

Individual Theories in Entrepreneurship Research

PhD Seminar EEE6363
School of Entrepreneurship

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New ventures “happen” because specific persons—**entrepreneurs**—take action to convert their ideas, energy, knowledge, and ingenuity into something that, they believe is new, useful, and better than what currently exists. In essence, they take action to convert **possibilities** into reality, and in so doing, are the “human engines” of entrepreneurship. Recognizing this fact, and reflecting a growing volume of research in the field of entrepreneurship focused on the entrepreneur, this seminar focuses on the central role of individual entrepreneurs in new venture creation—and in entrepreneurship generally, wherever it occurs and in whatever specific form. To accomplish this goal the seminar examines both theories and research relating to many aspects of human behavior and cognition, considering each from the perspective of how and why they are related to gaining the full understanding of this complex process. The course outline below provides detailed information on the many topics and issues to be considered, and will address many different questions, including these:

1. Where and how, do ideas for new products, services, etc. originate? In other words, what is the role of individual creativity in entrepreneurship?
2. What motivates entrepreneurs? In other words, why do specific persons choose this role?
3. Why do some individuals but not others recognize opportunities for new products or services? What is the role of basic perceptual and cognitive processes in this process?
4. Do entrepreneurs think differently than other persons? And if so, how—and why?
5. What is the role of entrepreneurs’ emotion and affect? And how entrepreneurs they deal with failure when they experience it?
6. What skills, competencies, knowledge, and personal characteristics do entrepreneurs need to succeed?
7. Do entrepreneurs function as leaders? And if so, how do they exert influence over and motivate others—key tasks for all leaders?

Requirements for the seminar , and grading criteria are outlined below.

Grades:

Active Participation in class discussions:	20%
Discussion leader sessions:	25%
Term Paper and Presentation:	35%
Final exam:	20%

Active Participation involves:

1. Reading assigned articles, chapters, and other materials
2. Active participation in class discussion of all articles, chapters, and materials
3. Regular attendance

Serving as a Discussion leader involves:

1. Providing an organized summary of each assigned reading
2. Providing a synthesis of the assigned readings and thoughts for future research
3. Initiating class discussion of the assigned readings

Final paper and presentation involves:

1. Writing a paper examining entrepreneurship-related phenomena in a format tailored to a specific journal (i.e., the paper should be prepared in correct journal format)
2. Presentation of this paper to the class.

The final exam will be an essay exam.

Course Outline

Readings will be posted on the D2L site for the course.

Week 1 Theory—and the Question, “Do entrepreneurs matter?”

Baron, R.A. (2007). Behavioral and cognitive factors in entrepreneurship: Entrepreneurs as the active element in new venture creation. *Strategic Entrepreneurship Journal*, 1, 167-182.

Bartunek, J.M., S.L. Rynes, and R. D. Ireland (2006). What makes management research interesting and why does it matter? *Academy of Management Journal*, 49(1): 9-16.

Gartner, W.B. (1989). “Who is an entrepreneur?” Is the wrong question. *Entrepreneurship Theory and Practice*, 47-67.

Staw. B.M. (1991). Dressing up like an organization: When psychological theories can explain organizational action. *Journal of Management*, 17, 805-819.

Whetten, D.A. (1989). What constitutes a theoretical contribution? *Academy of Management Review*, 14, 490-495.

Week 2: Personality, Individual Differences, and...Genetic Factors (?)

Hmieleski, K., & Baron, R.A. (2009). Entrepreneurs' optimism and new venture performance: A social cognitive perspective. *Academy of Management Journal*, 5: 473-488.

Nicolau, N., & Shane, A.S. (2009). Can genetic factors influence the likelihood of engaging in entrepreneurial activity? *Journal of Business Venturing*, 24 1–22

Rauch, A., & Frese, M. (2007). Born to be an entrepreneur? Revisiting the personality approach to entrepreneurship. In J. R. Baum, M. Frese, & R. A. Baron (Eds.), *The psychology of entrepreneurship* (pp. 41–66). Mahwah, NJ: Erlbaum.

Zhao, H. & Seibert, S.E. (2006). The big five personality dimensions and entrepreneurial status: A meta-analytical review. *Journal of Applied Psychology*, 91: 259-271.

Week 3: Motivation and Intentions

Baron, R.A. 2010. Job design and entrepreneurship: Why closer connections = mutual gains. *Journal of Organizational Behavior*, 30, 1-10.

Cassar, G. (2007). Money, money, money? A longitudinal investigation of entrepreneur career reasons growth preferences, and achieved growth. *Entrepreneurship & Regional Development* 19, 89-107.

Locke, E. A. & Latham, G. P. (2002). Building a practically useful theory of goal setting and task motivation: A 35-year odyssey. *American Psychologist*, 57, 705-717.

Rindova, V., Barry, D., & Ketchen, D.J., Jr. 2009. Entrepreneurship as emancipation. *Academy of Management Review*, 34: 477-491.

Zhao, H., Seibert, S.E., Lumpkin, G.T. (2010). The relationships of personality and entrepreneurial intentions and performance: A meta-analytic review. *Journal of Management*, 36, 381-404.

