

# **RESEARCH STATEMENT**

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The following statement summarizes my approach to research, and provides the basis for my research agenda, in five parts, as follows:

1. Research Objectives
2. Research Context
3. Open Questions
4. Works to Date and Underway
5. Research Summary

References

Appendix

## **Part 1: Research Objectives**

Generally, my research, teaching, and service interests are focused on strategies for increasing economic well-being in society—both domestically and internationally—through the study of entrepreneurs (domestically and within the cross-cultural setting), the development of transaction cognition theory, and the further development of stakeholder theory. I am interested in increasing global human value creating capacity through the study and development of multiple theoretical perspectives that support entrepreneurship across multiple levels of analysis.

Specifically, this involves:

1. The application of entrepreneurial cognition and organization theory to the problems of value creation, especially to the enhancement of entrepreneurial expertise in individuals, through innovative methods (such as the development and implementation of entrepreneurial expert assistance methods and computer technology) to increase their sustainable competitive advantage;
2. The exploration of institutional theory and strategic management-based frameworks for increasing value creation through improving the success of organizations; and
3. The application of stakeholder, organizational, and transaction systems theory to the governance of firms and institutions as it relates to the sustainable engagement by the firm of the primary actors in its environment, and to addressing critical value-creation issues at the economy and society levels of analysis.

## **Part 2: Research Context**

In my view, as illustrated in Figure 1, value-creation/ entrepreneurship research has developed along three primary pathways, each at a particular level of analysis as follows: the individual (entrepreneur), the firm (venture), and the economy (marketplace).

Figure 1:  
Primary Research Pathways

Individual	Firm	Economy
	Early Strategists	Romans Cantillon, 1755 Baudeau, 1767
Say, 1810		Menger, 1871
Knight, 1921		Schumpeter 1934 Hayek 1937
Psych Group, 1965-82	Modern Strategists, 1939-1987 NVP Group, 1986-91	Economics Group, 1939-1996

The primary propositions within each pathway, along with the present status of research results with respect to the examination of these proposition (S = supported; M = mixed; C = contradicted) are illustrated in Figure 2.

Figure 2:  
Primary Propositions & Findings

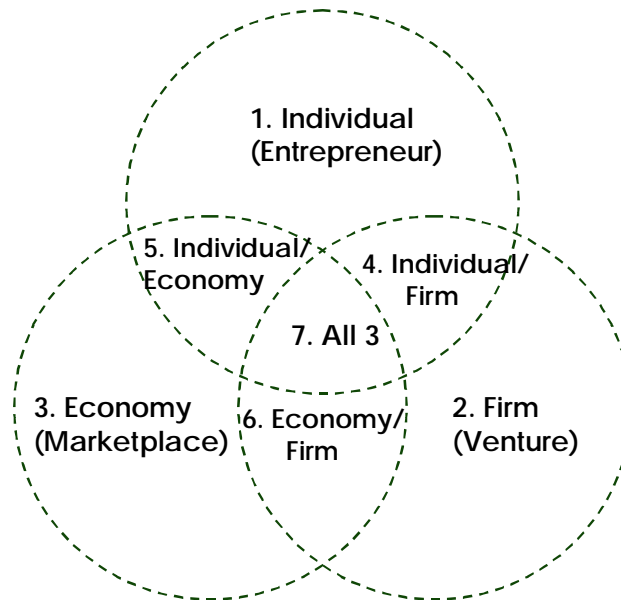
Level	X	Y
<b>Individual Level</b>	<ul style="list-style-type: none"> <li>S Age</li> <li>S Education</li> <li>M Gender</li> <li>S Immigration</li> <li>C Locus of Control</li> <li>C Need for Achievement</li> <li>S Religion</li> <li>C Risk Taking Propensity</li> <li>S Social Learning</li> </ul>	↔ Self Employment/ Entrepreneurship/ Person-driven value creation
<b>Firm Level</b>	<ul style="list-style-type: none"> <li>M Characteristics of Ventures</li> <li>S Industry Structure</li> <li>S # of Ventures Created</li> <li>S Venture Strategy</li> </ul>	↔ New Venture Performance
<b>Economy Level</b>	<ul style="list-style-type: none"> <li>S Change – Technological</li> <li>S Change – Political</li> <li>S Demand</li> <li>C Failure Rates</li> <li>S Unemployment</li> <li>S Societal Wealth</li> </ul>	↔ Rates of Entrepreneurship

