



FROM LEGITIMACY TO IMPACT: MOVING THE FIELD FORWARD BY ASKING HOW ENTREPRENEURSHIP INFORMS LIFE

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Entrepreneurship as a field of research has grown significantly since the publication of Lumpkin and Dess (1996), an article that addressed what it means to be entrepreneurial. The field has gained legitimacy in part through research that asks how phenomena such as market conditions, institutional environments, and strategic behaviors inform the entrepreneurship domain. New progress can be made by asking how phenomena unique to the domain of entrepreneurship help researchers understand decisions, actions, and environments outside of the domain. Ideas for using entrepreneurial knowledge to explain more general phenomena are presented. Copyright © 2011 Strategic Management Society.

INTRODUCTION

The field of entrepreneurship and the world itself has changed enormously since our paper, *Clarifying the entrepreneurial orientation construct and linking it to performance* was published in the *Academy of Management Review* in 1996.¹ Technological advances and world events have created remarkable entrepreneurial opportunities. Entrepreneurship as a research domain has moved forward in ways difficult to envision 14 years ago. In hundreds of business schools around the world, the role of entrepreneurship in research, teaching, and outreach has evolved from a ‘side show’ to a major contributing force.

During that time, the entrepreneurial orientation (EO) concept, which reflects the organizational mindset and processes of entrepreneurial firms, has been used in hundreds of studies. In the paper, we defined five dimensions of EO—innovativeness, risk taking, proactiveness, competitive aggressiveness, and autonomy—and argued for the importance of these dimensions in explaining the performance of entrepreneurial firms. Scholars who have embraced these ideas have stimulated the creation of new knowledge and moved the field forward. Yet in terms of development of entrepreneurship as a domain of research, such progress may also leave us wondering where we go from here.

I’ve always felt that part of what made the Lumpkin and Dess (1996) article successful was that we gathered up and ‘packaged’ research that had already been developed but needed synthesizing. In other words, we integrated a set of ideas developed in independent specialized works and that integration created synergy that added value. As such, we are grateful to the many researchers who contributed to the development of EO: Danny Miller, Peter Friesen, Pradip Khandwalla, Henry Mintzberg, Jeff Covin, Denny Slevin, Shaker Zahra, and several

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¹Greg Dess and I are sincerely grateful to the Entrepreneurship Division and the Academy of Management for the honor bestowed on us by naming this paper a 2010 IDEA Awards Foundational paper.

others. Our work built on their efforts. We are also pleased to see the new knowledge and interesting work using the construct (or spawned by EO research) that continues to appear.

No construct in the social sciences is perfect and, along with its good qualities, EO certainly has its shortcomings. Whatever else one might say about the EO construct or the refinements it might still need, it does address a basic issue: what it means to be entrepreneurial. And it does so by drawing on a range of literature that has contributed significantly to the current stock of entrepreneurship knowledge.

This point about what it means to be entrepreneurial—what is unique about entrepreneurship—has been obscured in some of the debates over the mission of the Entrepreneurship Division and, in the Academy of Management, fears about domain encroachment. From the first research presentation I ever made about EO until the most recent semester when I was introducing the concept to social entrepreneurship students, I have been asked a similar question when I discuss the dimensions or components of entrepreneurship. Someone always says, in essence, ‘I am surprised you haven’t mentioned that entrepreneurs are driven and hardworking or that entrepreneurship requires resilience, or talked about entrepreneurship as leadership.’ Each time, I remind them that leadership, resilience, and drive are important, but that those qualities are not uniquely entrepreneurial. Managers and executives need resilience and motivation and leadership skills whether they are acting entrepreneurially or not. EO, by contrast, is part of a body of knowledge that continues to grow and continues to define what it means to be entrepreneurial.

ENTREPRENEURSHIP RESEARCH: FROM LEGITIMACY TO IMPACT

When I contemplate the future of entrepreneurship research, it seems there are a number of opportunities available to the research community that we need to seize more earnestly—opportunities to do what entrepreneurs do best: identify trends ahead of others, innovate new combinations, and create new standards. Such initiatives will require us, in an academic research context, to innovate, act autonomously, and take risks. What do I mean? Permit me to suggest a few things that I believe will advance entrepreneurship research and also stretch us as researchers.

