

**Socially Situated Cognition:
Imagining New Opportunities for Entrepreneurship Research**

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To date, entrepreneurial cognition has been explained largely in terms of what social cognition research commonly terms *boxologies*: seemingly static representations of abstract disembodied cognitive structures (e.g., biases, heuristics, scripts, etc. as described in Mitchell, et al., 2007). It is noteworthy, therefore, that in their recent article, Cornelissen and Clarke (2010) argue, consistent with more dynamic views of cognition research (e.g., Smith & Semin, 2004), that individuals use “sensemaking” through reflexivity in inductive reasoning, “to create and justify a rationale for a novel venture...” (2010: 551). Cornelissen and Clarke (C & C) suggest that sensemaking reflects “an act of turning circumstances into a situation that is comprehended explicitly in words and that serves as a springboard to action” (2010: 542). We seek to extend C & C’s (2010) contribution by discussing how their analysis of sensemaking through explicit language can also illustrate the components of a broader explanatory process emerging within entrepreneurship research.

Recently, an approach that integrates social psychology and situated cognition research, termed *socially situated cognition* (SSC), has emerged (Smith & Semin, 2004). This approach explains how social objects not only constitute the content of thought, but also shape the process underlying thought and behavior. The SSC approach is centered on four themes: (1) cognition is action-oriented, (2) cognition is embodied, (3) cognition is situated, and (4) cognition is distributed. As briefly outlined below, when so organized, recent entrepreneurship theory and research (e.g., C & C, 2010) can be seen in a broader light and new directions for research can be envisioned.

Action-oriented. Action-oriented mental representations may be observed in a perceiver’s positive or negative evaluation of, or motivation toward an object or concept (Smith & Semin, 2004). C & C argue that sensemaking is action-oriented, emphasizing “a direct

relationship among the language, cognition, and enactment of entrepreneurs” (2010: 539).

Examples of action orientation in the entrepreneurial cognition literature include action-based metacognitive processing (Haynie et al., 2010), time pressured entrepreneurial behavior (Mitchell & Shepherd, 2010), effectuating new value through acting on what is available (Sarasvathy, 2001), and action oriented entrepreneurship (McMullen & Shepherd, 2006).

Embodied. The embodiment theme suggests that cognition depends on the physical brain and body where, in essence, the body shapes the mind (Smith & Semin, 2004). C & C explain that “the inductive creation of metaphorical meaning is directed and constrained . . . (where) human motor actions involving physical movement, or physically holding or manipulating an object” shapes metaphorical induction about a new venture (2010: 547). An ongoing debate in the entrepreneurship literature that implicates the embodiment thesis can be seen in the question of the extent to which genetics influence entrepreneurs’ engagement in entrepreneurial activity (e.g., Nicolaou et al., 2008). Also included in this developing literature is the work of White, Thornhill, and Hampson (2007), who discuss hormonal influences (such as higher testosterone levels) to suggest nature (versus nurture) in willingness to venture.

Situated. The situated view argues that the immediate and interactive conversational context, relationships with other individuals, and our broader memberships in social groups, represent three interpersonal levels in which cognition and action are situated: (1) communicative context, (2) relational context, and (3) group context (Smith & Semin, 2004). C & C (2010) can be seen to draw upon the notion of communicative context: in asserting generally that inductive analogical or metaphorical reasoning links brain and environment to produce ideas for novel ventures; and more specifically, that “. . . material circumstances and objects may trigger or anchor verbally produced conceptual images or scenarios for a venture”

(2010: 543). Relational context appears in the entrepreneurship research which suggests that social networks (De Carolis & Saporito, 2006) and mentorship (Ozgen & Baron, 2007) affects opportunity identification. At the group-context level, Shepherd and Krueger (2002) explain how group perceptions of opportunity desirability and feasibility affect entrepreneurial intentions.

Distributed. The idea of distributed cognition suggests that cognition is distributed across social agents (e.g., group processes) and the environment (e.g., cognitive tools) (Smith & Semin, 2004). C & C draw upon the idea of distributed cognition in the dynamics of sensemaking, with their notion of “the social context of speaking and interactions with others affecting the construction of meaning about a new venture” (2010: 542). They assert that social context interacts with processes of language use and cognition through entrepreneurs’ sensemaking to others essential to a venture’s success. In the entrepreneurship literature, West (2007) develops the notion that collective cognition is distinct from individual cognition and emphasizes its importance in shaping an entrepreneurial venture (both in terms of firm action and firm performance). Similarly, results supporting the notion of consistency in entrepreneurial cognition across cultures (Mitchell et al., 2000) illustrate distributed cognition as shared expertise.

OPPORTUNITIES FOR ENTREPRENEURSHIP RESEARCH

By providing in their article a process theory of how sensemaking, through the use of explicit language, can be influential in the formation of novel ventures, C & C (2010) develop theory that we suggest is illustrative of an integrative whole: the SSC perspective. In this way, they provide a catalyst for the continuing emergence of “post-boxology” entrepreneurial cognition research. When interpreted through the SSC lens, existing entrepreneurial cognition research may thus serve as a scaffold upon which future research in this stream can be

comprehensibly and comprehensively built. In the case of C & C (2010), as we have described, sensemaking through human-action-based language may be conceived as a device that entrepreneurs use to direct and self-regulate their thinking processes in a social context (action oriented and embodied), a way that entrepreneurs may approach and in turn be influenced by a situated communication context (situated), and a tool entrepreneurs use to facilitate collective meaning and action in the developed of shared expertise vis-à-vis their new venture idea (distributed).

In sum, it seems that C & C (2010) have been effective in suggesting that understanding sensemaking through language is important to entrepreneurship research because they: (1) provide helpful theory, *and* (2) illustrate the importance of the SSC approach to entrepreneurship research. As illustrated herein, the SSC perspective supplies a broad and integrative organizing framework that can be used to position more coherently, diverse streams in entrepreneurship research. The challenge for further pursuit of the SSC view in studying entrepreneurship – entrepreneurial cognition research in particular – is in understanding how cognitive, motivational, and emotional regulatory abilities of entrepreneurs interact together within specific social situations, with specific social actors. This is a research opportunity worth imagining.

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