

Oral history and expert scripts: demystifying the entrepreneurial experience

Ronald K. Mitchell

University of Victoria, Victoria, British Columbia, Canada

Where do new businesses come from?
The textbooks say that
the entrepreneur, like the stork,
brings them[1].

As the *stork-like* deliverer of new business, the entrepreneur acts as a mythic character. Somehow s/he single-handedly "creates new enterprise" [2] through the use of extraordinary powers. Mere mortals need not apply. Details, of course, are known only to insiders, which makes the mythic, mystical. Only *fellow storks* know the history, and in knowing the history understand how to interpret domain-specific episodes. Venture success and venture failure have insider meaning only to "the storks".

But is the mystical status of the entrepreneur constructive? For those who have become insiders, the attendant isolation often reduces effectiveness, hobbles communication with non-entrepreneurs, and reinforces the common myth that entrepreneurs possess a unique "personality type" which those outsiders, the mystical status of entrepreneur-as-stork reduces the probability that those without historical grounding will attempt to participate in the birth of a new venture, because mythic status and mystified behaviour results in the segregation of practising entrepreneur from prospective venturer. Further, it is difficult to overemphasize the research problems created in a field where the mystification of the phenomenon of interest obscures its study.

At a time when big business is downsizing, global opportunity is increasing, and communications technology is making venturing practical for large numbers of individuals, the idealization and/or sensationalization of entrepreneurs in the popular press does little to contribute to the success of new ventures. At a time when the insights of experts are sorely needed to prevent each set of new venturers from making the same mistakes as did their predecessors, these insights are instead obscured because what is viewed as ordinary by insiders is portrayed as extraordinary to outsiders. And, because the "ordinary" is rarely news, the "extraordinary" and the "idealized" assume an unwarranted pre-eminence. Through sensationalization and idealization, exceptions are portrayed as rules – while less exciting fundamentals are overlooked. It seems appropriate to suggest, then, that to demystify a profession

such as entrepreneurship requires an approach which better reveals the ordinary. The analysis of entrepreneur histories to illuminate the content of entrepreneurial scripts offers such an approach.

This article sets out to narrow the gap between mythical and actual entrepreneur. In the following pages I propose to demystify a portion of the qualitative analysis of entrepreneurial oral histories can demystify a portion of the entrepreneurial experience by illuminating the content of insider success and failure "scripts". Under the principles of information processing theory, expert scripts explain the remarkable performance differences between otherwise "mystical" experts, and novices. Where script content is traced from entrepreneurial oral histories to shared interpretations, insider knowledge is demystified, and practical, understandable insights about how insider-entrepreneurs think are obtained. In this way management history serves the cause of management science.

Background

Shortcomings of prior research in entrepreneurship

Past research on entrepreneurs and entrepreneurship has failed to sufficiently demystify the profession. Twenty-five years of characteristics- and demographics-based research in the fields of psychology and sociology, which have attempted to discover cause-effect linkages between personality type or background, and the success of an entrepreneur, have met with failure. Apparently no "typical" entrepreneur exists [3-5]. The array of contradictory studies have only added to the mythical status of entrepreneurs and to the consequent difficulties which non-entrepreneurs have in understanding the practitioners of this most unique profession. Simply stated, research studies to date have not resolved the difficulties of non-entrepreneurs in effectively interpreting the entrepreneurial experience. For investors, legislators, regulators, and even entrepreneur-spouses, a better interpretive model is needed, because presently our ability as a society to make sound attributions regarding the successes and failures of the entrepreneurial experience is severely limited.

New possibilities for interpreting managerial behaviour

The search for better explanations and attributions in the field of management has recently been joined by information processing theorists who propose the existence of expert knowledge structures or "scripts", which focus on the role that "...cognitive scripts, a unique type of knowledge schema, play in generating purposive behavior in organizations" [6]. Experts, it is argued, are unique – not because of a hereditary (mystical) birthright – but because they possess experientially acquired knowledge structure [7-10]. The existence of knowledge structures offers the hope that if one can understand the knowledge structure, one can understand the expert [9].

Expert information processing theory (hereinafter referred to as EIPT) offers us a conceptual framework whereby we can better understand expert

knowledge structures, and thereby account for and understand the basis for history-based differences between "experts" and "novices" (without resorting to the superstitious shorthand of mystification that mythic attribution implies). EIPT, for example, has been used to explain striking performance differences between experts and novices in areas as diverse as chess mastery[11], solving physics problems[12], law enforcement[13], and computer programming[14], but it has only recently been applied to the management domain[10]. EIPT holds that experts out-perform novices within their specialty because, on the basis of their unique but common history, they can recognize immediately that which novices may miss or require great effort to discover: compliance of expertise-specific circumstances with an expert "script"[9]. The term "expert script" refers to highly developed and ordered knowledge in a specific field[9,10,15]. Compliance with an expert script implies success, while non-compliance implies failure[16].

The application of expert theory to explanations in entrepreneurship

An expert theory explanation for the distinct behaviours and performance achievements of entrepreneurs is a marked improvement on a trait, demographic, or other mythically-based rationale, because it offers us a path towards understanding. Through the analysis of expert scripts, specifically the analysis of how the experiential history of entrepreneurs forms the foundation for their scripts, an appreciation for the unique perspective held by these insiders can be gained.

However, the improvements in explanation and attribution offered by EIPT are contingent on a thorough understanding of script content. Expert scripts are generally acquired through extensive experience[10,17]. Historical data therefore contribute a critical component to proper explanation and attribution, because without them, a script cannot serve its role as "... a normal background against which unexpected or deviant events can be explained"[15]. Thus, a primary contribution of historical data to expert script content analysis is the delineation of script "norms".