Included in the Appendix as Table 1, is the analysis of the literature, which Figure 2 summarizes. As shown in the figure, it has been at the individual level of analysis that the most and most far-reaching contradictions have occurred. As a result, in the late 1980's and early 1990's, the field of

entrepreneurship research was considered to be “messy,” because at that time the role of the individual within the entrepreneurial process was unclear. Essentially, the results of the research process have revealed that the individual attributes: locus of control, need for achievement, and risk-taking propensity, can no longer be relied upon as independent variables with an empirically supported relationship to entrepreneurship. But these contradictory results have also provided an opportunity for new approaches to the identification of the role of individuals within entrepreneurial process.

Furthermore, because of the multi-level nature of the entrepreneurship research context, new approaches to the identification of the role of individuals within the entrepreneurial process also have implications for research at the firm, economy, and at the cross- and multiple-levels of analysis implicated. Figure 3 illustrates the seven areas for research that emerge.

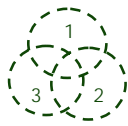
Figure 3:  
7 Areas for research:



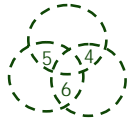
### Part 3: Open Research Questions

The open research questions that I have been pursuing in my research follow from the seven areas for research shown in Figure 3:

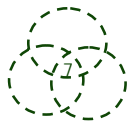
# Research Questions:



1. Where and how does “E” (the individual as entrepreneur/ social actor) fit, in explanations of new value creation?
2. How, and in what manner, are firm characteristics related to the formation and sustained economic well-being of firms?
3. What phenomena and explanations within the economy (marketplace) are useful in the investigation of solutions to some of our toughest problems, and how can such study contribute to theoretical development and global value creation?



4. Given uncertainty and scarcity, to what extent do entrepreneurial cognitions affect new firm formation and ultimate firm success; and what are the implications of the foregoing explanations for venture analysis standard-setting to increase new value creation?
5. How does an understanding of the identification and salience of stakeholders relate to new value creation potential?
6. What are the mechanisms in the firm (organization)/ economy (institutional) interface that affect value creation?

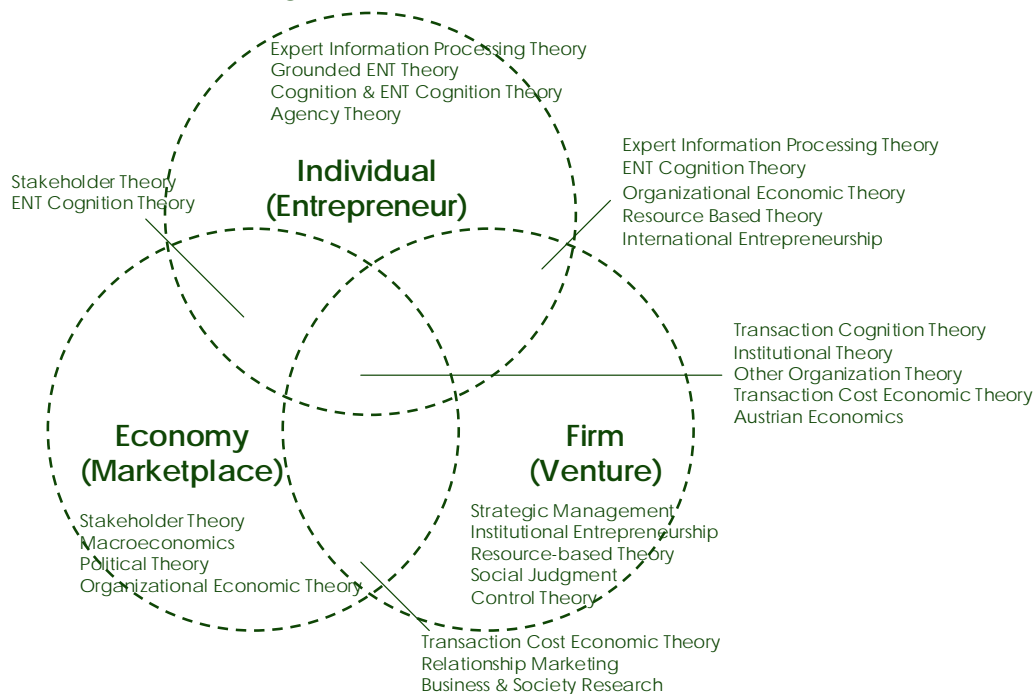


7. What multi-level and empirical considerations might be useful for understanding sustainable new value creation?

*Specific* research questions have also been developed for each project produced to date or underway, and are included in each article produced within the applicable sub-domain of research.

