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The Future of Entrepreneurship Research

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**The Future of Entrepreneurship Research: Results of a Research Workshop
with Invited Speakers and Discussants at the International Council for Small
Business World Conference in Halifax**

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The Future of Entrepreneurship Research: Results of a Research Workshop with Invited Speakers and Discussants at the International Council for Small Business World Conference in Halifax

Abstract: This publication presents a summary of the presentations made in a workshop on June 23rd, 2008 at the ICSB World Conference held in Halifax, Canada. It also presents the highlights of the discussion that followed these presentations. The participants exchanged on the need to develop more theoretical approaches in entrepreneurship and suggested ways to work in that direction.

Keywords: entrepreneurship; entrepreneurship research; future of entrepreneurship.

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Introduction

Entrepreneurship practices and entrepreneurship research are evolving quickly and the number of developing areas in entrepreneurship is increasing rapidly. However, research appears to find it hard to follow practice. For instance, we know that a higher percentage of new businesses are started through partnerships every year, but there is relatively little research on the topic of partnerships and few textbooks and courses approach entrepreneurship from a collective standpoint. In addition, we know the importance of the role of entrepreneurs and the private sector in supporting entrepreneurship development, but there is very little research on philanthropic entrepreneurship and the role of philanthropy in supporting entrepreneurship. Similarly, there is relatively little research on social entrepreneurship and entrepreneurship in non-profit sectors.

This workshop was set up to discuss and exchange on the future of our field. What are the areas in which research is most needed to support entrepreneurship? Experienced researchers from different countries were invited to share their views on this topic and to suggest paths for future research that would benefit the development of entrepreneurship.

First speaker: Leo-Paul Dana

How wonderful it is that we are in Nova Scotia. I would like to thank Professeur Louis Jacques Filion for bringing us all together here. Last night some of you might have been looking at the sky. Those of you who live in the Northern Hemisphere might say, 'it is just the sky'. For me, coming from New Zealand, when I am here I think 'Wow! What a different sky because here we see a completely different set of stars!' The sky looks different depending on one's location; in other words, context defines the sky.

Likewise, time is a function of context. We say that a year is 365 days, or 366 during a leap year; this is based on the solar calendar. Further north, in Canada, the Inuit calendar was based on the moon. Several other cultures use a lunar calendar or a combination. If we were on the planet Mercury, a year would be 88 days.

Those of you who came from the West moved your watches ahead when you arrived in the Maritimes. At least we have an accepted convention, and all of us here agree that when we are here we all use the local time, as defined depending on the seasons and the concept of 'daylight savings' time. A few years ago I was working in Xinjiang, the western part of China where the Han-Chinese are a minority. Officially, in Xinjiang, we use 'Beijing Time,' but the Indigenous people set their clocks to the time it was in the Muslim republics of the former Soviet Union. So, even in one city, different people operate on unlike time zones. When I had an appointment with a Han-Chinese we agreed to meet on 'Beijing Time'. When I wanted to meet Indigenous Uyghurs, it was necessary for me to be aware that they operated on a different time zone. Thus, I had two sets of appointments. On a given day I could be at 2 pm with a Han-Chinese interviewee, and a few hours later I could be a Uyghur at 2 pm his time. The essential was to understand the importance of context.

My message to you today is that context is also central to the understanding of entrepreneurship. Context is important when deciding on research methodology. Context is again important when understanding results. Finally, context is important when considering implications and recommendations.

When deciding on methodology, a first consideration is whether to go for quantitative or qualitative methods. We all know that it is easier to get quantitative research accepted at a conference or in a journal. In natural sciences, you get your numbers, you use a package such as SPSS, and a hypothesis is either supported or not. When dealing with large sample sizes in mainstream society, you can usually say that the easy road is quantitative. But here again context is important.