This paper is an empirical investigation which traces the connections between specific entrepreneur oral histories, and two key attributions in the field of entrepreneurship: success, and failure. The purpose of this paper is to demonstrate how oral histories elicited through in-depth interview can be used to better delineate the success and failure script norms of practising entrepreneur-insiders. From this history-driven delineation, the demystification, in part, of the entrepreneur-as-stork mythology is accomplished.

Oral histories as the key to better attributions

The notion of knowledge structures or "scripts"[18] arises as an attempt by information processing researchers to provide a theory of explanation that extends beyond existing attribution theory, to encompass people's explanations of extended sequences of behaviour which other models[19-22] cannot do[15]. Contextualized versus naive explanation is the result. But to accomplish this, a

new metaphor for the field is necessary. Read[15] sums up the fairly recent state of the field when he writes:

For far too long, the guiding metaphor of attribution theory has been people as naive scientists. I would like to suggest that there is a more appropriate metaphor: People as story understanders and storytellers. Such a view differs considerably from the ways in which social psychologists typically think about the explanation and prediction of social behaviour. Yet I think it is a much more appropriate view. The ways in which people typically explain and predict social behaviour have a great deal in common with how people understand and tell stories. Both activities require people to take a sequence of actions and integrate them into a coherent, plausible scenario. Connecting the actions together requires people to make numerous inferences on the basis of quite detailed knowledge about people and the world. The end result of this is a mental representation of the sequence as a coherent scenario or story [p. 300].

With the emergence of scripts as an explanatory device, it has been possible to provide a much more detailed analysis of the structure of social and, in our particular case, managerial knowledge. But as noted by Read[15], the new methodology requires, perhaps even demands, that the stories be made available to the interpreter, because the stories provide the interpreter with extended sequences of behaviour from which a richer context can be drawn. For better attribution to occur, then, it appears to be essential that the experiential history be recounted and understood. Then, using tried and proven attribution analysis methods[21,23] the consistency (does an individual respond consistently to events over time and situations?) and consensus (do other people respond in the same way?) of the histories can be used to trace the connections between the consistent and consensual themes within specific histories and key attributions[15]. To obtain better attributions, a rather specialized analysis of oral histories is suggested.

Method: elicitation and evidence

The objective of the analysis, then, is to promote "story understanding" through a qualitative analysis of informant oral histories that results in a delineation of consistent and consensual meanings *within* the specialized context of entrepreneurship. To achieve this, informant histories are elicited through in-depth interview to accomplish "script interrogation", one means for highlighting the essence of scripts[9]. Since the success-failure dichotomy persists as a topic of interest both within the field of entrepreneurship[24] and within the field of attribution theory in general[25], and since this topic is expected to elicit vivid recollections from entrepreneur-informants, in-depth interviews are conducted in this study that centre, in part, on entrepreneurial success and failure. In this section the data gathering and analysis method is described.

Data

In the spring of 1993, 23 practising entrepreneurs were interviewed in-depth regarding the history of their entrepreneurial career. With the permission of each informant these orally recounted histories were tape recorded and

transcribed, resulting in approximately 520 single-spaced pages of text. These histories cover a broad range of topics including, in particular, the topics of success and failure which are the focus of this study.

Informants were qualified for participation through answers to several questions designed to determine whether they fit the prevailing definition of entrepreneurs as "creators of new enterprise" [2]. At the time of the study qualified informants (entrepreneur-experts) had either started a business which had been in existence over two years, or started three or more businesses, at least one of which was a profitable, ongoing entity. And, although these criteria tend to exclude individuals who have either just "started up" a venture or have tried several ventures but failed in all of them (thereby eliminating voices from potential informants who have attempted entrepreneurship but have not succeeded) their use does not appear to pose a threat to the study, since only those who have actually created a new venture (the "storks") remain in the pool of informants. Use of these criteria to qualify informants thereby enhances the credibility of the data for researchers and practitioners interested in demystifying the entrepreneurial experience through the analysis of oral history-based expert scripts.

However, the use of this type of informant pool does require that the well documented phenomenon of self-serving bias be addressed. Within the extensive literature on achievement attribution is a robust finding that people take more responsibility for their successes than for failures [26-28], an asymmetric attribution. On the basis of the qualifying criteria, we might expect that the informant group used in this study will conform to this pattern, and take more responsibility for their successes than for their failures. Two points can be made that maintain and confirm the relevance of data from this group. First, since self-serving bias is common, most people take it into account in evaluating informant speech, as likely will the reader when informant data are presented. And, since the purpose of the analysis is to attempt to demystify aspects of success and failure attributions by entrepreneurs, it is suggested that *contributions* by the reader of any self-serving bias in the data may in fact *contribute* to a greater understanding of a unique group perspective. Second, where asymmetry is likely, the analysis should be expected to compensate in some way. Thus, for example, as attributions related to failure are analysed, both the text *and* the sub-text should be considered [29,30] in the interpretation of script content. Further, it should be remembered that in the entrepreneurial experience, almost every so-called "success person" has experienced at least one "failure" episode (i.e. a venture that went out of business). As reported later in the analysis, this study is no exception.

Demographic characteristics of informant-experts were gathered to provide a context within which their histories could be interpreted. Sixty-five per cent of informants are male, and 35 percent are female. All are Caucasian. Informant ages range from 31 to 68, with a mean and median age of 43. Educational levels range from the completion of high school through graduate study, and are more heavily weighted towards higher levels of education. Given this profile, the

question arises whether the analysis of the oral histories of a Caucasian, US informant group is likely to help to demystify entrepreneurial success and failure in general.

Although no interview data were gathered from Asians, Blacks, Hispanics, or non-US nationals, in a related study I have examined both Mexican and Russian expert and novice sample groups using a script cue recognition method [31,32] to distinguish experts from novices. In the case of both groups, despite discernable within-group variations among expert-entrepreneurs from three countries (Mexico, Russia, US), there still exists a marked difference in script cue recognitions between expert and novice groups across cultures [33]. I infer from these results that the data collected in this study, especially where there is consistency and consensus evidence within-group covariation [21], are of sufficient moment to enable the analysis sought to proceed unimpeded.

