

Pragmatic entrepreneurs and institutionalized scholars? -On the path-dependent nature of entrepreneurship scholarship *

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Abstract: Research surveys of the field of entrepreneurship suggest that the maturation and institutionalization of entrepreneurship as a research field brings about both new opportunities and constraints from established thoughts and practices. In this chapter we explore some commonly applied questions and methodological dogmas in the field. In doing so we argue that research in entrepreneurship is becoming increasingly institutionalized with regard to different issues: successively scholarship, research questions, areas/units of analysis, as well as research tools used. When draw upon insights from philosophy of science and research on discovery of research ideas to discuss whether we as researchers pose questions that help us better understand entrepreneurship, its role in society and the way it affects society. We conclude the chapter by using the philosophy of Pragmatism to discuss how Entrepreneurs are pragmatic agents that draw upon a multitude of skills, experiences, repertoires of themselves and of others to reach their goals. Perhaps entrepreneurship research could benefit from learning from such an approach?

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In his early review of the scientific discourse on entrepreneurship, Marc Casson (1982) concluded “*The essence of entrepreneurship is being different?*”. Why then, may we ask, is so much of entrepreneurship research so very *similar?*

Research surveys of the field by, among others, Aldrich (2012) and Landström (2012) suggests that one reason why entrepreneurship research is becoming more homogeneous stems from the maturation and institutionalization of entrepreneurship as a research field. While the maturation of entrepreneurship as a research field has led to increased quality and quantity of research in terms of methodological sophistication, communication with other bodies of scholarship, etc., it may also lead to increasing “taking-for-grantedness” of certain research questions and methodological dogmas, as is the nature of institutionalization (Powell & DiMaggio, 1983).

In this chapter we explore some commonly applied questions and methodological dogmas in the entrepreneurship field, such as new venture entry and performance, analysed through regression analyses and comparative case studies. We begin this chapter by describing how the dominance of these research questions and the tools used to answer them by and large stem from the research areas of Strategy and Organization Theory. In doing so we argue that research in entrepreneurship is becoming increasingly institutionalized with regard to different issues: successively scholarship, research questions, areas/units of analysis, as well as research tools used. We then draw upon insights from Weick (1989) and Davis (1971) to discuss whether we as researchers pose questions that help us better understand entrepreneurship, its role in society and the way it affects society. We conclude the chapter by using the philosophy of Pragmatism to discuss how Entrepreneurs are pragmatic agents that draw upon a multitude of skills, experiences, repertoires of themselves and of others to reach their goals. Perhaps entrepreneurship research could benefit from learning from such an approach.

How is scholarship institutionalized?

Institutionalization – the taken-for-grantedness of rules, procedures, and ways of organizing production and social interaction – is one of the most well-researched areas of organization science (Meyer and Rowan, 1977). However, with few exceptions, scholars tend to use the tools of institutional analysis to investigate industries, firms, and entrepreneurs rather than their own community of scholarship. Two important exceptions in entrepreneurship research are the recent literature reviews by Landstrom (2011) and Aldrich (2011) who outlines the historical development of fields of entrepreneurship, showing how entrepreneurship research has become both increasingly cumulative and institutionalized. We will not discuss the potential pros and cons

with this institutionalization beyond noting that it has been successful in attracting many new scholars to an increasingly global academic field.

As some authors have argued (e.g. Aldrich, 2011; Baker and Pollock, 2007), one *reason* for the institutionalization of entrepreneurship research is that the research questions and tools by and large stem from the research areas of strategic management and organization theory. Many entrepreneurship scholars have their training in these areas, and to a lesser extent in the disciplines of economics, sociology, or psychology (Busenitz et al., 2003). But since entrepreneurship research is primarily conducted at business schools, strategic management and organization theory predominate (Baker and Pollock, 2007). In addition these areas come with their own traditions, theories, value-laded assumptions, and methodological canons. For example, many have lamented the lack of process-oriented studies in entrepreneurship, despite the obvious insight that most of entrepreneurship can better be described as a process rather than a choice, a single event, or a fixed unit of analysis such as an individual or a new firm (Van de Ven and Engleman, 2004).