Week 4: Cognition—Basics

Bandura, A. (2001). Social cognitive theory: An agentic perspective. In S.T. Fiske (Ed.), *Annual Review of Psychology* (Vol. 52, pp. 1–26). Palo Alto: Annual Reviews, Inc.

Baum, J.R., & Bird, B.J. 2010. The successful intelligence of high-growth entrepreneurs: Links to new venture growth. *Organizational Science*, 21: 397-412.

Dew, N., Read, S., Sarasvathy, S.D., & Wiltbank, R. 2009. Effectual versus predictive logics in entrepreneurial decision-making: Differences between experts and novices. *Journal of Business Venturing*, 24: 287-309. (And then also read the following critique of this work!)

Baron, R.A. (2009). Effectual versus predictive logics in entrepreneurial decision making:

Differences between experts and novices. Does experience in starting new ventures change the way entrepreneurs think? Perhaps, but for now, “Caution” is essential. *Journal of Business Venturing* 24 310–315

Haynie, M.J., Shepherd, D., Mosakowski, E., & Earley, P.C. (2010). A situated metacognitive model of the entrepreneurial mindset. *Journal of Business Venturing*, 26: 217-229.

Mitchell, R.K., Busenitz L, Bird B., Gaglio C.M., McMullen J.S, Morse E.A., & Smith .JB. 2007. The central question in entrepreneurial cognition research 2007. *Entrepreneurship Theory and Practice* 31: 1–28.

Week 5: Cognition: Opportunity Recognition

Baron, R. A. 2006. Opportunity recognition as pattern recognition: how entrepreneurs “connect the dots” to identify new business opportunities. *Academy of Management Perspectives*, 20(1): 104–119.

Grégoire, D.A. & Shepherd, D.A. 2012. Technology-market combinations and the identification of entrepreneurial opportunities: An investigation of the opportunity-individual nexus. *Academy of Management Journal*, 55(4): 753-785.

Tang, J., Kacmar, M., & Busenitz, L. 2012. Alertness in the pursuit of new opportunities. *Journal of Business Venturing*, 27(1): 77-94.

Vaghley, I.P., Julien, P-A. (2011). Are opportunities recognized or constructed? An information perspective on entrepreneurial opportunity identification. *Journal of Business Venturing* 25 (2010) 73–86

Week 6: Creativity and Innovation

Amabile, T.M., Barsade, S.G., Mueller, J.S., and Staw, B.M (2005). Affect and Creativity at Work. *Administrative Science Quarterly*, 50:3, 367-403.

Baron, R.A., & Tang, J. (2011). Positive affect, creativity, and innovation in new ventures: A moderated mediation model. *Journal of Business Venturing*, 26, 49-60

Baron, R.A. (in press). *Chapter 3 Human Cognition: The Internal Origins of Creativity, Innovation, and Ideas for the Possible*. (From Baron, R.A., Enhancing entrepreneurial excellence: Tools for making the possible real. Elgar. (A review of the cognitive origins of creativity.)

Gupta, N., Jang, YI, Mednick, S., & Huber, D.E. (2012). The road not taken: Creative solutions require avoidance of high-frequency responses. *Psychological Science*, 23, 288-294.

Hennessey, B. A., and Amabile, T. M. (2010). Creativity. *Annual Review of Psychology*, 61, 569-598.
Unsworth, K. 2001. Unpacking creativity. *Academy of Management Review*, 26: 289-297.

Mueller, J.S., Melwani, S., & Goncalo, J.A. (2012). The bias against creativity: why people desire but reject creative ideas. *Psychological Science*, 23, 13-17.

Week 7: Affect

Baron, R. A. 2008. The role of affect in the entrepreneurial process. *Academy of Management Review*, 33: 328–340.

Baron, R.A., Hmieleski, K.M., & Tang, J. 2011. The downside of being “up”: Entrepreneurs’ dispositional positive affect and firm performance. *Strategic Entrepreneurship Journal*, 5: 101-119.

Barsade , S.G. (2002). The ripple effect: Emotional contagion and its influence oin group behavior. *Administrative Science Quarterly*, 47, 644-675.

Cardon, M. S., Wincent, J., Sing, J., & Drnvosek, M. 2009. The nature and experience of entrepreneurial passion. *Academy of Management Review*, 34: 511-532.

Chen, X. P., Yao, X., & Kotha, S. 2009. Entrepreneur passion and preparedness in business plan presentations: a persuasion analysis of venture capitalists’ funding decisions. *Academy of Management Journal*, 52: 199-214. (*Does passion really matter? An opposing view!*)

Murnieks, C.Y., Mosakowski, E., & Cardon, M.S. (in press) Pathways of passion:I identity centrality, passion, and behavior among entrepreneurs. *Journal of Management*.

Ucbasaran, D., Shepherd, D.A., Lockett, A., & Lyon, S.J. (in press). Life after business failure. The process of business failure for entrepreneurs. *Journal of Management*.

