to be an economic and social asset for the local economy, camp has a vibrant informal economy boasting over 2,000 businesses that has boosted the Gross Regional Product by 3.4% and employment by 2.9% (Sanghi et al. 2016). The entrepreneurial and economic activity in has attracted new private investors in the areas, expanded the operations of existing firms, and supported local entrepreneurs to expand employment opportunities for refugees and the host community, improving services, reducing prices, increasing choice and contributing to self-reliance (IFC, 2018).

Despite facing institutional and organisational barriers in resource constrained environments (Jack and Anderson, 2002), entrepreneurs have found various ways to overcome these challenges. The lack of finance and functioning markets are overcome via lending groups within social network, family ties and remittances (IFC, 2018) to those in need and entrepreneurs seeking seed capital. Legal and political systems are navigated through avoiding complex and bureaucratic procedures that involve setting up businesses. Lack of infrastructure is often tackled by either improving it themselves or perceived as business opportunities by entrepreneurs (Crisp, 2003). Poor access to resources and lack of market information are overcome by leveraging human capital accrued prior the refugee status, creating novel virtual infrastructure via technology and networks maintained with external markets. Moreover, entrepreneurs have expanded the scope of their customers extending to the host community expanding their social networks (Omata and Kaplan, 2013).

This paper also highlights significant policy and practical implications. Most recently in 2016, the United Nations High Commission for Refugees (UNHCR) and the Kenyan government has taken on a social inclusion initiative in Kaloboyei, a settlement conceived from 40km Kakuma camp, promoting a commitment to self-reliance for refugees. The 14 year project intends to be part of Kenya’s vision 2030, creating a sustainability in agriculture and development. Kenya’s continuous reception of refugees and the policy on integration create an important consideration for the government as well as the host community in softening their notion as well as encampment policy when it comes to refugee management especially where economic benefits are most likely to be felt (IRC, 2018).

Adapting policies from neighbouring countries, such as Uganda should be placed on careful selection of location where access to markets and infrastructure are of importance (Kaiser, 2006) and not where pre-existing camps and negotiations are of importance as this also impacts ability of self-reliance.

Based on preliminary findings in this exploratory study, we posit that social capital is an effective resource deployed by refugees to overcome barriers and facilitate a) better access to infrastructure and access to market (b) support for refugee entrepreneurs and (c) integration between refugee and host communities.  Further, we argue that a more inclusive policy is significantly beneficial to both the host country and the refugee communities. Among other things, such a policy promotes socio-economic integration, facilitates entrepreneurial learning and co-creation, and the injection of dynamism that raises overall national productivity. Finally, we argue that an inclusive policy, rather than an encampment policy, not only satisfy the goal of creating opportunities to achieve economic outcomes both for the refugees and the host country, it is also effective in achieving security outcomes and cohesive, peaceful co-existence between refugees and the host population.

**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

Working Paper

### 255

### Crossing the Borders towards Entrepreneurship: Migrant Status, Gender and Entrepreneurial Intention

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**Abstract**

**Aims and applicability**

The main aim of this study is to further explore the relationship between the intention to start a business and migrant and gender status. Which type of individuals are more likely to have entrepreneurial intentions? How individual’s characteristics and their perception of barriers to entry impact on their entrepreneurial intention and further on the actual realisation of this intention?

To answer these questions we make use of the Global Entrepreneurship Monitor (GEM) database, which allows us to understand entrepreneurial intentions across populations of different characteristics, and to focus specifically on gender and migrant status in the UK. We then go on to look at what barriers entrepreneurs from different migrant and gender groups face in starting a business to make a detailed discussion between intentions to start a business and actual step of starting a business. This quantitative study contributes to a better understanding of the early stages entrepreneurship and, thus, responds to the Conference theme by addressing minority and gender entrepreneurship issues.

**Rationale and Previous Literature**

A growing body of cross-country evidence shows that immigrants and ethnic minorities are on average more entrepreneurial than native populations (Hammarstedt 2001; Levie 2007, Fairlie et al. 2010, Fairlie & Lofstrom 2013, Irastorza & Peña 2014). Different individual, environmental and institutional factors, most frequently represented by “push” and “pull” arguments, are put forward to explain these phenomena in the literature. For instance, the “disadvantage hypothesis” (Light 1972, 1979) stipulates that immigrants are pushed to self-employment by non-satisfactory job conditions and unemployment. On the other hand, the “self-selection” argument defends the idea that individuals who take the risk of relocation to another country might possess an entrepreneurial mindset and business acumen (Davidsson 2006). Additionally, many countries, through selective immigration policies, encourage migration on the basis of a high level of education and skills which might be beneficial for entrepreneurial activity. Other research suggests that “cross-cultural experience itself” might help an internationally mobile population to build extensive experience which develops individual skills and knowledge, improving their capacity to generate business ideas and identify avenues of opportunity (Vandor & Franke 2016).

In the UK, an important contribution of ethnic and immigrant population to a relatively high (compared to European peers) level of start-ups is registered by successive waves of the Global Entrepreneurship Monitor (GEM). In 2017, the share of immigrants engaged in early-stage entrepreneurial activity was 12.5% which was significantly higher than the rate for the life-long resident population at 8.6% (Hart et al. 2018).

This paper builds on previous quantitative research on migration, ethnicity and entrepreneurship in the UK (Ram and Smallbone 2001, Levie 2007, Mickiewicz et al. 2019) to further explore the relationship between migrant status and entrepreneurship. Where past literature has focused on differences between migrant and non-migrants, very little research has been done on in-migrants i.e. individuals who move to a different area within their country. The hypothesis that we will investigate is that not only immigration but also regional in-migration is possessed of the characteristics and behaviours to generate a surge in entrepreneurial activity. This would be in line with the “self-selection” argument; if this hypothesis is verified, it would give more weight to the “pull” relatively to the “push” argument.

This analysis would be incomplete without consideration of the gender dimension. It is widely acknowledged that, on average, women tend to be more risk-averse than men. On the other hand, immigrants are often considered as risk-takers. It is important to understand how women “entrepreneurs-to-be” behave in the overall more risk-taking immigrant and in-migrant population.

Notably, while previous studies focus mainly on nascent entrepreneurs, we propose to track the effect of migrant status on an even earlier stage of the entrepreneurial journey - entrepreneurial intention. Additionally to the impact of individual’s characteristics, we propose to investigate how the entrepreneurial intention is dependent on institutional factors of the host country. While the immigrants and in-migrants, due to their extended and diverse experience, might have the highest rate of intention to start a business, they also might, as it is often stressed in the literature, face more significant barriers (institutional, environmental or individual, for example, poor language skills, absence of local knowledge, lack of access to social and professional networks, discrimination etc.) preventing them from fully implementing their business ideas..

**Data and Methodology**

We use the Global Entrepreneurship Monitor (GEM) during the period 2003-2017 to form a pooled cross section for this analysis. GEM is conducted each year and asks a variety of questions to respondents on their employment status, if they have a business and what type and also their entrepreneurial intentions. In total, there are 303,471 individuals who have provided information on their migrant status. We will use a range of models in attempt not only to confirm the literature finding that in-migrants and immigrants have more entrepreneurial intentions, but also to investigate the individual and institutional factors affecting their intentions, risk-perception, etc. For example, the following model is used to gain some preliminary insights into the impact of migrant status on entrepreneurial intention or actual activity,

Where ENT is the entrepreneurial intention of each individual “i” at time “t”. Entrepreneurial intention is a dichotomous variable with a “yes” or “no” response to the question “Are you, alone or with others, expecting to start a new business, including any type of self-employment, within the next three years?” In this first model, the variables concerning the migrant status (recorded as three possible categories migrant”, “non-migrant” and “in-migrant”) and the gender (“female”, “male”) are of the first particular interest. The variables  and  are time (year) and regional environment specific dummies, respectively. A set of individual characteristic variables, , and a set of perception variables, , are also included in the analysis.

As our dependent variable is binary, a logistic regression analysis is used to estimate the average marginal effect of migrant status and gender. To analyse the impact of migrant status on entrepreneurial intention or engagement for each gender group, separate logistic regressions are estimated for the male and female subpopulations. Standard errors are clustered at the regional level in all regressions.

We then look at differences among a subset of nascent entrepreneurs (individuals who begin to commit resources, such as time and money, to starting a business, first 0-3 months) by migrant status and gender in terms of financial constraints, reasons they decided to start the business and general characteristics of their firm.

**Contribution and Implications**

This study helps to shed a light on an observed phenomena of entrepreneurial activity differences among different migrant and gender groups. The preliminary results confirm that both immigrants and in-migrants are more likely to intend to start a business than life long residents. Women in-migrants and immigrants are more likely to be more inclined to start a business than non-migrant by 1.5% and more than 2% respectively. Further studies of agents’ behaviour within particular institutional setting should lead to an assessment of key factors in the entrepreneurial decision making at and even before the idea inception point. Ultimately, understanding better the impact of institutional factors on entrepreneurial intentions of separate categories of agents (e.g. female in-migrants) would allow us to make specific policy suggestions.

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**Conference Track**

Entrepreneurship in Minority Groups

**Presentation**

PowerPoint Presentation

## Business Creation, Early Stage Development and Business Closure

#### Business Creation, Early Stage Development and Business Closure

#### Time: 14:00 - 15:30

#### Date: 15th November 2019

#### Location: Victory

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### Effects of 2003 Economic Sanctions on Entrepreneurship in the Zimbabwean Transport Sector

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**Abstract**

**Effects of 2003 Economic Sanctions on Entrepreneurship in the Zimbabwean Transport Sector**

**Applicability to Conference Theme**

This research was able to bring an understanding of the factors that inhibit small and medium enterprises to thrive. As a result, it has recommended ways through which the government can still support entrepreneurship even in the midst of sanctions. Through these measures, entrepreneurs will be able to further grow their entrepreneurial spaces and prosperity. Furthermore, it suggested strategies that entrepreneurs can adopt in order to ensure that they still thrive in the deteriorating Zimbabwean economy. More often than not, it can be assumed that the prosperity of small and medium enterprises is guaranteed in favourable economic conditions, but this research challenges that belief by proving that such enterprises can still thrive even in adverse economic circumstances.

**Aim**

This research aims to analyse the micro-level effects of the 2003 economic sanctions on entrepreneurship in the transport sector in Zimbabwe. The transport sector is also significant to study as it is one of the main contributors to the service industry which considerably drives the economy by facilitating other economic activities in the country (KPMG, 2016). It is part of the service sector that contributes 59% to Zimbabwean’s GDP (ibid). It also employs about 34000 people in the economy (Employers Confederation of Zimbabwe, 2019). Previous studies had analysed the effects of sanctions on a macro level which, however, fails to demonstrate the way individuals are affected. They have identified trends in specific measures like inflation and unemployment which do not reflect the effects on individuals because macro-economic metrics have a broader measure of livelihood (Fioramonti, 2013). It was in light of the knowledge gap and the significance of the transport sector that this study was conducted.

**Background**

In 2003, economic sanctions were imposed on Zimbabwe by the United States of America and the European Union in order to overturn the regime that had been in Zimbabwe since the country’s independence in 1980 (Chingono, 2009). The President and his government stayed in power even after his opponent had won the elections, and it was reported that he exercised political violence and immensely limited media freedom in Zimbabwe (The Guardian, 2002). It was in light of these human rights violations that sanctions were imposed. Even though the regime continued in power, the sanctions sparked a lot of international attention towards Zimbabwe because of the effects that they had on the country’s economy. Economic sanctions are defined as a “country’s discriminatory economic restriction of either trade or credit flows with another country in an attempt to affect or reverse current policy in the sanctioned nation” (Eyler, 2007, pp. 4). Some scholars even suggest that, sometimes, economic sanctions can be used as an economic tool to influence a political agenda (Kobayashi, 2017). Life for individuals in the sanctioned country changes as sanctions disrupt trade and restrict the supply of some commodities. In Zimbabwe, one of the areas that were impacted by these sanctions is entrepreneurship, particularly the small and medium enterprise sector, and within that, the individual-led micro-enterprises (Munyoro et al., 2016)

There are varying definitions that scholars have come up with for entrepreneurship. Venkataraman, (1997 as cited in Shane, 2003) defines entrepreneurship as not just the identification of problems, but also finding solutions to those problems by initiating a business. Most interestingly, Kabir et al. (2012) define entrepreneurship as a phenomenon that goes beyond problem-solving but also remains as one of the sources of livelihood for people in some developing countries. This research finds the second definition more compelling as it reflects the perception of entrepreneurship in African countries like Zimbabwe. According to Kuada (2015), in Africa, entrepreneurship is less about solving problems but more about getting a source of income for the entrepreneur. Based on that, it is then necessary to study how these sanctions have disrupted this phenomenon with an emphasis on the entrepreneurs and enterprises.

