Theories and Assumptions of Entrepreneurship

Gartner, William B. "'What Are We Talking About When We Talk About Entrepreneurship?'" Advances in Entrepreneurship 1 (2000): 3-16.

In an effort to build consensus as to the definition of entrepreneurship, Gartner conducts a Delphi study utilizing quantitative methods and a purposive sample of academics, politicians and business leaders. Findings indicate the most important attributes to the sample: (1) organization creation, (2) innovation, (3) acquisition and integration of resources. The least important attributes among the sample were found to be (1) no-growth business, (2) non-profit businesses, (3) personality characteristics of entrepreneurs. After a factor/cluster analysis of entrepreneurship attributes, two main viewpoints emerged from the total population: (1) the characteristics of entrepreneur (entrepreneur, innovation, growth, and uniqueness), (2) the outcomes of entrepreneurship (creating value, for profit, owner-manager). Overall a general takeaway from the study may be - the way we define entrepreneurship guides the kinds of questions we ask about entrepreneurship.


Gartner believes that research which identifies what an entrepreneur does will tell one more about the process of entrepreneurship than research focused on describing whom an entrepreneur is. To that end, Gartner argues in favor of a behavioral approach to entrepreneurship research rather than the trait approach. Gartner suggests that the latter “trait approach” has led many researchers and business leaders to make assumptions about who possesses the elusive and oft-romanticized DNA of an entrepreneur. Gartner warns against the dangers of generalizing trait assumptions: essentially utilizing prescriptive characteristics and qualities to rationalize the labeling of people as entrepreneurs. In support of the behavioral perspective Gartner states, “You cannot separate the dancer from the dance.” In Gartner’s view, entrepreneurs are recognized by what they do.


Bull and Willard propose guideline both for theory development and for gaining field consensus. They begin by referencing William Bygrave’s observation that “…scholars are still bickering over a working definition of entrepreneurship” (p.185). Instead of proposing yet another definition, Bull and Willard argue in support of noted empirical entrepreneurship scholar/researcher Joseph Schumpeter’s (1942) definition: “An entrepreneur is a person who carries out new combinations, causing discontinuity.” They argue that Schumpeter’s definition is both broad and specific enough for the diverse concepts of entrepreneurship. Bull and Willard also suggest the existing literature be grouped into five broad categories for classification purposes: (1) focus on the definition
of entrepreneurship, (2) trait approach, (3) success strategies, (4) formation of new ventures, (5) effects of environmental factors on entrepreneurial actions.

Thoughts on Knowledge, Risk and Uncertainty


Aldrich and Fiol both identify and discuss common challenges and constraints of new entrepreneurs/founders. The authors suggest that founders of entirely new activities must work hard to gain creditability and legitimacy with customers/stakeholders/investors; primarily because new firms by nature lack the familiarity and creditability that established firms enjoy due to an existing relationship with the public. Concerning new firms, the authors expand into a discussion on the need for sociopolitical legitimation (p.648). They both discuss the role that social context plays in the emergence of entrepreneurship opportunities and identify several entrepreneurship strategies for developing sociopolitical legitimacy (p.649). They also identify “trust” as a key factor that influences the development of opportunities (p.650). They go on to propose strategies that entrepreneurs can utilize to develop cognitive and sociopolitical legitimacy in various industries. Based on the discussion the authors conclude, “Generating and sustaining trusting relationships are at the heart of overcoming low legitimacy” (p.664).


Hayek leads the reader in a discussion on the utility of knowledge, exploring the way in which knowledge is used to solve economic problems in society. Hayek asserts that the problem of establishing a rational economic order is made difficult due to, “…dispersed bits of incomplete and frequently contradictory knowledge which all the separate individuals possess” (p.1). Contextually, Hayek’s assertion supports the notion that entrepreneurs encounter challenges in making economic decisions due in part to limited access to key information. For example, Hayek suggests that budgeting is a planning process (p.521), and posits that how one develops a budget is largely based on the accumulated knowledge available at one point in time. Likewise, entrepreneurs may often develop budgets and make financial decisions based on data generated from personal assumptions at a specific point in time. However, there are practical challenges to making decisions on the basis of limited but intimate knowledge of the facts of ones own immediate surroundings (p.525). Thus Hayek explores both the centralization and decentralization of economic knowledge (p.524), and discusses the pros and cons of doing so.