Week 8: Skills, Competencies, Knowledge

Baron, R.A., & Tang, J. (2009). Entrepreneurs’ social competence and new venture performance: Evidence on potential mediators and cross-industry generality. *Journal of Management*, 35, 282-306.

Duckworth, A. L., Peterson, C., Matthews, M. D., & Kelly, D. R. 2007. FOCPERSIS: Perseverance and passion for long-term goals. *Journal of Personality and Social Psychology*, 92: 1087-1101.

Ferris, G.T., Treadway, D.C., Perrewé, P.L., Brouer, R.L., Douglas, C., & Lux, S. (2007). Political skill in organizations . *Journal of Management*, Vol. 33 290-320

Forgas, J.P., Baumeister, R.F., & Tice, D.M. (2009) (Eds.). The psychology of self-regulation. Chapter 1: The Psychology of Self Regulation; Chapter 2: (Baumeister & Alquist), Self-Regulation as a limited Resource. New York: The Psychology Press (Taylor & Francis

Hayward, M.A.L., Forster, W.R., Sarasvathy, S.D., & Fredrickson, B.L. (2010). Beyond hubris: How highly confident entrepreneurs rebound to venture again. *Journal of Business Venturing*, 25, 569-578.

Shepherd, D.A., Patzelt, G., & Baron, R.A. (In press). "I care about nature but..." Disengaging sustainable development values to exploit opportunities that harm the natural environment. Academy of Management Journal.

Week 9 : Learning, Improvisation, Effectuation

Baker, T. & Reed E. Nelson.(2005). Creating Something from Nothing: Resource Construction through Entrepreneurial Bricolage. *Administrative Science Quarterly*, 50:329-366.

Baron, R.A., & Henry, R.A. (2010). How entrepreneurs acquire the capacity to excel: Insights from basic research on expert performance. *Strategic Entrepreneurship Journal*. 4, 49-65.

Hmieleski, K.M., Corbett, A., & Baron, R.A. (in press). The relationship between entrepreneurs' improvisational behavior and firm performance: an interactional study of dispositional and environmental moderators. *Journal of Management*.

Hmieleski KM, Corbett AC. 2006. Proclivity for improvisation as a predictor of entrepreneurial intentions. *Journal of Small Business Management* 44: 45-63.

Venkataraman, S., Sarasvathy, S. D., et al. (2012). "Reflections on the 2010 AMR Decade Award: Whither the Promise? Moving Forward with Entrepreneurship as a Science of the Artificial." *Academy of Management Review*, 37 (1): 21-33.

Week 10: Subjective Well-Being—the Non-economic side

Diener, E., Suh, E. M., Lucas, R. E., & Smith, H. E. (1999). Subjective well-being: Three decades of progress. *Psychological Bulletin*, 125, 276-302.

Diener, E. (2012). New findings and future directions for subjective well-being research. Full Text Available Diener, Ed ; *American Psychologist*, Vol 67, 590-597.

Rindova, V., Barry, D., & Ketchen, D.J., Jr. 2009. Entrepreneurship as emancipation. *Academy of Management Review*, 34: 477-491.

Baron, R.A. (2010). Job design and entrepreneurship: Why closer connections = mutual gains. *Journal of Organizational Behavior*, 30, 1-10.

Oishi, S., & Schimmack, U. (2010). Culture and well-being: A new inquiry into the psychological wealth of nations. *Perspectives on Psychological Science*, 5, 463-471

Week 11: Leadership and Influence

Antonakis, J., & Aitio, E. (2007). Entrepreneurship and leadership. In Baum, Frese, & Baron (Eds.) *Psychology of entrepreneurship*. Chapter 9, pp. 189-108. Mahwah, NJ: Erlbaum.

Ensley, M.D., Pearce, C.L., Hmieleski, K.M., 2006. The moderating effect of environmental dynamism on the relationship on entrepreneur leadership behavior and new venture performance. *Journal of Business Venturing*, 21: 243–263.

Ling Y., Simsek Z., Lubatkin M., Veiga J.F. (2008). Transformational leadership's role in promoting corporate entrepreneurship: Examining the CEO-TMT interface. *Academy of Management Journal*, 51: 557-76.

Vecchio, R.P.(2003). Entrepreneurship and leadership: Common trends and common threads. *Human Resource Management Review*, 13, 303-327.

Week 12: Overcoming our “Split Personality”: Integrating Micro and Macro Perspectives—Can We Do It? And How?

Graebner, M. (2009) Caveat venditor: Trust asymmetries in acquisitions of entrepreneurial firms. *Academy of Management Journal* 2009, Vol. 52, No. 3, 435–472.

Hitt, M. A., Beamish, P. W., Jackson, S. E., Mathieu, J. E. 2007. Building theoretical and empirical bridges across level: Multilevel research in management. *Academy of Management Journal*, 50: 1385-1399.

Staw. B.M. (1991). Dressing up like an organization: When psychological theories can explain organizational action. *Journal of Management*, 17, 805-819. (Reconsidered!)

And more to follow....

Weeks 13, 14, 15

Presentation of Papers; Final exam