**Methodology**

An interpretivist-inductive approach was adopted to understand the impact of sanctions on Zimbabwean small and micro entrepreneurs. This is used with the belief that that reality is not predefined, but depends on individuals’ varying circumstances (Thanh and Thanh, 2015). Consequently,  it was believed that the reality of the effects of sanctions is not fixed and homogenous for all entrepreneurs and this needs to be understood. The reality of the situation is rather determined by the unique experiences of participants in the study, hence it falls under this paradigm (Chowdhury, 2014). The understanding about the micro level of economic sanctions on entrepreneurship is built from the data collected.

Semi-structured interviews were conducted with a total of 10 participants. To begin with,  9 entrepreneurs are in the transport sector who had owned businesses before the sanctions and after. The purpose of the interviews was for them to share experiences of how their businesses and their personal lives have been affected by economic sanctions. Semi-structured interviews were suitable for this study because they enable to interview to get more detailed information from the participants (Ellis, 2018). In order to complement the information given by the entrepreneurs, expert advice on the issue was sought. As such, an employee from the Zimbabwean Ministry of Women Affairs, Community and Small and Medium Enterprises was interviewed to give expert advice. They have worked with small and medium enterprises and have information about the effects of sanctions. An expert interview helps in providing additional information that might not be captured by individual interviews (Meiner, 2014).

**Contribution**

It was established that economic sanctions have had mostly negative effects on both the entrepreneur and the enterprises. They have led to a decrease in profitability for businesses and limited the support that government could offer to businesses. Furthermore, it has brought emotional distress, decreased entrepreneurs’ standards of living and has compelled entrepreneurs to change their business strategies or explore other opportunities in other industries. Based on those findings, it was recommended that government finds other sources of income from Asian countries in order to be able to still support entrepreneurs in the transport sector and also enforce legislation to avoid corruption. It was also recommended that entrepreneurs continue to explore opportunities in other industries in order to have a sustainable source of income. This research has contributed to the basic understanding of entrepreneurship in the transport sector in Zimbabwe. It has revealed the significance of this sector to the whole economy and the livelihoods of individuals in Zimbabwe. Furthermore, it has given an in-depth understanding of the economic sanctions that were imposed on Zimbabwe. Drawing from other studies that have been conducted in the past, it has been able to examine the general effects of economic sanctions on entrepreneurship. Most importantly, this dissertation was able to use empirical data to investigate the micro effects of the 2003 economic sanctions on entrepreneurship in the transport sector in Zimbabwe.

**Implication for Policy**

In light of the research findings, it is recommended that the government can then design programs that can further support entrepreneurship during the duration of the sanctions. Given the government’s financial constraints, these support programs can be free and just concentrate on encouraging entrepreneurs to meet periodically to share survival strategies. In addition to that, the government can strengthen its Go East Policy that enables it to look for trade and funding opportunities from China as compared to the U.S.A. (Lele, 2012). By following these recommendations, it is expected that the government will be able to sustain entrepreneurship even in the midst of these sanctions. On the entrepreneurs’ side, the constant pursuit of entrepreneurial opportunities and the adjustment of business models is a commendable technique in dealing with economic sanctions (Muerniks et al., 2018).

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**Conference Track**

Business Creation, Early Stage Development and Business Closure

**Presentation**

Full Paper

### 203

### Investigating the Discontinuation of Early-seed SMEs:Sustainability Challenges in Lebanon

Ghiwa Dandach

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**Abstract**

Several researchers and industry practitioners developed entrepreneurship frameworks, for the purpose of fostering entrepreneurial activity within a particular region. International institutions, such as GEM, OECD, GEDI, and UNCTAD, have also investigated genuinely the field of entrepreneurship, due to the remarkable impact it can have on economic growth and industrial development (Musa and Chinniah, 2016). However, these frameworks are in fact very limited for four main reasons: **first**, the specific concentration of these frameworks to start-ups initiatives revealed their ineffectiveness for early entrepreneurs in sustaining their businesses, though 80% of SMEs are not able to survive in their first three years (Bernama, 2017); **second**, these frameworks mainly guided governmental bodies and regional institutions on how to encourage entrepreneurial initiatives, rather than how to sustain early SMEs- even with governmental support, SMEs are still unable to sustain (Yusoff et al., 2018); **third**, these frameworks assumed that the influence of the context is overwhelming to the contribution of entrepreneurs themselves, therefore, considering them as reactors rather than initiators (Sarasvathy, 2001); and **fourth**, the comprehensive analysis for SMEs’ struggle with sustainability is still short in the literature, despite the various contributions to the field (Shepherd and Patzelt, 2011; Hosseininia and Ramezani, 2016).

Therefore, this paper aims into investigating the reasons behind the discontinuation of early seed SMEs, in the context of developing countries (Lebanon in the Middle East), and will consequently develop a two-stage framework that will differentiate between: **a)** the factors necessary for realizing a business opportunity and transform it into SME; and **b)**the factors critical to sustaining the business in its first 18 months of operations, presumably marketing, networking, innovation, technology and market information. The first set of factors is already emphasized in the literature, and includes the access to capital, governmental support, human capital, supportive culture, technology adoption, good infrastructure and entrepreneurial education. However, these factors can be as critical as claimed by the literature during the start-up stage and before realising the entrepreneurial opportunity.

The framework will be developed based on the critical analysis of the literature and then updated, according to the findings of the primary data. The framework will be therefore customized to the particularity of the Lebanese market and entrepreneurial ecosystem, as well as the characteristics of Lebanese entrepreneurs, given the literature’s emphasis on the relevance of individual traits on entrepreneurial decision-making.

For that purpose, the study is relying on evaluating the relevant secondary data, as well as analyzing the primary data to be collected. For the secondary data, the Researcher is analytically evaluating the major contributions to the field of entrepreneurship in terms of the concept’s evolution, the main underlying theories, the entrepreneurial ecosystem’s relevance and the major critical factors influencing entrepreneurship, including culture and governmental contributions. Adopting the systematic literature review allows the researcher to selectively include the relevant studies and existing evidence so far contributed into the field. Furthermore, the study is critically evaluating the existing entrepreneurial frameworks developed similarly by academics and industry practitioners, and highlighting the gaps existing in the literature by referring to Althonayan’s (2003) matrix.

As for the primary data, the Researcher will adopt the qualitative exploratory research with an interpretivist approach, by conducting first a pilot study with 10 entrepreneurs, then semi-structured interviews with 18 entrepreneurs, and finally 3 focus groups, each one of them with 6 entrepreneurs. The entrepreneurs participating in the study will be in fact business owners who had already established their businesses between 2015 and 2018, but discontinued their enterprises in less than 3 years after the establishment. The Researcher believes that the learning experiences of these entrepreneurs across the various types, nature and structure of SMEs will constitute a rich entrepreneurial database. Subsequently, the data collected will be analysed using thematic analysis, following the narrative transcribing process. A milestone to this research would be to ensure that the entrepreneurs participating in the data collection are distributed evenly across the main industries in the designed area of study, to avoid the concentration and biasness of data in a particular industry.

Upon its completion, the study will contribute to the field of sustainable entrepreneurship in two ways: to the existing knowledge and to the current practice. As for the literature, the study will analyse critically the current contributions into the field and entrepreneurial ecosystems and frameworks developed so far. This evaluation will expand the literature of entrepreneurship in general, and its implementation in the emerging economies of the Middle East in particular. The analysis will consequently identify the elements within the ecosystem that are deemed as mostly significant to the sustainability of early seed SMEs, in their first 18 months of operations. From an industry perspective, the developed framework will embrace an implementational guidance side to entrepreneurs, shifting away from pure theoretical recommendations, usually addressed to policymakers. In parallel, entrepreneurs will be in a better position for sustaining their early businesses, providing a solid ground for greater entrepreneurial initiatives, which eventually reflects positively on economic growth.

Learning from entrepreneurial practitioners and their business closure constitutes the most significant basis for this working paper, bridging the gap between theory and practice. Reflecting deeply on those experiences with 36 business owners will provide practical recommendations for two categories of entrepreneurs: those who are hesitating about establishing new businesses due to sustainability risk, and those who are already in the market in their early stage, struggling with sustaining their businesses. Hence, greater entrepreneurial activity will be stimulated in the region. Even neighboring countries with similar economic structures, like Jordan, Oman, Bahrain, and Kuwait can benefit from the developed framework, after customizing its aspects to match the geographical context and the particularity of the designed market. Similarly, other emerging countries in other parts of the world, like Malaysia and Indonesia, would benefit from applying the framework and the accompanying recommendations, upon the completion of the study in July 2020. The future contributions of the paper to the body of the literature and the industry essentially relate to the tracks proposed by ISBE, and thus, will unfold further perspectives of creating business opportunities, under the form of small and medium enterprises in emerging as well as developed countries.

**Keywords: entrepreneurship, framework, early seed SMEs, entrepreneurial ecosystem, sustainability**

**Conference Track**

Business Creation, Early Stage Development and Business Closure

**Presentation**

PowerPoint Presentation

## Family and Community Business

#### Family and Community Business

#### Time: 14:00 - 15:30

#### Date: 15th November 2019

#### Location: Planet

### 122

### Next generation’s commitment to continue family business

Tarja Römer-Paakkanen1, Hannele Rautamäki2

1Haaga-Helia University of Applied Sciences, Helsinki, Finland. 2LUT University & Harsel, Helsinki, Finland

**Abstract**

**Aim**

 The target of our research project is to understand the potential successors´(the Nexts’) commitment more profound in the context of Finnish family businesses (FBs). The aim of this study is to deepen the understanding of the Next’s commitment and willingness to continue their family firms in the context of Finnish FBs. As the business family is a place where entrepreneurship and ownership grows it is important not to transmit stress from the business but to uphold the enthusiasm of the potential successors.

The focus in this paper is on the question: What factors influence the commitment of the potential successors´ willingness to continue their family business in Finnish family business context?

**Theoretical background and methodology**

 Framework for the study originates from Sharma and Irving’s paper (2005) that introduces the four bases of FB successor commitment i.e. affective, normative, calculative and imperative commitments. Because entrepreneurship as such may influence the students’ (originating from business families intention to stay in their FB, we added the dimension of entrepreneurship to the model that is used in this study.

This research project was conducted in two phases: first a survey, which is reported separately and secondly the qualitative interviews, which are reported in this article. Altogether sixteen persons were interviewed, in individual semi-structured interviews and in two focus groups. The interviews were transcripted and the data were analyzed by using Atlas.ti program. When analyzing the data the phenomenographical research process was followed.

**Results and contribution**

This article explores some ideas which might be useful for the potential successors as well as for the   practitioners in their work. The society should understand the importance of family businesses and to support the family businesses to start planning the succession in due time. To understand better the what the next generation expects from their future and from their family business.  This study contributes both to family business and to entrepreneurship education literature.

          The society should understand the importance of family businesses and to support the family businesses to start planning the succession in due time. It is also important to find the capable and enthusiastic successors that are willing to develop and grow their businesses. When we understand better the what the next generation expects from their future and from their family business the educators can help the family businesses to educate and train the next generation so that they will be interested, willing and capable to continue their family business.

**Key words:**Family business, family entrepreneurship, business family, business transfer, succession, next generation

**Conference Track**

Family and Community Business

**Presentation**

Full Paper

### 4 “From darkness into light”: a systematic review of scholarly contributions investigating (in)visibility of women in family firms.

Natalia Vershinina

Audencia Business School, Nantes, France

**Abstract**

AIM: Family firms are the most dominant form of business organisation in society, and the interdependence and interaction between the family and business systems offers an opportunity to examine this phenomenon. Despite the plethora of studies that zoom in on this interaction, women are often neglected participants especially when it comes to their managerial and decision-making involvement in family firms. Traditionally, women’s roles in such contexts were subject to gender norms, where women’s professional responsibilities were considered secondary to their obligations towards the family. Such understandings have led to the emergence of “women’s invisibility” concept, whereby women often held unacknowledged power and influence which could ultimately be vital to their family firms, yet no recognition was given to their roles in them. Such neglect in focus on women in family firms leads to several managerial implications, including the general oversight of women through gendered disregard and under-utilisation of their knowledge, which limits the potential success of family firms. In addition, due to the overlapping nature of the family and business systems, the family dynamic is also essential is inherently gendered positioned to subordinate women.