Figure 4 illustrates the various theoretical approaches suggested by the foregoing research questions, and which I have been, and am currently applying in my research.

Figure 4:  
Theory



## Part 4: Works to Date and Underway

Consistent with the foregoing approach to the framing of my research, I have investigated primary research questions in each of the four “individual (entrepreneur)”-related categories shown in Figures 3 and 4. I consider these to be my “Anchor Contributions” to this targeted portion of the literature in my field. The positioning of these articles is illustrated in Figures 5 and 6 (Please Note: The number designators shown have no meaning other than to identify each project on my personal research “shelf-list” as it has developed over the years).

Figure 5:  
Anchor Publications

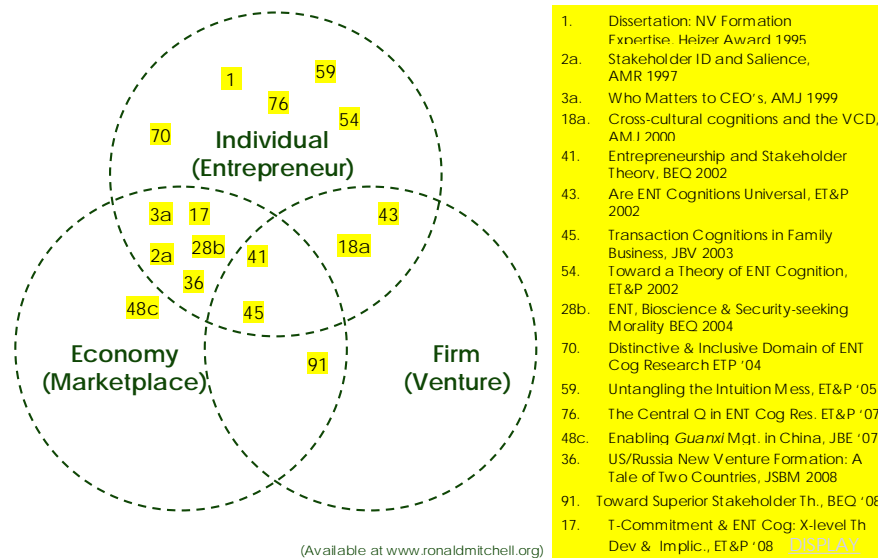


Figure 6:  
Supporting Publications

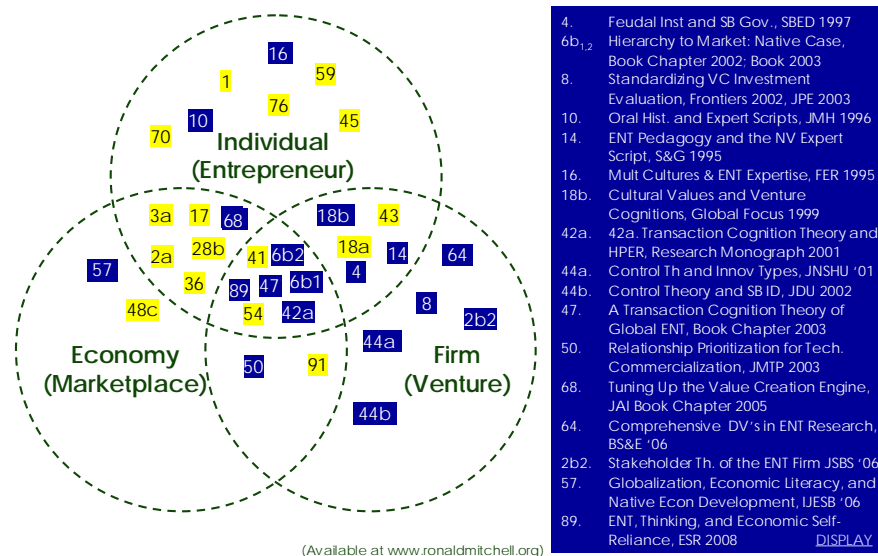
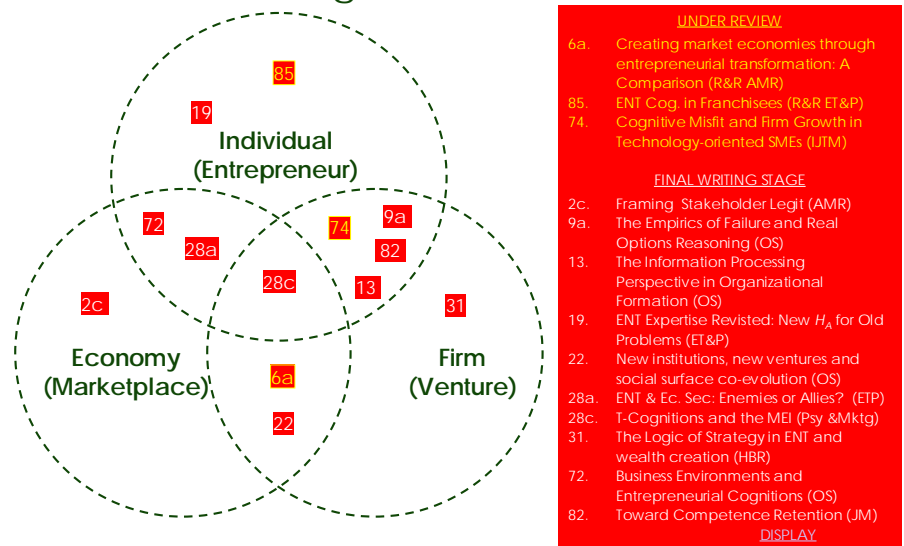