Dequech leads the reader in a discussion of fundamental uncertainty; stating that the concept is often associated with “…situations in which at least some essential
information about future events cannot be known at the moment of decision” (pp.415-416). Throughout the article, Dequech frames the concept (e.g. fundamental uncertainty) through an ontological lens, often questioning it’s existence and consistency. Dequech suggests, “…fundamental uncertainty need not imply complete ignorance” (p.416), as arguably there are different degrees of fundamental uncertainty. To extend the discussion further, Dequech analyzes related concepts such as expectation (p.417), confidence (p.421) and creativity (p.421).


Janney and Dess posit that there are many concepts of “risk”, and as a result, entrepreneurs may not measure assess or evaluate “risk” in the same way as managers do. Nevertheless the authors identify and discuss three common “risk” concepts in entrepreneurship: risk as variance, risk as downside loss, risk as opportunity. They posit that among the three concepts, the majority of entrepreneurs perceive risk as downside loss (e.g. missing the boat). They draw upon empirical theory to support their claims, and suggest that more meaningful data on “risk” will emerge if sample groups are homogenous and not idiosyncratic.

Thoughts on Opportunity Recognition


Short et al state, “Without an opportunity, there is no entrepreneurship” (pg.40). Short et al provide the reader with an extensive literature review aligned with the concept of opportunity. “This review is intended to consolidate past accomplishments and to set the stage for future developments” (p.41). They provide a summary of conceptual articles on opportunity (pp.43-46) and provide the reader with a summary of empirical articles for reference (pp.48-52). They go on to expand on the identified themes in the opportunity literature and suggest that future research directions on the concept may be informed though disciplines outside of the entrepreneurship field.


Shane reviews existing perspectives on entrepreneurship, offering the reader a differentiation on neoclassical psychological and Austrian schools of thought (p.449). He then turns his focus towards advancing the study of entrepreneurship opportunities, largely exploring a series of propositions (pp.451-452). In summary Shane argues that, “…any given technological change will generate a range of entrepreneurial opportunities that are not obvious to all potential entrepreneurs; entrepreneurs can and will discover these opportunities without searching for them; and any given entrepreneur will discover
only those opportunities related to his or her prior knowledge” (p.449). He concludes by reporting on the results of a research study whereby he utilized his proposed conceptual framework to study entrepreneurial opportunities.

Ethics in Entrepreneurship


Hannafey discusses a rarely discussed topic in entrepreneurship literature: ethics in entrepreneurship practice. Hannafey rightly states, “Entrepreneurs today encounter uniquely challenging ethical problems. They typically operate in stressful business environments and they often struggle to find time and perspective for focused ethical reflection. Entrepreneurs make choices and take actions that affect many persons, usually without the moral guidance available in established organizations. Their decisions can strengthen or seriously weaken a firm's future business viability. Working long hours and sometimes isolated from others, entrepreneurs may not adequately consider the ethical consequences of their own decisions and their firm's activities. Yet entrepreneurs face complex ethical problems related to basic fairness, personnel and customer relationships, honesty in communications, distribution dilemmas, and other challenges. Because of the nature of startups, many of these ethical problems are often new to the young organization” (p.99). In framing this discussion, Hannafey conducts a literature review, draws on Gartner’s conceptual framework for new venture creation, and examines leading issues in entrepreneurial ethics. Hannafey points out some of the harmful effects that an entrepreneur's unethical decisions may have on established organizations, society, customers and communities (p.102). Hannafey suggests that personal values and ethics strongly influence how entrepreneurs’ act on the ethical problems they encounter (p. 102). Hannafey also points out some of the ethical challenges involved when using family members to obtain capital: “An entrepreneur’s relationship with a family member or personal friend will change if these persons become investors in the new venture – and so likely will associated moral expectations” (pg.103). Perhaps in line with the writings of Gartner on the need for homogenous samples, Hannafey suggests, “All entrepreneurs are not alike, and neither are the ethical dilemmas they confront” (p.106).

