

International Handbook Series on Entrepreneurship

Zoltan J. Acs
David B. Audretsch
Editors

Handbook of Entrepreneurship Research

An Interdisciplinary
Survey and Introduction

Second Edition

 Springer

Handbook of Entrepreneurship Research

International Handbook Series on Entrepreneurship

VOLUME 5

Series Editors

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SERIES FORWARD

Interest in entrepreneurship has surged in the last decade. Scholars across a broad spectrum of fields and disciplines have responded by generating new research approaches uncovering a wealth of new findings and insights about entrepreneurship. This new research spans not just a diverse set of fields, such as management, finance, psychology, economics, sociology, and geography but also a wide range of countries reflecting the fact that entrepreneurship is a global phenomenon. The exceptionally cross-disciplinary nature of entrepreneurship has made it difficult for scholars in any one particular field to become aware of and understand the leading contributions and insights emerging in other disciplines. The purpose of this series is to compile a series of handbooks, each devoted to a particular issue in entrepreneurship. Each handbook will draw upon the leading international scholars from the entire range of disciplines contributing to entrepreneurship to articulate the state of knowledge about a particular topic. The contribution should identify the fundamental questions, which are being posed, the methodological approaches, types of data bases used for empirical analyses, the most important empirical regularities to emerge in the literature, major policy conclusions, and the most promising research direction. Thus, each handbook will reflect the interdisciplinary nature of entrepreneurship that has proven to be elusive to discipline-based scholars. A goal of the *International Handbook Series on Entrepreneurship* is not only to provide a state-of-the-art coverage of what has been learned about entrepreneurship, but that when viewed in its entirety, entrepreneurship is emerging as bona fide academic discipline.

The particular topics in the Series will be drawn from discussions with the leading scholars. Each handbook will be directed and compiled by a Handbook Editor. (S)he will work closely with the Series Editors to ensure that the contents and contributions are appropriate, and that there is consistency with the other volumes in the Series.

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Editors

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An Interdisciplinary Survey and Introduction

Second Edition



Springer

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Preface

The purpose of the *Handbook of Entrepreneurship Research: An Interdisciplinary Survey and Introduction* is to provide a distinctive introduction to the field of entrepreneurship.

The first edition of the *Handbook of Entrepreneurship Research* was well received. Indeed, it far exceeded our expectations, resulting in the publication of a paperback edition in 2005. It served as a useful guide to researchers and scholars spanning a broad spectrum of academics in different disciplines and graduate students with an interest in entrepreneurship. The volume was an invaluable resource identifying state-of-the-art knowledge from research in entrepreneurship a decade ago.

The present volume updates the *Handbook* and documents the creation of the field of entrepreneurship in the first decade of the 21st century. The volume focuses on the theoretical aspects of the field and does not cover the many empirical contributions that appear elsewhere. It is a carefully crafted “roadmap” through the theoretical literature on entrepreneurship. Answers to many research questions can be found in the handbook. Our objective as in the first edition was to create a reader friendly but still, valuable resource for the entrepreneurship community.

Too many people have contributed in one way or another to mention here. However, several colleagues need to be mentioned that over the years have been integral to this project. They are Siri Terjesen (University of Indiana), Lawrence A. Plummer (University of Oklahoma), Samee Desai (University of Missouri at Kansas City), Robert Wuebker (University of Utah), Erkkö Autio (Imperial College Business School), Nichola Virgill (College of the Bahamas), Julianne Senyard (Queensland University of Technology), Pekka Stenholm (University of Turku), Wim Neude (UN Wider), Saul Estrin (London School of Economics), Magnus Henrekson (Research Institute of Industrial Economics), David Hart (George Mason University), Philip Auerswald (George Mason University), Laszlo Szerb (University of Pecs), Jonathan Levie (University of Strathclyde), Bo Carlsson (Case Western Reserve University), Pontus Braunerhjelm (Royal Institute of Technology), Connie L. McNeely (George Mason University), Richard Florida (University of Toronto), Carl Schramm (Kauffman Foundation), Robert Litan (Kauffman Foundation), William Baumol (New York University), Edward Glaeser (Harvard Business School), (Howard Aldrich (University of North Carolina), Scott Shane (Case

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Fairfax, Virginia
Bloomington, Indiana