Figure 6 summarizes the published or accepted works that relate to a set of “Supporting/Amplifying” research questions that appear in other respected outlets. Next, I summarize the

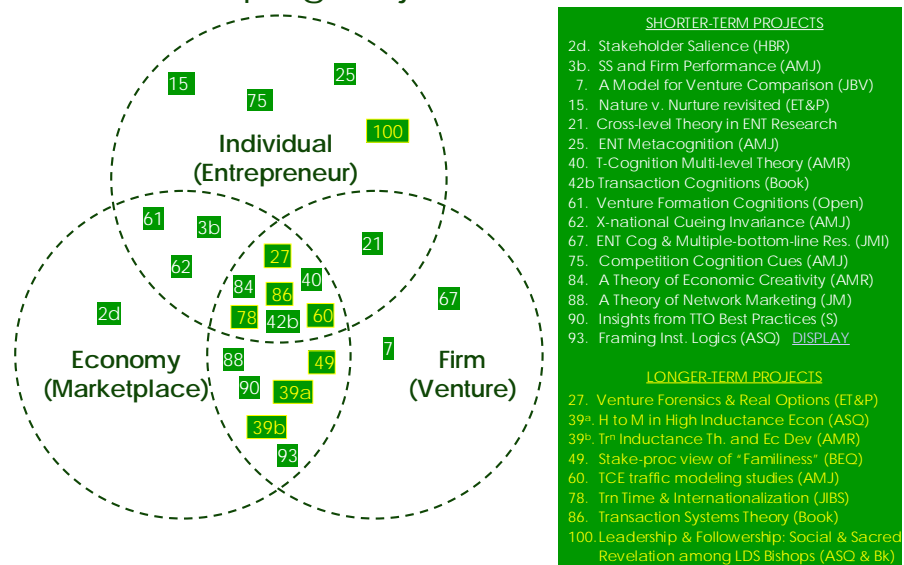
research projects that have been chosen to further develop each area shown, and which are described under the heading “Works in Progress” divided into those under review at present, and those in the final writing stage.

Figure 7:  
Works in Progress




Finally, Figure 8 maps the developing projects, dividing them into shorter- and longer-term projects.

Figure 8:  
Developing Projects



These are added to my “Anchor Contributions” to show the full research agenda by level of analysis, as indicated in Figure 9.