Research Models and Conceptual Frameworks


This is a seminal article in entrepreneurship research. Shane and Venkataraman present the field with a new conceptual framework for researching the phenomenon of entrepreneurship. They argue that in the absence of a distinct conceptual framework for studying the phenomenon of entrepreneurship (in all it’s frames), “entrepreneurship has become a broad label under which a hodgepodge of research is housed” (p. 217). To that end, they engage in an attempt to propose and justify a conceptual framework for future entrepreneurship research scholarship and education; even going so far as to identify and
address critics concerns with the field to date (e.g. why study entrepreneurship?) (p. 219). They begin the discussion by identifying definitional challenges. They assert that the largest obstacle in creating a conceptual framework for the field has been the lack of consensus on a definition of entrepreneurship (p. 218). They posit that most researchers have framed entrepreneurship from an individual perspective: a perspective which (they argue) leads researchers to focus on who the entrepreneur is and what he/or she does (p. 218). Shane and Venkataraman assert that by largely focusing on the traits and behaviors of the entrepreneur, the field has largely ignored the role of opportunity in entrepreneurship. To that end, Shane and Venkataraman propose an inclusive definition of entrepreneurship (p.219) and argue in support. Utilizing this new definition as a guide, they propose a conceptual framework for studying entrepreneurial opportunities: a framework that (they argue) focuses on: the existence discovery and exploitation of opportunities, the examination of the influence of individuals and opportunities, presents a framework broader than new venture creation, complements research on the process of new venture creation (p.219).


Gartner argues that the process of entrepreneurship leads to the creation of organizations. To that end, Gartner proposes a framework for analyzing the process of new venture creation (NVC). Gartner argues that (to date), sample populations in NVC research have been sporadic and heterogeneous. Gartner suggests that what is needed most in research on NVC is the identification of specific variables that describe how each venture was created, as well as the selection of homogeneous sample populations. Gartner believes that in doing so, differences and similarities among homogeneous samples may provide researchers with more meaningful data.


Ma and Tan posit that many researchers frame entrepreneurship based on who entrepreneurs are and what they do. The authors posit that what is missing from entrepreneurship research is a better understanding of why/when/how entrepreneurs do what they do. To that end, the authors suggest a framework (non-exhaustive and illustrative only) for researching what they believe are the major components of entrepreneurship: the 4-P framework (pioneer – entrepreneur as innovator or champion of innovation, perspective – entrepreneurial mindset, practice – entrepreneurial activities, performance-outcomes of entrepreneurial actions and activities). The authors draw on both the thoughts of entrepreneurship theorists and practical examples to provide support for their suggested characteristics and sub-characteristics/qualities of entrepreneurs.

Alvarez and Barney assert that there are two approaches to studying opportunities in the entrepreneurship literature: discovery opportunities - based on a critical realist perspective, whereby opportunities are created by shocks to preexisting industries; creation opportunities - based on an evolutionary realist perspective whereby opportunities are created by entrepreneurs themselves. The authors contend that whereas discovery opportunities already exist (waiting to be found by those unusually high alert individuals or firms that have the ability to exploit them) (p. 559), creation opportunities are not objectively real until they are socially constructed based on the perceptions and beliefs of the entrepreneur him/herself (p.565). Although creation and discovery opportunities may at times overlap, the authors posit that they can be researched and identified separately. Thus the authors assert that the study of opportunities is more likely to be characterized by, “…unresolved tensions without attempting synthesis”, and research on opportunities characterized by “…multiple interpretations of the same phenomena” (p.558). The authors offer the reader a table for referencing the theoretical differences between these two concepts (discovery/creation) (p.559). The authors also refer to the concept of perfect competition (sometimes called pure competition) (p.559): a concept which they posit describes markets such that no participants are large enough to have the market power to set the price of a homogeneous product (e.g. the opposite of a monopoly). The authors assert that there is consensus on what constitutes an opportunity in the entrepreneurship literature: that an opportunity exists when the conditions necessary for perfect competition in a market do not exist (p.559). To that end, the authors identify tools and strategies that entrepreneurs can use to do so (p.563). The authors go on to expand the discussion; suggesting implications of such research. Key takeaways revolve around the importance of “search” and risk-based decision-making in the study of discovery opportunities, as well as guidance for teaching students to create opportunities. Notably, the authors recognize the ability of the arts to help facilitate learning associated with the study of creation opportunities (p.574).

**Motivation of Entrepreneurs**


Marcketti et al examine the relationship between lifestyle entrepreneurship and life quality. Contrary to popular opinion, profit may not be the primary motivation for all entrepreneurs. Utilizing a systems theory perspective, they present twelve case studies of lifestyle entrepreneurs and examine the underlying motivations. Key findings in this qualitative study remind one that some entrepreneurs are neither wealth seekers nor financially independent hobbyists. Some individuals (which the authors refer to as “lifestyle entrepreneurs”) create new ventures and engage in entrepreneurship primarily to improve their quality of life. Marcketti et al state, “Researchers have defined lifestyle
entrepreneurs as individuals who owned and operated businesses closely aligned with their personal values, beliefs, interests, and passions” (p.241). Interestingly, this article evidences (through qualitative data) that some lifestyle entrepreneurs do not have a desire to expand business, even when it is possible to do so. The authors posit that business expansion has the potential to decrease quality of life (e.g. extra time spent on increased management responsibilities). The authors close by stating that “entrepreneurial ventures described in this study offer a profile of entrepreneurs whose success is focused on their concern for others, an orientation focused on families, and commitment to community service rather than the basic offering of a service or product” (p.256).


Together Eikhof and Haunschild analyze, “…how the gap between art and business, between artists and self-entrepreneur is bridged” (p.234). For this qualitative study, the authors focused on a purposive sample of German theatre artists, referring to them as “bohemian entrepreneurs”, which the authors might define as artists who are “…involved in the production of art for art’s sake and at the same time manage themselves as market subjects” (p.243). Interviews focused on accounts of daily working life and subordination of private life to work.

Entrepreneurship Education in Higher Arts Education


Pollard and Wilson discuss the role that emerging arts entrepreneurship education plays in many creative and performing arts higher education programs; often used as an intervention for increasing the employability of arts students. For example, the authors state “Arts entrepreneurship is a relatively new discipline in creative and performing arts higher education and is currently attracting attention due to the possibilities it affords to address graduate employability issues. However, as an emerging area there is a need for further research that attempts to clarify the meaning of arts entrepreneurship and explore how it is currently practiced” (p.3). The authors call attention to the increasing pressure on higher education institutes to improve graduate employment outcomes (p.4). The authors engage in a discussion of some common approaches to (what might be called) arts entrepreneurship education: new venture creation, skills for transitioning, the development of an entrepreneurial mindset. Towards the latter focus, the authors suggest “…the following five elements are integral constituent elements of an arts entrepreneurial mindset: 1) capacity to think creatively, strategically, analytically and reflectively, 2) confidence in one’s abilities, 3) collaborative abilities, 4) communication skills and 5) an understanding of the current artistic context” (pg.14). To support the discussion and there proposed components, the authors draw from not only an analysis of the literature, but also from qualitative interviews with four selected arts educators who teach subjects related to arts entrepreneurship in Victoria, Australia.

Beckman conducted a national study funded by the Kaufman foundation in an effort to outline best practices and curricular structures in arts entrepreneurship education. To that end Beckman states, “The study had three goals: to survey present efforts in arts entrepreneurship education, determine obstacles to the implementation of this curriculum, and identify best practices” (p.88). Throughout this article, Beckman identifies and discusses various (and previously unknown) elements, characteristics, educational focuses and curricular components of arts entrepreneurship programs, such as: differences from professional development activities (p.89); how arts entrepreneurship education is delivered (p.90); two broad yet perhaps prominent curricular philosophies (new venture creation and skills for transitioning) (p.91); disciplinary distinctions (p.92); administrative perspectives (p.93); definition challenges (p.94); student observations (p.95). Beckman goes on to suggest “best practices” based on his interviews (pp.99-100). He also provides the reader with two curricular models for reflection: a business school-based curricular model and a context-based curricular model of arts entrepreneurship education (pp.97-98).


Bartleet et al identify compelling evidence that suggests musicians’ support their artistic careers through portfolio careers (pp.34-35). The authors identify a key benefit for musicians who work within a portfolio career framework: “…to meet artistic needs through freelance performing work, while simultaneously engaging in more financially stable part-time work in music education or arts management” (p.35). Interestingly, the authors posit that portfolio careers can help to ensure that artists’ time and energy is not completely market driven (p.35). The authors go on to identify gaps in music education, and discuss several suggested capabilities for 21st century creative professionals: disciplinary agility, social networking, enterprise, self-management (pp.35-36). Concerning the field of portfolio career studies, the authors advocate for more systematic investigation into the lives of working musicians (p.37, p.39).