First, in the battle for legitimacy, we need to declare victory and move on. Entrepreneurship research is being conducted at the highest levels at the best schools and has gained widespread acceptance. We have the attention of journal editors; deans and promotion and tenure (P&T) committees recognize the value we can add; and in many places, students are clamoring for our courses. Those who still feel entrepreneurship does not have a place at the scholarship table are simply missing out—on good research, good scholars, good conversations, and willing donors.

I am not suggesting there is no room for improvement or no need for additional activities—such as this Exemplars Conference—to continuously improve and raise our standards. Still, I believe we can safely claim we have made significant progress. This conference has contributed greatly to that goal. After just one year, the Academy of Management awarded the IDEA Awards and Exemplars Conference an Academy-wide Best Practices award. Ron Mitchell, Rich Dino, the University of Connecticut, and others who have advanced this project deserve a great deal of credit for this successful initiative.

Second, we need to ask, now that we have a voice, what impact shall we have? I believe we need to shift the conversation from legitimacy to impact. To address that point, let me make another observation that goes hand-in-hand with the legitimacy issue—namely, the domain encroachment issue. In my view, there is little to be gained by arguing that entrepreneurship has ‘lost’ some imagined tug of war with strategy, or that some other division is stealing our thunder. I am of the school that says it makes us look weaker to complain that others are encroaching on our turf. We should be delighted that so many academics from other disciplines are interested in entrepreneurship and have turned to our literature to learn more about it. I can tell you that is one of the reasons our 1996 EO paper has a nice citation count—because scholars from other disciplines have cited it. I also think key people in gatekeeping positions, such as journal editors and search committee chairs, can tell whether a scholar is seriously engaged in pursuing entrepreneurship research or whether a paper has a truly entrepreneurial theme.

Exploring how entrepreneurship informs life

Yet there is a bigger opportunity here, and that is my third point. There is an opportunity to export some of what we have learned to new arenas, that is, take

what we have learned about entrepreneurship and apply it to questions outside of the realm of business start-ups and corporate entrepreneurship, beyond social entrepreneurship and family business. Rather than asking whether a management practice, strategic decision, or institutional environment has implications for entrepreneurship, we need to be applying knowledge that is unique to the domain of entrepreneurship to help understand decisions, actions, and environments outside of the domain. In other words, rather than asking how life or life experiences inform entrepreneurship, let's start asking how entrepreneurship informs life. Rather than asking how resilience or motivation or leadership affect entrepreneurial outcomes, shouldn't we be asking how entrepreneurial qualities make a person or organization more resilient, more persistent, better leaders, and stronger performers? I would go so far as to say, in fact, that we need to be asking how entrepreneurial knowledge can contribute to understanding goal accomplishment and human achievement generally.

Permit me to offer a few examples. Look at how far entrepreneurship has spread across many university campuses. New courses addressing how entrepreneurship can make nonprofits and governments and NGOs more effective have begun to appear; those and other social entrepreneurship themes are up and coming in our field. Consider the programs aimed at teaching artists to successfully manage their careers by approaching them as entrepreneurial businesses. I am very proud to be on the faculty of Syracuse University where the Entrepreneurial Bootcamp for Veterans with Disabilities program was founded. The program teaches disabled veterans, whose lives have been dramatically altered by crippling wounds, how to make a living by acting entrepreneurially. A key aspect of the training deals with overcoming difficulties and building self-confidence. How? In part by learning about working autonomously, being proactive, taking risks, and reinvigorating the competitive spirit that made them want to be soldiers or sailors in the first place. That sounds to me like people using entrepreneurship to make their lives work. The veterans who have gone through the program, by the way, are also providing data for several interesting new research projects.

Another idea relates to something Ron Mitchell and I worked on at Texas Tech University, namely, teaching opportunity recognition as a life skill, not just an avenue for identifying new business start-up ideas. I believe the work that is going in to understanding entrepreneur-

ial opportunity discovery and creation (e.g., Alvarez and Barney, 2007) can be applied to understanding the role and importance of opportunities in other settings. Here again, such efforts can contribute to new research directions and opportunities.