As a part of the in-depth interview process, informants were asked to select from among four self-assessed choices (start-up, rapidly growing, maturing, or not applicable), the stage of development which most closely approximated their business at the time. As foreshadowed by the criteria for informant qualification just noted, these statistics indicate that a relatively smaller proportion of informants were engaged in start-up ventures, with an emphasis on rapidly growing and maturing ventures. Twenty-two of 23 informants also indicated that they had failed in a venture at some time in their career.

In addition to the foregoing demographic information, several other questions were asked to facilitate an understanding of informants' self-perceptions. These self-perceptions are included to help the reader to contextualize informant comments. Informants were asked to assess, on a Likert scale from 1 (low/worse) to 9 (high/better), their:

- (1) level of potential success in a new business venture (should they venture beyond their current business);
- (2) level of past business experience;
- (3) level of perceived new venture expertise; and
- (4) attitude towards starting a new business venture.

As expected, this group of informants has very high levels of self-perception in all four categories, with particularly high self-perceptions of potential venture success (mean = 7.7) and attitude towards starting a new business (mean = 7.06). Experience (mean = 6.96) and expertise (mean = 6.30) are more broadly distributed, although even these are skewed towards the higher self-perceptions. These measures are useful in showing the extent to which informant comments might contain an overstatement bias [34].

Analysis method

To help locate and compare relevant comments from informants, the analysis was computer assisted. Exhaustive identification of informant statements was performed using ZIndex, a program which allows the specification of word

groups based on Boolean logic, proximity (e.g. within ten words = w/10), and "wildcard" features ("*") permits any ending of a particular base word to be selected).

In the analysis, the goal was to identify common themes within the interviews which could be used (because of their consistency- or consensus-based credibility) to illuminate the "text" or content of the entrepreneurial expert script. Thus, in addition to the identification and grouping of informant statements that contained the words "success", "failure", or their derivatives, additional analyses were performed which grouped informant statements into those that might reveal definitional aspects of the script in addition to normative prescriptions or suggestions. Finally, as suggested above, the analysis of the sub-text of failure-related data was also performed.

Nageleisen [35, p. 21] maintains that one of the four ways in which scientists explain things is by "tracing historical connections". The qualitative analysis of entrepreneur-expert informants' oral histories to identify common themes, which through such identification illuminate the content of at least a portion of the entrepreneurial expert script and in some measure demystify the profession of entrepreneurship, traces such connections. A specialized and unique part of management history thus contributes to management science.

Analysis: "success" and "failure" scripts

Analysis of the oral histories reveals not only commonalities among the observations by informants that support the notion of sameness in entrepreneurial scripts (when contrasted with novice "non-scripts" [36]) but also demonstrates the within-group texture, richness, and variety that accretes around individual oral histories. Several sets of prototypical quotes are extracted from the oral histories to demonstrate consistency and consensus among both "success" and "failure" entrepreneurial scripts.

One approach to examining attributions utilizing EIPT is to use the notion of "sequences" and "norms" [15] as a means to illuminate common features among experts' scripts. Sequences in scripts define the linear precedence relationships among expected events. Norms are the standards against which such events are judged for compliance with an expert script.

Success according to "the storks"

In the case of entrepreneurial success scripts, the expected sequence of events seems to be "understood" by informants. The commonly understood sequence appears to be quite simple: e.g. "start the business, and skillfully manage a multiplicity of demands according to the norms until it is a success". This rather all-encompassing entrepreneurship sequence suggests the importance of emphasizing norms in the analysis. In analysing success script norms, both success definitions and success script rules, respectively, are examined.

In the analysis, success script definitions in the data coalesce around two sets of contrasting norms surrounding material versus non-material success. One group of informants directly relates success to material, visible, or commonly

accepted factors such as profits, control of destiny, or prestige and recognition, while another group of informants relates their success to considerations that do not fit the money-recognition stereotype. In these statements, non-financial standards seem to surface, which expand the breadth of the success definition.

Then, following the definitional discussion, the rules from several success script/histories are examined. On first reading, the actual rules for success contained in these oral history-based success scripts appear to focus, interestingly, on the stance and style that support a familiar entrepreneurial stereotype: passionate risk-takers who succeed despite unfavourable odds. In this sense, the use of historical analysis to illuminate script content achieves face validity, but does little to facilitate demystification. Subsequent readings, however, present within this "sameness" a within-group pattern marked by uniqueness in the *approach* taken by each informant cited, which, though seemingly ordinary, serves to dramatically enhance our understanding of insider meanings.

Definitions. What do entrepreneurs mean by new venture success? In the analysis, the weave of this textual cloth produces a two-group pattern, with the first group of informants directly relating success to material, visible, or commonly accepted factors such as profits, control of destiny, or prestige and recognition. One informant emphasizes making money:

Yes, I am successful... Well the first year we just broke even, basically what we made to carry the overhead, not only overhead, but we started making some money, and we expected you know the second year that we would start making money, which we actually started right away after a few months. That means we were successful (a 40 year old, male entrepreneur - hereinafter designated: m, 40).

Others offer comments in the same vein, with, alternatively, a "recognition" emphasis:

Yeah, I think I am a success. I find that with other people, when I tell them the name of the store, there is a recognition there (f, 44);

an emphasis on "knowing what to do":

When I'm in charge, I am a success. I know what to do (m, no age given);

an emphasis on customers:

We've kept quite a few contracts for a couple years now, so you know I would say it's a success (f, 32);

an emphasis on "image and the prestige of continuing relationships":

Yep, it's a lot of fun, it pays the bills. I think it has a good image in the community, a lot of lifetime customers (m, 41);

and, once again, an emphasis on money as an indicator of success:

Well, everyone comes to a different definition of what success is. One of the arguments that I'm going to give you is that when I started in business, I told my wife that for every year that I was old, I would make a thousand dollars a year. That was a bold statement when I was 24, and she said, "You'll never be able to keep it up". In fact, I never missed. Of course, inflation has helped me; but wildly beyond her dreams, we've been blessed with enough ... (m, 44).