METHODOLOGY: This article offers a much-needed review of extant literature by focusing on the involvement of women in family firms, by exploring the opportunities, obstacles and invisibility women face. The literature in the field of family business has doubled since 2009, thus a systematic literature review is conducted to evaluate the developments in the field from 1990 to present time. The review primarily explores business and management literature, yet other journal articles from business history, sociology and psychology fields of study have been included to fully understand the topic using diverse perspectives. The fifty-six articles are included in this review from which the key arguments are derived focussing on the different types of women’s involvement: succession, presence in the family firm and engagement in family firm entrepreneurship. A literature review methodology has been chosen due to its theoretical rigour, as this method produces a reliable search providing dependable evidence and facilitating the evaluation of extensive literature.

FINDINGS: The analysis of included publications identified the factors which hinder but also enhance the chances of women’s involvement in family firms. One such factor is human capital, one of the most significant factors that has the capacity to increase the chances of involvement for women within family firms. Furthermore, thematic analysis showcases the different types of involvement in the context of studies conducted in developed and developing economies, finding that typically women’s involvement is greater in developed countries. This can be explained but the variation in traditional gender norms and expectations placed upon women, which can impede and facilitate the opportunities and visibility for women’s work. However, despite the gender norms being more prominent and particularly devaluing women’s work in developing countries, the patriarchal hierarchies of families with their traditional expectations, hinder women’s individual agency in both in developed and developing economies to different degree.

CONTRIBUITON: This article offers a holistic look at the body of family firm research with specific focus on women’s managerial and decision-making involvement in family firms by classifying this research into antecedents, characteristics, related outcomes, moderators and feedback loops, and providing guidance for the development of this important area of research that will enable the academics and practitioners to recognise the contributions women make to the running of family firms, to management of succession process and to family firm pursuit of entrepreneurship.

IMPLICATIONS: The recognition of these processes results in more educated women leaving the family firms and exercising their individual agency in other firms and occupations, causing the family firm to lose a major resource.

**Conference Track**

Family and Community Business

**Presentation**

Full Paper

### 46

### Multiple Rationalities in Grocery Retail. The Foundation of WM. Low Ltd. in Scotland 1868-1994

Claire Seaman, Richard Bent

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**Abstract**

**Topic**

This research considers the social dimensions of retailing from the perspective of family-owned retail businesses. Acknowledging that retail exists in a social context and many retail businesses are founded, owned and managed by families, the current paper focusses upon one grocery chain, founded in Scotland and existing between 1868-1994.

**Applicability to Conference Theme**

The theme of ‘space’ and the manner by which space can be created links closely to the topic of this abstract. Networks are a feature of entrepreneurial space and indeed may form part of the entrepreneurial ecosystem. This proposed paper build on previous work that considers the intersection between the business, family and social networks that surround family business to apply similar techniques to a historic case study.

**Aim**

The current research aims to map the networks of a historic family business using the narrative provided within the business history

**Approach**

As part of earlier research within the field of family business, we identified that the family, friendship and business networks that surround early-stage businesses intersect. This is especially apparent in smaller communities where friends may become partners or employees and, for example, the children of acquaintances may commonly become business contacts in adult life. By studying the multiple social networks of family business and the dynamic interactions between them, we established that family, friendship and business networks intersect and created a framework by which the networks of family businesses can be better understood.

The development of a framework for current family businesses, however, can also be applied to the history of an individual family business to deepen understanding of the manner in which social capital has contributed to the history of business formation and development. Drawing on this framework, the current research considers the early years of one grocery chain in Scotland, establishing the network ties that facilitated business development by providing access to a range of capital. The paper suggests that a multi-rational theoretical perspective, rather than mono-rational perspectives that largely consider each type of network in isolation from each other, deepens our understanding of the dynamics of family businesses and allows a more nuanced understanding of business history to be developed. Network maps detailing the documented family, friendship and business networks of the founders will be presented, alongside a multi-rational mapping that illustrates the benefits of the theoretical approach adopted.

**Contribution to Policy**

One of the inherent challenges in current family business research is the focus on the success stories, albeit with some quantitative data that considers failure in a quantitative sense. Whilst success stories are important – and indeed vital to the development of strong networks to support future success within the practitioner community – the narrative histories of individual family businesses offer an alternative source of qualitative data which can be accessed to explore a wide range of topics.

**Contribution to Practice**

The presentation of family business history as a narrative is relatively common practice and forms the basis of the development of the Family Business History Library by the practitioner organisation, Family Business United. Whilst the individual narratives are interesting, however, developing further knowledge from this archive remains a current area of research interest.

**Conference Track**

Family and Community Business

**Presentation**

PowerPoint Presentation

### 161

### Exploring Strategic Behaviours of Family Businesses in Sub-Saharan African Context: Does Family Involvement and the Size of the Firm Matter?

William Murithi1, Natalia Vershinina2

1De Montfort University, Leicester, United Kingdom. 2Audencia Business School, Nantes, France

**Abstract**

**Purpose:** It is well established that institutional and spatial environments influences firm behaviours, their strategic choices and inevitably their performance (Zoogah et al., 2015; Murithi et al., 2019). In this article, we question whether there might be an association between the firm behaviours, the performance of firms and the development of the regional economies that are shaped by localised institutional influences. Family firms, characterised by family ownership, managerial influence and governance, are a common business entity in sub-Saharan African context. Despite their predominance, there is a dearth of academic literature examining how the presence and performance of family businesses might explain the development of regional economies. Furthermore, specific spatial characteristics can indeed explain the family firms’ strategic decision making and behaviours. In this paper, we develop and test a multilevel model exploring in what way family firms’ strategic behaviours and their performance have explanatory power over regional economic development. Therefore, the research questions that frame this study are: How do family firms decision-making strategies influence regional development outcomes? Furthermore, does the size of the firm matter when investigating family firms’ regional impact?’

**Literature Review and Gap**

Entrepreneurship and regional development researchers contend that firm entrepreneurial activities affect national and local economic development (Basco 2015; Stough et al., 2019). However, to date studies have ignored the role of firm behaviours in regional economies, specifically “decisions [that] firms make that shape both the interregional distribution of economic activity and the quality and nature of work within regions” (Markusen, 2003, p. 9). Furthermore, research has not reached consensus on what constitute the firm level strategic behaviours of family and nonfamily firms that contribute to regional development.

It is established that family firms are unique actors capable of altering regional dimensions due to the interactions between family and business logic that inform their business choices. In understanding their entrepreneurial orientation, family firms are not perceived to be competitively aggressive. Instead, some family firms seek to dominate a market niche, thereby avoiding competition and striving to be what has been labelled as ‘hidden champion’ (Zellweger et al, 2010, p. 13). From the perspective of the region, this preference might promote regional cohesiveness and collaborations, especially within regional clusters.  Furthermore, family ownership and firm localisation can have an influence on innovation, technology, firm growth, investment, firm risk attitude, access to finance and other variables (Cucullelli and Storai, 2013). Therefore, due to their embeddedness and participation in the regional space or “relational space” as conceived by Capello (2009), family firms are best positioned to influence economic development or social networks within their geographical relationships.

Some critiques of this perspective, however, argue that family businesses are slowing down the economic progress due to their risk-averse behaviours. For instance, there is evidence to suggest that family firms would rather preserve their socioemotional wealth instead of pursuing financial benefits in order to retain control of the firm (Gomez-Mejia et al., 2007). The strategy to preserve socioemotional wealth limits the family firm’s capacity for growth, which inevitably restricts regional development. Thus, the concentration of family firms within a regional economy would exacerbate such behaviours. Basco (2015) terms this phenomenon as ‘regional familiness’, as it represents the aggregate effects of such behaviours, which he suggests can positively influence regional development.

Finally, the extant literature has shown that family business performance has mixed outcomes. Studies drawing on empirical data from public family firms stated that they outperform nonfamily firms, in areas such as GDP, employment creation and wealth generation (e.g. Anderson and Reed, 2003). However, those studies drawing empirical evidence from privately held family businesses show mixed results with arguments that family involvement negatively influences family business performance as compared with nonfamily firms. Furthermore, little is known as to whether (or not) the size of the business has implications in these findings. Given the preference of family firms to preserve socioemotional wealth instead of pursuing improvements in financial performance, and the huge heterogeneity among family firms, in this article, we aim to examine whether the size of the family firm matters when investigating how family firm strategic behaviours influence regional development.

**Design/Methodology/approach**: The study’s contextual setting is Kenya, a developing economy with a population of approximately 50.95 million. Like other Sub-Saharan African countries, Kenya is home to a significant proportion of family businesses, given the predominance of small firms which are organised around the family (Khavul, et al., 2009). Majority of these firms are formally incorporated and present in the following sectors of the economy: agriculture, manufacturing, trade, tourism, transport and communication, and financial services sectors, which account for over 80% of Kenya’s private contribution to total GDP (Africa Development Bank, 2013, p. 5). For the purpose of this research, we have collected quantitative data from the top-level managers of 307 privately held Kenyan firms, who responded to a structured survey questionnaire between June to September 2017.  To analyse the dataset, we have adopted contemporary structural equation modelling techniques in order to test the multilevel firm-regional impact model using both family firms and non-family firms within the sample.

**Findings**: The findings of this study offer new insights into understanding how family business strategic behaviour affects regional development. Contrary to earlier assumptions in the literature that ‘regional familiness’ positively enhanced family firm contribution to regional development, our findings present a negative impact on regional development in both firms, though this was more pronounced in family firms. Further, the findings confirm that when the level of family involvement and size of the firm are considered, statistically significant differences emerge between family and nonfamily firms’ participation in industrial clusters and firm performance. Larger family firms are less likely to be involved in industrial clusters activities compared to nonfamily firms, which moderates their contribution to regional development. While older firms tend to have a superior firm performance which positively enhances regional development.

**Originality**: This study offers a more nuanced understanding of the effects of the strategic behaviours between family firms and nonfamily firms on regional development, as well as empirically tests the possible antecedents of family involvement in the business. Further, in terms of theoretical development, this study for the first time considers the significance of multiple endogenous factors necessary in order to attain a sustained regional economic and social development impact.

**The implication to  Practice:**This confirmed that strategic behaviours in family firms emerge from different referent points as opposed to NFBs and that this will result in different outcomes for the firms at the regional level. Top level managers Strategic behaviours have an impact on firms’ regional impact, with family firms having a pronounced effect.

**The implication to Policy**: Family firms are heterogeneous in nature and “one size fits all” does not work. Policy makers, business consultants and governments agents can better support the owners and managers of family firms by providing tailored professional capacity building and training.

**Key Words:** strategic behaviour, family business, industrial clusters, regional development

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**Conference Track**

Family and Community Business

**Presentation**

Full Paper

## Gender and Enterprise

#### Gender and Enterprise

#### Time: 14:00 - 15:30

#### Date: 15th November 2019

#### Location: Northumbrian

### 205

### Female Entrepreneurship in Africa: Exploring A New Methodological Frontier of SWT in a P-A Paradigm

Dina Nziku, John Struthers

University of the West of Scotland (UWS), Paisley, United Kingdom

**Abstract**

**Topic:**This paper builds upon the conceptual work of Nziku and Struthers, (2018) which developed an innovative taxonomy for analysing the Strength of Weak Ties (SWT) concept, first developed by Granovetter, (1973) within a Principal-Agent (P-A) paradigm (Jensen and Meckling,1976). Within developing countries, particularly Africa, there is an emerging literature which highlights the unique obstacles faced by women entrepreneurs who start and develop their own businesses; Nziku and Struthers, 2018; De Vita, Mari and Poggesi (2014); Minniti and Naude, (2010); Jamali, (2009); & Naude and Havenga, (2005). The role of social networks in facilitating female entrepreneurial activities Brixiova and Kangoye, (2016); Agholor, Smith, Oyelana and Ibrahim, (2015); & Birley, (1985) has gained attention in the literature as well as creating potential sources of social capital. The gender lens is an important aspect in this exploration of the SWT concept and the P-A paradigm (Williams, Nicola and Patterson, (2018); Rouse, Treanor, and Fleck, 2013; & Marlow, Martinez Dy, 2018) due to its validity in explaining the contribution of entrepreneurial activities of women and network utilisation. This will be highlighted in this study using an empirical assessment and analysis of the designed taxonomy.