Entrepreneurship and purposeful enactment

More generally, entrepreneurship is the discipline, or at least one of the disciplines, that should be investigating how it is that people and organizations make things happen. In our 1996 EO article, borrowing from Van de Ven and Poole's article about motors of change (1995, *AMR*), we referred to this as 'purposeful enactment.' Here is an example that I believe entrepreneurship scholars should study: no matter what you as an academic or scientist may think of them, the U.S. has spawned generations of personal achievement gurus—Napoleon Hill, W. Clement Stone, Dale Carnegie, Stephen Covey, Tony Robbins, and many others. An academic might think such individuals are dishonest or unethical. But the *data* suggest that hundreds of thousands of successful people believe in their work, claim them as an inspiration, and read their books. And many of those successful people are entrepreneurs.

The question is why? These personal achievement gurus may be fostering irrational biases, extreme self-deception, or the worst kind of mental manipulation. Or perhaps they have tapped into some deep insights, some clear understanding of the relationship between passion and performance. These are empirical questions: we don't really know why the practices they endorsed have worked for so many people. These are questions that entrepreneurship scholars can help address by asking, in essence, how entrepreneurship informs life. That is, they are concerns that can be framed not only as issues that have entrepreneurial implications, but situations that present the opportunity to use entrepreneurial knowledge to explain more general phenomena.

I am not suggesting that we can explain all the variance in these situations or that entrepreneurship scholars should have a primary role in investigating elements outside our domain (such as resilience, motivation, or leadership). Our contribution would be in understanding how entrepreneurial action contributes to success. What is the role of opportunity identification and creation, innovativeness and competitiveness, risk-taking, and autonomy in human accomplishment, in the purposeful enactment of all types of personal and organizational goals?

In this regard, I like what Bill Gartner and Marlene Bellamy do in their new entrepreneurship text, *Enterprise* (2010). The application questions at the end of each chapter take the lessons from the chapter and apply it to the students' individual lives. Chapter 1 has students ask themselves, 'Do I have personal goals for my personal life?' and 'Am I an asset to my community?' Chapter 12, which addresses the subject of the enterprising mind, asks students to develop a story about how the enterprise opportunities they are envisioning will become real. It then asks them to imagine their life in five years and write the story of the goals and accomplishments it took to get there. In other words, it asks how their entrepreneurial experience informs the rest of their life. As researchers, we can pose similar questions.

Entrepreneurship and the heart-mind connection

To do leading-edge research, we may need to get out of our comfort zones and be entrepreneurial as researchers. Why? Because it will require us to take some chances, seek out new combinations, identify opportunities, be creative, and form new alliances. For example, permit me to share one idea on the edges of current entrepreneurship research efforts. Some scholars in our field have addressed the potential benefits of employing new techniques to effectively study the cognitive and emotional processes involved in entrepreneurial efforts (e.g., Baron and Ward, 2004; Cardon *et al.*, 2009). To advance research farther, entrepreneurship researchers likely need to partner with physicians and human performance technicians to assess heart rates, mental states, and other physiological responses to making entrepreneurial decisions or taking entrepreneurial actions. Progress has been made in mapping mental states, cognitive representations, and decision biases, but I believe we can go farther.

For example, researchers attempting to understand intuition and passion generally, or effective entrepreneurial opportunity recognition specifically, have measured skin conductance, cortisone levels, and brain and heart activity. Researchers at the Institute of HeartMath in California have found that, when reacting to a stimulus, biological activity in the heart (emotional responses) occurs sooner and works faster than brain activity (cognitive responses). Based on this kind of research, they posit that the heart is the more powerful of the two forces and that humans function better when the heart and mind are

in sync. They state, 'Our data indicate that when heart rhythm patterns are coherent, the neural information sent to the brain facilitates cortical function. This effect is often experienced as heightened mental clarity, improved decision making and increased creativity' (Institute of HeartMath, 2010).