The second group of informants relates their success to considerations which do not fit the money-recognition stereotype. In these recollections, a non-financial emphasis seems to surface. A venturer in a new technology company avers:

Well, (our business is) a success in a lot of ways but a failure in its attempt to grow and prosper financially. It's certainly been a success in saving lives, and starting a whole new industry in our little niche - technological niche. We're the leader in the industry as far as technology is concerned, but not sales. So, I wish we had better sales (m, 46).

Another informant claims success:

... although (the business is) not meeting its financial goals right now that we've set for it, it is profitable. It has not met the goal that I had for it at this time but we're on our way to that goal. But finances aren't the only measure of success either (m, 49).

One informant incorporates both tangible and intangible elements into his definition of success:

(Names business), yes. Now they're very successful. Not only are they giving a handsome return to me, with very little risk, but it also accomplished another goal I had going in... That goal was (to) help some of my business associates that had been subordinates, parts of management teams in previous years, people that I care about (m, 42).

Still another, communicates ambivalence:

Yeah, right now I feel pretty good about it. If you would (have) asked me a couple of years ago I would (have) said, I don't know. And frankly far into the future I still don't know. From a financial perspective, we are making good money. From a personal perspective, I am way too involved in the details. Personally it is not providing me with what I'd like, because we need to grow the company a little bit more, to let me get out. I would like to enjoy life a little bit more (m, 36).

According to entrepreneur-informants, then, success norms are not monolithic. Rather, they are comprised of a value-laden pattern of tangible and intangible components which operate to both define and reveal a success script with subtle contours which the analysis of multiple, expert, oral histories confirms. All informants view themselves or their businesses as a success according to criteria that are much more broad than is either commonly accepted in the literature, or than is suggested by novices (who primarily consider financial success to be the main success criterion). Perhaps the multiplicity of definitions explains why so many entrepreneurs keep going in the face of obstacles (such as low initial profitability and cash flow), or why standard performance measures do not adequately explain the reasons that some founder CEOs succeed while others fail[37]. Experts' common understanding of entrepreneurial success turns out to be more broad than narrow. Analysis of script-based histories suggests "success script" definitions that are multifaceted, and known only to the "storks", because of the unique and common history they share. This study reveals that non-experts may be limited by the narrowness of their perspective - by a set of norms that do not accord with history-based expert scripts.

Rules from success scripts. In this section, five of the most vivid success script/histories are expressed in the form of mosaic and metaphor, example and

inistence. Here a uniqueness of approach to the "beat the odds" entrepreneur-stereotype is found. This part is introduced with an extended excerpt from a conversation with one entrepreneur (f, 41). She offers:

Be flexible, be willing to accept that everyday is going to be different than the next... if you can live in that type of, I call it excitement, because to me that is exciting. I had to be doing the same type of things maybe not everyday but every week and it's not like that, especially in a small business, also, the right way or wrong way, there are just different ways - that to me is a real intense focus. If you go in and think you have to be taught the right way to do something, that's not the way it is. You work (within boundaries, of course, but let go and let someone do it their own way and not stand over them, that's real important. The excitement that everything is going to be different all the time and you have to be willing to live in that type of environment. If you want a structured environment, owning your own business or going into a venture, is not for you.

Also, be willing to take risks and realize it's not going to be fun every day, that money is going to be tough at first. If people are really interested in starting their own business and starting out at the bottom line and don't have a lot of capital behind them, realize you just better have some type of job on the side to have some income while you're starting until you think it's really going to go. One day you make it.

For example, I sell lots of different kinds of parts: replacement parts, manufacturers' parts. I might get a call from a customer saying, "I need these particular parts and I need them within two days". Well, I have to find out do I even know how to make the parts or do I know where to get them. If I have to get them manufactured, can a machine shop get them done that quick or do I have to contract it out and get it done some place else? How far are they from where I am on shipping? Can I meet their request? Then I have to sometimes go down and either pick up the parts some place else or work at the shop and get them done. That can all happen in one day. Maybe I have to order in parts and I can't get them for three days, so within that three day period I've got to do accounts receivable, accounts payable. I might get some parts in on another order and now I'm a receiving clerk and then I have to ship them out again. I have to get the invoices and check them out. And I've got bills to pay. Then I have to go drum up more business and make telephone calls and sales calls.

I travel all over the Rocky Mountain area, so I might have to drive clear up to Bismarck, North Dakota. I might spend one day just driving all day long. And then, I come home and pay bills all day long and spend half a day doing the quarterly taxes and I have to fit that in. I oftentimes work till three o'clock in the morning. A lot of times I do that by my own design though, because the telephone is not ringing and I can get private letters out along with quotes and bids...to me, I love it.

Here, the rules for success in the script form a mosaic of activity, where flexibility and variety combine with risk and routine; where the asking and answering of unrelenting questions are repeatedly integrated with the incommensurability of travel, taxes, and time commitments; and where "love" describes the experience.

Another informant (m, 42) expresses the norms of his success script in just a few words, although in the extended interview many examples are offered. He says:

You know, I often refer to the wheel of success. At the center of the wheel, is you. And to be successful, a tire has to have spokes. Well, all the spokes join together at the hub, to bring strength to the whole wheel. You are the hub. You're what makes the wheel turn, but it's held together by spokes. You can't do everything in your business.

