A configurational analysis of the antecedents of entrepreneurial orientation

Daniel Pittino, Francesca Visintin, Giancarlo Lauto

Abstract

Entrepreneurial orientation is widely acknowledged as a strong predictor of firm performance. It is therefore critical to understand the factors and conditions that nurture it. In this paper, we investigate what configurations of motivations and personality traits trigger entrepreneurial orientation in three strategic leadership situations: successor of a family business, family-oriented founder, non-family founder. Strategic leaders in these situations are differently exposed to the opportunities and constraints to pursue entrepreneurial posture, because of the influence of family embeddedness and organizational resistance. We apply Fuzzy Set Qualitative Comparative Analysis to a sample of 257 Italian SME owner/managers. We identify 12 coherent configurations of internal and external motivations, and personality traits that are all conducive to entrepreneurial orientation. These configurations are consistent with features of the family and organization environments in which the entrepreneurial action takes place; furthermore, in each strategic leadership situation, different configurations of attributes lead to entrepreneurial orientation.

Keywords: Entrepreneurial orientation, Strategic leadership, Family embeddedness, Fuzzy set qualitative comparative analysis, Equifinality, SMEs

1. Introduction

Since the seminal work by Miller (1983), entrepreneurial orientation (EO), namely an organization’s decision making practices, managerial philosophies and strategic behaviors that are inherently entrepreneurial (Ireland, Covin, & Kuratko, 2009), has become one of the most investigated constructs in the field of entrepreneurship (Wales, Monsen, & McKelvie, 2011). In particular, EO has been systematically shown to influence performance along various dimensions, both financial and non-financial (for a review, see Rauch, Wiklund, Lumpkin, & Frese, 2009).

Entrepreneurial orientation is a construct observed at organizational level and refers to the behaviors (innovativeness and proactiveness) and attitudes (risk-taking) of its managers and employees (Covin & Slevin, 1991; Rutherford & Holt, 2007). However, what influences those behaviors and attitudes is still an understudied phenomenon. As argued by Wales (2016): “[F]actors which explain the organizational genesis or sustenance of EO remain an important area of research” (p.9).

Extant research on the topic mainly assesses the role of organizational processes, human resource management systems and managerial practices as antecedents of EO, whereas individual-level determinants are largely overlooked (Messersmith & Wales, 2013). In particular, despite the well-recognized centrality of organizational leaders in determining company level processes and outcomes (e.g. Daily, McDougall, Covin, & Dalton, 2002; Hambrick & Mason, 1984; Simsek, Fox & Heavey, 2015), the literature is still scarce regarding the role of leaders’ characteristics in shaping the entrepreneurial posture of an organization (e.g. Boling, Pieper, & Covin, 2015; Sciascia, Mazzola, & Chirico, 2013; Simsek, Heavey & Veiga, 2010).

The present work contributes at filling this gap by focusing on the influence of the leader’s psychological features (personality traits and motivations) on EO within small and medium enterprises (SMEs). The context of SMEs is especially relevant for our topic, as in these companies, leaders’ influence is likely to be more pronounced, given the overlap between ownership, management and entrepreneurial roles and the lower structural constraints to executive action (Daily & Dalton, 1992; Daily et al., 2002; Finkelstein & Hambrick, 1996).

We interpret the impact of leaders’ profiles on organizational EO in light of the imprinting framework (Marquis & Tilcsik, 2013;...
Simsek, Fox et al., 2015). Imprinting is a process whereby the characteristics of a focal entity (imprinted) are shaped by prominent features and actions of a source (imprinter), and these characteristics continue to persist despite significant environmental changes in subsequent periods (Marquis & Tilcsik, 2013; Stinchcombe, 1965). Entrepreneurs are a decisive source of imprinting for the organizations they lead. For example, research suggests that the organizational patterns set by a founder have persistent effects on a wide array of outcomes even after the founder leaves the firm (e.g. Baron, Hannan, & Burton, 1999).

In this work, the personal characteristics of individual entrepreneurs that generate the EO imprint are evaluated by adopting a configurational perspective. Most of previous research on entrepreneurs’ psychological features, examines the “separate” effect of each attribute, such as specific traits of personality (e.g. Caliendo & Kritikos, 2012). By adopting a configurational perspective, in this work we follow the suggestion of many (see e.g. Gartner, 2010) according to whom studies on entrepreneurship should aim instead at showing varieties of profiles whereby characteristics, relevant personality traits and motivational features may combine also in synergistic or substitutive ways and interact with the social context where the entrepreneur is embedded.

In particular, we consider the family business background as a prominent feature of entrepreneur’s social context, given the importance of family ties in influencing the entrepreneurial experience (Aldrich & Cliff, 2003; Arregle, Batjargal, Hitt, Webb, & Tsui, 2013; Miller, Le Breton-Miller, & Lester, 2011), and we differentiate between three types of entrepreneurs, namely non-family business founders (with no intention to establish a family business), family business founders and family business successors.