Drawing on this research to address the role of intuition in entrepreneurial opportunity recognition, another researcher concluded that 'the entrepreneur's passionate attention—that is, the biological energy activated in his emotional connection to the object of interest (namely, the quest for future opportunities in a certain field of business)—attunes him to the object's unfolding pattern of activity and to the implicit order of its future potential' (Bradley, 2006: 179).

What are the implications of this line of research? For one thing, it suggests entrepreneurial cognition researchers may need to partner with passion researchers to more clearly understand the phenomenon. Entrepreneurial cognition is still an emerging theme in entrepreneurship research, and entrepreneurial passion, the subject of one of last year's Exemplars Conference winning papers, is clearly an up-and-coming topic. How much can we learn about these two phenomena unless researchers in these two disciplines—cognition and passion—communicate about the heart-mind connection? And how far can we really go using measurement techniques from the social sciences alone? To explore these things, entrepreneurship researchers need to partner with scientists outside the business school and use techniques that are most likely new and unfamiliar to the social sciences.

However we proceed, I think we need to ask how entrepreneurial insights can inform research into the heart-mind connection. Might this insight—that emotional commitment precedes cognitive commitment—be the realization that Napoleon Hill, Tony Robbins, and others figured out? That it matters more what you are passionate about than what you are smart about? Based on the anecdotes of entrepreneurs I have met, I'd say that is very likely true: they often say, in essence, 'I'm not the smart one. I had to hire people smarter than me to do what I was passionate about.' Is that the key to purposeful enactment in entrepreneurship?

Such questions, I believe, could generate cutting-edge entrepreneurship research. There is still so much we don't know. For example, we know very little about what evokes a gut instinct or an aha! moment or, for that matter, what a gut instinct or an

aha! moment really is. To find out, entrepreneurship scholars need not be followers, but can be leaders in research that crosses boundaries. To do so, we may need to learn new skills and welcome scholars with very different academic orientations, and not necessarily entrepreneurial orientations. Yet pursuing this line of research is one of the ways we can ask, in arenas outside of traditional business performance, what the impact of acting entrepreneurially has on outcomes outside of business, or on the human condition more generally. It is part of the overarching research question of how entrepreneurship informs life.

Researching interesting outcomes

Another idea that relates to the theme of moving the needle from legitimacy to impact that sets entrepreneurship apart as a research domain is our focus on interesting dependent variables (DVs). Entrepreneurship scholars have the opportunity to test different variables because of the array of outcomes we care about. Although many of us are concerned with financial performance indicators such as growth and profitability, entrepreneurship researchers often investigate other important outcomes as well. A key reason for that stems from the preorganizational nature of some types of entrepreneurial phenomena. For example, entrepreneurial emergence, that is, the process by which new organizations come into being, is a potentially fruitful area that we have only begun to investigate. Opportunity-related DVs—opportunities identified, opportunities created, opportunities pursued—are also centrally important to entrepreneurship research. A related example—start-ups that were envisioned but did not launch—is a type of outcome that few other domains care about. Various aspects of failure, including failed experiments, failed product launches, and the personal consequences of entrepreneurial failure, are also frequently studied.

Other types of outcomes, ranging from obtaining venture capital to business ownership and self-employment as a career choice, may not be exclusive to the domain, but rely on the type of data we generate to be addressed. Entrepreneurship is not confined to one or two levels of analysis, but can range from country-level job creation to individual-level risk taking. Broadly defined DVs have also been addressed in studies of the role of entrepreneurship: learning, adaptation, change, and creativity. The interesting and wide-ranging outcomes/DVs

investigated in the entrepreneurship domain are the strongest indicators of how important it is to ask how entrepreneurship informs life.

Paradigm-driven and problem-driven research in entrepreneurship

Investigating interesting outcomes is promising for doing research that has an impact. But not all research aimed at understanding such outcomes has, at least initially, clear links to theory. I'd like to echo the view of several top scholars who have argued that the theory-driven research imperative we labor under may, at times, be counterproductive (Hambrick, 2007). In our efforts to be rigorous, Mintzberg (1977) cautioned researchers to be careful not to lose sight of relevance. Despite calls in other management-related disciplines to bridge the rigor-relevance divide (e.g., Gulati, 2007), it seems little progress has been made. Perhaps the entrepreneurship domain can take a leadership role in the ongoing quest to create knowledge that is simultaneously relevant and rigorous.