To describe how scholarship becomes institutionalized in the field of entrepreneurship research, we will here discuss in turn the related issues of: (1) Institutionalization of research questions, (2) Institutionalization of research areas, and (3) Institutionalization of research designs.

Institutionalization of research questions

In an essay reflecting on the disjunction between the questions we as a field ask and the questions we perhaps ought to care about, Saras Sarasvathy (2004) suggested that we have spent too much time “pursuing the holy grail of firm performance as a measurable consequence of entrepreneurial characteristics” (Sarasvathy 2004: 716) instead of seeking more nuanced and creative ways to actually foster entrepreneurship in individuals and economies. Indeed, much entrepreneurship research seeks to distinguish between more or less entrepreneurial individuals and firms — for example in the psychological studies of entrepreneurs or the studies on the Entrepreneurial Orientation of firms (Rauch and Frese, 2007; Rauch, Wiklund, Lumpkin, and Frese, 2009) —, or follows research in strategic management and organization theory to look at the success factors or ways of organizing in young firms (Duchesneau and Gartner, 1990; Gartner and Carter, 2003). To illustrate this claim, we downloaded and read the last two years of papers (September 2012 to September 2014) in one top-ranked entrepreneurship journal, *Journal of Business Venturing*. We found that among the 75 published empirical studies, 13 (17%) dealt with predictors of ‘entry’ (new venture creation, self-employment, etc.) and 36 (48%) with

'performance' (financial success, growth, new product development, survival, etc.). Only 26 empirical articles (35%) studied phenomena not directly related to entrepreneurial entry or success. Why, still, the predominant focus on "who becomes an entrepreneur?" and "what predicts success?" in entrepreneurship research?

While entrepreneurs are undoubtedly interested in learning about success factors in various industries and sectors, there is a well-known problem applying past lessons about success to the future (Denrell, 2003; Golden, 1997). Indeed, the problem of induction may be particularly problematic in entrepreneurship research, since the phenomenon is closely related to doing things differently (Casson) and especially so in modern economies where past insights about the organization of new ventures are rapidly becoming less relevant with the increasing rate of technological and institutional change; where entrepreneurs can use the Internet to go from an idea to a legally registered firm with sales channels and a global value chain of customers and suppliers in less than a day (Davis, 2013). Fortunately, this is a problem that researchers are increasingly acknowledging and that successful entrepreneurs – especially serial entrepreneurs having lived through booms and busts – are often keenly aware of (e.g. Toft-Kehler, Wennberg, and Kim, 2014).

In terms of research questions, many have argued that entrepreneurship research needs to move beyond questions related to new venture creation, self-employment, and firm growth (Davidsson, 2003; Sarasvathy, 2004; Shane and Venkataraman, 2000). In addition to being fairly well researched to date, these questions are also attended to by other scholarly domains such as sociology, economics, psychology, strategic management, and organization studies. In her essay, Sarasvathy (2004) suggest that the field would benefit from focusing less on the "boundary sciences" *per se*—e.g. the psychology of individuals, the resources of firms, or the characteristics of the firm environment—and instead spend time understanding what happens on the interfaces between them, e.g. the ways in which entrepreneurs engage their environment as part of the entrepreneurial process.

In addition to staying close to actual entrepreneurial processes, it may be valuable to consider how more mature fields, including organization theory and strategy, identify new and often counterintuitive research questions and seek to deinstitutionalize themselves. Weick (1990) suggested several heuristics for identifying research questions, often by more deeply interrogating real-world phenomena, such as "noticing an anomaly", "challenging dominating levels of analysis", "Create language that may enrich explanation", "notice simple activities and exploit them as metaphors", or to "pursue possible counterintuitive explanations". Similarly, Davis (1971), in his classic paper "That's Interesting!", suggests a number of heuristic for developing

interesting research questions, i.e. research questions that break with taken-for-granted assumptions in various ways. One such heuristic is to assume that “What seems to be a general phenomenon is in reality a local phenomenon”. Davies exemplifies with Malinowski's anthropological research which indicated the Oedipal complex and its resolution -- which had been taken as a universal -- was in fact not common to all societies. In entrepreneurship research investigations of venture capital practices have found that cultural and institutional differences have large effects on the roles VCs assume and the activities they perform, suggesting that the value of principal-agency theory, for understanding relations in the venture capital industry, is culturally bounded (Wright, Pruthi, and Lockett 2005). This point illustrates how formulating new research questions may often implies a reconsideration of basic phenomena and the actors involved.