**Applicability to ISBE Conference theme:** This topic is pertinent to the ISBE 2019 conference theme and relevant to the Gender and Enterprise Network (GEN) - Special Interest Group (SIG). Exploration of such new methodological aspects links well with the conference theme: ‘SPACE - exploring new frontiers and entrepreneurial places’.

**Aim:**The aim of the paper is to empirically test a taxonomy of SWT towards mitigating potential P-A conflicts. The taxonomy highlights the mechanisms through which African women can overcome some of the obstacles they face when setting up and developing their entrepreneurial ventures Nziku and Struthers, (2018). Using empirical data, the authors will provide an elaboration of the taxonomy in the context of female entrepreneurs across diverse economic sectors in Africa. Key objectives will be: firstly to explore how a P-A paradigm can elucidate the SWT using indicators from the paradigm; secondly to examine the challenges faced by female entrepreneurs in Africa; and thirdly to design a new methodological framework for integrating the SWT concept with the P-A paradigm.

**Methodology and Methods:**The philosophical underpinning for this study is positivistic and derived from a behavioural/experimental economics perspective.Using a deductive approach 6 key P-A indicators developed in the Nziku and Struthers study (2018) namely: attitude towards risk; behaviour-based versus target based contracts; asymmetric information; risk-sharing; transaction costs; verification and monitoring costs are analysed. A case study using an experimental design strategy with a quantitative approach (based on questionnaire), which has antecedents in the behavioural/experimental economics literature, especially the seminal works by Kahnemann and Tversky, (1979) and Smith, (1998) in relation to SWT theory by Granovetter (1973) is adopted.

A key specific issue is to challenge the accepted wisdom based on an ‘expected utility’ approach which has at its core an implicit assumption that: a) agents are risk-averse and; b) female (entrepreneurs) are likely to be more risk averse than male (entrepreneurs) Niederle and Vesterlund (2007). Much of the extant literature has taken this as a sine qua non. To this end, empirical constructs such as the need to replace the assumption of risk aversion with that of loss aversion, which assumes more realistically an asymmetric information approach to the issue of how agents (especially female entrepreneurs) approach the ‘more versus less risk’ scenario in their business decisions. In this context too, the role of ‘prospect theory’ and ‘framing’, again derived from the work of Kahnemann and Tversky, (1979) is central for setting out the questions in the study.

**Contribution:** The main contribution of the paper is to apply this innovative methodology to highlight new insights on the SWT concept for mitigating P-A trade-offs within the context of female entrepreneurs in developing countries, Africa specifically. From such an approach it is expected that new theoretical perspectives might emerge, eg: that female entrepreneurs in such contexts may have different approaches to ‘income smoothing’ trade-offs within their decision making compared with their male counterparts.

Another aspect, which can also be traced to an extant economics literature, is the ‘willingness to pay’ principle. Essentially this principle asks what individual agents (or groups) might be willing to pay to avoid a certain risky outcome, eg: business failure or loss of trust among their networks/groups or ties. Therefore, this paper makes a significant contribution to the literature from an empirical perspective in testing the conceptual taxonomy of the P-A paradigm in the context of SWT  among female entrepreneurs in some African countries. Embedding the SWT concept within a P-A framework enhances a clearer understanding of African women entrepreneurs’ attitudes and their responses towards risk and uncertainty. This will also enable better understanding of the role of networks and the incentives attached to business initiatives operated by women in Africa.

**Policy Implication:** Possible policy implications include: whether respondents would be willing to take out ‘insurance’ to obviate some of the risks that they may face in their day to day businesses. Or, on the question of obtaining access to finance to set up and/or expand their businesses: are females more likely to engage in group borrowing rather than individual borrowing which characterise many developing countries and in which females feature significantly. This aspect, and others, can be expected to influence public policies to encourage female entrepreneurs, which may include public-private partnerships (PPPs).

**Implication for Practice:** This study will have implications for practice in the context of lessons that may be learned and the transferring of good practice to countries and contexts different from the selected countries in the study. Due consideration will have to be made for varied cultures, contexts and history.

**Keywords:**Female entrepreneurship; SWT; P-A paradigm;behavioural/experimental design; Africa.

**Conference Track**

Gender and Enterprise

**Presentation**

Working Paper

### 282

### Challenging gendered structures in entrepreneuring through a collaborative space

Nicola Patterson1, Dinah Bennett 2, Anne MacDonald1, Colin Bell 3

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**Abstract**

**Topic**

The need for a more sophisticated co-ordination between public and educational figures to engage with practitioners (entrepreneurs and business support providers) to develop collaborative communities which drive economic vibrancy (Mitev et al, 2019) has become an ever dominant discourse in the UK.  This is particularly relevant for issues of gender and other categories of social difference in the North East of England where much of the existing data available on entrepreneurship does not segment by gender or other categories of social difference. Consequently, there is a lack of understanding of the entrepreneurship landscape, namely what is happening, to whom and how we might attempt to change this from a structural perspective.

Drawing on Jones et al’s (2018) offering of an academic network to challenge gender knowledge and regimes as a means for transformative potential, this project creates a collaborative space which brings together researchers, policy makers and practitioners to advance issues of gender in entrepreneurship in the North East of England.

What is known from a recent study is that women led businesses comprise 21.3% of the North East business population (Tiwasing, 2018), a figure which has sparsely altered in the last decade. 40.2% of women led businesses in the North East cite obtaining access to finance as the major obstacle to success in their business. This is significantly higher than the national figure of 26.5% and greater still than the figure of men led businesses in the North East of 22% (Tiwasing, 2018). Policy and consequently business support offerings have taken a post feminism/neo-liberal perspective by focusing on what women can do to improve themselves. Unsurprisingly, perpetuating discourses of meritocracy and individualism (Gerodetti and McNaught-Davis, 2017) through such initiatives has done little to revise this figure more positively. We argue that through better co-ordination and collaboration of practitioners, public and educational figures a meaningful place can be created which values feminist knowledge, opening up the possibility for greater intersectional appreciation which is not solely driven by economic measures.

This project creates a space for GENE (Gender and Entrepreneurship North East), a collaborative space which brings together researchers, policy makers and practitioners, to advance issues of gender in entrepreneurship in the North East of England. GENE aims to focus at the meso and ultimately macro level to challenge structural gender knowledge regimes (Jones et al, 2018).

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

The paper therefore responds to the conference theme of space as the GENE project opens up a collaborative space for researchers, policy makers and practitioners to have a voice to advance issues of gender and other categories of social difference in the North East of England. By opening up this space, a meaningful place can be created from which collective activism can be taken to challenge existing structures. GENE itself is a collaborative space as Newcastle University Business School, International Consultants for Entrepreneurship and Enterprise, and the North East Local Enterprise Partnership work together to develop a regionally rooted space and place which collaborates with the national agenda and has a global reach.

**Aim**

The aim of this study is to understand the challenges and opportunities in developing a collaborative space fusing academic, policy and practice to enable gendered structural issues in “entrepreneuring” in the North East of England to be challenged and changed. Consequently, the research question is how can a collaborative space such as GENE support the development of entrepreneurship and small business in the North East of England?

**Methodology**

In order to challenge the discriminatory gender knowledge and hierarchies (Jones et al, 2018) exploring the views of individuals who have the power to define knowledge, shape structures and influence practices. Drawn from the development of the regional stakeholder mapping exercise ten semi structured one-to-one interviews of approximately 60 minutes were conducted with individuals who have regional influence in the entrepreneurial and small business sector in the North East of England. Individuals may be employed/self employed/ volunteer in their specific roles and they will be across sector. All individuals are located in the in the North East of England. Taking a Feminist Standpoint, data will be analysed using narrative analysis to identify and explore participants’ perspectives on the need for a collaborative space such as GENE in the region, what the challenges are and how they see themselves and/or organisation working with GENE.

**Contribution**

This paper makes a contribution to the women entrepreneurship field by highlighting the challenges in creating a collaborative space across academic, policy and practice which focuses on issues of gender at a meso and macro level. In doing so, it further illuminates where the power and privilege lies to understand where new possibilities can be reimagined within entrepreneuring from a scholarly, policy and practice perspective.

**Implications for policy, if applicable**

This study has implications for policy makers in terms of how they conceptualise success, understand their role in perpetuating gendered power and privilege but most importantly appreciate how their role can contribute to transformative effects within the entrepreneurship landscape.

**Implications for practice, if applicable**

This study has implications for practice in relation to business support agencies in understanding how their own practices maintain rather than disrupt the gendered entrepreneurship space. For those involved in entrepreneuring themselves, this provides a means of understanding their lived experiences as well as providing an opportunity to shape the landscape they are part of.

**Conference Track**

Gender and Enterprise

**Presentation**

Working Paper

## Networks, Innovation and Policy

#### Networks, Innovation and Policy

#### Time: 14:00 - 15:30

#### Date: 15th November 2019

#### Location: UTC: 102

### 267

### Looking Beyond Monetary Rewards to Engage Academics in Collaboration with Society

Eva Sormani

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**Abstract**

Higher education institutions (HEIs) have shown substantial effort to create social and economic value for society, by transferring knowledge and solving complex problems (Etzkowitz, 2013). Accordingly, HEIs have been in a facilitating role in innovation ecosystems, bringing benefits to society at large (Carayannis et al., 2017; Galan-Muros & Davey, 2017). Yet, measuring the impact of HEI’s innovation efforts is not straightforward (Spaapen & Van Drooge, 2011; Teixeira & Mota, 2012).

Scholars have proposed various measure to quantify HEI’s innovation practices. Herby, there has been a focus on technology transfer and entrepreneurship related indicators (e.g. patents, licenses, spin-offs)(Fontes, 2005). However, this quantification does not offer a relevant objective measure for the innovations introduced by other fields, like business and economics. Accordingly, these fields have received limited attention for their contribution to the innovation ecosystem (Palsson et al.,2013 ). In order to study scholars’ contribution to innovation, different concepts should be considered (Benneworth and Jongbloed, 2010).

As a response, interaction or collaboration are proposed as an indicator of societal impact (Spaapen & Van Drooge, 2011; De Jong et al., 2014). Nevertheless, capturing such collaboration is also of high complexity and difficulty (Bölling & Eriksson, 2016). Meanwhile, it is essential to get a better understanding of such interactions (Stilgoe, Lock & Wilsdon, 2014). Productive interactions have been described in the forms of  consultancy, contract research, joint research, training and personnel mobility (Olmos-Peñuela, Castro-Martinez, Deste Cukierman, 2014) and more recently as co-creation, reacting to societal change and driving societal change  (Muhonen, Benneworth & Olmos-Penuela 2019). In this study we foster this understanding to collaboration in science-to-society projects, where productive interaction takes place via one or more of the before mentioned channels.

At the moment, the majority of the academics is not involved in these projects  (Davey et al., 2018). Therefore, we propose a subtle ‘nudge’ to get them involved (Sormani et al., 2018). A nudge is “any aspect of the choice architecture that alters people’s behaviour in a predictable way without forbidding any options or significantly changing their economic consequences” (Thaler & Sunstein, 2008). Moreover, the intervention must be inexpensive and offer an opt-out possibility (Sunstein, 2014).

However, evidence is lacking about what strategies are effective to nudge academics with the purpose of increasing the number of productive interaction in sciences-to-society projects.  More empirical required, therefore the objective of this study is to compare nudging strategies.

As nudge is rooted in behavioural science, the importance of experimentation with rigorous controls, is the primary goal of the nudge operations (Sunstein, 2014; Kirk, 2012). Which the aim to uncover what are the antecedents that lead academics to collaborate more in projects of science to society. In this study we aim to compare the effectiveness of several nudges and incentives Both nudges and incentives are subdivided into universities’ mission, data collection, career benefits and financial gains. It is hypothesized that  academics are influenced by the nudges and incentives in the invitations, when taking the decision of participate in the project or not.

Current study proposes an experimental design, with ten conditions including control. More than 1000 academic from more than ten different countries, including: Argentina, Brazil, Chile, China, Cuba, Germany, the Netherlands, Spain, UK and USA are invited to take part in the study. By taking part, the academics will be randomly assigned to one of the ten conditions.