In this instance, the success script norms, bundled neatly within metaphor, show how the conceptual tidiness of naming in symbol somehow captures and interprets the complexity of this informant's experience. On the one hand, the centrality of this entrepreneur in his own metaphor may appear at first reading to be somewhat egotistical. On the other hand, a strong norm of responsibility and commitment is evident. In the case of either reading, a norm which demands entrepreneurial involvement is clearly evident.

One informant (m, 35) cites an example, the success story of an entrepreneur in his same industry, as a means to convey his success script. Here, the norms for success centre on belief in self, on intensity of belief and consequent motivation, on sacrifice in the near term for larger rewards in the long run. He states:

A great example, a guy named (gives name of entrepreneur), he was an engineer at (name of company) and he, just an awesome guy, he is probably mid-fifties now, late fifties, and he started a company called (name of entrepreneurial venture) that he just did his homework. He talked with people, and these network associations of people and found out who was the best electrical engineer and who was the best software engineer and he got this team together and they all had jobs at other companies. I met him too, (He) hired me at (name of former employer) and he developed a new computer aided design system that a lot of other people had done similar things, but he had a unique approach and he just knew he could do it. He knew he could accomplish it.

And every time you talk with him there was this fire inside of him and a glow in his eye. He did his homework he knew what he wanted and when he wanted it and he could just go in and motivate people to do their best. And they developed this program, they, you know, they just stomached it out for a couple of years and then they made some presentations and decided when was the best time to sell their technology and Hewlett-Packard came in and bought (name of new venture) and basically all those guys that had risked everything for a couple of years walked away with several millions of dollars a piece, for a couple of years of sacrifice. So (that) is one really good example.

Other entrepreneurs credit "gung-ho", where only a "toe-hold" on an opportunity is available, as a top reason for success. One story graphically illustrates this point. This informant (m, 57) virtually founded his business by energetically responding to a wrong number. He relates:

My advice? Just get out and do something. Don't think about it — go do it. I always tell my kids, life is not a spectator sport. If you want to have fun, if you want to make things happen, you've got to get out and do it. Ya gotta get involved. You can't just plan great plans. Ya gotta do things. See, I've never been afraid to try anything. The biggest single deal I ever did in my career was a flake.

I got a call one day from an airline in Montreal. They said they had two L-1011s that they wanted to lease that were 17 million dollars a piece. And uh, they said can you do it? I said sure! I didn't know anything about airplane leasing — nothing. Well, interestingly enough, when they called me they thought that they were calling someone else. Ya see, there was another company in San Francisco who was big into aircraft leases and they had a similar name. And they thought that they were calling those people.

We didn't find out until we were well down the line that they called us by accident — (he then took down a plaque from his shelf) — here's the tombstone that was in the *Wall Street Journal*, \$34 million acquisition and finance by (name of his company). But you see I knew nothing

about aircraft leasing and financing — nothing! So that's just my personality. There's nothing that I'm afraid to take on. Just go out and do it.

Candidly, you can be very successful or you can get beat to death. I've been beat to death on a number of things. Getting into something you know nothing about and not being prepared for what's going to bite ya... that pendulum swings both ways.

This informant's insistence on an example-based action imperative strikes a "Horatio Alger"-like chord. Yet a warning accompanies this Spartan creed: act and succeed — or act and die.

A final example, offered by a female entrepreneur (f, 43), weaves into the success script tapestry some rules which provide a gender-sensitive context within which to interpret the norms surrounding entrepreneurial success experience. She gives this advice:

Well, I guess one of the things is that you just don't give up. A lot of it starts with what you want to do with life, what your purpose is in life. A lot of people talk about goal-setting and business plans and they are probably the most important thing you can do. When I wrote out my first goal sheet, it was given to me by a friend in Seattle, it was a five year, ten year goal sheet. It was mixed both personally and business wise. And in that, it had your mission statement in life, what it was about, what was it you wanted to do, why were you doing this, what kinds of things you wanted to do in your life. It was a really interesting experience. I succeeded my five year goal in three years, financially and business-wise. It was a fascinating experience, in fact, that my business grew faster than I knew what to do.

In hindsight, sometimes I think that it was about growing your business to death and the power of being clear about what it is you want to do and focusing and goal-setting and moving forward. It is a part of my success today in realizing the limitations of that, that you could work yourself to death and work yourself into burnout. I think that is something we do as women, that is very different to what men do. We come to the table saying we will do it all — and now I say no, I will choose the things that serve me best at this part of my life. And you can still be successful.

Here, an informant's insistence focuses on a qualitative interpretation of the success phenomenon. In her history-based success norms this informant chronicles a "tenacity" credo with a "fascination" consequence — a unique addition to the venture success script, although once again the "death" figure enters into informant speech, in a way foreshadowing the second analytical illustration — soon to be discussed. Because, despite the bravado and bluster with which these entrepreneurs describe their experience-based success norms, the historical text also reveals a shadowy co-sojourner which keeps virtually all of our informants company throughout the formation of their ventures.

This co-sojourner appears on the scene uninvited, but is present nonetheless. Any attempt to demystify venture creation must necessarily recognize this spectre in the shadows. With the emergence of the "death" figure within the "success speech" of the preceding two informant histories, it becomes apparent that the fellow traveller in the shadows is failure. The accompanying fears it generates form the second analytical illustration in this paper.

Venture ghounds and venture goblins — revealing failure and fear

Most mythical themes somehow illustrate the moral tension between *good and evil*. Informant observations confirm that the mythology of new venture

creation conforms to this time-honored pattern. But in doing so, these informants contribute insights that further demystify the *entrepreneur-as-stork* mythology.

As noted earlier, when the oral histories are examined for failure norms, 22 of the 23 informants cite instances of failure sometime in their career. Only one informant had *not* experienced failure "...in any business I have tried". The rest take a variety of stances towards failure. Some recognize it. Some reject it. Others wrestle with it. Still others remove it. A few reconcile themselves to it. Examples from each category of norm cited are presented in the following paragraphs.