Institutionalization of units of analysis

Unlike social science fields such as strategic management and organization studies in which basic units of analyses remain relatively stable over time, change and emergence are fundamental characteristics of entrepreneurship. This means that business ideas, individuals, groups, business models etc. are not stable throughout the process of creating new organizations and business ventures (Katz and Gartner, 1988). Stated differently, central units of analysis tend to change or even transform from one form (e.g. idea or individual) into another (e.g. product, team, or firm) during the process (McMullen and Dimov, 2013). To assume that opportunities, stakeholders, ventures, and other central units of analysis remain stable over the duration of an entrepreneurial process may lead us to ignore essential aspects of entrepreneurial processes. Reflecting on these complications, McMullen and Dimov (2013) define entrepreneurship as “the sequential encounter and institution of information – *through actions and interactions* – that becomes embedded in the final product” (McMullen & Dimov, 2013, p. 1493, emphases added). Such a definition puts emphasis on the process of emergence and formation of products, organizations and markets; the pre-historical phase that occurs before they stabilize and become tractable to uniform criteria for definition and sampling (cf. Sarasvathy 1998). While uncertainty the notion of pre-history has received some attention from the fields of organization theory and strategic management, it is not central. Instead it is discussed in terms of events that are admittedly important, but that occur “before” the proper stable units of analysis have emerged (Fiol and Romanelli, 2011; Helfat and Lieberman, 2002). The field of entrepreneurship, on the other hand, focuses squarely on these early formative stages where uncertainty, emergence and transformation are essential, rather than incidental. Keeping this distinction in mind, we should

be careful not to forcibly fit emergent and changing phenomena into the static units of analysis used in other fields. Instead, it is important to develop conceptual and methodological tools that fit with the properties of the phenomena at hand (Berglund, 2014). Entrepreneurship researchers have merely begun to grapple with these issues and in doing so, the influence of theories and constructs from more traditional fields of management may be constraining.

An illustrative case in point is the notion of entrepreneurial opportunities, which has emerged as a central unit of analysis in the entrepreneurship field. Being borrowed from economic theory, opportunities are commonly regarded as ontologically real phenomena that are not known by everyone due to information asymmetries. The opportunity then helps to guide the entrepreneurial process, which is said to consist of discovery, evaluation and exploitation (Shane and Venkataraman 2000). This understanding of opportunities clearly does not sit well with a definition of entrepreneurship that rests on uncertainty, emergence, and transformation.

Consequently, several authors have suggested that opportunities should not be conceptualized as ontologically real entities. Instead opportunities should be seen as subjectively imagined by the entrepreneur (Klein 2008) and the main function of such imagined opportunities is to inspire and guide the entrepreneurial process (Berglund 2007). Borrowing a term from the sociology of science, opportunities are not ontologically real, but rather have an “unfolding ontology”, which means that while they can have material instantiations (e.g. in a business plan), they are defined by their potentiality, their incompleteness of being, their ability to unfold and develop, and their capacity to stimulate creative action (Knorr Cetina 2001, cf. Miettinen and Virkkunen 2005). This reconceptualization of opportunities as something that exists and unfolds on the intersection between the entrepreneur and the surrounding environment resonates with Sarasvathy’s (2004) idea that entrepreneurship is about unfolding, transformational processes of design. It also illustrates the importance of defining concepts and designing projects in ways that are sensitive to the essential character of the phenomenon at hand.

Institutionalization of research designs

Another type of institutionalization concerns *the way research is done*. Given the nature of the phenomenon and the insights and discussions provided by entrepreneurship scholars, one would expect a more comprehensive methodological toolbox. Although there is a good amount of both inductive and deductive studies in entrepreneurship, the type of designs adopted in these two types of research approaches by and large follows the mainstream traditions in organization theory and strategic management (Van de Ven and Engleman. 2004). One reason for this is training, with few entrepreneurship scholars being trained in e.g. psychology, experimental studies remain scarce.