We have done heaps on the psychology of the entrepreneur, on the traits related to entrepreneurship. Entrepreneurs are people who tolerate risks, who are willing to work more... Some years ago, I went to the Canadian North and I asked Aboriginal people. 'Why are you entrepreneur?' The responses I got included: 'Well, you see, I don't like risk therefore I must be entrepreneur. If I work for a company and I'm late four times a week and I miss all the afternoons, they fire me, that's too much risk. I don't like risk, so I can't be employed, I must be entrepreneur, it's the only way I have no risk. Also, if you work for a company that puts you in an office all alone, I don't like making decisions all alone. I'd rather be with my many brothers and sisters and we make decisions together by consensus. I am entrepreneur because I don't like to work very much, and I don't need too much money, so, when we are hungry we'll find some caribou, and we'll share; we won't sell, we won't buy, but we will share.' Indeed, an entrepreneur in the Arctic has access to caribou, but this is very context-specific!

If we have to consider the setting, then quantitative research isn't necessarily the best way to go. Anthropology is decades ahead of us. Let's look at the anthropological study of Professor Service and his wife, a wonderful study of Tobati, Paraguay published in 1952: Ethnography over a year was the best way to find out about entrepreneurs and small businesses in Tobati. Frederik Barth studied entrepreneurs and change in Northern Norway. Again, the ethnological approach I think has a lot to teach us. And so, I see entrepreneurship as a function of context, and qualitative research is the means to rigorous research where context is important.

Qualitative research has given us more entrepreneurship theory than has come from quantitative research. Adam Smith gave us theory based on qualitative research. The same is true of Joseph Schumpeter. Qualitative research gives us theories, but quantitative studies are easier to get published. So we are faced with a dilemma. Should we aim for easy publication of quantitative studies, or should we face the greater challenge of theory-building with quantitative methods? In my opinion, the latter will have more impact.

Anthropologists and sociologists have been building theories through qualitative research. Why is less coming from us? Perhaps we need more inter-disciplinary research teams to help us broaden our spectrum and better understand the context of entrepreneurship, in order to build relevant theories.

I just shared a few words to start some debate, some discussion. I am keen to listen to you now.

Thank you all for attending.

Second speaker: Pierre-André Julien

To continue the intervention of Léo-Paul, there are different environment for entrepreneurship, including the temperature and the obligation to take into account the frost for the production and delivery or other consequences. For example, in the last winter, Quebec City received five metres of snow and Montreal, four metres; this situation had many consequences for tourist industry and for thousands of small firms, because the soil was not frozen with this snow and mosquitoes did not die and they have been much more important this year. In other words, there are thousands of different kinds of small businesses, entrepreneurs and environments and the studies must keep in account these differences. It is why, for example, the traits' theory, based just on the venture entrepreneurs (less than 1% of entrepreneurs) cannot explain the behaviours, for example, of hundreds of small garage owners or small shopkeepers and their embedding in their environments and in their neighbourhoods.

To understand that, we must return to four periods of entrepreneurs and small business or entrepreneurship analysis. The first one, before the '70s, come from the economic analysis and their positivism approach which has evolved from the ignorance (the firm seen just as a 'black box') to the indifference because the 'sacred cow' theory of the economies of scale (only large firms if not monopolies and trusts are important). It was true also in the communist countries, when we see for example in Poland a farming tractor factory with 50,000 workers. In this understanding, small business was not interesting even if it was to be studied on a human scale.

The first questionings of this approach in the beginning of the '70s resort to the interstice's theory developed before. For example, Ansiaux (1926) explained that in the hat industry, man common hats was made by large enterprises when the women hats had to be produced by small enterprises because of their needs for differentiation (colour, form, etc.). Penrose (1959) followed these explanations with geographic, cultural and technological interstices, as far as the demand became greater for large production.

The second questioning came from the discovery of the Italian industrial districts in the '70s working with thousands of small businesses competing large firms and exporting in the world, districts that we discovered also in other countries. In Montréal, for example, we found more than 500 very small firms in the fur industry, some ones dressing the pelts, others making collars or sleeves, others making the lining, etc.; and most of these fur coats were sold in Montréal hotels to foreign tourists. One explanation was that these districts were a proto-capitalism intended to disappear; but they still exist.