Zoltan J. Acs
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The Global Award for Entrepreneurship Research: Organization, Objectives, and Criteria

Pontus Braunerhjelm, Magnus Henrekson[†], and Anders Lundström

10 October 2009

Introduction

In 1996, the Swedish Entrepreneurship Forum (then the Foundation for Small Business Research, FSF) and the Swedish Agency for Economic and Regional Growth hosted the International Council for Small Business (ICSB) World Conference in Stockholm. During the planning stage of this conference, a new prize was proposed: an award for outstanding contributions in the field of entrepreneurship and small business research.^{1,2} Given for the first time that same year, the *International Award for Entrepreneurship and Small Business Research* quickly became the foremost global award for research on entrepreneurship. The award aimed to spotlight a vibrant and rapidly expanding research field that brings issues of crucial importance for future prosperity to the fore. At the time, however, entrepreneurship research was still largely neglected in discussions of economic development and policymaking.³

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¹This article builds on Braunerhjelm and Henrekson (2009) and Henrekson and Lundström (2009).

²Anders Lundström FSF proposed to the Swedish Agency for Economic and Regional Growth that a prize in this research area should be established. The Agency looked favorably upon the idea and has been the largest sponsor of the prize up until 2008.

³At the beginning of the 1990s, a few studies—together with David Birch's pioneering work in the late 1970s—emerged that clearly documented the increasing importance of small businesses in most countries (Birch, 1979, 1987; Brown & Medoff, 1989; Sengenberger et al., 1990; Storey, 1994). Yet, in basic micro-economic models of the firm or aggregate (exogenous or endogenous) models of economic growth, no room for entrepreneurs exists (Barreto, 1989; Bianchi & Henrekson, 2005; Braunerhjelm, 2008).

In 2008, the prize was revamped and renamed the *Global Award for Entrepreneurship Research*, given for the first time in 2009. In addition, a website for the Award was launched (www.e-award.org), which describes the prize, presents all award winners since 1996 and their Prize Lectures, and details other pertinent information about the winners and the field of entrepreneurship.

The Research Institute of Industrial Economics (IFN) joined the Swedish Entrepreneurship Forum and the Swedish Agency for Economic and Regional Growth as a new partner in 2008; the three organizations are jointly responsible for the prize. The prize sum now amounts to 100,000 euros – twice the size of the previous award – due to a generous donation from Swedish entrepreneur Rune Andersson and his holding company Mellby Gård AB. The procedure for nominating and evaluating prospective award winners has been reformed as well.

This article gives a brief account of the background of the Award, and describes how a worthy award winner is selected.

Nomination and Selection: The Structure

According to the original statutes, the Award should be given to “a person who has produced scientific work of outstanding quality and importance, thereby giving a significant contribution to theory-building concerning entrepreneurship and small business development, the role and importance of new firm formation and the role of SMEs in economic development”. Hence, outstanding scientific achievement comprises the primary reason for receiving the Award. In addition, the extent to which research has served to accomplish the following aspects should also be taken into consideration: (1) highlighting the importance of research produced in the areas of entrepreneurship and small business; (2) further stimulating and promoting research within these fields; and (3) diffusing state-of-the-art research among scholars, practitioners, and people involved in small business development.⁴ Thus, several disciplines engaged in research on entrepreneurship and small businesses could be considered for the Award. The statutes also make clear that it is possible to reward research focusing both on the aggregate effect of small firms and entrepreneurial activity and micro aspects of small businesses and entrepreneurship, in which the individual entrepreneur or firm is the object of study.

The nomination, evaluation, and selection of award winners is delegated to an autonomous Prize Committee, which is elected by the board of the Swedish Entrepreneurship Forum. The Committee consists of six members, in which the chairman holds the decisive vote in case of a split decision. In order to ensure continuity, no more than two members are replaced in a given year. The Committee

⁴See Lundström and Halvarsson (2006).

members are appointed solely based on their scientific credentials and represent different disciplines, predominantly economics and business administration. They are leading academics in the field, and have attained the distinction of full professor or equivalent. A chairman cannot be reelected for a consecutive term, but Committee membership can be extended for an additional 3-year-period. The discussions within the Committee are confidential; members are not allowed to report the reasoning behind individual prizes and candidacies.