Those who *recognize* failure as a venturing companion seem to accommodate themselves to its presence. Others learn from the experiences and add these lessons to their venturing rule book. One informant (m, 42) sees the fear of failure as a motivator. He offers:

Well, you know, I think that worry and fear play a part in business. When I got into business, I got a second mortgage on my car. I didn't have a lot of money. I didn't have a lot of capital. I didn't have a lot of support. If the business hadn't gone up from day one, it would have failed. I can tell you that I was scared to death, because I didn't know where I would go or what I would do if the business failed...I think one of the motivations to a small businessman, who's not being capitalized by Ford Motor Company or someone, is fear. Absolute fear. The fear of failure is a part of what motivates me, and any other small business(person) who's honest about it.

Another (m, 49) recognizes the failure which results from misplaced trust in a former partner. He explains:

The first business I got into was an electronic synthesizer business. And I had two partners in that. It was organized as a partnership. And we had a major international business headquartered in New York with offices in Italy which wanted to buy our entire business lock, stock, and barrel. And one of the partners went to them outside of our formal meetings and said "why don't you just buy me?" He was the one that designed the circuits and so he basically offered them his services and said now you don't have to buy the other guys. And they took him up on that, and so once we discovered that we had to do some fast backtracking. We threatened legal action against him and did manage to work out an arrangement that left not getting hurt very much. Actually, I'd have to say that in one sense the transaction was profitable. But it was a tremendous failure in that the three of us had been working to build a business and suddenly two of us were outside of that operation almost instantly.

But other informants are not so equanimous. As expressed through the role-models cited by this informant (m, 49), failure is to be *rejected*:

Sally Jessy Raphael is on radio and TV almost everyday. And a lot of people don't know that she was told by numerous TV and radio stations that she had no talent for broadcasting – that she should get out of it and find another field. They recently did a write up on her in *Readers Digest*, about how many times she had been fired, how many times somebody called her into the office and, before firing her, said "be anything but in broadcasting, this isn't your field". But she knew otherwise, and she stuck with it and stayed with it until she found the right combination of people, opportunity, situation and she was able to jump in and do what she knew she was able to do all along. She could have quit at any one of those steps along the way. Col. Sanders could have stopped after failure number 3 or 4, or 1, or 12, but he stayed there and now (there is) a corporation (with his name on it) that is all over the place.

Where failure is recognized, but cannot be rejected because its aspect is all too real, other entrepreneur-informants *wrestle* with it. This informant (m, 46) confides his struggles in dealing with the worries of his new venture. He frets:

My biggest worry about the company is that we'll run out of money. One of the best pieces of advice when I started the company was from my old roommate in Boston and he said "pay attention to cash flow" and uh, one of my board members has said it in a similar way. He's said, "you know if you never run out of money then you can't go bankrupt or you can't go out of business" – I guess that's the way he put it. So, that's been one of my guiding principles, and biggest fears.

Those who prefer not to have failure as a constant companion take permanent, but sometimes painful steps. They *remove* failure by "cutting their losses". This approach is described by an informant (m, 44) who prefers this approach. He advises:

One thing that I've learned in business is to deal with your failures quickly and get rid of them. Americans, by nature, tend to think that, well, I've got a problem, if I grind it out, work night and day, then I'm going to solve my problems and that will make me successful. I've tried to take a different approach, and that is to recognize quickly when I've made a mistake, and (that) the business venture is failing, to get rid of, or dispose of it and head on to something that's more profitable. If I'm going to spend night and day, I'd rather be doing it on something that I enjoy, and that can be profitable. Let me give you some other examples. I've had – one, two, three, three restaurants – four restaurants close, that I lost lots of money on, but if I'd have continued to try to make them successful, I'd have only lost more money. It's recognizing that those are bad and then moving on to something new that is more profitable, and that you can recoup your losses on. Do something that's fun.

The final general approach to fear of failure (and sometimes of success) which emerges from the data, is a form of *reconciliation* to its presence on the new venture journey. This accommodation seems to occur more as a state of mind, often accompanied by a touch of humour, as explained by this informant (f, 50):

To be successful in business I think you have to be able to learn how to live without fear of failure, and fear of success. Many people have a great fear of being successful, and the minute they begin to become successful they sabotage themselves so that they're not. And I see that happen all the time.

I have one client that every time she starts really putting away some money and making up she buys another business. Now at some point that's not going to work anymore, she's just either going to end up in the hospital or dead or both. But don't set yourself up for failure. Do what is realistic and don't sit around waiting for the big foot in the sky to come land on you. You know, I read a lot about Taoism, going with the flow and balancing lives, and I think that is one of the keys in running a successful business is to feel good every morning when you get up and want to come in.

My biggest worry is that I'll outlive my husband and I won't have anyone to cook for me (stops to chuckle). My biggest worry? I try not to worry. I gave that up for Lent...yeah, I don't know. I don't worry. I try – this is another success for me. I have learned to live with trust, and without fear. And that's all there (is), you know, worry is just usually a waste of energy. If there's a problem that comes up I don't worry about it, I figure out how to solve it. And ah – that's – changes in the IRS tax laws, that's a worry, you know, but we'll deal with them.

Thus, aspects of failure and fear form a part of the business creation mythology. By explaining how they deal with it in various ways, informant-experts

reveal much about the reasons for their behaviour. The failure script, or more properly the norms of the script for "dealing with failure", seem to be quite well defined in the history/experience record of expert entrepreneurs – and they are substantially more subtle than the selection "in" or "out" implied by a bankruptcy-based novice performance model. Once again the expert script is shown to have more breadth than does the more mystified, but black/white simplistic model of the novice. In this respect, then, entrepreneurial histories provide additional data from which deeper insights may be drawn. In this respect also, the history as science notion is rendered more credible[38].