In the '80s, the post-positivism and the interpretationist approaches of the management sciences have finally understood that small firms were not 'small-large firms'. In particular, the theory explaining that the effectiveness requires the development of strategic planning in all firms (Robinson and Pearce, 1984) came up against a brick wall. Many small firms without formal planning were more efficient than others with these ones. Other concepts in marketing as relational marketing, human resources management and informal organisation or finance with angel capital and others such as the three F capital (family, friends and fools) had to be developed to understand SME behaviour and their differences with large enterprises.

In the '90s, the third period, we were a witness to the intrusion of other disciplines. For example, the anthropologists and the psychologists explain that the entrepreneur is a member of a society and his destiny is influenced by his family, friend circles and more often work environment. The sociologists arrived with others concepts as the influence of social capital and the milieu for the

success of the firm creation and its development; they explain the impact of different kinds of networking in the territory, multiplying opportunity, innovation and distinction in SMEs.

Now, in the '2000, we must have to adopt more and more a constructivist approach to see entrepreneurship as a complex collective phenomenon including many more or less independent actors enacting more or less with others and using the space synergy, the industrial atmosphere and the entrepreneurial culture, as mentioned by Marshall (1920) in the 1890 and as shown in the post-institutionalists and conventionalists following Veblen (1915) and Commons' (1919) analysis in the '20s and '30s.

But, in the future of entrepreneurship research, we need many other concepts and theories to understand better this complex phenomenon which include very small firms, social entrepreneurship, underground and informal entrepreneurship, declining firms and bankruptcy, for example, and to apply it to different periods and regions. It is the only manners to explain why some regions are more entrepreneurial or more dynamic to multiply the gazelles and global small enterprises.

Thank you.

Third speaker: José M. Veciana

Good morning. First of all I would like to thank Professor Filion for his kind invitation to come to Halifax and to talk to you about the future of entrepreneurship research. Anyhow, let me say first a few words about the past and present research on entrepreneurship and SMEs. For this purpose, I would like to present the results of a small research that I made on the papers presented at the RENT conference organized every year by European Council for Small Business and Entrepreneurship (ECSB) in the last 20 years in Europe. This will give you an idea of what research has been done and what are the trends in this field in Europe.

To make the analysis of the papers presented at the RENT conferences, I used the classification based on a concept that I developed some years ago about the 'theoretical approaches to entrepreneurship' (Veciana, 2007).

Table 1 Theoretical approaches to entrepreneurship research

Approches / Level of analysis	Economic approach	Psychological Approach	Socio-cultural Approach	Managerial approach
Micro (individual level)	<ul style="list-style-type: none"> • Entrepreneurial function as fourth factor of production • Theory of the entrepreneurial profit • Theory of occupational choice under uncertainty 	<ul style="list-style-type: none"> • Traits theory • Psychodynamic theory 	<ul style="list-style-type: none"> • Margination theory • Role theory • Network theory 	<ul style="list-style-type: none"> • Leibenstein's x-efficiency theory • Behavioural theory of the entrepreneur • Modes of new enterprise creation
Meso (corporate level)	<ul style="list-style-type: none"> • Transaction cost theory 		<ul style="list-style-type: none"> • Network theory • Incubator's theory • Evolutionary theory 	<ul style="list-style-type: none"> • Models of new enterprise success and failure • Corporate Entrepreneurship
Macro (global-country level)	<ul style="list-style-type: none"> • Schumpeter's theory of economic development • Theory of the endogenous regional development 	<ul style="list-style-type: none"> • Kirzner's entrepreneur theory 	<ul style="list-style-type: none"> • Weber's theory of economic development • Theory of social change • Population ecology theory • Institutional theory 	

Source: Veciana (2007)

In my opinion, when we look at entrepreneurship research we find that almost all entrepreneurship research in the past can be classified under four approaches: the economic approach, the psychological approach, the socio-cultural/institutional approach and what I have called the managerial approach. And furthermore, it can be classified under three levels: 'micro, meso and macro or global level'. As can be seen in Table 1, I found a lot of theories on entrepreneurship. The first three approaches (economic, psychological and socio-cultural/institutional approach) try to explain entrepreneurship whereas the managerial approach tries to generate knowledge that can be used in practice by the potential entrepreneur and the small business owner/manager, that is research under the managerial approach, like strategy or organisation, tries to develop knowledge that may be useful for starting a new company or managing an ongoing small business. For obvious reason, I am not going to treat these several theories here. As mentioned above, I have used this scheme for the analysis and classification of the RENT papers and to present the results of my analysis (see Table 2).