Figure 9:  
Progress on Research Questions



RESEARCH QUESTION	ANCHOR	SUPPORTING	WIP	DEVELOPMENT	TOTAL
1. Where and how does "E" (the individual as entrepreneur/ social actor) fit in explanations of new value creation?	1, 54, 59, 70, 76	10, 16	19, 85	5, 25, 75, 100	14
2. How, and in what manner, are firm characteristics related to the formation and sustained economic well-being of firms?	(None)	8, 44a, 64, 44b, 2b2	31	7, 67	8
3. What phenomena and explanations within the economy (marketplace) are useful in the investigation of solutions to some of our toughest problems, and how can such study contribute to theoretical development and global value creation?	48c	57	2c	2d	4
4. Given uncertainty and scarcity, to what extent do entrepreneurial cognitions affect new firm formation and ultimate firm success; and what are the implications of the foregoing explanations for venture analysis standard-setting to increase new value creation?	18a, 43	4, 14, 18b	9a, 13, 74, 82	21	10
5. How does an understanding of the identification and salience of stakeholders relate to new value creation potential?	2a, 3a, 17, 28b, 36	68	28a, 72	3b, 61, 62	11
6. What are the mechanisms in the firm (organization)/ economy (institutional) interface that affect value creation?	91	50	6a, 22	39a, 39b, 49, 88, 90, 93	9
7. What multi-level and empirical considerations might be useful for understanding sustainable new value creation?	41, 45	6b1, 6b2, 42a, 47, 89	28c	27, 40, 42b, 60, 78, 84, 86	15
TOTALS	16	18	13	24	71

The foregoing research process is a highly systematic approach toward research, which I realize may not be commonly used. However, I believe that such a conceptualization has been an essential prerequisite in my case: necessary as credible justification for the decision of a conscientious researcher to “wade into” the ostensibly “messy” areas of research in the early 1990’s, and to speculate boldly on solutions to thorny problems.

### Part 5: Research Summary

In summary, I hope that the foregoing clearly communicates a systematic- and carefully-chosen research path. However, order notwithstanding, I have also devoted research efforts to what might be described as projects of opportunity. This partially explains the timing of various works published to date. However, as a general rule I have only undertaken such projects when they *do* fit within my overall framing of the potential contribution that I believe that I can make to the field.

In conclusion I emphasize my enthusiasm for research. Philosophically, I take a long-term view toward making the research contribution that I envision. I believe that when a scholar tries to make sense of phenomena which are in some level of disorder; and seeks to fully utilize the most current thought and research tools available to produce and test new theory; and further, believes—as I do, based upon research intuition—that there exists to be delineated and to some extent discovered, a highly productive research pathway for increasing sustainable global value creation; then it is incumbent upon that scholar to take the time necessary<sup>1</sup> to lay a foundation of sufficient breadth and depth that the resulting frameworks that rest thereon will have been placed on an excellent footing. It is this objective that I have set out to achieve, and am in the process of accomplishing through the Research Agenda described herein.

<sup>1</sup> I realize that my taking the long view has consequences in the medium term. For example, foundation building (working toward the acceptance and publication of field-moving research in top journals) takes time. In the medium term, therefore, quality signals quantity, as I believe that my projects underway will indicate. Furthermore, I have chosen under the objective of foundation building, to write extensively in non-journal format (which is consistent with accepted practice in top Canadian research universities); and as a result, I have: produced a 400 page Research Monograph (please see [www.ronaldmitchell.org](http://www.ronaldmitchell.org) under the “Publications” heading), completed approximately half the work on a book that summarizes new, multi-level theory of value creation and entrepreneurship entitled: “Transaction Cognitions,” and produced several peer reviewed book chapters that address both public policy issues, and—where a longer-format work is required to develop the argument—theory-building.

## Appendix: Analysis of Prior Entrepreneurship Research

**Table 1: Research results**

### *Individual (Person-Entrepreneur) Level of Analysis*

<b>Proposition</b>	<b>Findings</b>
<b>Age.</b> Self employment is related to age (Evans & Leighton, 1986).	Supported. The young are less likely to become entrepreneurs: time in labor force increases reputation, funding, and good will (Aronson, 1991).
<b>Education.</b> Self employment relates to education: strongly for women; weakly for men (Evans & Leighton, 1986).	Supported. The educated are more likely to start businesses (Reynolds, 1991).
<b>Gender.</b> Gender affects likelihood of entrepreneurship (Hisrich & Brush, 1986).	Mixed. Lower: due to fewer assets (Cromie & Birley, 1991) and less access (Brush, 1992); No effect: (Buttner & Rosen, 1989; Sexton & Bowman-Upton, 1990).
<b>Immigration.</b> Immigrants are more likely to become entrepreneurs (Bonachich, 1973).	Supported. Immigrants create social networks v. rely on distant family (Aldrich & Zimmer, 1986); entrepreneurship substitutes for social mobility (Waldinger, Aldrich, & Ward, 1990).
<b>Locus of Control.</b> Entrepreneurship is related to locus of control (Berlew, 1975).	Contradictory. Self employed workers have higher locus of control; higher locus of control likely to prompt self-employment (Evans & Leighton, 1986); locus of control does NOT distinguish entrepreneurs (Brockhaus & Nord, 1979; Hull, Bosley, & Udell, 1982).
<b>Need for Achievement.</b> Men with high need for achievement are more likely to enter entrepreneurship (McClelland, 1961; McClelland, 1965).	Contradictory. Supported, cross-sectionally and longitudinally (McClelland, 1961; McClelland, 1965); but can't distinguish from managers (Brockhaus & Horowitz, 1986).
<b>Religion.</b> The Protestant ethic encourages entrepreneurship (Weber, 1985 (1930)).	Supported. Protestants more likely to be self employed than non-Protestants (Carroll, 1965; Jeremy, 1984; Singh, 1985).
<b>Risk-taking Propensity.</b> Entrepreneurs are more risk taking than the general population (Hull et al., 1982).	Contradictory. High growth entrepreneurs less risk avoiding than managers (Miner, 1990); risk-taking propensity not distinguishing of entrepreneurs (Brockhaus, 1980).
<b>Social Learning.</b> Social learning and genetics lead to variance in traits, which leads to variance in venturing (McClelland, 1975).	Supported. Heredity (Gardner, 1983), early experiences (Walters & Gardner, 1986), demographics (Csikszentmihalyi, 1988), and use of information processing strategies (Siegler & Shrager, 1984) affect traits.



### *Firm (Venture) Level of Analysis*

<b>Proposition</b>	<b>Findings</b>
<b>Characteristics of the Venture.</b> Venture characteristics affect performance (Stuart & Abetti, 1990).	Some support. The management team, stage of venture, type of product, etc. affect VC financing (Hall & Hofer, 1993).
<b>Environment.</b> Environmental factors are associated with venture performance (Cooper, 1993; Gartner, 1985).	Supported. Industry structure, not personal characteristics affects venture performance (Kunkel, 1991; Sandberg, 1986).
<b>Rate of Entrepreneurship.</b> Low numbers of ventures created discourage subsequent organizational formation (Aldrich, 1990, and others).	Supported (Shane, 1996).
<b>Venture Strategy.</b> V-strategy affects performance (Sandberg, 1986).	Supported (Kunkel, 1991; McDougall, 1987; McDougall, Robinson, & DeNisi, 1992).

### *Economy (Marketplace/ Institutional) Level of Analysis*

<b>Proposition</b>	<b>Findings</b>
<b>Change.</b> Entrepreneurship increases in times of technological change (Schumpeter, 1939).	Supported (Shane, 1996).
<b>Demand.</b> Changes in demand influence rates of entrepreneurship (Stinchcombe, 1965).	Supported. Demand growth and self employment are significantly and positively related (Aronson, 1991; Evans & Leighton, 1986).
<b>Failure Rates.</b> New business failure rates influence rates of entrepreneurship (Stinchcombe, 1965; Venkataraman, Van de Ven, Buckeye, & Hudson, 1990).	Contradictory. Failures create floating resources for ventures, but also signal trouble (Delacroix & Carroll, 1983).
<b>Interest Rates.</b> The relationship between interest rates and rates of entrepreneurship over time will be negative and significant (Shane, 1996).	Supported (Shane, 1996).
<b>Political Change.</b> Entrepreneurship is associated with political change (Aldrich, 1979; Stinchcombe, 1965).	Supported. Political turmoil enhances formation rates (Carroll & Hannan, 1989, and others).
<b>Unemployment.</b> People are pushed into self employment by unemployment (Oxenfeldt, 1943; Phillips, 1962; Steinmetz & Wright, 1989).	Supported. (Hamilton, 1989, and others).
<b>Wealth.</b> Entrepreneurship is associated with societal (Stinchcombe, 1965) and personal (Evans & Leighton, 1986) wealth.	Supported. Economic development is associated with entrepreneurship (Wilken, 1979) and entrepreneurship is associated with personal savings (Evans & Jovanovic, 1989).

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