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## Entrepreneurship Research and the Knowledge Economy

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# Aim

Why haven't entrepreneurship researchers become a strong voice in IC and innovation?

## *Argument*

Entrepreneurship research has its roots in the structural changes in society during the 1970s and 1980s, and for a long time there was a strong link between the development of society and entrepreneurship research ...

**BUT**

... as entrepreneurship research has matured as a scientific field, entrepreneurship research has attained the characteristics of a more "normal science approach".

# Development of entrepreneurship research

<i>Emerging phase</i>	<i>Growth phase</i>	<i>Domain phase</i>
1980s	1990s	2000s
Strong link to society Individualism/ "pioneers"	Strong link to the topic Social infrastructure/ emerging "tribes"	Strong link to domain Cognitive development/ "research circles"
Explorative driven Pragmatic approach	Empirical driven Multi-disciplinary approach	Theory driven Normal-science approach
Importation of knowledge	→	Exportation of knowledge

# Social turmoil in the 1960s and 1970s

- Dynamics in society (... change in industrial structure)
- Economic problems (... unemployment)
- Change in fashion (... "small is beautiful")
- Increased political interest (... Keynes' ideas questioned)

Development in society

- Studies supporting the prevailing trends
- Data bases and data capacity

Cognitive aspects

Macro-level analysis  
Small business economics

- Demand from students
- External donors
- Support programs

Social aspects

Micro-level analysis  
Management studies

# *The Job Generation Process (1979)*

- Focus on entrepreneurship/small business and job creation.
- Dun & Bradstreet data base (1969-1976).
- The majority of new jobs were created with 20 or less employees – often independent and young firms (thus, it was not the large firms that created new jobs).
- The report (54 pages) was sold in twelve copies, but its influence was enormous
  - policy makers
  - research community.
- Considerable debate, but many of the findings have proved very robust and have been verified in many later studies (Storey, Kirchhoff, Reynolds, Davidsson).



## ... but there were others

### **Pioneers – macro-level analysis (small business economics):**

*Job generation:* David Birch, David Storey, Catherine Armington, Marjorie Odle, David Evans, etc.

*Dynamics of industries:* Richard Nelson, Sidney Winter, William Brock, David Evans Robert Lucas, Linda Leighton, Bruce Kirchhoff, etc.

*Innovation:* Zoltan Acs, David Audretsch, Bo Carlsson, Roy Rothwell, etc.

*Regional development:* Giacomo Becattini, Sebastiano Brusco, Werner Sengenberger, Charles Sabel, David Storey, Ray Oakey, etc.

### **Pioneers – micro-level analysis (management studies):**

Allan Gibb, David Kirby, Bengt Johannisson, Arnold Cooper, Charles Hofer, Jeffrey Timmons, William Bygrave, Ian MacMillan, Jeffrey Covin, Dennis Slevin, William Gartner, Howard Stevenson, Sue Birley, William Wetzel, Edward Roberts, Jim Curran, John Stanworth, Robert Hisrich ... and many many more ...

# Early research on entrepreneurship

- Individualism – the research community was small and fragmented.
- Importation of knowledge from other research fields – it was a “low entry” field.
- Discovery-oriented research – providing descriptions and insights about a phenomenon that was previously unknown.

Churchill (1992) analogy to the six blind men and the elephant: It was an unstructured exploration of the elephant – the researchers discovered that this animal was different, that it was composed of a number of unusual parts, and that it was quite large.

# *Who is the entrepreneur? is the wrong question (1988)*

Systematic shift from an interest in the entrepreneur as an individual (entrepreneurial traits) to contextual and processual aspects.

William Gartner, 1985, A conceptual framework for describing the phenomenon of new venture creation, *Academy of Management Review*.

William Gartner, 1988, Who is the entrepreneur? is the wrong question, *American Journal of Small Business*.



# Growth of entrepreneurship research

- Well developed social infrastructure: organized forums for communication; role models; education programs.
- Large research community → emerging "tribes".
- Fragmented research → many parallel "conversations", i.e. expansion in scope but not in depth.
- From discovery-oriented to empirically-oriented research, and progressively higher quality of empirical research.
- Broader acceptance of entrepreneurship in different contexts (eg. corporate entrepreneurship and society entrepreneurship).

# *The Promise of Entrepreneurship as a Research Field (2000)*

Sankaran Venkataraman & Scott Shane, 2000,  
The Promise of Entrepreneurship as a Field of Research  
*Academy of Management Review*, 25, 1, 217-226.

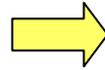
Entrepreneurship as a scholarly field ”seeks to understand how opportunities to bring into existence ’future’ goods and services are discovered, created, and exploited, by whom, and with what consequences.”

# Creation of a domain of entrepreneurship research

- From fragmentation to specialization → "research circles".
- From empirical research to an influx of more theory-driven approaches (eg. resource-based view, and the evolutionary perspective).
- Stabilisation of topics within the field.
- International "isomorphism" (Aldrich, 2000) → a stronger "normal science approach".

# Liberation from main stream disciplines

*Integrated within main stream disciplines*



*Liberation from main stream disciplines*

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- No need to reinvent the wheel.
  - Entrepreneurship research is required to meet the quality criteria of the discipline (academic legitimacy).

- Complex phenomena (existing theories not always optimal).
- Research community in entrepreneurship (tacit knowledge).
- Focus on the most central questions of entrepreneurship.

# Balance between explorative and exploitative reseearch