If we consider the development of our field, the development of new entrepreneurial knowledge, or the arc of development of any field, it may be asking too much to expect all research that is impactful to also be theory based. To understand entrepreneurial phenomena, researchers likely need to spend more time in the field, plowing up more soil and digging deeper to come up with good theory. One way to do that, as noted earlier, is to ask what outcomes we care about.

A related approach involves asking what conundrums, problems, or events we are trying to explain. In a recent article, Davis and Marquis (2005) distinguish between paradigm-driven research and problem-driven research. Paradigm-driven research involves theory testing and it is the favored approach when researchers care about phenomena that fit into theoretical frameworks. But sometimes all researchers have to work with is an event or condition that defies easy explanation. For this, a problem-driven approach may be preferable.

Davis and Marquis (2005) distinguish between a problem-driven approach and a paradigm-driven approach as follows:

By 'problem-driven work' we do not imply that the research was intended to provide solutions to the problems faced by business managers . . . Rather, problem-driven work is distinguished by its orienta-

tion toward explaining events in the world—starting with the question, ‘why is it that . . . ?’ Paradigm-driven work, in contrast, begins with hypotheses deduced from theory intended to be general. (334)

Given that entrepreneurship researchers have few dominant paradigms and many ‘why is it that . . . ?’ questions, a problem-driven approach would likely provide an avenue for doing impactful research as well as making scientific advancements in the domain. Here are just a few examples of problem-driven research questions:

- Why is it that some people can sustain their entrepreneurial efforts but others give up in the face of negative feedback or failure?
- Why is it that some organizations successfully innovate new products year after year and others, even if they try, cannot?
- Why is it that some university-based technology commercialization efforts fail and others succeed?

Perhaps significant advances can be made by moving away from strictly traditional paradigm-driven approaches to accumulating new knowledge. Indeed, I believe this is an area where the entrepreneurship field can take a leadership role—by finding room in our journals for reporting about entrepreneurial phenomenon, not just tests of theories. I concur with Danny Miller (2007: 177–178) who recently made . . .

an appeal to be more tolerant of research that falls between paradigms, is pre-paradigmatic or pre-theoretic, based merely on intelligent argument or conjecture, and even, dare I say it, brutally empirical. At the end of the day, I believe that our major journals should welcome research even if it does not test old theory or develop new theory, so long as it: (1) addresses a question or detects a pattern that should be of concern to at least some organizational stakeholders; (2) discovers something original (usually after considerable search and effort); and (3) adheres to standards of rigor such that findings can be replicated by third parties or are so fine-grained as to impress most skeptics.

To be clear, I am not suggesting that theory building or theory testing is not important or that we should relax our standards of evidence. The ultimate goal of such efforts is to identify theory that does what theory does best—describe, explain, control,

and predict. Hence, I am in agreement with Hambrick (2007: 1346) in his lament about the management field’s theory fetish which ‘prevents the reporting of rich detail about interesting phenomena for which no theory exists . . . but that, once reported, might stimulate the search for an explanation.’ There is much to be learned from observing and interpreting phenomena, and we need to add such research approaches to the arsenal of techniques with which we grow this field. If we do not, we may be missing an important opportunity.

CONCLUSION

I could go on to identify other fields of research where entrepreneurial scholars might make important contributions, where asking how entrepreneurship informs life would generate interesting and challenging research questions—sociology, anthropology, political science, human ecology, and more. Questions about the impact of innovation on social systems, entrepreneurship as an engine of political progress, and the role of entrepreneurship as an adaptive mechanism might span numerous disciplines and spawn hundreds more studies. In all of this, my hope for entrepreneurship research in the future is that we will begin to think of ourselves as research leaders rather than followers of existing paradigms and that we will ask ourselves not what implications does this or that phenomenon have for entrepreneurship, but what implications entrepreneurship has for life.

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