In each condition a stimulus will be shown to the participant. The stimulus is an invitation for a fictitious project in science to society. The intervention of this experiment consists of eight different nudges or incentives within the invitation. Academics are asked to evaluate this invitation considering it in a real world setting. Academics are asked to evaluate the likelihood of accepting the invitation on a 5-point scale. In addition, they are asked to motivate their decision. The data will be analyzed conducting a non-parametric analysis in SPSS. Furthermore, to analyse motivation of the respondents MAXQDA and qualitative analysis software will be used.

Altogether, this approach allows to compare interventions like nudges and incentives suggested in scientific literature in a randomized controlled study. This contributes to the debate in which scholars argue that the great majority of academics cannot be motivated by the intrinsic reward of improving education and making a contribution to society (Lam, A., 2011; Perkman, et. al 2013; Orazbayeva et al., 2019). Moreover it responds to the call for more practice-based evidence to support theory building on engaging academics in the early stages of  societal projects (Plewa et al., 2013). For HEI managers, this study can give valuable insight in shaping the innovation policy of HEIs, as academics are a powerful resource for universities to increase their societal impact (Alexander, Miller & Fielding, 2015).

**Conference Track**

Networks, Innovation and Policy

**Presentation**

Working Paper

### 304

### The Reality of Innovation Collaboration in SMEs

Temitope Akinremi, Stephen Roper

University of Warwick, Coventry, United Kingdom

**Abstract**

With the ever-increasing influence of SMEs in the global economy, the sustainability and continued presence of these class of firms are crucial for economic development and growth (BEIS 2018).  Thus, necessitating the adoption of strategies and practices that improve competitiveness and performance in SMEs even as many advanced countries, UK inclusive are behind in the productivity challenge (OECD 2018).  In the UK, SMEs account for 60% of private sector jobs and contributes up to 47% of economic revenue.  Thus, improving productivity and performance in SMEs via innovation to ensure longevity and continued economic contribution is necessary and important to firms and the larger economy.  Studies have shown that it is increasingly becoming obvious that for firms to transition to technologies and efficient practices that result in increased productivity, a new and open approach, which makes room for collaborations with forward-thinking innovative firms, is adopted (Hewitt-Dundas and Roper 2018).

There is a growing trend for firms to adopt innovation-led collaboration in recent times.  The clamor for this innovation strategy can be ascribed to the numerous benefits that are associated with innovation alliances as studies have shown that firms stand to gain from partnerships with external firms and knowledge institutions (Love and Roper 2015, Nambisan and Sawhney 2011 and Chesbrough 2003).  Partnerships of this sort, which is captured under the Open Innovation (OI) theme, encourages firms to source for innovation outside its boundaries in order to compensate for technology and knowledge gaps within the firm.  Thus, transcending firm boundaries to allow the inflow and outflow of knowledge for internal innovation and market expansion (Chesbrough 2003 and 2006).  Where this development has stimulated further discussions in the research community, many modern day businesses are still struggling to grasp the need and the possibilities that such alliances stand to offer.  Where this is understood, studies have shown that some firms are still hesitant in looking outward to source for knowledge of potential value from the broader environment.  Characteristics such as firm size, sector type, firm type and economic geography factors, influence innovation adoption in firms (Crowley and McCann 2018).  Discussions on OI until recently has focused on large corporations (Hewitt-Dundas and Roper 2017).  However, more studies are beginning to examine OI in SMEs with considerable empirical findings on the benefits that can be accrued by SMEs that engage in OI practice (Hewitt-Dundas and Roper 2017, Van de Vrande et al. 2009 and Wynarczyk and Piperopoulos 2013).  Being small, SMEs tend to be characterized by high flexibility, fast decision making and quick reaction to changing market demands (Brunswicker and Van de Vrande 2014).  In the same vein, SMEs also face challenges because of its smallness.  Studies have shown that SMEs are not advantageously positioned in the innovation quest as they are more constrained by low capability and experience, a small risk portfolio, minimal resources for investment, less formalized R&D procedures, and often times, poorly established management structure (Berends et al., 2014, Hall et al. 2016, Van de Vrande et al. 2009).

This exploratory paper focuses on two SME dominated sectors in the UK, the metal-forming and foundry sectors.  These sectors play an integral role in the UK manufacturing economy with core markets covering the automotive, defense, engineering, construction, and aviation industries.  We examined current innovation practice and the perception of industry executives on innovation collaboration as well as collaboration types in the two sectors.  Drawing upon data from 25 semi-structured interviews, this article sheds light on the innovation trend and the relevance and adoption practice of open innovation in the context of SMEs.  We investigate drivers of collaboration models in the sectors and their barriers.  The research results support the notion of OI in SMEs.  It identifies collaboration across the supply chain as the most important alliance in the case-study sectors.  Our result indicates that innovation is important for productivity improvement, whilst emphasizing the role of customers as a driver for innovation alongside process improvement, competitiveness and risk spreading.  Also, findings indicate that industry executives have a clear understanding of what innovation is and to some extent, adopt innovation collaboration strategies to bring about knowledge sharing,  However, a closed approach still remains a favorable option in the sectors as many of the innovations in the sector stem from internal knowledge and often possible remain in-house to ensure market competitiveness.

Our findings indicate that where OI has been identified as a potential solution to innovation gap, lack of resources often limits the actualization of collaborations that can encourage technologically advanced inventions as often times, SMEs lack the financial collateral to commit substantial capital to an unproven innovation venture.  This suggests the need for policies that provide effective support and funding for firms aiming to embark on innovation collaboration ventures, especially, where the innovation is risky and adventurous.  Notably, our findings show that there is a high level of secrecy in the industry sectors, even as innovations and ideas are guarded with the utmost care.  Thus, firms tend not to know what technology or knowledge is available within the industry sector, making partner selection a difficult task.  It is therefore important that business networks are encouraged and nurtured to cater for knowledge dissemination and exchange.  Such networks can also serve as a platform for building trust and collaboration enhancing relationships.

**Conference Track**

Networks, Innovation and Policy

**Presentation**

Case Study

### 317

### SYSTEMS OF INNOVATION AND CRITICAL REALISM: AN ALTERNATIVE AND HOLISTIC FRAMEWORK TO RESEARCH INNOVATION POLICY IN THE SME SECTOR

Arturo Vega1, Mike Chiasson2

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**Abstract**

TOPIC: The topic or area of concern is referent to research designs, methodologies and execution of studies on the creation, diffusion and use of innovations in entire countries, regions, industrial sectors and other SME aggregations. This requires a comprehensive conceptual base to explain the interconnected components that build innovation at multiple levels of society as well as compatible research approaches to undertake this kind of studies in order to inform policy and practice about effective interventions.

APLICABILITY TO THE CONFERENCE THEME – ‘SPACE – EXPLORING NEW FRONTIERS AND ENTREPRENEURIAL PLACES’: As we will present, innovation is about producing, diffusing and using new knowledge or novel combinations of new or existing knowledge (e.g. Edquist 2005; Soete et al. 2010). In spite that the governance and responsibility for innovation is demarcated by geographical areas, for example an industrial sector in a region, innovation is affected by numerous components of activities, actors, institutions and relations located at different levels of society, for instance country-level aspects and dependencies with specific technologies and other industrial sectors (e.g. Asheim and Gertler 2005; Edquist 2005; Hekkert et al. 2007). For this reason, communities for innovation and their ecosystems must be understood, shaped and interconnected at numerous levels, in many cases globally, with the aim of achieving innovation at local levels.

AIM: The aim of this study is to provide a whole research framework composed of a conceptual base to represent the real complexity of the structures of innovation as well as research approaches to study the form and evolution of these structures as innovation processes. The framework will be instrumental for policy analysis, design and evaluation.

METHODOLOGY: The presentation will be conceptual and aided by an example to show the applicability of the framework. We will start by introducing systems of innovation (SIs) (c.f. Cooke et al. 1997; Freeman 1987; Nelson 1993) as the conceptual base to represent the structure of innovation. Then we will explain SIs as not only objects of study but also units of analysis. The main objectives in the research of SIs is to discover the intricate and multilevel activities, actors, institutions and relations that compose a SI of interest, and its dynamics and change. Then, we will introduce critical realism (CR) (c.f. Collier 1994; Danermark et al. 2002; Sayer 2000) as the philosophy that is ontologically compatible with SIs, which is a compulsory requirement to use CR-based research approaches to study SIs. We then explain and exemplify the use of two CR approaches, namely the staged model (Danermark et al. 2002) to study the composition of innovation structures and the morphogenetic approach to study the evolution of structures (Archer 1995). The specific example is about the diffusion of a type of information system in the SMEs of the English regions.

CONTRIBUTION:This research contributes by proposing a framework composed of SIs (e.g. Cooke et al. 1997; Freeman 1987; Nelson 1993) as a conceptual base, object of study and unit of analysis, which posits innovation processes in society as intricate and multilevel systems of actors, activities and institutions. We also propose CR (e.g. Collier 1994; Danermark et al. 2002; Sayer 2000) as the philosophical stance of SIs and provider of the research approaches to study the structure and evolution of systems. We will actually go a step beyond of a mere conceptual presentation by illustrating with a thought experiment how to jointly use SIs and CR in SME innovation. We believe that this will substantially help our research community to progress from just receiving information about a framework to the effective use of it.

IMPLICATIONS FOR POLICY: This research gives vast opportunities for policymaking and evaluation. A specific system of interest, such as an industrial sector in a region, could not produce a level of innovation outputs as expected, so the framework we propose is precisely the one that should be used to detect ‘system failures’ in terms of missing or inappropriate activities, actors, institutions or relations (Edquist 2002). This will inform policymakers about the initiatives to undertake in order to improve the work of a SI and ultimately innovative performance (ibid).  In addition, as innovation is systemic, evaluation must be systemic (e.g. Arnold 2004; Georghiou 1998; Kuhlmann 1998; Vega and Chiasson 2015). It means to use SIs and CR to assess and explain the joint effect of more than one policy intervention in the system (Vega and Chiasson 2015).

IMPLICATIONS FOR PRACTICE: A healthy SI operates and evolves in an endogenous way by the initiative of incumbent organizations or new players such as entrepreneurs. SIs and CR are useful for practitioners in the same way as for policymakers. Rival parties that lead either radical innovations or the status quo compete for the choices of the population, for example in reference to innovation choices or their role in the system. Doing so, they become active agents striving for legitimacy by forming coalitions and lobbying for favorable structures, including public policies (e.g. Bergek et al. 2008; Hekkert and Negro 2009). Also, when a SI generates undesirable consequences, for example low rates in the creation of innovations, and there are no reactions by the affected actors, other participants such as policymakers and industry associations could take the initiative and intervene to improve the work of the system (Gustafsson and Autio 2011).

**Conference Track**

Business Support, Strategies and Practice

**Presentation**

PowerPoint Presentation

## Technology Entrepreneurship

#### Technology Entrepreneurship

#### Time: 14:00 - 15:30

#### Date: 15th November 2019

#### Location: Locomotion 3

### 36

### Beyond Pizza and Beer on the Tech Frontier: Intersectional Agile Action Evaluation of a London Tech Start-up Diversity Initiative

Angela Martinez Dy1, Christopher J Carter2

1Loughborough University London, London, United Kingdom. 2University of Nottingham, Nottingham, United Kingdom

**Abstract**

**Topic**

While the economic and social benefits of technology entrepreneurship are well-known, these benefits may not be equitable across society, and concerted initiatives within and beyond the industry to address such inequality are now beginning to emerge. This paper explores a realist action research methodological approach to the evaluation of a two-year programme intended to diversify the London technology start-up sector. The programme, developed by a venture capital support organisation and funded by an international bank, offers a number of support mechanisms in response to clear inequalities in the sector (British Business Bank, 2019). This initiative leverages the central organisation’s role as an industry connector to convene a consortium of partners whose combined remit is to increase diversity and inclusion awareness across key players, such as venture capital companies and tech accelerators, and to deliver a portfolio of support mechanisms. These include: a mentoring scheme, three months of office space for female participants, talks and workshops, and if their businesses quality, free places on pre-accelerator and investment readiness programmes. The research component focuses specifically on the programme’s impact on the direct beneficiaries, i.e. the recipients of the support mechanisms, and the paper focuses on the process and initial outcomes of this research.