A number of distinguished entrepreneurship scholars are invited to nominate candidates. This invitation, extended every year since 1995, is accorded in February/March to scholars who belong to the following four categories: (i) previous award winners; (ii) editors and editorial board members of the journals of entrepreneurship and small business research included in the Social Sciences Citation Index (currently *Entrepreneurship Theory and Practice*, *Journal of Business Venturing*, *Small Business Economics*, *Entrepreneurship and Regional Development*, *Journal of Small Business Management*, and *International Small Business Journal*); and (iii) present and past members of the Scientific Forum of the Swedish Entrepreneurship Forum, who also hold or have held positions as full professors. In addition, members of the Prize Committee have the right to nominate candidates, although self-nominations are not allowed.⁵

These nominations provide a list of potential candidates to be considered by the Committee; the Committee then decides which candidates should be targeted for a more thorough evaluation. A candidate can be on the list for several years and be regarded as a potential candidate for the Award during that time. The eventual selection of the winner is based on thorough evaluations and comparisons of a number of worthy candidates; the pool of candidates from which the winner is selected must be reasonably stable, reflecting the long-term efforts of the Prize Committee. The Prize Committee “inherits” therefore a limited number of short-listed candidates from the previous year, and except in rare cases the winner is selected from this pool of short-listed candidates. However, the Committee is also commissioned to add one or two new candidates to this pool based on nominations and discussions in that year (and in previous years).

All short-listed candidates are thoroughly evaluated by a specialist in the candidate’s field. These outside evaluations are strictly confidential, although they later form the basis for a published presentation of the winner co-authored by the member of the Prize Committee who is most familiar with the winner’s work. In some cases, the commissioned expert may be a member of the Prize Committee, but this is likely to be an exception rather than a rule.

⁵Editorial review boards are not included; eligibility requires membership in the more restricted editorial board. Moreover, the Prize Committee may make a decision to include additional high-quality entrepreneurship journals if these are deemed likely to be included in the SSCI in the foreseeable future.

The name of the award winner is announced at Swedish Entrepreneurship Forum's annual conference *Small Business Days* in late January. After the announcement, the award winner will be requested to prepare a publishable Prize Lecture that can be delivered at the official Award Ceremony in Stockholm in May. The Award is normally given by the Minister of Industry; the winner is then expected to tour Sweden during the *Entrepreneurship Week*, an annual seminar tour of Swedish university cities taking place during the week when the Award is conferred. Both the essay presenting the contribution of the winner and his or her Prize Lecture are published in *Small Business Economics* as soon as possible after the Award is given.

Selection of Award Winners: The Criteria

So, what is a worthy contribution? This key question lacks a precise answer, but it must, nevertheless, be elaborated upon. Naturally, there have been lengthy discussions of this issue in the Prize Committee over the years, and the following is greatly inspired by those discussions and by input from current and previous Committee members on an earlier version of this text. Assar Lindbeck's (1985, 2007) insightful exploration of the criteria used to select the Nobel Memorial Prize in Economic Sciences has also been an important source of inspiration.

First and foremost, a prize worthy contribution needs to be *original* and *influential*. A contribution can be influential in many fashions, with impact on subsequent scientific work the most notable consideration; this impact can be achieved by virtue of the scientific work per se but sometimes through the organization of large research programs as well. Influence may also be obtained by furthering entrepreneurship as a field (by creating important databases, starting influential journals, supporting scientific communities, and so forth), by furthering entrepreneurship education and training at the academic level, and by influencing policy making and society more broadly. However, it takes time before one can be reasonably sure that a contribution is both original and influential, rather than a fad that will taper off with little long-lasting effects. One needs to allow the requisite time for potential criticism and scrutiny by other scholars before one can be confident that the contribution is as solid as it first appeared to be. Therefore, a certain caution and "conservatism" can be expected to continue in the future.

One of the Prize Committee's prime ambitions is that the award-winning contributions will reflect the extraordinary width of entrepreneurship as a social science field, spanning the entire spectrum from anthropology to theoretical microeconomics, and award methodological diversity ranging from hermeneutics to formalized deductivism via traditional hypothesis testing by means of state-of-the-art statistical methods. Therefore, the Committee does not limit itself to a certain type of work, such as designating that only articles in peer-reviewed journals should count. Rather, the Committee is governed by the originality and uniqueness of the research's insights.