

# Effectuation

Elements of Entrepreneurial Expertise

SECOND EDITION

Saras D. Sarasvathy

*Paul Hamaker Professor of Business Administration,  
University of Virginia Darden School of Business, USA*

NEW HORIZONS IN ENTREPRENEURSHIP

**TPIP Edward Elgar**

MTJ IPUBLISHING

Cheltenham, UK • Northampton, MA, USA

# Contents

<i>List of figures</i>	ix
<i>List of tables</i>	xi
<i>Foreword to the first edition by Lester Lave</i>	xii
<i>Foreword to the first edition by S.Venkataraman</i>	xiv
<i>Acknowledgments</i>	xvi
<i>Introduction</i>	xviii

## PART I THE EMPIRICAL JOURNEY - ENTREPRENEURIAL EXPERTISE

1	What I set out to study and why	2
2	What I found and how	19
3	Interpreting what I found	43

## PART II THE THEORETICAL JOURNEY - EFFECTUATION

4	Understanding effectuation: problem space and solution principles	58
5	Understanding effectuation: dynamics of the effectual process	95
6	Relating effectuation to performance	124

## PART III WAYPOINT

7	Entrepreneurship as a science of the artificial	149
8	Competitive advantages and entrepreneurial opportunities	171
9	Philosophy and methodology of effectual economics	189
10	Markets in human hope	212

## PART IV THE WAY AHEAD

11	Worlds in the making	236
----	----------------------	-----

Appendix	Protocol from E5	249
	Afterword to <i>Effectuation</i> ', what comes next? <i>Nicholas Dew, Stuart Read and Robert Wiltbank</i>	251
	<i>References</i>	259
	<i>Index</i>	287