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

The technology business support programme on offer has clear spatial as well as social justice dimensions: it seeks to extend access to the tech industry to individual entrepreneurs or entrepreneurial teams from underrepresented groups who are based locally around the ‘Silicon Roundabout’ in East London near Old Street and Moorgate. This is an area of rapid redevelopment and gentrification due to the technology entrepreneurship for which it serves as a hub. In an effort to include underrepresented founders in the economic benefit stimulated by this activity, programme beneficiaries must fit certain specific criteria, in that they either live, work or study in one of three East London boroughs. They must further satisfy two of six categories of marginality, including: female, Black and Minority Ethnicity (BAME) background, under 30, migrant, did not attend a Russell Group university, and/or are a first-time founder without access to social capital. The programme constitutes a complex multifaceted intervention with various beneficiaries whose tech start-up businesses are at different stages, and who themselves are demographically diverse in their social positionality, life courses, and attendant access to valuable entrepreneurial resources (Anderson and Miller, 2003; Jayawarna et al., 2014; Martinez Dy et al., 2017). For them, the tech industry may constitute a ‘new frontier’ in that it is a potentially inhospitable or hostile environment; for the providers of the programme, the notion of the frontier applies in that the provision of support to underrepresented founders may be initiating a new era of encounter with diverse individuals with heterogenous support needs of which they were not previously aware.

**Aim**

The aim of the paper is to theoretically and methodologically frame and critically analyse the programme of action research designed to evaluate the impact of the initiative’s various activities on beneficiaries, and present preliminary findings. As the programme is ongoing until June 2020, the full conference paper will include findings from the first three cohorts of beneficiaries. It will explore the opportunities, challenges and solutions devised in response to the research circumstances encountered, through examining and reflexively critiquing the action research phases (Beckinsale and Ram, 2006). These include scoping exercises with the key stakeholders and mapping project activities, collecting benchmark data, designing a flexible and responsive questionnaire and qualitative data collection strategy, preparing for analysis, and analysing preliminary findings. We offer initial implications for theory, policy and practice and draw initial conclusions.

**Methodology**

The research project itself follows a realist programme evaluation methodology, which assumes a realist ontology and interpretivist epistemology (Elder-Vass, 2012) and adopts a context-mechanism-outcome analytical configuration in order to understand what works for whom in what circumstances (Pawson and Tilley, 1997). To do so, it seeks to causally explain how the programme was effective for some participants and what counter-mechanisms may have prevented it from working for others. It is an action research project (Cassell and Johnson, 2006), in that the researchers are acting as ‘critical friends’ to the organisation, and included in planning and iterative evaluation processes. As the intervention programme itself is developed by technology industry professionals and start-up founders, it is run on an agile methodology (Livermore, 2008; Singh, 2008) that includes iterative improvements and ongoing evaluation, which adds an additional dimension of complexity to the research.

It is a mixed methods longitudinal study combining a structured four-part questionnaire administered to all programme participants, semi-structured interviews of select participants, and focus groups. Delivery team and mentor interviews and focus groups were also conducted. Interview participants were purposively selected to represent a variety of demographic groups and start-up stages across the various cohorts, while focus groups were made up of volunteers. NVivo data management software was used for qualitative data, and SPSS software for quantitative data analysis. All data collection followed Loughborough University Ethical guidelines and industry best practice, including the obtaining of approval from Loughborough University Ethics committee, the development and distribution of participant info sheets and informed consent forms, and anonymity assurances and confidentiality guidance for mentor focus groups given.

**Contribution**

Theoretically, the paper offers insight into the methodological application of mixed method realist evaluation, and how it differs from an empiricist and post-structuralist approaches, including the design of questionnaire items intending to capture underlying mechanisms that enable programme effectiveness and alternative interviewing techniques meant to validate, contest or amend theory of change (Pawson and Tilley, 1997). Empirically, the results of the research are expected to broaden the original perceptions of the organisation about how the programme functioned and what it was able to achieve, particularly considering the needs and business stages of the underrepresented beneficiaries. The paper also builds on previous work (Martinez Dy et al., 2017, 2018) to offer a rigorous theoretical and empirical foundation for future research in the area of technology entrepreneurship by diverse actors.

**Implications for policy**

The paper offers a number of implications for policy, including challenging taken-for-granted assumptions regarding diversity and inclusion in tech, identifying ways to improve support mechanisms for underrepresented technology entrepreneurs, developing improved standards for programme evaluation and highlighting in greater detail how mechanisms of exclusion function in the tech start-up world.

**Implications for practice**

The paper also offers a number of implications for practice, including developing in greater detail and nuance the conceptualisation of ‘underrepresentation’ in technology entrepreneurship, exploring the heterogenous and potentially non-typical needs of such a diverse population, and emphasising the importance of going beyond mainstream community building (i.e. pizza and beer) to support provision for this population. For research practitioners, the paper offers implications for applying and improving realist programme evaluation techniques. Limitations include the temporal scope of the research, such that the longer-term impacts of the programme may fall after the research project itself has concluded, and the lack of wider generalisability due to the unique programme structure. Nonetheless, the identification of key mechanisms of programme effectiveness constitutes a significant contribution for practitioners, as these may then be used to underpin the design and delivery of future interventions.

**Conference Track**

Technology Entrepreneurship

**Presentation**

Full Paper

### 98

### Does Employee Engagement and Internet-based Technology cause Customer Satisfaction? Connecting the Dots!

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**Abstract**

**Topic: Does Employee Engagement and Internet-based Technology** **cause Customer Satisfaction? Connecting the Dots!**

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’**

This study explores the possibility of using Internet-based technology (I-BT) to manage the relationship between employees and customers, a new frontier that has received minimal attention from scholars/academics, particularly in the context of the Nigerian economy. It is hoped that entrepreneurs and business managers will find the results of this study handy in further enhancing their employee-customer relationship and business in general.

**Aim**

This study seeks to explore the impact of employee engagement on customer satisfaction in the Nigerian commercial banking context. Specifically, it explores the relationship between employee customer-focused engagement behaviour (CFBEH) and customer satisfaction (CS) and introduces I-BT into this relationship as a mediator.

**Methodology**

Data was collected from two branches of selected bank in Nigeria, and a total of 624 useable questionnaires were analysed using Structural Equation Modelling (SEM). The results confirm that internet-based technology mediates the relationship between employee engagement and customer satisfaction in the Nigerian banking context. The study concludes that the adoption of I-BT will further strengthen the relationship between employee engagement and customer satisfaction forming the premise of this study’s theoretical foundation.

**Contribution**

Implications for policy

The majority of businesses across the globe consider their customers to be stakeholders, and hope for quality advice about products or services from their reviews (Labrecque, Vor Dem Esche, Mathwick, Novak, & Hofacker, 2013). Additionally, a review is perceived to be the most honest source of information, as customers are not afraid to utilise their power in the digital age.

This study has shown that consumers are concerned about what their banks are doing, and more, importantly, what they are not doing to enable more of CFBEH which will consequently enhance CS. It has also shown the causal impact of I-BT in the chain of relationship between CFBEH and CS in the midst of the high level of dissatisfaction experienced by bank consumers in Nigeria. While it has been shown that encouraging CFBEH will lead to CS, it has also been found that when I-BT is added to CFBEH, it will improve significantly the impact of CFBEH on CS.

With this result, the present author has formed the following critical conclusions. Banks would be wise to listen to their customers and explore what an I-BT presence means for their employee engagement and business in general. It is about engagement and surviving the competition. It is also about embracing a new, more agile way of doing business. Thus, the I-BT approach does not have to be disruptive to company culture; it can be implemented and made to be fun or exciting as this current trend/channel evolves.

Furthermore, the findings do not suggest that consumers are incorrigible complainers, but rather that they need their satisfaction improving with the adoption of modern interventions or strategies. Consumers’ preference for more CFBEH behaviour and the introduction of I-BT to help in this regard shows that consumers have recognised that things have changed and that banks need to adapt to new strategies or tactics that take advantage of new tools (e.g., I-BT). It also demonstrates consumers’ concern for the quality of service experience they receive, which sets challenges for banking service providers in Benin city, including the need to adjust their strategies to the needs of their consumers (satisfaction). The negative impact on the banking business of disesteeming this challenge may undermine the viability of it in the long run (Agnihotri et al., 2016).

In the case of Benin city, for example, banks should adopt the use of I-BT in their CFBEH plan, rather than trust employees to do the right thing. This strategy will allow them to get first-hand feedback of how customers fared with the service received, which will be useful for future CFBEH plans. Moreover, this will help to improve their workforce CFBEH as employees become aware that, for every service delivered, consumers are likely to give online feedback which will count towards their annual appraisal.

Additionally, understanding the determinants of customers’ attitudes toward banking and banking services assists the banking sector in the design and implementation of specific banking service plans that will be supported by the majority of stakeholders (e.g. customers). The finding that customers who were concerned with the state of banking in Nigeria demonstrated positive attitude towards CFBEH components indicates that Benin City consumers do want to experience the comfort of modern banking where consumers ’king’ - as often observed in other climes such as the UK, the USA, and Canada (Cf. Joseph, 2005; Kim and Aggarwal, 2016).

This new CFBEH plan (above), when implemented, can potentially also influence a balance of relationship between CFBEH and CS in the banking sector. Drawing upon Kahn’s (1990) theory and the J-DR model, employees who gain more job resources (e.g. I-BT) from their organisation can become highly energised to display more CFBEH in their task performance. Additionally, as the EDT and affect theories suggest, customers perceive that they are satisfied when they feel that their expectations have been met, which can increase their affection for the service. A lack of strategy leads to an unbalanced and unstable relationship between CFBEH and CS.

Maintaining a good relationship with consumers is considered crucial, given that attempts to gain a competitive edge largely depend on consumers’ beliefs in their banks’ ability to improve their quality of service experience (Shanka, 2012; Mandal and Bhattacharya, 2013; Kaura, Prasad and Sharma, 2016). This holds true particularly in the case of banking models where consumers are part and parcel of the profitability that banks enjoy. By utilising strategies that aim to improve CFBEH, banks’ efforts in this regard may meet with increased acceptance and support from consumers who are frustrated with the decay in service performance.

Theoretical implications

This study responds to the call of Andzulis, Panagopoulos and Rapp (2012) and Agnihotri et al. (2016) to examine how social media technology interacts with employee and customer relationships. It does so by examining the causal impact of I-BT (which comprises social media, company websites and mobile apps) in the chain of the relationship between bank customers and employees, which in turn support the use of I-BT as a critical resource in this chain of relationship. Overall, this research contributes to understanding the crucial role I-BT plays in the CFBEH development that enhances CS. Resources such as I-BT have been shown in this study to enhance the efficiency of employees’ task engagement. According to this study’s findings, the more I-BT resources are available, the more employees’ task performance will be enhanced and, consequently, CS will be improved.

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**Conference Track**

Technology Entrepreneurship

**Presentation**

Full Paper

### 156

### Making Sense of Consumer Interaction between SMEs and Social Media from a Uses and Gratification Theory (UGT) Perspective

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**Abstract**

**Topic:**Making Sense of Consumer Interaction between SMEs and Social Media from a Uses and Gratification Theory (UGT) Perspective

**Applicability to the conference theme – ‘SPACE – exploring new frontiers and entrepreneurial places’:**Social media is stretching business to literally endless frontiers. This paper fits perfectly to the theme of the conference by investigating the consumer interaction between small and medium-sized enterprises (SMEs) and social media. It is believed that the paper makes important and relevant contribution to this contemporary area of interest.

**Background:**Social media has become a global phenomenon that triggers rapidly increasing numbers of researchers exploring the interplay between social media and SMEs.  A significant number of researchers focus their studies on adoption of social media sales and marketing; business-to-business (B2B) management; brand management; innovation and performance impact.  However, there is a lack of studies on consumer interaction between social media and the SME retailer in the United Kingdom (UK), especially from a retailer perspective, which could be due to researcher access difficulty. This paper is aimed at shedding some light on this important yet under researched area.

**Aim:**This investigation will add to and complement retail practitioners’, as well as scholars’, growing understanding of social media activity in a retail context. The researcher will contextualise and evaluate the influence of social media (Twitter and Facebook) message context from the lens of a well-established SME retailer in the UK (the case organisation).

**Objectives:**

1.To investigate the views of manager stakeholders on the purpose of social media messages posted by the retail case organisation in terms of gratifying the consumers’ social, entertainment or information need;

2.To develop a deeper understanding of how social media fits into this retailer’s traditional marketing strategy;

3.To develop a deeper understanding of this retailer’s perception of return on investment in social media activity; and

4.To evaluate the impact, if any, of social media communications on this retailer’s internal communication and internal relationships.