Essig proposes a framework for the development of an entrepreneurial mindset. Essig’s concept “habits of mind” draws upon theories developed by Gardner, Duening, Costa & Kallick (p.65). To explore this concept contextually, Essig identifies a visual diagram of her concept for analysis and discussion. Essig first identifies Gardner’s framework (noted in Five Minds for the Future, 2008) (p.66) and then begins to map Duening’s, Costa & Kallick’s frameworks on top of Gardner’s – ultimately proposing “a habits of mind taxonomy as related to four phases of the entrepreneurial process”(p.71). Essig then turns
the discussion towards suggested pedagogical techniques for teaching through the proposed framework. Essig goes on to discuss how each of the proposed components of the proposed habits of mind framework may help to facilitate the development of an entrepreneurial mindset.

Entrepreneurship as Self-Employment


Entrepreneurs may seek environments that complement their passion for creativity ideation and goal-oriented action. In such a case, effective management of oneself can be a key factor that contributes to the realization of one’s own goals. Drucker's approach to helping one realize his/her career or life goals involves understanding one’s own strengths, knowing one’s own values, and understanding where one best belongs in the world. Drucker provides the reader with practical advice for gaining answers to these questions, and in addition, argues that people should work to increase skills they are already good at - rather than skills they are not.


Gold and Fraser question the normative perception of the word “career” (as traditionally defined by a movement up in pay scale, promotion, increasing authority, apparent security and an eventual pension) (p.580). Instead, the authors reference the argument of Waterman (1994), who posits that “…employability, rather than employment, is the key to a career in the new economy” (p.582). Additionally the authors posit, “…the growth of subcontracting or outsourcing of labor by organizations has promoted the spread of portfolio working” (p.581), which they believe, “focuses explicitly on changes in the nature of employment relationships (p.581). Interestingly, the authors also identify criticism in research of portfolio career studies; pointing out that research conclusions may often be focused on those that have successful portfolio careers as opposed to those who do not (Bradley et al.) (p.582). The authors also point out barriers (e.g. race, gender, disability and class) to obtaining and sustaining portfolio careers (pg.586). For example, Gold and Fraiser posit that successful portfolio careers may depend heavily on ones own degree of education, (safety net) income, access to professional networks and access to social capital. To support this point the authors suggest, “Transitions into portfolio work involve an anxious period during which organizational support dissolves and is replaced by the individual’s own resources, skills, networks and entrepreneurial abilities, sustained only by a range of safety nets, such as savings, the support of a working partner and personal contacts. These factors may well restrict the potential of portfolio work for those without such resources” (pg.594). The authors go on to identify limitations of the organizational career (pg.583) and discuss how and why transitions to portfolio careers may occur (pg.585). Based on the discussion, the authors summarize that “portfolio workers are economically dependent on one or more organizations”, and point out that, “they must assume direct responsibility for generating and sustaining goals and ambitions
that are significant for them without reference to a pre-established organizational pattern—in short, for their own psychological success” (Mirvis and Hall, 1996) (pg.589).


Templer and Cawsey discuss the changing organizational realities that impact individuals’ decisions to pursue portfolio careers. The authors begin the discussion by stating, “career development, as traditionally envisaged, no longer matches the changed nature of competitive advantage” (p.70). The authors’ discussion suggests that increased globalization provides companies with an oversupply of accessible expertise and skillful workers. Without a need for a large supply of skilled workers, companies are downsizing in order to cut costs and maximize productivity. This is not a good position for the average worker to be in. To address this reality, the authors present evidence that suggests workers are developing a portfolio of skill sets and selling those skill sets to a range of clients on a contract basis (p.71). This way of working empowers the worker by giving him/her the freedom to compete for multiple contracts worldwide, to work on multiple contracts at once, and to free up time to complete multiple contracts. Templer and Cawsey provide the reader with a comparative table, which lists factors contributing to the shift from position-centered careers to portfolio-centered careers (p.72). The authors go on to identify the changes on the HR side that are necessary for employing portfolio-centered workers (p.74).