This situation of course would not be a problem if the phenomena studied are similar to what is being studied in the fields where research training is done, .e.g., economics, organization theory or strategic management. However, as mentioned in the above, a core argument *for* entrepreneurship as a specific field of inquiry is that entrepreneurship is distinct in terms of phenomena or unit(s) of analysis, in light of the uncertainty and emergent nature of entrepreneurial processes, and the capacity for transformation from one entity (e.g. idea or individual) into another (e.g. product, team, or firm) (McMullen and Dimov, 2013; Venkataraman, Van de Ven, Buckeye, and Hudson, 1990). The importance of time and process is distinct in entrepreneurship since the traditional design of processes in organization theory and strategic management builds upon a set of activities conducted between particular start and end points where the process is thought of as following a stable type of entity (e.g. a firm, a project, or an individual) approximated by certain attributes that are then related to particular outcomes of interest (Langley et al., 2013). This obviously makes sense when one samples entities that are relatively stable. However, as Van de Ven's (2007) discusses in some detail, there is a quite stark distinction between studying the process of stable entities over times and entities that are highly fluid or stochastic in nature (such as a business idea or an emerging firm). When entities are fluid and cannot be readily sampled in uniform ways, studying these as a process means that research designs needs to capture these as sequences of events or activities allowing for description of how particular things change over time. While some scholars have used longitudinal designs to empirically study entrepreneurship as a process that unfold over time (Gartner, Shaver, Carter, and Reynolds, 2004; Samuelsson and Davidsson, 2009), the methods of analysing such processes are still by and large confined to case studies and regression analyses of historical data. It is questionable whether the overwhelming focus on qualitative case studies and regression analyses on historical data (cross-sectional or longitudinal) is due to these really being "the best tools for the job" to study the processes claimed by theorists as central to the development of entrepreneurship research (Davidsson & Tonelli, 2013).

Aldrich (2009) reviewed all articles published in the *Administrative Science Quarterly* (a top ranked journal where some of the most impactful entrepreneurship research has been studied) between 2000 and 2007. In reviewing the 128 empirical articles in these 8 years, he found that less than 35 per cent of all studies actually describe the context of study in terms of nation, region, and time period studied. Without actually mentioning the country, time period, or region studied, much of the important context of empirical studies is omitted, and hence our ability to compare and contrast across studies diminished. Further and perhaps more relevant for the generalizability and contextualization of entrepreneurship theory, in his analysis Aldrich notes that a whopping 88 percent of all single-country studies were based on data from the United States. Consequently,

also in choosing areas of study, studies in developed economies, perhaps predominantly new ventures in high-technology industries, remains a challenge to entrepreneurship research. While Silicon Valley still represents a beacon of entrepreneurship that many take inspiration from, it is highly questionable whether the preponderance of studies taking place in such settings is fruitful for gaining new knowledge and developing theoretical insights to benefit the field at large.

Why are not other methods used in entrepreneurship research, such as sequence analysis – the comparison of sequences of events in order to find similarities and identifiable patterns (Abbott, 1990; Lichtenstein, Carter, Dooley, and Gartner, 2007), or ‘fuzzy sets’ – a strongly emerging mixture between qualitative and quantitative approaches (Fiss, 2011)? Why still so few experimental designs, despite re-occurring calls for such designs to be used in entrepreneurship studies? Why still so few historical studies?

Even if entities are fluid and difficult to sample, recent advances in longitudinal research tools allow for such design to be crafted and studies as sequences of events or activities that change over time (Johnson, van de Schoot, Delmar, and Crano, 2014). It seems to us that also in the usage of research methods, the prevailing tradition of variance-based regression analysis dominating strategy research is increasingly becoming institutionalized and diffused also in entrepreneurship research through PhD training and in the peer-review publishing processes. The development of rigor is of course good, but not at the expense of confining methods to a narrow set of analyses.

Hence, developing the breadth of research methods and ascertaining the fit between methods utilized and questions being sought to answer is a second challenge for entrepreneurship scholars. If we are to learn and develop a set of research tools to answer broad and complex questions suggested as unique to entrepreneurship scholarship (Aldrich, 1999; Davidsson, 2004; Shane and Venkataraman, 2000; Zahra and Wright, 2011), a pragmatic and proactive approach to seeking new methods is needed.