**Conceptual and Theoretical Framework:**Uses and Gratification Theory (UGT) is adopted as an appropriate theoretical position to support this study. It is argued that UGT facilitated a suitable base of a priori themes to understand how the retailer uses the medium and establish the influence of different message content on consumer interaction.

This application of UGT is original in using this seminal theory in a real-world retail setting, to understand how consumers select media content to meet their individual needs.  This helps to demonstrate that the consumers’ need for social, entertainment or information gratification can motivate them to engage and interact on social media channels, such as Twitter and Facebook, whilst the retailer may passively note and respond to what other social media users are posting and sharing on these channels.

By designing the study to capture data from multiple sources, the researcher investigated how the case organisation used these social media platforms to engage with their target consumer audience, and how this technology-based communication was embedded, or not, within a traditional marketing communication strategy.

**Methodology:**The conceptual model that developed was used to hand-code this retailer’s messages into Uses and Gratification (U&G) needs categories; social, entertainment and information, to understand the impact that the context of messages posted have on consumer interaction.  By utilising personal contact, a single case organisation; a well-established UK wide specialist SME retailer (both shops and online), was selected.  Unconditional access to the firm was granted thereby presenting a unique opportunity to study the phenomenon of social media in-depth at this data rich case organisation.

Whilst a qualitative-inductive approach allowed themes to emerge from the data collected, an interpretivist epistemology supports the premise that the study is about human interactions, rather than the tangible technology of the social media platform used. Furthermore, by adopting a subjectivist perspective, the researcher interacted with individuals within the case organisation in semi-structured interviews, across different occupations and hierarchical levels, to directly understand their attitudes and interpretations of social media platform, e.g. Twitter and Facebook, postings by the case organisation. Additionally, the theoretical perspective of UGT helped the researcher focus on understanding how users interact on Twitter and Facebook by providing a base of a priori themes. Thus, an online ethnographic study of each site revealed the nature of postings originated by the case organisation, and patterns of user behaviour, by classifying instances of U&G: social, entertainment and information needs, gratified by a post.

**Findings:** The contemporary impact of communication technology on the retailers’ relationship with the consumer has been dramatic, not least with the advent of social media channels enhancing the consumer’s voice in the seller-buyer relationship. By using UGT to examine and understand the underlying context of the message posted, the study found that consumers’ response to certain content becomes more visible for the retailer to exploit, by delivering social media message content that encourages positive consumer interaction. Additionally, the research findings indicate that a store-based social media account can be more successful in generating social interaction with a local consumer community.

The research found that measuring return on investment (ROI) in social media is undetermined; although the research participants had a general level of awareness of the impact of social media activity, and more specifically the importance of measuring user interaction, like many businesses, they struggled to determine a tangible financial ROI measurement of social media initiatives. Whilst all research participants agreed that social media is an important consumer communication and brand building tool that can result in improved financial performance, there was a mixed understanding of the metrics used by the case organisation to measure the consumer engagement impact of these channels.

**Contribution, Value and Impacts to Researchers and Practitioners:**This study provides a solid methodological foundation and theoretical strategy in applying UGT in a contemporary retail setting, to identify how SME retailers are responding to the emergence of social media in the seller-buyer relationship. Moreover, this in-depth study of Twitter and Facebook activity at the case organisation contributes to theory and practice by providing new insights and understanding on the influence of message context on consumer interaction from the lens of a specialist SME retailer.

Whilst this research revealed a range of responses and results in terms of how social media was used by the case organisation, a consensus emerged that engaging with the consumer on both Twitter and Facebook is influential in the case organisation achieving a wider consumer reach. Further, by serving a specialist product sector, it appears that the consumer is more likely to positively interact with this well-established SME retailer, and its related brand communities, on social media, in part because the target consumer audience is familiar with the retail brand. By replicating the researcher’s approach, to investigate how social media message context is influencing retailer-consumer interaction, across multiple retail cases, generalisation of the research findings is possible. This will develop the retail practitioner and scholars’ analysis and understanding of the impact that the context of a social media message has on consumer interaction.

Furthermore, the research findings suggest that by developing a transparent corporate social media strategy, that includes clear policy and operating procedures, those actors on the periphery of social media activity will benefit from the resultant clarity of understanding. Also, the call for training in managing social media activity for business by these actors can be addressed and delivered within the framework of a robust social media strategy.

**Conference Track**

Technology Entrepreneurship

**Presentation**

Full Paper

## Creative Industries Entrepreneurship

#### Creative Industries Entrepreneurship

#### Time: 14:00 - 15:30

#### Date: 15th November 2019

#### Location: Locomotion 2

### 230

### Unpacking Narratives of Entrepreneurship for Creative Workers

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**Abstract**

The UK’s creative industries are the subject of increasing attention from policymakers and economic development bodies charged with promoting growth and prosperity at national, regional, and city levels. This is nothing new of course; it is a trend that has been in play for more than two decades. More recently, at a time of prolonged economic austerity and continued decline in public funding for the Arts and Culture, the creative industries – identified as one of the key sectors highlighted in the UK government’s 2017 Industrial Strategy – are looked to for their capacity to spur innovation, generate employment, boost productivity, while remaining relatively immune from the threat of the Fourth Industrial Revolution. They ‘contribute nearly £90 billion to the economy and employ more than two million people’ (Business Secretary, Greg Clark, 2017, cited in HM Government, 2017b), represent ‘5.3% of the UK economy and between 2010 and 2015 grew by 34% – faster than any other sector’ (Bazalgette, 2017: 11), and are ‘the third most valuable creative sector behind the US and China.’ (Ed Vaizey, ex-Minister for Culture, Communications and Creative Industries, 2019, cited in Adamson et al., 2019: 3), – in short, the creative industries are an ‘economic powerhouse’ (Karen Bradley, Culture Secretary, 2017, cited in HM Government, 2017b). At the same time, we know that the ‘creative industries’ is a highly contested term, one which for some has ‘no specific cultural content at all’ (Galloway and Dunlop, 2007: 29) and for others is little more than an unhelpful political ‘slogan’ (Garnham, 2005).

We find versions of a creative industries narrative framing publicly-funded projects such as the recently-completed Creative Fuse North East (CFNE) which presented ‘the opportunity to explore possibilities, connect creativity, and propel the North East CDIT sector into a period of sustainable growth’ (Vaizey, 2017, cited in Butt et al., 2017: 3)’ and involved a collaboration between five regional universities in the North East of England. Arguably, such projects bring long overdue attention to a region of the UK that continues to feel overshadowed by London and the South East, especially in the context of its’ creative economy.

What such projects also bring with them is the opportunity to better understand the implications of a creative industries narrative for those who constitute creative sectors that are characterised by immense diversity, both in terms of function – from film-making to game development to heritage to crafts – and form – from transnational conglomerates to freelancers – and therefore where the applicability of such a narrative is bound to be uneven. CFNE has sought not only to generate knowledge about the sector’s geography and economic performance, but actively to engage with the sector through innovation pilots and a range of business support activities that brought creative economy workers together with academics from multiple disciplines. In this regard, CFNE represents a bold and novel undertaking, bringing both communities into unfamiliar spaces of activity. While the motivation for CFNE incorporated a now-familiar economic development agenda, it should be noted that it did acknowledge a plurality of outcomes associated with a region’s creative economy: ‘Investing in culture and the creative sector as a driver of social development can also lead to results that contribute to the overall wellbeing of communities, individual self-esteem and quality of life, dialogue and cohesion’ (Adamson et al., 2019: 5).

When the creative industries remains a comparatively under-researched part of the economy for management and organisation scholars (Chaston and Sadler-Smith, 2012), and in particular when the impact of business support programmes on creative enterprises is under-investigated (Magee, 2016), this paper seeks to add some much-needed qualitative texture to our understanding of how significant interventions like CFNE are interpreted by the creative economy workers who, within the animating policy narrative, are re-framed as innovators and entrepreneurs.

As such, the paper will make both an empirical and conceptual contribution at the intersection of those debates concerned with: the growth and performance of the creative industries (Adamson et al., 2019; Garcia et al., 2018; NESTA, 2017; Sapsed et al., 2013, 2015); business support and developmental activities in the creative economy (Jayne, 2005; Magee, 2016; NESTA, 2017); creative work and entrepreneurship (Banks and Hesmondhalgh, 2009; 2018; Couslon, 2012; Eikhof and Haunschild, 2006; Lingo and Tepper, 2013; McRobbie, 2016; Menger, 1999; Rae, 2004); and the shifting cultural policy landscape (Foord, 2008; Galloway and Dunlop 2007; Garnham, 2005; Oakley, 2004). We aim for the findings to be of value to policymakers as well as scholars.

Underpinning data are derived from a set of open-ended interviews with creative workers who participated in business development activities (under the wider CFNE project) facilitated by a small team of business school academics and creative sector consultants in a university business school setting. The workshops involved freelancers and small enterprises from various creative sub-sectors, postgraduate students pursuing entrepreneurship programmes, and managers from a range of sectors (within and beyond the creative industries). The workshop activities were designed to strengthen leadership, management, and general business skills among creative workers, in a bid to develop opportunities for growth in the regional creative economy. Importantly, the research participants included creative workers from sub-sectors that tend not to feature in proclamations about the success of the creative industries, where film, TV, video games, and software development tend to dominate.

There is much research on the purported impact of business support activity on the self-employed and SMEs in general, but far less about how they intersect with creative economy workers specifically. The report disseminating findings from the forerunner to CFNE, Brighton Fuse, recommended that ‘the implications of policies for the self- employed should be increasingly considered…[including] health and welfare, social security, business support and innovation and entrepreneurship policy instruments’ (Sapsed et al., 2015: 63). More concretely, our study builds on the learning from other recent examples of experimental interventions such as the Digital Arts and Culture Accelerator (DACA) programme sponsored by NESTA and Arts Council England. The DACA was designed on the basis of a ‘mainstream accelerator process’, providing participants with the ‘opportunity to explore and test commercial business models and language and to push the boundaries of organisational practice’ (NESTA, 2017: 6). NESTA reported that none of the participants achieved new commercial investment. All participants questioned ‘whether the model worked for their specific needs;...for some it was at times contrary to the mission and values of the organisation, with growth outcomes overpowering discussions on social outcomes, resilience and a more nuanced approach to diversifying revenue’ (NESTA, 2017: 7). While the process enabled participants to find more of a balance in how they plan for an uncertain future, ‘it did not set out a clear growth proposition to investors – largely because none of the organisations could pivot to the point where it was just about growth’ (NESTA, 2017: 8).

More than a decade ago, Jayne (2005) characterised the creative industries developmental agenda at a regional level as ‘at best patchy’. At the time, Jayne critiqued creative industries thinking for failing to ‘elaborate fully how the creative industries operate, what workers do and think about during the creation of goods and services, [and] what the social relations of production and the economic position of workers are’ (2005: 554). Arguably, much of this criticism stands today. Our study will provide insight into how contemporary efforts are leaning on universities to play a much greater role in this space. A more nuanced understanding of what kinds of support the diverse strains of our creative industries require is of growing importance at a time when the proportion of public funding arts and cultural organisations will receive is only decreasing (NESTA, 2017).

Our study confronts question such as: To what extent do developmental programmes like CFNE differentiate between the support needs of those who make up the heterogenous creative economy? How do they accommodate and articulate the range of attitudes towards concepts such as entrepreneurship and innovation, when we know from Coulson’s (2012) study of musicians in the North East of England that they may display entrepreneurial skills but eschew dominant notions of entrepreneurship? How do they account for the precarity that characterises certain areas of freelance creative practice while recognising that other creative workers, such as the CDIT freelancers studied in the Brighton Fuse project were found to be ‘highly entrepreneurial individuals’ who are ‘able to achieve good results in terms of earnings and growth rates, in differentiating their revenues, [and] in innovating and actively promoting themselves’ (Sapsed et al., 2015: 37)? Our research setting, which sees creative workers brought into direct contact with the tools and language of entrepreneurship and innovation, presents an ideal opportunity to tackle these questions.