Table 2 Research trends based on RENT papers

Period	Economic Approach %	Psychological approach %	Socio-cultural/institutional approach %	Managerial approach %	Others %
1987–1992	10.4	6.4	3.25	54	19.5
1991–1996	10.0	5.65	14.6	61	7.6
1997–2001	10.8	2.3	19.14	57	10.76
2002–2006	7.3	2.2	15.2	58.8	16.5

Source: Veciana (2006)

If we look at Table 2, we see that the managerial approach is the most used approach, that is, most research (over 50%) falls under the managerial approach. The percentage of papers on the economic approach and the psychological approach is very low (about 10% and 5% respectively), and research under the socio-cultural/institutional approach is increasing and accounts for 15–20% in the last three periods. These results can therefore be summarised as follows: a predominance of the managerial approach; a decreasing and insignificant level of the psychological approach that was predominant in the eighties; a low level of the economic approach and increasing importance of the socio-cultural/institutional approach.

I have made a reclassification of these results taking into account the development and life cycle of firms, as shown in Figure 1. This figure shows that we first have new firms, then these firms become SMEs, later family firms and, if they are successful, they become big corporations. I think that entrepreneurship research as a field of study concentrates, or should concentrate mainly on new firm formation, although the field is generally also supposed to include research on SMEs and family businesses (see Veciana, 2007). Therefore, I have looked at the question how research refers to these three areas. Figure 1 shows the results.

As we can see in Figure 1, entrepreneurship research concentrates very little on the new firm formation process (only 5%) and very much on SMEs (88.34%) and this although the RENT conference was called at the beginning ‘recent research on entrepreneurship research’. 6.66% of the papers referred to family businesses. These are the results.

Let me now bring some reflections and questions that came to my mind when looking into these papers and made the analysis. These are:

1 Are the research results of interest for the practitioners and/or public policy makers?

When I say here practitioners, I mean the business owners/managers and, of course, future potential entrepreneurs.

2 Who is the prime beneficiary of this research?

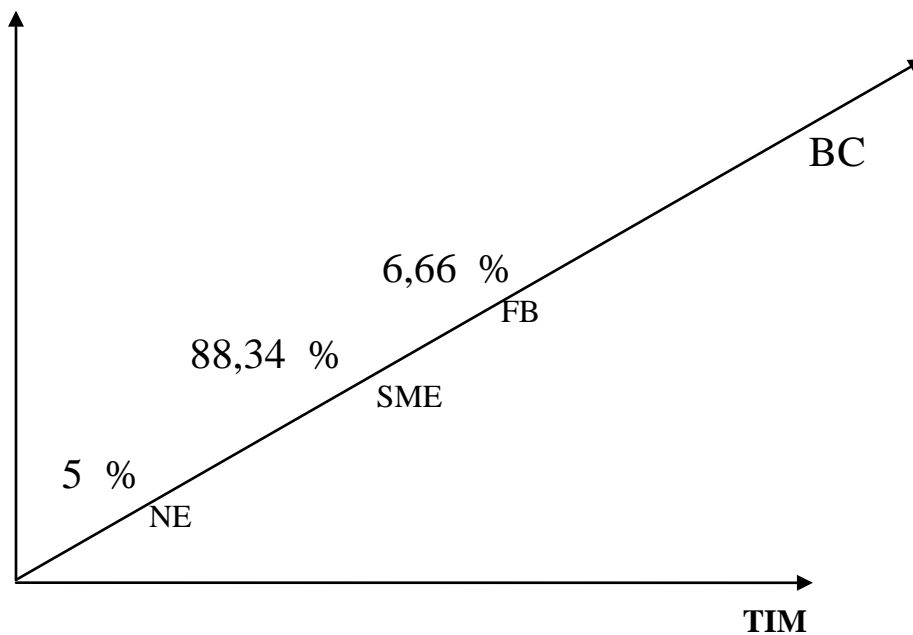
Who benefits from this research? I came to these questions when looking into some of the papers presented in the RENT conferences. I am not going to read many of the titles of the papers, but as an example, I would like to mention these two:

a Identifying prominent and emerging antecedents to role stress

b Diversity in praxeo-cognitive models of the entrepreneur and his interactions with the ‘motivators’ and ‘subject-matter’ of a project.

Who is interested in these kinds of subjects? Who is interested in the answer to these questions? Frankly speaking, in my opinion it only interests the authors of the papers, nobody else.

Figure 1 A reclassification of the managerial approach (RENT)



Notes: NE New firms
 SME Small and medium-sized enterprise
 FB Family business
 BC Big corporation
 Source: Veciana, Rent XX, Brussels (2006)

I now come to the second part of my presentation. The future of entrepreneurship research. On the one hand, I am optimistic, but on the other, I am rather pessimistic.

I am optimistic because when looking into the papers presented in the conferences on entrepreneurship and SME research you find very interesting papers. No doubt. Empirical research is usually well designed and sophisticated statistical techniques are used. But when I compare what has been written in the last 20 years to what was discussed in the first international entrepreneurship conference in Cincinnati, Ohio, in 1975, I come to the conclusion that we are asking, probing and debating essentially the same questions. Therefore, I think we have not progressed because we have not yet been able to answer to the main questions in our field. This is why we need to change the focus. Therefore, when considering the future of entrepreneurship research I think we should focus on the following questions:

1 Who are or who should be the clients of entrepreneurship research?

Or who is or may be interested in the results of entrepreneurship and SME research?

In my opinion these are the clients:

- a the potential entrepreneurs and practising small business owners/managers
- b public policy makers
- c academic world:
 - 1 scientific journals
 - 2 university career.

2 Change of focus.

Regarding the future of entrepreneurship research, my view, desire and recommendations refer to the following questions:

- 1 more client orientation
- 2 more longitudinal studies
- 3 more international studies
- 4 more good qualitative research
- 5 more theory building.

Regarding 'client orientation', I think that it would be good for the future of entrepreneurship research if researchers would consider more who may be interested in the research results.

We have heard this morning that policy makers are very much interested in the research results to formulate their policies, but that they do not get relevant results. What they get is very little and not relevant. I think that the majority of the papers presented in conferences are written with the idea of whether or not they will be accepted for publication in a scientific journal and its publication will help the author's university career. The problem lies also in the advisers and/or thesis supervisors who do not guide young researchers to relevant research. I would not like to be misinterpreted. Most of the papers presented in the conferences are good, the statistical analysis is excellent, very sophisticated, but the objectives, the focus and the scope of the research is not relevant in most of the cases. Therefore, my recommendation would be a change of focus and more client orientation. Research should not only be oriented towards the academic world and the academic journals but to the potential entrepreneurs, small business owners/managers, and policy makers.

We also need more longitudinal studies. I know that these are difficult and costly. The 'publish or perish' syndrome leads to young researchers to do research that does not take long but the results are usually of very limited value.

The scope of the studies should also be larger. This morning we have heard about community and entrepreneurship. This is OK, but this is nothing new. We have heard about this for decades. In the field of applied economics, we have witnessed the progress in regional development and endogenous development theory that focuses on the region and the field of economic geography that focus also on territorial units, as well as the cities and urban agglomerations. Therefore, the focus on the community is not new, much research has been made in the last years by our colleagues in neighbour disciplines but it seems to be new in the field of entrepreneurship

research. Therefore, we need more interdisciplinary teams, and also more international teams. Entrepreneurship research should have a broader focus to be able to obtain answers to the questions that are relevant to the above mentioned clients: future entrepreneurs, small business owners/managers, and public policy makers.

We also need more good qualitative research. The emphasis is on good qualitative research. Let me mention that in the field of strategy and organization, the research that has been a milestone in the field has been qualitative. Think only of the work by Chandler: 'Strategy and structure' or by Burns and Stalker: 'The management of innovation'. They were based on good qualitative research and have stimulated and guided future research. Qualitative research is increasing in Europe but most papers that claim to use a qualitative approach are really very 'light'. Good qualitative research can seldom be based on only one or two cases and on the transcription of the answers to a questionnaire without a deep analysis. If I plea for more good qualitative research this does not mean that I am against quantitative research. Both are necessary and useful, but since most empirical research is now quantitative, in my opinion attention should be drawn to the need of more qualitative research.

Future entrepreneurship research should also pay more attention to theory building. We need more efforts to integrate the results of the research of the last 20 years in theories that are useful for the future entrepreneurs and the small business owners/managers. A lot has been researched on growth, innovation, internationalization, but we lack a growth theory or an innovation theory of SMEs.

I will finish here and hope that my comments and provocative ideas will stimulate some discussion. Thank you very much for your attention.

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Louis Jacques Filion

Many thanks to the speakers for their stimulating ideas.
Are there comments, questions, suggestions?

Discussants¹

Tor Aase Johannessen

I have been working with new ventures and done research on these for several years and I fully get along with your recommendations. In many research projects, the most important stakeholders – the entrepreneurs themselves – are more often than not left out. As a consequence, when you present the outcome of the research to them, they feel that it does not concern them. In the EU, the attitude is that funds for entrepreneurship research should primarily be granted if the projects include those for which the research supposedly is being done. I would strongly advocate that we include the users because in addition, to give the research greater credibility, they can shed valuable light on many still undisclosed parts of entrepreneurship research which researchers either do not see, or do not recognise as important. The second point is that it is extremely important to provide for more international research. My own research has shown that there are a lot of similarities between entrepreneurs in different countries, and that this is seldom recognised. My third and final point is that entrepreneurs often are very secretive and many believe that their problems are unique and not shared by others. Furthermore, many lack to see that these problems can also be found in other industries. As soon as this is recognised, many entrepreneurs will realise that they are neither ‘alone in the world’, nor are their problems unique and limited to their own industry.

Answer to Tor Aase Johannessen

José M. Veciana

Thank you for your questions. I agree with your observations. Specially, I agree that we have to incorporate the users, the applicants of the research results in our research design. Anyhow, I do not think that our aim should be to attract the practicing small business owners to this type of conferences because they would be bored. They would not understand most of the research that is being presented. The crucial question is to consider and incorporate in the research design the users’ problems, expectations and worries. I think this is important. As far as I can see it, this is not done. And this is the main weakness of the research being done at present. As I said, research should be more client oriented and should look for ways to incorporate users’ problems and expectations into the research design and then present the research results to them, but not try to attract them to these conferences.

Pierre-André Julien

There are two main characteristics of small business entrepreneurs. The first is heterogeneity: there are thousands of kinds of small businesses and thousands of kinds of entrepreneurs. That is the first main characteristic. It is why it is so difficult to understand them. The second is the complexity or its characteristic to act as a systemic process where each function is linked with others functions. In addition to these, some SMEs are a part of a group or are embedded deeply in the regional milieu. Some were managed with conservative direction when others have a dynamic entrepreneur. It is why this is very difficult to find a representative sample or good data.

On the other hand, there are some similarities. For example, we found some small businesses that had the same characteristics in African countries, in Quebec, in Canada, for instance, the higher level of education of entrepreneurs. In Canada, this level of education of entrepreneurs is about 20% higher than the average of the population; we found many entrepreneurs with a university grade; in Gabon, we found that, if the urban population has a first degree of school, most of the

entrepreneurs have second degree, and so on. And in all countries, most SMEs are linked just with strong signals networks when the more innovative are linked with weak signals networks. But, in the same time, the capitalist system is very different not only between countries, but inside each country. For example, look at Italy where you find big enterprises in the North, in cities such as Milano and Torino, then industrial districts with thousand of very small businesses in the centre, the Terza Italia, and another system of small enterprises linked vertically in the South. In the same time, the influence of family, or the system promoting the reputation is not the same in different countries or territories.

It is why the entrepreneurial research is so difficult and it is why research is a long process, requiring many papers and complex qualitative and quantitative studies to develop new and fickle concepts, and finally more than one theory to explain a complex and dynamic reality.

Louis Jacques Fillion

Thank you. There are some questions I'd like to ask. As far as entrepreneurship research is concerned, I practice what Veciana said when it comes to do the planning of my own research activities. I include some research projects for practitioners, some for policy makers and some for academic journals. Many of us who do research from a management perspective, when we want to publish in academic journals A or B, we need to have quantitative research. However, when we want to write really satisfying papers, we choose other categories of journals and submit good qualitative papers that we find much more exciting.

The main question here concerns theory building. When we look at theory building in the history of the human sciences, we realise that few theories were derived from quantitative research. One of the most quoted authors in economics is Adam Smith and his material is all qualitative. When we look at the contribution of Schumpeter, it is all qualitative. Schumpeter did not even have data. Schumpeter would probably not have a paper accepted in most of our research conferences today because he didn't have empirical data. When you look at education, you realise that one of the most basic contributions came from Piaget who had only three samples that he used for all his writings. They were his three children.

When we look at any of the human sciences, almost all the theory building came from qualitative research, but in entrepreneurship we are totally dominated by quantitative research! Why? Maybe it is because it is the policy makers who have the money to subsidise research? They need data that support the research in order to be able to sell their policies within their government, ministries and business communities. That's the way it works. So, one of the questions is: Will any real theory building come in our field of entrepreneurship from quantitative research, given that the field is dominated by quantitative researchers? And in which area of the field will it be? Or might it come from qualitative research even though this type of research, although more recognised than it was 30 years ago, is still not yet fully recognised?

I was probably the first or one of the first Canadian researchers to do qualitative research in entrepreneurship. When I went to conferences, people asked me: What type of research are you doing? What kind of stuff are you working on? Colleagues were both intrigued and interested. Nowadays, you can see that qualitative research is becoming more and more popular. Another question is: How will the theory building be developed? How are we going to develop our theories? Will they come from quantitative research, or from qualitative research, or from both? Will they come from researchers working from established disciplines such as economics, or from emerging field of studies?

Will we maintain our association between entrepreneurship and innovation? Practically, everything written about entrepreneurship in the last 100 years associates entrepreneurship with innovation. Before Schumpeter, we had Cantillon and the risk theory. Almost 100 years after Cantillon, Jean-Baptiste Say associated entrepreneurship with added value and innovation. One hundred years later, Schumpeter re-introduced entrepreneurship from the ideas of Jean-Baptiste Say and emphasised the importance of innovation. Nowadays, we are still using the same terms and everybody who defines entrepreneurship defines it in association with innovation. Although there is more complexity associated with entrepreneurship, the basic question remains: Which track is going to be the one that will lead to theory development and to theory building in entrepreneurship and will help ensure that our field evolves from a field of study to a real discipline? The question remains open.

José M. Veciana

I think this is the most interesting challenge we have now. We lack legitimacy. Entrepreneurship as an academic field receives much attention but little respect. I think that we have made enough empirical research on entrepreneurship and SMEs and we can now devote some effort and time to develop theories or a more integrated theory, a theory that integrates the knowledge that we have and that guides future research. When looking at the many good papers presented in conferences, I observe that they are all developing their own framework. They do not base their research on a theory, on a recognised theory. In the field of strategy or organisation, we have theories that guide research and integrate the knowledge that has been generated through empirical research, theories that serve to establish further hypothesis and help to advance research. So, this is the question: who should do this? This could be done by a person or by a team.

Matthias G. Raith

I definitely agree with most of the recommendations for future research. However, I would hesitate to share the criticism of past research. Entrepreneurship is an area of research which is only a few decades old. Although the importance of entrepreneurs has been known for a long time, the systematic research on their economic contribution is The future of entrepreneurship research actually quite young. Research in economics, in general, is a bit older, but here as well, we are asking the same questions over and over again. By comparison, the well established science of physics is a few hundred years old. So maybe in 200 years we will be less critical about our own science.