Collin discusses school-based (high-school) career portfolio programs: programs that teach students to employ certain kinds of ideologies and/or theories of what exists, what is possible and what is desirable (Therborn, 1999)(p. 330). Collin states, “Students involved in career portfolio programs are asked to keep and rearrange collections of their work (e.g. papers, artwork, and artifacts from extracurricular activities) and to reflect upon what their portfolios say about who they are, were, and will be as students, workers, and citizens” (p.330). Collin goes on to examine this curricular model, particularly the founding assumptions that often serve as the rationale for implementation. Throughout the discussion, Collin examines related curricular assessments and instructional forms in an effort to draw conclusions (p.341). Collin posits that the high school curricular model “endorse a middle-class ideology of self cultivation and self-promotion and ratifies middle-class ways of perceiving and responding to pressures of individualization” (p.332).
Entrepreneurship as Innovative Strategy in Non-Profit Organizations


This article presents the reader with key challenges that non-profits may face when attempting to innovate or create/adopt/consider a new way(s) of achieving its mission. Hull and Lio point out that while innovation has been widely discussed and researched in the for-profit context, little attention is given to innovation in the non-profit context, which is often mission-driven as opposed to profit-driven. Whether in the non or for-profit context, risk is required in order to achieve innovation. To that end Hull and Lio position that non-profit organizations face significantly different operational challenges than for-profit entities, which in turn may make non-profits adverse to risk taking and thus opposed to innovation. Both for and nonprofit organizational differences are discussed, including differences in vision, scope of impact, performance expectations, strategic constraints, ownership and responsibility, markets, financial constraints, revenues, incentives. The authors also discuss learning capacity, emphasizing that non-profits often lack the learning capability (staff expertise) necessary for internal innovations (p.62).


Kong discusses the benefits of framing strategic planning in the non-profit context. Although Kong admires the oft-used SWOT analysis, the author shares the opinion that SWOT is often perceived as a general one-size-fits-all approach. Kong advocates for a new strategic management approach based around intellectual capital, which (he argues) may be more useful in addressing the needs of social service non-profit organizations. Kong states, “The urgency of developing a new, more complex strategy management technique which reflects the challenges and messy realities that non-profit leaders face every day is increasingly pressing” (pg. 290). To that end, Kong identifies and discusses many alternative strategic management approaches such as: industrial organization framing, resource-based views and core competency, knowledge-based view, balanced scorecard.


Nielsen’s provides the reader with both a conceptual framework and great examples of what is known in the nonprofit sector as “Piggybacking”, which the author defines as a strategy whereby, “… an organization intentionally uses the profits or surpluses produced from serving one demand-side consumer submarket constituency less related to the organizations specialized mission in order to subsidize another consumer submarket constituency more related to the specialized mission.”(p.203). Nielsen’s article suggests
that many nonprofit organizations are utilizing piggybacking strategies: both in order to decrease their dependency upon public funding and to work towards self-subsidization. In summary, piggybacking could refer to the creation of related for-profit businesses for the purpose of subsidizing the income of a nonprofit mission. To that end the author suggests criteria for determining an appropriate piggybacking strategy. Nielsen both identifies potential positive and negative effects of piggybacking, and provides the reader with several examples of existing nonprofits who utilize piggybacking strategies to support their nonprofit missions. Key takeaways include but are not limited to: (1) piggybacking strategies need to be properly aligned in service to the mission of the nonprofit (2) “… joint cost based products are less likely to conflict with an institutions central mission” (p.213).


This article discusses the oft used Cause Related Marketing (CRM) strategy (e.g. for every ticket you purchase, a percentage of the proceeds will be utilized to support a specified mission). To facilitate the discussion the authors utilize a model (p. 206) to deconstruct the type of partnership structure and shared outcomes necessary for successful CRM strategy and mutual benefits. Perhaps for transparency sake, the authors’ discussion also suggests that Cause Related Marketing (CRM) is often about sales rather than philanthropy; as donations facilitated by CRM strategies are contingent upon the sales of certain products (p.204). Nevertheless, CRM strategies can be mutually beneficial for both for-profit businesses and nonprofit organizations. One key benefit to the for-profit driven partner may be the halo effect. Other key benefits to for-profit driven partners may include but are not limited to, “… breaking through advertising clutter, low-cost exposure, broader customer base, the ability to sway customers, positive publicity and better employee relations” (p.207). The main benefit for the mission-driven partner seems to be funding, (e.g. a percentage of the sales goes back to support the nonprofit mission).