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**Conference Track**

Creative Industries Entrepreneurship

**Presentation**

Full Paper

### 201

### What are the key lessons learnt among the researchers in the creative industries entrepreneurship?

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**Abstract**

**Topic**

The creative industries play a key role for the economy as an engine for growth (DCMS, 2001; 2016; 2017; Leadbeater and Oakley, 1999), innovation (Giles and O’Dwyer, 2016), aesthetic values for customers (Peltoniemi, 2014), symbolic meaning (Jones et al., 2016). entrepreneurship (Carey, 2015; Henry 2007; Penaluna and Penaluna, 2008), and organizational studies scholars (Nathan, Pratt, & Rincon-Azner, 2015; Jones, Svejenova, Strandgaard Pedersen and Townley, 2016) all of which have stimulated interest in studying the field.

There are two significant factors that make the creative industries highly valuable: innovation and human talent. Innovation is generated by a supply of novelty from different types of creators (Storr, 1985) and their ‘effort to break open an avant-garde frontier’ (Caves, 2000, p. 204); driven by demand from consumers for new experiences (Lampel et al., 2000) and creative expression (Martindale, 1990). As Caves (2000, p. 202) denoted ‘those creative efforts that strike the market as unusually distinctive, satisfying, and/or productive in opening new ground’ (Caves, 2000, p. 202) highlighting the various types of innovation that can be generated by the creative industries.

The human element is the second distinctive element of these industries. Human creation into the process as the essential key source of creativity. Individuals create novelty and novel meaning (Zanoni et al, 2017) or produce organizational creativity in a collective engagement (Woodman et al, 1993) and via interactions (Harrington, 1990).  Consequently, it is possible to identify different types of actors: consumers, producers, and agents.

Although entrepreneurship research (Carey, 2015; Henry, 2007; Penaluna and Penaluna, 2008), organizational research (Nathan et al., 2015; Jones et al, 2016) and policies makers (DCMS, 2001; 2016;2017) have demonstrated an increasing interest in analyzing the contribution of creative industries to the economy limited research has been conducted into investigating: the use of innovative research methodologies used by researchers studying this field; their research identities in producing academic endeavor related to the field of creative industries entrepreneurship and the key lesson learnt from publishing in the entrepreneurship and creative industries fields (Carey, and Romano, 2017).

In a fast changing HE landscape, research is linked to various academic co-dependent relationships: institutions, groups, metrics and managerial practices that might encourage or de-motivate researchers to pursue their research identities. For instance, Clark et al. (2012) highlighted the change of academic identities due to transformation of managerialist practices of audit, league tables, and other metrics to measure academic performance. In addition, space can play a key role into the relationships. As Beyes and Steyaert (2012: 54) suggested that organizational space can experiment ‘with the aesthetics and embodiment of research itself’.

**Aim**

This paper investigates the stories of researchers in the field of creative industries entrepreneurship to map researcher identities, research methodologies and how these map to evaluating their academic performance in uncertain times. Stories narrate organizational symbols by verbal expression or written language (Marti et al, 1983; Trice and Beyer, 1993). Generally, they have three basic elements: ‘a narrative subject in search of an object, a destinator (an extratextual force, the source of the subjects’ ideology), and a set of forces that either help or hinder the subject in acquiring the desired object’ (Fiol, 1989: 279). Following this pattern, the paper is structured as follow. We start by reviewing relevant literature in the field of identity and creative industries research and then discuss the plan for the research methodology and the findings. This is followed by examining the implications of this to this specific research field and entrepreneurship research more widely.

Creative Industries Researchers and their Academic Identity

Individuals can experience ‘themselves as initiators of their own behavior’ (Deci & Ryan, 1987: 1025). For example, a wish to be a successful academic or a desire to achieve academic recognition in the academic world. However, a person can change behavior according to the organization space and the changed circumstances. Corlett et al. (2017) in ‘Exploring the Registers of Identity Research’ present a review of identity scholarship and explore the relationship among various levels of identity: individual, group, professional, organisational and societal and review. They have developed a holistic framework to interpret the identity enabling new scholars to create a dialogue with existing identity research scholars. It also helps experienced identity researchers to expand their research outlook.

Suddaby (2010) explains that a clarity about constructs of identity provides ‘richer and deeper understanding in the field’ (p. 274) whilst Knights and Clarke (2017: 341) argue that ‘identities only exist when they are interacting such that the relationship between conceptions of a seemingly discrete ‘self’ and wider ‘society’ is rather an unrelenting, inter and intra-dependent, constituting phenomenon (Barad, 2007). Institutional theoretical approaches have provided scholarly improvement in displaying actions of individuals to generate, keep and disrupt institutional domains (Lawrence & Suddaby, 2006: Zilber, 2009); identity research has highlighted the need for comprehending the self in relation to interactions within the social world (Howard-Grenvill et al, 2013; Petriglieri et al, 2018; Pratt et al., 2006). Furthermore, the institutional logic perspective has approached the connection between individual and institutional actors as a tool by which actors can operate agentically (Thornton et al., 2012). Finally, Lok et al, (2017) propose an approach that shifts beyond an individual focus to assess institutional micro-foundations ‘as intersubjective, as residing in transpersonal exchanges that are double embedded in systems of relationships and in institutionalized systems of meaning (p. 46).

This research project analyses how researchers in the field of creative industries entrepreneurship have

1. designed their academic identity,
2. changed, adapted or kept their research methodology in producing and disseminating knowledge via academic publications and
3. what they have learnt through the process

Location, Creative Industries Researchers and the ISBE space

The UK’s creative economy plays a key role into the economy (Bakhshi, Hargreaves and Mateos-Garcia, 2013). work within the creative economy has shifted from business sectors listed in the original document provided by DCMS (1998) to a technology landscape as the sector has embraced digitization of production and distribution. Creative industries have online presence that enable them to interact with different stakeholders at high speed. Siepel (2019) states that location plays a key factor for the creative industries; they are characterized by high levels of clustering that enable innovation (see the games in Dundee, the film and television in Cardiff, Bristol and Salford, and the Turner Contemporary in Margate). City economy, trade and culture have benefitted from cultural endowments (Chan and Lean, 2018); many cities have capitalized their creative and cultural values to produce competitive advantages (AuthentiCity, 2008) and to promote local economic development (Mommaas, 2004). Leadership, culture, capital markets, and customers are various elements that combined together generate an ‘entrepreneurial ecosystem’ (Isenberg, 2010, pg. 3) that can interact among each other contributing to a co-creation of values (Brown and Filis, 2018) for the place, the economy and the society. Isenberg (2010) also states that it is crucial for a government “to tailor the suit to fit its own local entrepreneurship dimensions, style, and climate”. There is not one rule that fits everything.

Research Methodology, Context and Sample

This study investigates the academic identity of researchers in the field of creative industries, their research methodologies and key lesson learnt via the publication process. It identifies how researchers employ their sense of self to create ‘meaning of their experience’ (Bennett and Hennekam, 2018: 1454). We want to ask respondents to tell us the story of their academic identity, research methodologies through their academic publication journeys based on the work of Ibarra (2003), Ibarra and Barbulescu (2010) and Bennett and Hennekam (2018). By using a story-telling approach we will be able to create meaning of various and contradictory experiences (Hoyer and Steyart, 2015).

The study will be conducted in the United Kingdom and it will be organized into three stages:

1. A survey questionnaire will be sent to all the members of the Special Interest Group of the Creative Industries Entrepreneurship Researchers at the Institute of Small Business and Entrepreneurship. Once ethical approvals will be received from the respective universities, creative industries entrepreneurship researchers in the UK will be invited to respond to a survey (Bennett et al, 2014) that will be distributed electronically. Three survey questions will be significant to this research project:
   1. Thinking back in time, what are the most formative events in your publishing career? (adapted from Bennett et al, 2018)
   2. How has your research identity has evolved (Corlett, McInnes, Coupland, and Sheep, 2017) to get published?
   3. Why have you engaged the publication process? (adapted from Unsworth, 2001)
2. The second stage of the project is to collect data from a focus group of participants who will attend a research developmental workshop in writing for publication organized in June in the U.K. 2019.
3. The final stage of the project is to conduct skype and face to face interviews to investigate in more details the stories of the researchers and their narratives related to their research identities

Plan of the Findings

The three stages will provide sufficient data to use for publications. Initially, the first paper will highlight the academic journeys of researchers in the field of creative industries entrepreneurship to map their research identities and how they have evolved. An initial conference paper will be drafted to report key findings from the questionnaire.

Secondly, data from the focus group and interviews will be analysed to write a final paper for publications to narrate the research identities and their evolution in the field of creative industries entrepreneurship research.

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**Conference Track**

Creative Industries Entrepreneurship

**Presentation**

Working Paper

### 82

### Reflections on Creative Labs: The Leeds Creative Labs programme

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**Abstract**

A new mode of working encapsulated in more recent shifts toward the rise of creative industries sees ‘communities’ of innovators co-working to reach a common goal: “community” in this sense no longer describes a closely‐knit social constellation of people but rather testifies to the existence of other people's engaging in similar practices elsewhere” (Schmidt, and Brinks, 2017: 291).  For many, the traditional bounded workplace is no longer deemed ‘fit for purpose’ and collaborative, flexible, creative spaces are rapidly becoming seen as a necessity for ideation.  Fab labs, co-worker spaces, or maker spaces offer both access to a range of materials and tools but most importantly bring social benefits of interactivity and co-creativity (Schmidt, and Brinks, 2017).  Since the early 1990s scholars have discussed the transition from industrial to knowledge economies and the rise of knowledge intensive firms (Starbuck 1992).  What is different here is the dispersed and democratised nature of innovation, the creative lab movement offers individual artists, creators and researchers the opportunity to develop ideas away from an institutional/organisational setting. The Leeds Creative Labs programme (University of Leeds) traces its origins in the Culture Hack movement, founded by Rachel Coldicutt of Caper Ltd as well as drawing inspiration from FutureLab in Linz and Media Lab in Madrid.  These initiatives offered up new modes of innovating and working outside institutional norms to create new collaborations and areas of research.

The model devised for the Leeds Creative Labs programme is a mechanism to help university academics and their partners innovate their research and their practice by catalysing fruitful collaborations between researchers and the region’s creative and cultural industries. A kind of “engineered serendipity” in a “third space” where inspiration can occur and new ideas generate.  Since the inaugural edition of the Leeds Creative Labs in 2012, the programme has given rise to 35 collaborations across nine editions. The Labs have incubated an astonishing diversity of concepts and prototypes synthesised by an equally diverse array of talents and had a broad range of impacts.  In 2015 an evaluation of the Creative Labs was commissioned in an attempt to build an understanding of what contributed to the success of the Labs how this approach might be replicated in other contexts. In the process we discovered that the Leeds Creative Lab sits amongst a landscape of similar programmes and models for innovating across the north of England and in Europe.

Through a research project, Lab of Labs, funded by Arts Council England in 2017 a research team worked with a group of Creative Lab founders representing Superposition, Digital Media Lab, National Science and Media Museum, FutureLab, Culture Lab, DoES and FACT. Consensus was found around the values that drive the work resulting in establishing dimensions common to what might be considered a ‘Lab approach’. These dimensions refer to the underlying values, attitudes and functionality driving the Labs (figure 1).

Figure 1: Dimensions of a ‘Lab Approach’

Here ‘values’ refer to the necessity for an underpinning ethos which characterizes and drives the activities of the lab.  ‘Behaviours’ refer to the approach that individual participants need to adopt e.g. generous, receptive, respectful, playful, committed.   The values and behaviours help to shape the lab culture.  Next each lab needs to have a definite ‘process’.  This outlines the way that the lab is managed and is run (E.g. application process; selection; launch; meetings; showcase).  The ‘essential elements’ refer to those tangible efforts which help make the lab work.  The ‘people’ dimension refers to the individual skills and human resources necessary and finally the ‘business model’ dimension ensures financial sustainability.

**Conclusions**

Collectively we have seen that our Labs produce significant benefits for all participants including new ways of working. All participants experience the value of time out for reflection, play and risk-taking; contact with people from a wide range of disciplines and long-lasting working relationships. This article reports a number of significant outcomes of participation:

Outcomes for artists, makers and creative producers

* New productions and other artistic outputs
* Deeper cross disciplinary exploration of culture
* Access to new funding streams

·Leadership development

·Utilising art as a research structure for cross disciplinary collaborative practice and strategy.

Outcomes for academics for those Labs that worked with researchers

* Academic outputs including publications and conferences
* New approaches to research and teaching
* New areas for research
* New routes to research impact
* A step change in thinking
* Access to larger interdisciplinary grants

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Full Paper