The Habitual Entrepreneur

Paul Westhead and Mike Wright



Detailed Contents

List of Tables and Figures Preface

1 Introduction

1.1	Learning	Objectives	1
-----	----------	------------	---

- 1.2 Entrepreneur Diversity 2
- 1.3 Definitional Issues 3
- 1.4 Scale of the Habitual Entrepreneur Phenomenon 5
- 1.5 Knowledge Gaps and Research Themes 6
- 1.6 Organizing Framework and Book Structure 8
- 1.7 Summary 10
- 1.8 Reflection Questions 11

2 Entrepreneur Resources: Theoretical Insights

- 2.1 Learning Objectives and Overview 12
- 2.2 Human Capital Theory 12
 - 2.2.1 General Human Capital 12
 - 2.2.2 Specific Human Capital 14
- 2.3 Cognition and Heuristics 14
- 2.4 Resource-Based View of the Firm 17
- 2.5 Dynamic Capabilities 19
- 2.6 Signalling Theory 19
- 2.7 Learning 20
- 2.8 Summary 20
- 2.9 Reflection Questions 21

3 Entrepreneur Resource Profiles

- 3.1 Learning Objectives and Overview 22
- 3.2 Entrepreneur Resource Profile: General Dimensions 23
 3.2.1 Gaps in the Knowledge Base and Research Questions 23
 - 3.2.2 Descriptive Analysis 24

- 3.2.3 Methodology 24
 - 3.2.3.1 Data 24
 - 3.2.3.2 Techniques 24
- 3.2.4 Findings 24
 - 3.2.4.1 Entrepreneur and Business Ownership Profiles 24
 - 3.2.4.2 Portfolio Entrepreneurs Compared with Novice and Serial Entrepreneurs: Human Capital 25
 - 3.2.4.3 Serial Entrepreneurs Compared with Novice and Portfolio Entrepreneurs: Human Capital 26
 - 3.2.4.4 Portfolio Entrepreneurs Compared with Novice and Serial Entrepreneurs: Personal Capabilities Toward Opportunity Identification and Sources of Opportunities 26
 - 3.2.4.5 Serial Entrepreneurs Compared with Novice and Portfolio Entrepreneurs: Personal Capabilities Toward Opportunity Identification and Sources of Opportunities 26
 - 3.2.4.6 Portfolio Entrepreneurs Compared with Novice and Serial Entrepreneurs: Financing Businesses 27
 - 3.2.4.7 Serial Entrepreneurs Compared with Novice and Portfolio Entrepreneurs: Financing Businesses 27
 - 3.2.4.8 Portfolio Entrepreneurs Compared with Novice and Serial Entrepreneurs: Organizational Capabilities 28
 - 3.2.4.9 Serial Entrepreneurs Compared with Novice and Portfolio Entrepreneurs: Organizational Capabilities 28
- 3.2.5 Conclusions and Implications 28
- 3.3 Entrepreneur Resource Profile: Assets, Liabilities and Cognition 29
 - 3.3.1 Gaps in the Knowledge Base and Research Questions 29
 - 3.3.2 Hypothesis Tested 29
 - 3.3.3 Methodology 31
 - 3.3.3.1 Data 31
 - 3.3.3.2 Techniques 32
 - 3.3.4 Findings 32
 - 3.3.5 Conclusions and Implications 34
- 3.4 Entrepreneur Resource Profile: Comparative Optimism 35
 - 3.4.1 Gaps in the Knowledge Base and Research Questions 35
 - 3.4.2 Hypotheses Tested 37

	3.4.3 Methodology 39
	3.4.3.1 Data 39
	3.4.3.2 Dependent Variables 40
	3.4.3.3 Independent Variables 41
	3.4.3.4 Techniques 42
	3.4.4 Findings 43
	3.4.5 Conclusions and Implications 44
3.5	Summary 45
3.6	Reflection Questions 46
Ent	repreneur Resource Accumulation: Finance 47
4.1	Learning Objectives and Overview 47
4.2	Finance: Debt 48
	4.2.1 Gaps in the Knowledge Base and Research Questions 48
	4.2.2 Hypotheses Tested 49
	4.2.3 Methodology 52
	4.2.3.1 Data 52
	4.2.3.2 Dependent Variable 53
	4.2.3.3 Independent Variables 53
	4.2.3.4 Technique 54
	4.2.4 Findings 54
	4.2.5 Conclusions and Implications 55
4.3	Finance: Venture Capital 56
	4.3.1 Gaps in the Knowledge Base and Research Questions 56
	4.3.2 Hypothesis Tested 58
	4.3.3 Methodology 58
	4.3.3.1 Data 58
	4.3.3.2 Dependent Variable 60
	4.3.3.3 Independent Variables 60
	4.3.3.4 Technique 60
	4.3.4 Findings 60
	4.3.5 Conclusions and Implications 60
4.4	Finance: Venture Capital Reinvestment in Serial Entrepreneurs 61
	4.4.1 Gaps in the Knowledge Base and Research Questions 61
	4.4.2 Hypotheses Tested 62
	4.4.3 Methodology 63
	4.4.3.1 Data 63
	4.4.3.2 Techniques 64
	4.4.4 Findings 65
	4.4.5 Conclusions and Implications 67