Money et al discuss the importance of having a good business-to-business (b2b) reputation. They suggest a framework for studying b2b partnerships, one that involves the study of partners’ (1) mutual understanding, (2) flexible interaction and (3) synergy. Evidence presented suggests that b2b reputations that are influential can have a very positive effect on profits. Money et al reference that within successful b2b partnerships, the whole is worth more than the sum of its parts. The authors posit that good b2b reputations have several benefits, including but not limited to: increase in employee loyalty, the support of stakeholders, increased supplier loyalty. Overall, the authors
emphasize that the core of a successful b2b partnership is mutual and equitable benefit(s) between partners, oft facilitated by a clear understanding of each other’s agreed upon responsibilities.

Ramaswamy, V., & Gouillart, F. (January 01, 2010). Building the co-creative enterprise: give all your stakeholders a bigger say, and they’ll lead you to better insights, revenues, and profits. Harvard Business Review, 88, 10.)

Ramaswamy and Gouillart present the reader with a framework for facilitating co-creation in the for-profit context. The authors argue that, “People are inherently creative and want to engage with organizations; they don’t want to have products and processes imposed on them” (p.102). To that end, the discussion advocates for the co-creation of products and services, and suggests that co-creation creates value by constantly enhancing experiences for all stakeholders. In support of this frame, the authors provide a model for reflection and facilitation (p.103), as well as an example of a co-created enterprise in India (p.107).


Walker identifies the potential benefits and liabilities associated with establishing partnerships between arts and non-arts entities. Walker suggests, “Success depends on each partner’s willingness and ability to live up to its part of the bargain” (p.2). Walker’s study suggests that common benefits for arts groups often included greater public credit for community involvement, connections to new communities of potential participants, and wider opportunities to carry out creative works (mission). Walker’s study suggests that common benefits for non-arts groups included better programs and better reputation for being more effective in their community work (p.3). To aid the chances of successful and sustainable partnerships, Walker stresses the importance of first assessing and identifying potential liabilities before engaging in an arts/non-arts partnership. To that end, he identifies some research directions: community reputation, constituent scope and strength, organizational capabilities, mission and culture (pp. 5-6). Walker also suggests assessing certain types of “partnership risks”, which he identifies as capacity risk, commitment risk and corporate culture risk (p.10). Walker goes on to provide recommendations for avoiding what is known as “the partnership tax”: defined as unplanned or uncompensated costs brought on by the partnership. To that end Walker states, “Prospective arts and non-arts partners are legitimately wary of entering into “bad marriages” motivated mainly by grant seeking and therefore likely to fail when unanticipated costs arise” (p.13).
Entrepreneurship as Arts-Based Venture Creation


Preece’s article provides the reader with a contextual example of “Bricolage”; a term that refers to “a process whereby entrepreneurs with local knowledge and access to local resources are best able to create enterprises using the materials at hand, rather than overextending their efforts with externally directed attributes requiring unattainable resources” (p.23). Preece advances social bricolage theory, suggesting that it involves (1) creating something from nothing (a market or service emerging where there was previously none), (2) using discarded, disused, or unwanted resources for new purposes, (3) engaging hidden, untapped local resources others fail to recognize, value or use” (p.24). Preece both provides a case study and a framework for analysis. Preece’s case study perhaps identifies the utilization of bricolage strategies in the development of the Grand River Jazz Society: a non-profit arts-based micro-enterprise that utilizes a unique business arrangement with a for-profit hotel and local Jazz artists to sustain itself.