Discussion and implications

Using the medium of oral history to illuminate the content of insider scripts in the profession of entrepreneurship is a somewhat risky undertaking. It is risky when attempting to report findings to outsiders, because by definition outsiders' readers are likely to perceive content value on the basis of the "surface features" presented. To non-entrepreneurs, the ordinary may seem unremarkable. It is also risky because the idea of expertise and expert scripts explaining phenomena in the field of entrepreneurship is relatively new, and its newness may be mistaken for unreliability. In addition, it is risky because the notion of demystification emits a sometimes confrontational aura which signals the defenders of the *status quo* to be on the alert. Further, it is risky, because the present tense of current oral history lacks the patina of authenticity which accrues to past tense recountings.

Yet to an insider, these oral histories hopefully evoke resonant and resonating consonance, because they speak to common experience, and thereby offer insight at little or no risk to authenticity. Instead of idealizing the extraordinary, these oral histories legitimize the ordinary – with the weight of enough voices to proclaim its importance.

In this paper a connection is traced between the oral histories of entrepreneurs and the scripts that contain the common norms that constitute their expertise. By this connection, history serves science in three ways. First, it illuminates. Second, by this illumination it demystifies. And third, by demystifying it renders doable that which was previously deemed to be impossible. In this section the implications of these contributions are discussed.

Success to "the storks" is not mystical – for there are no storks in the marketplace of seller and buyer, where new ventures are born. Informant oral histories reveal that, in the face of myriad market complexities, entrepreneurs create new ventures in pretty much the same way that people create anything else of value: through belief-in-self, tenacity, energy, work, love, balance, and more. Mystical? No. Counter-intuitive? No. Ordinary? Yes. Real? Yes. Practical? Yes. Doable? Yes.

To insiders, success is nurtured rather than bestowed by nature through some mythic lineage. To outsiders, entrepreneurship is not for the few. Entrepreneurship is for the many – albeit the many who have sufficient discipline to learn and abide by the tried-and-true norms of the venturing expert script.

And failure? The oral history-based verdict is insightful. Whereas attribution theory predicts that self-serving bias will minimize the possibility that individuals will take responsibility for their failures, the histories recounted here show somewhat the opposite. The norms of insider-expert entrepreneurs do not seem to discourage or punish admissions of failure. In fact, the admission of failure which would seem to be anathema to outsiders seems to cause little, if any, discomfort to entrepreneurs. A "failure" or two seems to be almost an "entrance fee", paid to obtain insider status. At a minimum, failures are shrugged off as a "fact of venturing life".

The result? Entrepreneurship is revealed to be anything but mystical. Here the mythic are merely mortal. These expert insiders are just people; people with experiences, experiences that are countable as oral history. Entrepreneurship, then, is not an ideal profession, nor is its successful practice to be demeaned by being idealized. Rather, basic principles common to the human experience are shown to apply.

Yes, the weight of evidence is mounting that entrepreneurship is a profession which is susceptible to expertise. Yes, luck. Yes, some added benefits because of natural endowments of intelligence or powers of observation. But mainly – yes to the accumulation of ordinary experience.

This analysis has shown that the history of the entrepreneur informants cited herein differs little in substance within the group, and is likely to vary little in key respects within the population of venturers in general. Entrepreneurial success is not mystical; it is ordinary, approachable, and achievable in the same way that success is earned elsewhere. Failure in entrepreneurial endeavour, is not disgraceful; but is a necessary step towards expertise. To imply the mystical, therefore, invites the mistaken.

Oral histories help us to capitalize on our abilities as "story understanders", Our capabilities as a society to make sound attributions regarding entrepreneurial success and failure are thereby enhanced. Enhancement, in turn, can result in a more enlightened approach to venture creation.

Notes and references

1. Rumelt, R.P., "Theory, strategy, and entrepreneurship", in Teece, D.J. (Ed.), *The Competitive Challenge: Strategies for Industrial Innovation and Renewal*, Ballinger, Cambridge, MA, 1987, pp. 136-52.
2. Low, M.B. and MacMillan, I.C., "Entrepreneurship: past research and future challenges", *Journal of Management*, Vol. 14 No. 2, 1988, pp. 139-61.
3. Brockhaus, R.H. and Horowitz, P.S., "The psychology of the entrepreneur", in Sexton, D. and Smilor, E. (Eds), *The Art and Science of Entrepreneurship*, Ballinger, Cambridge, MA, 1986, pp. 25-48.
4. Bull, J. and Willard, G.E., "Towards a theory of entrepreneurship", *Journal of Business Venturing*, Vol. 8 No. 3, 1993, pp. 183-95.
5. Sexton, D.L. and Bowman-Upton, N.B., *Entrepreneurship: Creativity and Growth*, Macmillan, New York, NY, 1991.
6. Lord R.G. and Kernan, M.C., "Scripts as determinants of purposeful behaviour in organizations", *Academy of Management Review*, Vol. 12 No. 2, 1987, pp. 265-77.