Regarding the suggestions for future research, one that I think is very important is the recommendation to be more client-oriented in our work. I do not think it is so relevant to contrast qualitative with quantitative methods, but, instead to rethink the perspective that we are taking in our research. Most empirical studies are of descriptive nature, where we are looking at what is being done, what entrepreneurs do, in general, and what successful entrepreneurs do, in particular. In contrast, economic theory building typically follows a normative approach. The problem here, though, is that many aspects of the entrepreneurial process are difficult to incorporate in normative theories. What I suggest as an alternative is a prescriptive approach which acknowledges the entrepreneur as a decision maker and views the entrepreneurial process from his or her perspective. This is, by definition, a client-oriented approach.

In my view, the most promising prescriptive approach to entrepreneurial decision making is one based on methods of decision analysis. Its client-oriented focus allows us to accept and work with the visions of the entrepreneur. With value-focused thinking – as opposed to conventional alternative-focuses thinking – alternatives for opportunity exploitation can be generated in the

process of decision making, which is a very important characteristic of the entrepreneurial process. Moreover, an analytical approach such as decision-making forces one to understand the context that the decision maker, i.e., the entrepreneur, is in. The formal framework enables one to model how the entrepreneur deals with the context, and it allows us to understand how a change of the context changes the way the decision maker acts. This aspect is very important for policy making and policy makers.

So, I think many of our current and continuing research questions can and should be readdressed in a new way. In my view, most useful is a prescriptive approach that focuses on the entrepreneur as a decision maker, but rather than trying to describe or model these fascinating characters, we should look at ways to guide, support and direct them in the entrepreneurial process.

José M. Veciana

First, I would not set qualitative against or versus quantitative research. Both are important and useful. The problem in my opinion is that most empirical quantitative research is based on 'ad hoc' hypothesis, very often ill-formulated related to a personally created framework, because we lack a theory from which we can derive hypothesis to be empirically tested. Anyhow, in this connection I would like to recall what I mentioned at the beginning regarding the many theories identified under the several scientific approaches (see Table 1). But we still lack a more general theory of entrepreneurship.

Second, I agree that most empirical research is descriptive research, but I do not share your pessimism regarding theories because it is difficult to incorporate many of the things of the entrepreneurial processes, as you say. On the contrary, the great philosophers of science like Popper, Lakatos, and Kuhn have taught us that theories are, and must be, at the basis of the development of a science. Popper sees science as a set of hypothesis that are tentatively proposed – in a theory – with the aim of accurately describing or accounting for the behaviour of some aspect of the world or universe, what Lakatos calls hard core and Kuhn a paradigm. Regarding the usefulness of theory Kant already discussed and refuted the popular aphorism 'Das mag in der Theorie richtig sein, taugt aber nicht für die Praxis' (This may be true in the theory, but is useless for the practice). In the field of business administration but also in entrepreneurship, we have good evidence that a solid 'theory' or 'hard core' fosters and guides fruitful research. Let me mention three examples:

- a population ecology of organisations regarding births and deaths of firms
- b transaction cost economics (Williamson, 1975)
- c more recently the resource-based approach.

They all have stimulated much research to test their initial assumptions in their respective fields. From the results of the empirical research based on a good and strong theory it is then possible to derive prescriptive rules for the practitioners. This is, in my opinion, the way to proceed if we want entrepreneurship as a field of study to have academic legitimacy and to be useful for the practice.

Louis Jacques Fillion

Many thanks to the speakers, to the discussants and to the participants to this workshop. Muchas gracias. Merci beaucoup. Many thanks to have shared stimulating thoughts. We will end here because I am told that the session should now be over.

References

Williamson, Oliver E. (1975) *Markets and Hierarchies: Analysis and Anti-Trust Implications*, Free Press, New York.

Notes

1 Comments were kept from only two discussants.