Markusen et al provide the reader with a comprehensive research study focused on discovering how visual and performing artists build careers across commercial, non-profit and community sectors. The study also includes 41 case studies. Cases consist of entrepreneurs across the arts and creative sector(s): many of who have both experienced and addressed common challenges and historical barriers to the creation production and distribution of art. The study is guided by a theory on commercial, nonprofit and community crossover: “In contemporary regional arts ecology, artists make their way by choosing how to cultivate their talents, where to live and practice their art forms, and how much time to devote to them, given their abilities to make a living and their degrees of commitment” (p.91). The study points out that the U.S census commonly underestimates employment across the arts and creative sector(s). For example, data in the appendix suggests that the U.S Census bases employment/occupational data on one’s primary occupation (p.94). Therefore, artists who work non-arts jobs for the majority of the week to support their artistic careers are not counted in the U.S census. Given that the majority of visual and performing artists are very likely to be self-employed (p.5), evidence suggests that U.S Census data on artist employment may be greatly under-representative of the national artistic workforce. In this comprehensive study, definitions were a key part of guiding and framing research questions. Sample size is drawn from artists in Los Angeles County and Bay area counties (p.7). Interviews were utilized to conduct follow-ups. To summarize, “Research findings reveal broad crossover practice and artists’ desires to move more fluidly among sectors. They demonstrate that experience among different spheres often enriches artists’ development, work quality, incomes and visions
of the possible” (p.9).

Entrepreneurship as Creative Placemaking


Webb’s article provides the reader with a general understanding of creative placemaking theory and practice; which leading creative placemaking theorists Anne Markusen and Anne Gadwa have referred to as, “partnerships with public, private, non-profit, and community sectors to strategically shape the economic, physical and social characteristics of a place around arts and cultural activities” (p.26). However, Webb’s article criticizes traditional creative placemaking strategies largely guided by economic outcomes: strategies often validated by “higher property values and livelier streets” (p.37). Alternatively Webb believes that successful creative placemaking should build communities and build a better world with arts and culture at its core. Webb also references Roberto Bedoya (Executive Director of Tucson Pima Arts Council) who warns of the dangers of framing creative placemaking from a dominant mono-cultural perspective. Ultimately, Webb advocates for an expanded framework for creative placemaking; (1) placemaking that is guided by civic engagement activities that foster cultural stewardship; (2) placemaking that spurs systemic social change and youth empowerment; (3) placemaking that articulates a shared aesthetic of belonging” (p.46).


Ponzini and Rossi make great points in this article, providing the reader with a critical examination of “creative city theory”, as well as a case study (Creative Baltimore Initiative) to evidence their conclusions. In summary, Ponzini and Rossi posit that Richard Florida’s creative city theory is often utilized as a policy tool for “turbo capitalism”, and despite political rhetoric, is not often “…generally linked to social cohesion and inclusion objectives” (p.1052). Based upon their analysis of creative city theory and the arguments of critics, the authors go so far as to liken creative city theory to “…a fertile and seductive conceptual framework that can be fruitfully used for the implementation of fast policies of local economic regeneration in a variety of urban and regional contexts” (p.1041). The authors go on to reference missing links between creative city theory and practice, which they argue, often results in implementation problems at the regional and community levels.


The document provides a case study of a creative economy initiative for Appalachian communities across the nation. In April of 2002, more than 300 individual artists and representatives from state arts and heritage organizations came together in order to
discuss how Appalachian arts and heritage could be used to revitalize Appalachian communities (pg. 3). Together, they “collectively” developed a strategic creative economy plan involving such activities as asset-based community planning, coalition and capacity building, the development of arts-business incubators, collaborative marketing, funding alignment (etc). Unsurprisingly, a key factor in this successful initiative was “community ownership”; a factor that may often be missing from the majority of creative placemaking initiatives that prioritize economic outcomes. Lessons learned and best practices are provided (p.5).

Entrepreneurship as Cultural Preservation


Bhattacharya’s article provides the reader with an example of Cultural Entrepreneurship in action. The author references her work with Banglanatak: a social enterprise in India whose mission is to relieve poverty by using culture-based approaches. Brought on by the forces of globalization, the folk artists of Bengal felt they were losing their cultural heritage. The author states, “A decade back these art forms were losing their traditional audience. The young were not interested to learn them. Songs and dance styles were being lost and a living heritage was dying” (p.101). To address these issues, Banglanatak worked with 3,200 folk artists, involving them in the development of capacity building, documentation, and marketing and professional development efforts. Unlike some community revitalization efforts, Banglanatak’s process was participatory and not prescriptive. As a result, cultural heritage tourism brought on by these activities not only saved cultural traditions and improved economic conditions for community residents, but also validated the cultural heritage experiences as authentic.