Pragmatism - What makes entrepreneurs and entrepreneurship research different?

As described in the above, becoming institutionalized means that the scope of questions asked and the range of perspectives and methods utilized tends to be taken for granted. As such, much of entrepreneurship research is very similar in nature, and arguably not very distinct from mainstream research in strategic management and organization theory (Baker and Pollock, 2007).

An obvious conclusion from this is that perhaps entrepreneurship research is not so much a specific field of research but rather a contextual domain where scholars from a range of disciplines chose to make their inquiries (Sorenson and Stuart, 2008). If entrepreneurship scholarship is to provide unique questions to unique problems not attended to in the more established social sciences, we believe that further attention to research questions posed, and theories/methods used to answer those questions, is needed. Do we pose questions that help us better understand entrepreneurship, its role in society and the way it affects society? Do we pose questions that matter to entrepreneurs?

Most scholars of entrepreneurship have frequent contacts with practicing entrepreneurs from their studies, teaching, consultation, and other tasks. Many experienced entrepreneurs have also sought to turn their practical experiences and tacit knowledge into theories and models in the form of prescriptive methods that offer advice on how to efficiently develop new businesses under uncertain conditions (cf. Blank & Dorf, 2012; Furr & Ahlstrom, 2011; Ries, 2011, Savoia, 2011). These practitioner-theories are increasingly well cited in scholarships and used in teaching and program design of numerous incubators and accelerators around the world. However, they have not been subject to much scholarly scrutiny. As such there is a growing disconnection between the theories propagated and tested by entrepreneurship scholars and more practically oriented writing that offers a number of actionable as well as readily testable prescriptions. Would it not be of interest to both entrepreneurs and scholars to test the generality and validity of principles developed in ‘the lean start-up’ literature? In our own experience, entrepreneurs are often open, tolerant and curious about the researchers’ experience and views, but less concerned with his or her theories and methods. Entrepreneurs are pragmatic types. They want to build and change things, and often draw upon a multitude of skills, experiences, repertoires of themselves and of others in doing so. Perhaps this attitude is one of the reasons for the rapidly changing nature of entrepreneurship and the ability of successful entrepreneurs to adapt by trial-and-error solutions, to utilize modern technological tools, and being less bothered by the do’s and don’ts of traditional managerial techniques and strategy dogmas taught in business schools and implemented by established corporations (Ries, 2011). Whether we chose to call processes trial-and-error for “Lean startup principles”, “Effectuation”, “Bricolage” or some other popular term, in the following we suggest a key philosophical virtue underlying these more refined theoretical concepts are the virtue of *pragmatism*.

The pragmatism of entrepreneurs is at the same time the most obvious but also perhaps the least researched aspect of entrepreneurship, because it deals with the mundane practices and “how

to's” of entrepreneurship.¹ The philosophical tradition of pragmatism was primarily developed by The Metaphysical Club members Charles Sanders Peirce (1935), William James (1890/2011), and Chauncey Wright, as well as John Dewey (1916/2012), and George Herbert Mead. Their central idea was that the main goal of thinking and theorizing is not to accurately represent objective reality, but rather to help mankind progress by developing knowledge that lets us achieving things and more generally helps us to deal with problems and challenges as they arise. This was a big idea that had far reaching implications for traditional philosophical questions such as the nature of truth and the validity of theories, both of which should be evaluated instrumentally.

It also has implications for entrepreneurship researchers. We argue that the pragmatist tradition is similar in spirit to the discourse of entrepreneurial practice. Therefore, it is ironic that the emphasis on action over correct representation, stands in such stark contrast to much prevailing work in entrepreneurship research that seeks to arrive at the “actual meaning” of concepts, such as what it means to be ‘proactive’, have an ‘entrepreneurial orientation’ or follow a specific strategy of execution tasks. A more pragmatist approach to entrepreneurship research would recognize that a theory’s validity and appropriateness must be established in relation to specific situations and the purposes, which means that there can be more than one appropriate way to conceptualize the world and human action. This also resonates with the basic idea that entrepreneurship concerns transformative processes characterized by emergence and change. A pragmatist approach would similarly be wary of attempts to close down conceptual debates in the name of theoretical coherence, or to base theories on empirical evidence that fails to sufficiently account for important situational differences, e.g. between innovative and more imitative forms of entrepreneurship.

From a pragmatism perspective, entrepreneurs are characterized by their ability to practically implement a project rather than their meta-physical considerations of how that project should proceed. Pragmatists are interested in consequences or real effects, not by the specific way to reach these effects. They have their focus on the *results* rather than on the *essence* of a phenomenon. In other words, pragmatists are not interested in the ideal solution, but always seeks a connection to the concrete problem at hand. Or as Wilhite (2006) differentiated: “*Pragmatic decision makers adjust their view and their decisions to the state of the world. Ideological decision makers follow a guiding principle making decisions that do not change with circumstances*”.

¹ An exception is Saras Sarasvathy’s work on effectuation, which is explicitly rooted in the pragmatist tradition (cf. Sarasvathy 2008: 183).

Implications for entrepreneurial scholarship

If we are to take the pragmatism of real-world entrepreneurs seriously, entrepreneurship scholars need to cultivate a pluralistic view of studying entrepreneurship and dispense of methodological and theoretical dogmas. Rather than thinking about entrepreneurship solely as a context of study (Sorenson and Stuart, 2008), pragmatic entrepreneurship scholarship would emphasize practical use-value as an important validity criterion, and seek logical proximity between methods, analysis and conclusions over internal validity or theoretical grandeur.

With this we surely don't mean that we as a scholarly community should dispense of all insights made during decades of study and embrace a nihilistic 'anything goes' approach to scholarship. The litmus test of research is not to write and publish *per se*, but to say something useful that other researchers, and in by extension practitioners, can discuss, criticize, refine, and in the end apply as a guide to their own thinking and action. In this, we can be inspired by the pragmatism of practicing entrepreneurs as we think about ways of posing research question, identifying appropriate (versus well-research) areas of study or units of analysis, and using a wide enough theoretical and methodological toolbox to probe the research question at hand.

In this essay we have also noted that, as a consequence of the institutionalization of entrepreneurship research into a field largely dominated by traditions from organization theory and strategic management, the firm (and sometimes the individual) remains a central unit of analysis, despite strong and repeated calls for researchers to focus on processes and to broaden the units of analyses to also include ideas, groups, ventures, and regions. As mentioned, processes of entrepreneurship often take place before more stable entities, like individuals and firms, have been established (Sarasvathy 1998) and more often than not the final business developed is the emergent result of various types of exchanges between multiple stakeholders. An entrepreneurial idea – or business opportunity – is thus realized only when it becomes a tangible concept which can be understood by others and distributed to them. This begs some questions. First, if entrepreneurship by and large takes place in social exchanges over time, entrepreneurship research may want to put further attention on the actual *exchanges* taking place. Economics, Sociology, and Anthropology has for long discussed the character of exchange from various perspectives, and there should be ample opportunities to draw upon such ideas and develop them further in the entrepreneurship domain (Graeber, 2011; Podolny, 1994). Second, if entrepreneurship concerns phenomenon that are emergent in nature, and/or in a state of flux, researchers may seek to reconsider the units of analysis in their studies of entrepreneurship. Also here, we suggest researchers to look at Murray Davis' (1971) work. Another of his heuristics for generating new ideas among scholars is to assume that what seems to be a stable and unchanging

phenomenon is in reality an unstable and changing phenomenon, e.g. Marx saying that the economic organization of a society, which was thought highly stable, was in fact subject to radical change in short periods of time. This type of heuristic resonates well with the idea that central constructs in entrepreneurship research are emergent and unstable.

When it comes to concepts and theories developing within the field of entrepreneurship itself, it may conversely be of value to avoid the premature establishment of general and abstract definitions of such central concepts, without exploratory research to back this up. One example is the concept of ‘entrepreneurial opportunities’, where a large body of theoretical research debates the existence and nature of opportunities, but where empirical research remains scarce (Barreto, 2012; McMullen, Plummer, and Acs, 2007; Mole and Mole, 2010; Sarason, Dean, and Dillard, 2006; Sarasvathy, Dew, Velamuri, and Venkataraman, 2005; Shane and Venkataraman, 2000). For example, experimental studies (Baron and Ensley, 2006) or exploratory studies investigating how opportunities are enacted by entrepreneurs may paint a more pluralistic picture fruitful for further theorizing. Take for example this quote:

“A suitable way of conceiving opportunities is therefore not as either existing or created per se, but as a bundle of more or less clear opportunity perceptions and opportunity projections that become relevant in a variety of situations and for a number of different reasons. It is in this multifaceted role that opportunities are truly relevant, since acting as if opportunities are both existing and created provides the cognitive and practical drivers that guide entrepreneurial actions.” (Berglund 2007: 269-270).

We believe that such an approach towards opportunity recognition echoes a pragmatic approach to theory development. More generally, it highlights the significant value of considering the epistemological basis for various strands of entrepreneurship research.

In this chapter we have argued that the institutionalization of much of entrepreneurship scholarship into a narrowly confined corridor of questions, methods, and theories originating in strategy and organization studies represents a mental straightjacket limiting the development of entrepreneurship as a field. However, we would like to acknowledge that there are signs of increasing diversity in terms of research questions posed in entrepreneurship, and methods used to answer these questions. Several scholars have called for a grounding of investigations in “the mud of common human experience” (Sarasvathy 2004: 289) arguing that “the everyday is the scene where social change and individual creativity take place as a slow result of constant activity” (Steyaert 2004: 10). Many have also undertaken such investigations, often through discourse analyses (analysis?) (Ahl, 2004) such as investigations of metaphors and talks about entrepreneurship (Cliff, Langton, and Aldrich, 2005) and even more pragmatically by investigating how entrepreneurs construct narratives to convince stakeholders to fund their

ventures (Lounsbury and Glynn 2001, Martens et al., 2007). However, attention has been scarce towards the “simple activities” of entrepreneurs or to “pursue possible counterintuitive explanations” of phenomena that we observe. If entrepreneurship research would heed this call, we believe that epistemological inspiration from pragmatic philosophy, theoretical inspiration from disciplines beyond strategy and organization studies, and methodological inspiration from e.g. ethnographic research as well as experimental studies may prove valuable.

In addition to being open to new research areas and research questions, considering the proper unit of analysis in answering their questions remains an important challenge for entrepreneurship scholars. In their well-cited theory article, Davidsson and Wiklund (2001) suggested researchers to challenge dominating levels of analysis, something that has been slow to catch on but arguable increasingly heeded in recent studies (Autio, Pathak, and Wennberg, 2013; Yang and Aldrich, 2014). Perhaps most notably so in regional scholars attending to the region or country level of analyses (Stam, 2013; Wennberg, Pathak, and Autio, 2013), but also by sociologists and management scholars studying entrepreneurial teams (Ruef, 2010).

Conclusions

In his Pulitzer prize winning book chronicling the development of pragmatism, Louis Menand describes the central beliefs shared by its founding fathers:

“They all believed that ideas are not 'out there' waiting to be discovered, but are tools—like forks and knives and microchips—that people devise to cope with the world in which they find themselves. They believed that ideas are produced not by individuals, but by groups of individuals—that ideas are social. They believed that ideas do not develop according to some inner logic of their own, but are entirely dependent, like germs, on their human carriers and the environment. And they believe that since ideas are provisional responses to particular and unreproducible circumstances, their survival depends not on their immutability but on their adaptability.” (Menand 2001: xi-xii)

Entrepreneurs are quite pragmatic in determining what knowledge is useful to their venture development efforts. While we must not forget that the pursuit of academic knowledge is an altogether different activity, it is still our firm belief that we as entrepreneurship scholars would benefit from embracing a bit of this same attitude; by developing theories that are maybe instrumental and action-oriented in the similar fashion as entrepreneurs develop their businesses, social and cumulative to further strengthen the scientific community of entrepreneurship

scholars, and more contextualized and contingent to acknowledge the fact that entrepreneurship comes in many different forms and differ widely across contexts.

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