7. Abelson, R.P. and Black, J.B., "Introduction", in Galambos, J.A., Abelson, R.P. and Black, J.B. (Eds.), *Knowledge Structures*, Lawrence Erlbaum Associates, Hillsdale, NJ, 1986, pp. 1-18.
8. Chi, M.T.A., Glaser, R. and Farr, M.J., *The Nature of Expertise*, Lawrence Erlbaum Associates, Hillsdale, NJ, 1988.
9. Glaser, R., "Education and thinking", *American Psychologist*, Vol. 39, 1984, pp. 93-104.
10. Lord, R.G. and Maher, K.J., "Alternative information processing models and their implications for theory, research, and practice", *Academy of Management Review*, Vol. 15 No. 1, 1990, pp. 9-28.
11. Simon, H.A., "Making management decisions: the role of intuition and emotion", *Academy of Management Executive*, Vol. 1, 1987, pp. 57-64.
12. Chi, M.T.A., Glaser, R. and Rees, E., "Expertise in problem solving", in Sternberg, R.J. (Ed.), *Advances in the Psychology of Human Intelligence*, Vol. 1, Lawrence Erlbaum Associates, Hillsdale, NJ, 1982, pp. 7-75.
13. Lurigio, A.J. and Carroll, J.S., "Probation officers' schemata of offenders: content, development, and impact on treatment decisions", *Journal of Personality and Social Psychology*, Vol. 48, 1985, pp. 1112-26.
14. McKelthen, K.H., Reitman, J.S., Reuter, H.H. and Hirtle, S.C., "Knowledge organization and skill differences in computer programmers", *Cognitive Psychology*, Vol. 13, 1981, pp. 307-25.
15. Read, S.J., "Constructing causal scenarios: a knowledge structure approach to causal reasoning", *Journal of Personality and Social Psychology*, Vol. 52, 1987, pp. 288-302.
16. Leddo, J. and Abelson, R.P., "The nature of explanations", in Galambos, J.A., Abelson, R.P. and Black, J.B. (Eds.), *Knowledge Structures*, Lawrence Erlbaum & Associates, Hillsdale NJ, 1986, pp. 103-22.
17. Glaser, R., "Instructional psychology: past, present, and future", *American Psychologist*, Vol. 37, 1982, pp. 292-306.
18. Schank, R.C. and Abelson, R.P., *Scripts, Plans, Goals and Understanding*, Lawrence Erlbaum Associates, Hillsdale, NJ, 1977.
19. Jones, E.E. and Davis, K.E., "From acts to dispositions: the attributional process in person perception", in Berkowitz, L. (Ed.), *Advances in Experimental Social Psychology*, Vol. 2, Academic Press, New York, NY, 1965, pp. 219-67.
20. Jones, E.E. and McGillis, D., "Correspondent inferences and the attribution cube: a comparative reappraisal", in Harvey, J.H., Ickes, W.J. and Kidd, R.F. (Eds.), *New Directions in Attribution Research*, Vol. 1, Erlbaum, Hillsdale, NJ, 1976, pp. 389-420.
21. Kelley, H.H., "Attribution in social interaction", in Jones, E.E., Kanouse, D.E., Kelley, H.H., Nisbett, R.E., Valms, S. and Weiner, B. (Eds.), *Attribution: Perceiving the Causes of Behaviour*, General Learning Press, Morristown, NJ, 1971, pp. 1-26.
22. Kelley, H.H., "Causal schemata and the attribution process", in Jones, E.E., Kanouse, D.E., Kelley, H.H., Nisbett, R.E., Valms, S. and Weiner, B. (Eds.), *Attribution: Perceiving the Causes of Behaviour*, General Learning Press, Morristown, NJ, 1971, pp. 151-74.
23. Kelley, H.H., "Attribution theory in social psychology", in Levine, D. (Ed.), *Nebraska Symposium on Motivation*, University of Nebraska Press, Lincoln, 1967, pp. 192-241.
24. Timmons, J.A., *New Venture Creation: Entrepreneurship in the 1990's*, Irwin, Homewood, IL, 1990.
25. Heider, F., *The Psychology of Interpersonal Relations*, Wiley, New York, NY, 1958.
26. Bradley, G.W., "Self-serving biases in the attribution process: a reexamination of the fact or fiction question", *Journal of Personality and Social Psychology*, Vol. 36, 1978, pp. 56-71.
27. Miller, D.T. and Ross, M., "Self-serving biases in the attribution of causality: fact or fiction?", *Psychological Bulletin*, Vol. 82, 1975, pp. 213-25.
28. Zuckerman, M., "Attribution of success and failure revisited, or: the motivational bias is alive and well in attribution theory", *Journal of Personality*, Vol. 47, 1978, pp. 245-87.
29. Derrida, J., *Of Grammatology*, Johns Hopkins University Press, Baltimore, MD, 1976.
30. Kiduff, M., "Deconstructing organizations", *Academy of Management Review*, Vol. 18, No. 1, 1993, pp. 13-31.
31. Mitchell, R.K., "The composition, classification, and creation of new venture formation entrepreneurial expertise", *Dissertation*, University of Utah, Salt Lake City, UT, 1994.
32. Mitchell, R.K. and Chesteen, S.A., "Enhancing entrepreneurial expertise: experiential pedagogy and the entrepreneurial expert script", *Simulation & Gaming*, Vol. 26 No. 3, 1995, pp. 288-306.
33. Mitchell, R.K. and Seawright, K.K., "The implications of multiple cultures and entrepreneurial expertise for international public policy", *Frontiers in Entrepreneurship Research: Proceedings of the 1995 Babson Research Conference*, London, UK, Babson College, MA, (forthcoming).
34. Belk, R.W., "Moving possessions: an analysis based on personal documents from the 1847-1869 Mormon migration", *Journal of Consumer Research*, Vol. 19 No. 3, 1992, pp. 339-61.
35. Nagel, E., *The Structure of Science*, Harcourt, Brace and World, New York, NY, 1961.
36. Novices respond to surface features[12] and cannot infer further knowledge because no knowledge structure (script) exists. Thus, novices are not expected to have a script[9].
37. Willard, G.E., Kreuger, D.A. and Feeser, H.R., "In order to grow, must the founder go: a comparison of performance between founder and non-founder managed high-growth manufacturing firms", *Journal of Business Venturing*, Vol. 7 No. 3, 1992, pp. 181-94.
38. Stinchcombe, A., *Constructing Social Theory*, University of Chicago Press, Chicago, IL, 1968.