4.5 Summary 674.6 Reflection Questions 68
Entrepreneur Resource Accumulation: Networking and Resource Orchestration 69
5.1 Learning Objectives and Overview 69
5.2 Networking 70
5.2.1 Gaps in the Knowledge Base and Research Questions 70
5.2.2 Methodology and Data 72
5.2.3 Findings 73
5.2.3.1 Patterns of Social Capital Development 73
5.2.3.2 Nascent Entrepreneurs: Network Structure,
Content and Governance 74
5.2.3.3 Novice Entrepreneurs: Network Structure, Content
and Governance 74
5.2.3.4 Habitual Entrepreneurs: Network Structure,
Content and Governance 75
5.2.3.5 Development of Propositions 76
5.2.3.5.1 Network Structure 76
5.2.3.5.2 Network Content 76
5.2.3.5.3 Network Governance 78
5.2.3.5.4 Venture Development 79
5.2.4 Conclusions and Implications 79
5.3 Resource Orchestration 80
5.3.1 Gaps in the Knowledge Base and Research Questions 80
5.3.2 Theoretical Background 80
5.3.3 Methodology and Data 81
5.3.4 Findings 82
5.3.4.1 Sharing Resources and Capabilities 82
5.3.4.2 Transforming Resources and Capabilities 83
5.3.4.3 Harmonizing Resource and Capability
Configurations 83
5.3.5 Conclusions and Implications 85
5.4 Summary 85
5.5 Reflection Questions 86
Opportunity Discovery and Creation 87
6.1 Learning Objectives and Overview 87
6.2 Opportunity Discovery and Creation Theories 88

6.2.1 Key Elements of Opportunity Discovery and Creation

Theories 88

87

	6.2.2	Innovation and Opportunity Creation 89
		Opportunity-Based Conceptualization of
		Entrepreneurship 90
6.3	Oppo	rtunity Discovery: Nature of Experience 90
	6.3.1	Gaps in the Knowledge Base and Research Questions 90
	6.3.2	Hypotheses Tested 91 ,
	6.3.3	Findings 92
	6.3.4	Conclusions and Implications 92
6.4	Oppo	rtunity Discovery: Extent and Nature of Experience 93
	6.4.1	Gaps in the Knowledge Base and Research Questions 93
	6.4.2	Hypothesis Tested 94
	6.4.3	Methodology 98
		6.4.3.1 Data 98
		6.4.3.2 Dependent Variables 98
		6.4.3.3 Independent Variables 100
		6.4.3.4 Technique 100
	6.4.4	Findings 101
	6.4.5	Conclusions and Implications 101
6.5	Oppo	rtunity Creation 102
	6.5.1	Gaps in the Knowledge Base and Research Question 102
	6.5.2	Hypotheses Tested 105
	6.5.3	Methodology 107
		6.5.3.1 Data 107
		6.5.3.2 Dependent Variables 108
		6.5.3.3 Independent Variables 109
		6.5.3.4 Techniques 110
		Findings 110
		Conclusions and Implications 111
		pary 112
6.7	Reflec	ction Questions 114
Lea	rning	115
	_	
		ing Objectives and Overview 115
7.2		ing 115
		Gaps in the Knowledge Base and Research Questions 115
	7.2.2	Human Capital Perspective Explaining the Emergence of
		Types of Habitual Entrepreneurs 116
		Methodology 116
		Findings 118
	725	Conclusions and Implications 122

7.3 Reflection Questions 123

Entrepreneur and Firm Performance	
8.1 Learning Objectives and Overview 124	
8.2 Entrepreneur and Firm Performance: Growth 125	
8.2.1 Gaps in the Knowledge Base and Research Questions	125
8.2.2 Hypotheses Tested 126	
8.2.3 Methodology 126	
8.2.4 Findings 126	
8.2.5 Conclusions and Implications 127	
8.3 Entrepreneur and Firm Performance: Exporting 127	
8.3.1 Gaps in the Knowledge Base and Research Questions	127
8.3.2 Hypotheses Tested 128	
8.3.3 Methodology 129	
8.3.3.1 Data 129	
8.3.3.2 Dependent Variables 129	
8.3.3.3 Independent Variables 130	
8.3.3.4 Techniques 130	
8.3.4 Findings 131	
8.3.5 Conclusions and Implications 131	
8.4 Summary 132	
8.5 Reflection Questions 132	
Conclusions and Implications	134
9.1 Future Research Directions 134	
9.2 Summary and Reflection Questions 136	
References	137
Index	149
THE CO.	117