The analysis is carried out on an original dataset of 257 entrepreneurs operating in Italy. Consistently with our goal of identifying configurations of characteristics, we adopt fuzzy-set Qualitative Comparative Analysis (fsQCA) (Ragin, 2000; 2008) as methodological approach. The use of fsQCA in business research has been advocated because it permits a more thorough understanding of the causal relations between configurations of organizational factors and outcomes, compared to inferential statistics. Importantly, this method allows for equifinality, i.e. for the possibility that different causal paths produce the same outcome (Woods, 2013).

Our study primarily addresses the important gap in the research on the antecedents of EO (Wales, 2016), which is less abundant compared to the study of performance consequences of EO, and so far has devoted limited attention to the role of personality and motivational variables (e.g.; Di Zhang & Bruning, 2011; Simsek, Heavey, & Veiga, 2010). By adopting the configurational approach enabled by the use of fsQCA, our analysis also captures the synergy among various elements in internally consistent and equifinal entrepreneurial profiles (Doty, Glick, & Huber, 1993; Grandori & Furnari, 2009) leading to EO as an organizational outcome. Furthermore, we contend that these bundles of attributes, in order to produce high EO, need to vary across the leadership situations, whereas scholarship on entrepreneurial personality seeks features that are universally valid across individuals (Zhao, Seibert, & Lumpkin, 2010).

Moreover, our results contribute to the stream of organizational research on imprinting (Simsek, Fox et al. 2015) by uncovering the interplay of various individual-level and contextual features in the processes of genesis and metamorphosis of organizational imprints.

The article is structured as follows. In section 2 we outline the relevant arguments on the linkage between leaders’ attributes and EO in different contextual situations, and we develop a series of research propositions; section 3 presents the research design and the analytical method; in section 4 we discuss the results; section 5 concludes, highlighting contributions, limitations and possible developments of the study.

2. Entrepreneurial orientation and leaders’ imprinting

The literature on EO has developed building on two different conceptualizations of the construct (Covin & Wales, 2012). The one originally proposed by Miller (1983) and later embraced by Covin and Slevin (1989) recognizes EO as “a basic, unidimensional strategic orientation” (Covin & Slevin, 1989, p. 79) that becomes manifest in the concurrent presence of three components, namely two behavioral (innovativeness and proactiveness) and one attitudinal (risk taking). Specifically, innovativeness is the tendency to support creative processes that may result in new products, services, or technologies; proactiveness reflects the attitude towards the continuous pursuit of new opportunities; whereas risk-taking propensity refers to the willingness to make investments and resource commitments with uncertain returns. The second perspective proposed by Lumpkin and Dess (1996), is multidimensional, as it does not require the simultaneous occurrence of the various components (Covin & Wales, 2012), and introduces two additional factors, i.e. competitive aggressiveness and autonomy, that refer respectively to the propensity to directly and intensely challenge competitors to outperform industry rivals in the marketplace, and to the capacity to be self-directed in the pursuit of opportunities.

Despite the difference in the specification of the construct, both conceptualizations share the general idea that EO reflects “the organizational processes, methods and styles that firms use to act entrepreneurially” (Lumpkin & Dess, 1996, p. 139). For this reason EO can be interpreted as one of the main outcomes of leaders’ imprinting in entrepreneurial firms (Baron & Hannan, 2002; Leung, Foo, & Chaturvedi, 2013) not only by defining processes and structures but also influencing employees behaviors and attitudes. This is mainly because organizational leaders, and in particular individual founders, shape the organization around their business idea, perform coordination and decision making through direct supervision and personal communication, and are not subject to the mediation and constraint of formal systems and bureaucratic structures (Daily, 2002; Feltham, Feltham, & Barnett, 2005; Lechner & Gudmundsson, 2014; Lubatkin, Simsek, Ling, & Veiga, 2006). As a consequence, they play a critical role in setting the initial structure, strategy and culture of an organization (e.g. Dobrev & Gotsopoulos, 2010; Judge et al., 2015). These elements are crucial in setting the entrepreneurial posture of a firm (Fiol & Lyles, 1985; Miles & Snow, 1978; Miller & Friesen, 1978) and might persist in their initial form as a long lasting trait of the organization, thanks to the institutionalization of the founder’s imprint (Marquis & Tilcsik, 2013; Schein, 1983).

To develop our research propositions, then, we build on the basic assumption that EO, as an imprint of the leader on the organization, results from certain individual characteristics representing the distinctive traits of entrepreneurial personality and motivation.

2.1. Motivational and personality pathways to EO

Previous research on individual psychological traits associated to entrepreneurship especially focuses on the critical role of some determinants that can be grouped in Caliendo and Kritikos (2012) Carsrud and Brännback (2011); Shane, Locke and Collins (2003): (1) intrinsic motivation; (2) extrinsic motivation; (3) personality traits.

Intrinsic motivation refers to a personal interest in the entrepreneurial task (Carsrud & Brännback, 2011). The literature...
دریافت فوری
متن کامل مقاله

امکان دانلود نسخه تمام متن مقالات انگلیسی
امکان دانلود نسخه ترجمه شده مقالات
پذیرش سفارش ترجمه تخصصی
امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
امکان دانلود رایگان ۲ صفحه اول هر مقاله
امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
دانلود فوری مقاله پس از پرداخت آنلاین
پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات