

Review

Entrepreneurship complexity: Salient features of entrepreneurship

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The topic of entrepreneurship has attracted a lot of attention in academia and industry circles. This paper seeks to explore theories of entrepreneurship as well as its definitions. To this end a model that includes the salient entrepreneurial features, such as non-resource ownership and non-monetary gain, in defining entrepreneurship has been developed. It is now a known fact that no country can do without entrepreneurial activity to boost its economic development as well as the social welfare of its citizenry. Economic constraints, such as resource availability, need urgent addressing for micro enterprise. In spite of their contribution to economic development and job creation, micro entrepreneurs face a challenge of recognition as all the attention is at times given to macro and industry entrepreneurship in most economies and government policy. Micro and social entrepreneurs' ability to thrive in adverse conditions is captured in the salient features that this article describes. Emphasis of these salient features may enhance stronger policy support as well as inspire a risk-averse atmosphere for aspiring and established entrepreneurs.

Key words: Entrepreneurship, policy, theory, salient features, resource ownership, non-monetary gain.

INTRODUCTION

As a field of research, entrepreneurship research has addressed the phenomenon of entrepreneurship from different viewpoints. The phenomenon is more complex and heterogeneous than was thought in the 1980s (Bryat and Julien, 2000).

Entrepreneurs perceive challenges and act differently in order to bring about an impact, in spite of resource and monetary constraints. Berglund (2005) asserts that if it was not for them seeing and acting differently, entrepreneurs would not make an economic or social impact. It is from the variety of perceptions and activities that the complexity arises making it difficult to define

what entrepreneurship exactly is. Acting is mainly dependent on perceptions and there can be no doubt that policies are affected by prevalent perceptions. It can be well understood that besides every perception, there is a background knowledge or principle leading to such a perception. It is this knowledge that this study explores in the context of applicable theories and the attendant definitions that indicate the astonishing complexity of the field of entrepreneurship. Economics is said to have had a unique influence on entrepreneurship, and that though there have been many empirical investigations from the perspective of psychology and sociology in the discourse.

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It is further argued that even the very attempts to delineate entrepreneurship as a field of study with both theoretical and academic legitimacy, base input solely on economic theories (Davidsson and Honig, 2003; Ventakaraman, 1997).

Whereas the above authors have considered that economics has given entrepreneurship its theoretical vitality, it is worth looking into other areas where entrepreneurship is believed to have gained its vitality and strength. These areas are addressed in this paper.

Theory has a significance that affects the reality of issues upon which people act. Theory is based on knowledge that has been verified from a scientific point of view. In view of this statement it is worth quoting from Schumpeter (1934:85) who attests to the fact that it is from the bias of previous knowledge that people act.

What has been done already has the sharp-edged reality of all things which we have seen and experienced; the new is only the figment of our imagination. Carrying out a new plan and acting according to a customary one are things as different as making a road and walking along it. How different a thing is becomes clearer if one bears in mind the impossibility of surveying exhaustively all the effects and counter effects of the projected enterprise. Even as many of them as could in theory be ascertained if one had unlimited time and means must practically remain in the dark.

The assertion of Schumpeter above lends itself to the knowledge that people act according to seen experience. If this position is agreed without further deviation, then it should also be agreed that experiences differ according to situations and circumstances. Situations or circumstances, however, may exist without choices as seen in the various developmental eras the world has undergone: the agricultural, industrial and Information technology eras. The development from the agricultural era to industrial era was accompanied by different changes that were dictated by the different challenges that became opportunities for entrepreneurial activities in each stage. This is applicable to the information technology era. The resources needed for agricultural era success, were not the same as those needed for the industrial era and information technology era, notwithstanding some exceptions where need be. However, the knowledge resource to a certain degree from each era is often carried forward, thus helping in developing the concepts or ideas for the next level of development. Schumpeter's statement above, denotes the fact that even if someone had the 'means'(resources) there is a possibility of not achieving all that is needed. In a way therefore, the previous concepts, some of which proven to be true and factual continue to be in use, in other words, nothing is totally new in the next dispensation.

Constraints on entrepreneurial understanding as well as practice may be varied, educational objectives being one

of them. The educational objectives, as far as entrepreneurship is concerned, reached their embryonic stages by the 1980s (Hill, 1998). The confusion and the varied approaches to teaching entrepreneurship are based on differing definitions of entrepreneurship as a single definition has not been agreed on by the academics, as pointed out by Garavan and O'Connell (1994:4). There is also diversity among academics as to what constitutes an entrepreneurship programme (Vesper and Gartner, 1997:407). In this regard the actual content of dealing with this subject is still in dispute. There is also a divide in understanding as to whether entrepreneurship should be linked to organisation creation, growing of firms, innovation, value creation and ownership (Vesper and Gartner, 1997). In spite of the varied understanding of entrepreneurship, it is noted that it has benefited even developed economies. The driver for the United States (US) economy is said to be entrepreneurship. Three quarters of US businesses are run by self-employed individuals. Moreover, the 28.8million small businesses in the US generate more than half of the gross domestic product (GDP) and employ more than 50 per cent of the private workforce (Department of Labour, 2007). Many a time, welfare of a nation is reflected in the development or lack of development of the GDP as well as levels of unemployment. Entrepreneurs have the task of organising factors of production when revisiting business plans. It is at this juncture that resource ownership or asset ownership requires entrepreneurial judgment (Foss et al., 2007). The discourse of entrepreneurial benefit is embedded in the resource and monetary aspects among others. Although resource-based entrepreneurial theories mention these aspects, they are not much featured in policy platforms. Moreover, against the odds and in the absence of these factors, do some entrepreneurs thrive and what would their recognition be but a reinforcement of support from both social and policy platforms. This paper has been constituted by the use of primary data, scrutinizing theories and definitions, and finally proposing a model in response to the often overlooked aspects of economic constraints faced by entrepreneurs.

IMPORTANCE OF THEORIES

Theories should not be considered to be simply academic. They help in the comprehension of concepts, which may guide decisions and actions in a much better way than if no clear understanding (theory) were in place. Theories have a fundamental influence in shaping judgment and action at every conceivable level. The challenges that are faced as a result of differences in definitions may be related to the theories that need review. Such review is necessary for the opening up of a robust debate in contextualising the understanding of

entrepreneurship from a scholarly perspective, as well as for policy platforms. So far, many definitions have seemingly mirrored economic and sociological aspects with less emphasis on resource theorems. It should be hastily added that it is not the intention of this paper to create further definitions to satisfy anticipated representation/s of fields yet to be constructed. Entrepreneurship itself had been left out of the earlier economic theorems due to constricted theoretical understanding. Incorporation of all elements involved in the interplay of economic, sociological, anthropological, technological and political spheres may be necessary during the current globalised climate for the realisation of a generally accepted entrepreneurial understanding.

THEORIES ON ENTREPRENEURSHIP

This section handles the various theories associated with entrepreneurship as noted below.

Economic entrepreneurship theories

The role of directing resources in a competitive marketplace, and in particular the distribution and production of resources, lies with the entrepreneur. The virtues of free trade, competition and specialisation have been emphasised by the classical theorists who were responding to the British Industrial Revolution that lasted from the 1700s to the 1830s (Ricardo, 1817; Smith, 1776 cited in Simpeh, 2011). Nonetheless, these theorists are accused of not explaining the dynamism entrepreneurs generated in the industrial age (Murphy et al., 2006).

The neoclassical theory was adopted in response to questioning the closed economy approach of the classical theorists. The need to respond to the impact of diminishing marginal utility was the concern of the neoclassical theorists and the need for entrepreneurial response was required for the change of the status quo. Neoclassical theorists in turn were criticized for conjectures on aggregate demand, which ignored entrepreneurship at the level of the individual. Besides, rational resource allocation does not capture the complexity involved in market systems. The value of innovation and its outcomes may not be captured by efficiency-based systems postulated in economic theories. Perfect competition does not allow for innovation and entrepreneurial activity (Simpeh, 2011). It is important to underscore the importance of an entrepreneurship based at the level of the individual that could spur positive development in an organisation, institution or even personal business operation.

Although achievements in organisations are credited to the organisation, they still find their basis in individual initiatives and motivations. The theory therefore limited the understanding of the role played by individuals in entrepreneurship.

Austrian market process (AMP)

This theory was in response to unanswered questions posed by the neoclassical theorists. It addressed human action in the context of a knowledge economy. The motion of the market economy required the creation of an impulse and this impulse was found in the creation of something new in the enterprise, which was the function of entrepreneurship (Schumpeter, 1934).

In the view of Murphy et al. (2006), in support of entrepreneurial efficacy, the AMP movement provided a logic for a dynamic reality. It affirms that knowledge is communicated through a market system, for example, via price information. Benefits are often incurred when there is knowledge of how to create new goods or services, or better ways of providing goods or services. Murphy et al. (2006) attest that entrepreneurs effectuate knowledge when they believe that it will have individually-defined benefits. The AMP is credited with three conceptualizations. The first involves the arbitraging of the market as opportunities emerge, others overlook certain opportunities and some offer to undertake a suboptimal activity. The second conceptualization is alertness to profit-making opportunities, which is an entrepreneurial advantage. The third conceptualization is the understanding that entrepreneurship and ownership of resources are not necessarily connected. Say (1803) and Schumpeter (1934) affirm the principle that ownership is distinct from entrepreneurship and entrepreneurship does not require ownership of resources. This in itself adds context to risk and uncertainty (Knight, 1921 cited in Murphy et al., 2006).

Owing to the nature of the market, the AMP has received its criticisms, among which is the fact that market systems are not purely competitive but at times can involve antagonistic cooperation. It should also be noted that resource monopolies can hinder competition and entrepreneurship. Further criticisms are that market activity can be influenced by fraud, deception, taxes and administrative controls, and that both government and private firms can be entrepreneurial and entrepreneurship can occur in non-market competitive situations (Simpeh, 2011).

Psychological entrepreneurship theories

Landstrom (1998) stipulates that the level of analysis in psychological theory is the individual. Issues regarding personality traits, the need to achieve and locus of control are the aspects that tend to produce the entrepreneurial inclination according to reviewed empirical evidence.

Personality traits theory

In considering this theory, it is necessary to reflect on the definition by Coon (2004), who considers personality

traits as stable qualities that a person displays in most situations. The trait theorists consider that certain qualities are characteristic of an entrepreneur. These qualities, however, can be understood by making an inference from behaviour, argues Simpeh (2011).

The characteristics associated with entrepreneurial tendencies include being opportunity driven: the 'nose around' mentality. Entrepreneurs also have optimism and, as such, often see the glass as half full rather than the glass as half empty. Their mental energy and emotional resilience prompts their hard work coupled with intense commitment and perseverance. They are dissatisfied with the status quo and hold out with a competitive desire to win and excel, while exercising integrity and having visionary minds. This theory of personality traits is not fully supported by research evidence argues Simpeh (2011), besides the fact that one has to conclude that such traits are inborn based on observation.

The locus of control

In the 1950s the theory of how events in one's life shape their actions was developed by Rotter (1966). The locus of control is said to be an important aspect of personality. The outcomes of our actions are contingent on what we do (internal control orientation) or external orientation- referring to events outside our personal control. One's own abilities as well as outside support determine entrepreneurs' success. Literature has denoted that internal locus of control is a characteristic of entrepreneurial behaviour (Cromie, 2000; Ho and Koh, 1992; Robinson et al., 1991). In support of this view, Bonnet and Furnham (1991) found in a student sample that internal locus of control was positively associated with a desire to become an entrepreneur. In addition, in a study conducted by Rauch and Frese (2000), business owners reported a higher locus of internal control than other populations. The degree of innovativeness, competitive aggressiveness and autonomy reported was also found to be higher in business owners (Utsch et al., 1999). Begley and Boyd (1987) noted the same: a higher level of risk taking among business owners than other populations.

Need for achievement theory

The Need for Achievement Theory was proposed by McClelland (1961) to explain the human desire to achieve, succeed, excel and accomplish. There is no evidence to support this personality trait with regard to entrepreneurship by Johnson (1990); however, he found that there was a relationship between achievement, motivation and entrepreneurship. Shaver and Scott (1991) found out that achievement motivation was the only convincing personalogical factor associated with new

venture creation. Mohar et al. (2007) also found that need for achievement besides risk taking; ambiguity tolerance had a positive significance to entrepreneurial inclination did exist.

The degree by which risk aversion would be reduced as a result of a successful entrepreneurial effort was found to be high in the studies done by Eisenhauer (1995), cited in Simpeh (2011). Brockhaus (1980) found that some entrepreneurs exhibit mild risk-loving behaviour. In envisioning a secure income, it seems to follow that entrepreneurs get encouraged by successful effort to risk-taking for the next possible venture. This then helps support the view of risk taking by entrepreneurs.

Sociological entrepreneurship theory

The sociological entrepreneurship theory is said to be the third largest major theory (Simpeh, 2011). The role of society is the bedrock of this theory. Four social contexts have been identified in relation to entrepreneurial opportunity. The society values their trust towards the entrepreneur in terms of what he/she is to offer, as compared to simply filling the gap of production and making profit out of it. Success of an entrepreneur should not come as a result of taking advantage of people but as a consequence of faith in people. This then leads to the first of the social contexts: *social networks*.

The second social context is derived from experiences that people have gone through, and as such actions may be directed to doing something meaningful in their lives. The decision to become an entrepreneur therefore is after analyzing life situations. Hence, this second social context is termed: *life course stage context*.

The sociological background can operate as a 'push' factor in becoming an entrepreneur. It is understood that marginalized groups can rise against all odds to make life better. In this context the ethnic background will determine how far a person can go. Therefore, the third context is referred to as the *ethnic context*.

The fourth category is derived from the understanding of environmental factors in shaping the survival of a business. Competition, employees, government legislation, political systems and customers can impact on the survival of a new business venture. Hence, the fourth social context is *population ecology* (Reynolds, 1991).

Anthropological entrepreneurship theory

According to the anthropological entrepreneurship theory, for someone to successfully initiate a new venture, there has to be consideration of the social and cultural aspects. Influence of one's culture plays a pivotal role,

according to this theory, in influencing innovation and venture creation. Anthropology studies origins, culture, beliefs and customs of a community. Baskerville (2003) discovered that ethnicity affects attitude and behaviour. Attitudes and entrepreneurial behavioural differences can be produced through cultural environments (North, 1990; Shane, 1994). The social, economic, ethnic and political complexities in an individual are often reflected in culture (Mitchell et al., 2002). The anthropological entrepreneurship theory interestingly leaves out the economic as well as other aspects in pursuit of considering the entrepreneurial behaviour of an individual.

Resource-based entrepreneurship theories

Resource-based entrepreneurship theory encompasses a number of theories attesting to the fact that resource availability to the founders is an all important factor in opportunity-based entrepreneurship and new venture creation (Alvarez and Busenitz, 2001). An individual's ability to detect or even act upon opportunities is enhanced by the availability of resources (Davidsson and Honig, 2003). Resource-based entrepreneurship theory has three classes that help elucidate the connection between entrepreneurship and resources as hereunder:

The liquidity theory/ financial capital theory

The liquidity theory is based on the understanding that the founding of new business is more common when people have access to capital as evidenced by empirical research (Evans and Jovanovich, 1989; Holtz-Eakin et al., 1994; Blanchflower et al., 2001). The theory, however, is under dispute following studies that have reported that financial capital is not significantly related to the probability of starting a new venture by nascent entrepreneurs (Aldrich 1999; Davidsson and Honig, 2003; Hurst and Lusardi, 2004).

The theory articulates that some individuals have individual specific resources that facilitate acquisition and recognition of new opportunities for an emerging new venture (Alvarez and Busenitz, 2001). Nonetheless, it is also observed that some persons have been able to exploit resources and opportunities due to the better knowledge and information available to them, other than finances or liquidity (Aldrich, 1999; Shane and Venkataraman, 2000 in Simpeh, 2011; Shane, 2003; Anderson and Miller, 2003).

The social capital or the social network theory

Reynolds (1991) stipulates social networks as being one of the four sociological theories. This theory supports the understanding that stronger social ties to resource providers can enhance the probability of opportunity

exploitation as well as facilitate resource acquisition processes (Aldrich and Zimmers. 1986). In connecting the understanding between opportunity recognition and business startup, Shane and Eckhardt (2003:333) state that: 'an individual may have the ability to recognize that a given entrepreneurial opportunity exists, but might lack the connections to transform the opportunity into a business startup. It is thought that access to larger social network might help overcome this problem'. Research has also supported this claim that nascent entrepreneurs would do well to have access to entrepreneurs in their social network so that the competencies of their cultural capital can be drawn on in detecting opportunities (Aldrich and Cliff, 2003; Kim et al., 2003; Gartner et al., 2004)

Human capital entrepreneurship theory

Two factors have been considered as underlying the entrepreneurship capital theory: education and experience (Becker, 1975). For opportunity identification to be effectively done it is necessary to centre on the knowledge gained from education and experience. This type of resource is said to be heterogeneously distributed to individuals (Chandler and Hanks, 1998; Shane and Venkataraman, 2000; Anderson and Miller, 2003). The relationship between human capital and nascent entrepreneurship has been empirically verified (as noted by Kim et al., 2003; Davidsson and Honig, 2003; Korunka et al., 2003).

Opportunity-based entrepreneurship theory

According to Drucker (1985), entrepreneurs do not cause change but they respond to changes created by opportunity. Such changes may occur in technology, consumer preferences, etc. An opportunity-based theory is said to provide a wider framework for entrepreneurship research. Both the Schumpeterian and Austrian schools of theory claimed that an entrepreneur creates change. Stevenson and Jarillo (1990:2) are said to have extended the postulation by Drucker to include resourcefulness, and contend that entrepreneurial management is, 'the pursuit of opportunity without regard to resources currently controlled'. This research helped differentiate entrepreneurial management and administrative management. Yet at the same time, it begs to be understood that the concept is referring to the scarcity of resources, which is basically an economic assumption. This discourse can only be continued in a definitive understanding of entrepreneurship.

DEFINITIONS OF ENTREPRENEURSHIP

"Good science has to begin with good definitions",

asserts Bygrave and Hoffer (1991:15). It is necessary that the research field be differentiated clearly from other fields to help a discipline gain its legitimacy relative to neighbouring fields. Boundaries can then be established for its long-term existence however, fuzzy they are, states Kuhn (1970). Bruyat and Julien (2000) point out that the differentiation of a particular field has often led the scientific community into the art of creating devices such as journals and reviews, chairs, conferences, doctoral programs, etc., but its significance is emphasized at the same time. Greenfield and Strickon (1986) state that when there is no consensus on the paradigm, researchers then tend to *speak after one another* rather than *to one another*. It should be noted that differentiation is symptomatic of a need for creating a space upon which a consensus is built on the subject of interest. This paper does not look into every definition given for entrepreneurship, but looks into those that are refined and tries to understand the relationship to theory. It also looks at possible policy implications and puts forward some recommendations, leaving room for debate. Bob Reiss, successful entrepreneur and author, considers entrepreneurship as a recognition and pursuit of opportunity without regard to the resources you currently control, with confidence that you can succeed, with the flexibility to change course as necessary, and with the will to rebound from setbacks (Reiss et al., 2000).

Marriotti and Glacklin (2012) regard an entrepreneur as a person who organizes and manages business, assuming the risk for the sake of potential return. The return can be immense and multifaceted, but the issue of risk though undesirable is an essential element of an entrepreneurial venture. In both definitions so far, an entrepreneur is seen as pivotal in bringing change to the product or service, however, the resource issue distinguishes the first definition from the second.

Definitions of entrepreneurship do vary a great deal and there has been a concern regarding the lack of a generally acceptable definition of entrepreneurship, as pointed out by Sharma and Chrisma (1999), cited in Lumpkin (1989); Baden-Fuller (1994); Wortman (1987); Zahra (1991) and (Aldrich 2011 cited in Simpeh 2011), who categorized the various definitions into four groupings:

1. The setting up of high-growth and high-capitalisation firms (as opposed to low-growth and low-capitalisation 'lifestyle' businesses);
2. Innovation and innovativeness leading to new products and new markets (the Schumpeterian tradition);
3. Opportunity recognition (the Kirznerian tradition);
4. The creation of new organisations.

There are problems that Aldrich (2011) notes in these definitions of entrepreneurship. Firstly, he notes a strong bias in selection in the first two. As to whether a firm had high growth and did have an innovation can only

be established retrospectively and yet, at the same time, high capitalisation is no guarantee for innovativeness. There is also an effect on policy if the state takes, for example, the definition which emphasises a particular aspect such as the setting up of high-growth and high-capitalisation firms, as opposed to low-growth and low-capitalisation firms or organisations. A policy can be developed that supports high-growth firms as being entrepreneurial, although high-capitalisation is no guarantee that the firm will be innovative, a key characteristic of entrepreneurship.

While still considering the issue of the limitations of these definitions, Aldrich (2011) notes that the second and third definitions are too general in their applicability where entrepreneurship is simply inclusive. Corporate venturing and intrapreneurship, along with research and development became synonymous with this Schumpeterian tradition concept than the new venture creation concept in the fourth definition. The innovation and innovativeness leading to new markets and new products is certainly a component necessary in entrepreneurship as well as opportunity recognition, but would these lead to new venture creation, a key characteristic of entrepreneurship? Aldrich also notes that entrepreneurship studies have forgotten Schumpeter.

Furthermore, the issue of recognition of opportunity as encapsulated in Kirzner's notion is particularly based on a disciplinary effect, '*recognition of opportunity*', which Aldrich (2011) referred to as a mind alertness. This would then confine entrepreneurship to the cognitive psychology of an entrepreneur.

In the fourth definition, it is difficult to delineate when old organisations emerge to become new social entities. Agreement on a definition seems to have eluded the scholars in this area of understanding. Perhaps more interesting as well, is the fact that there is much literature and many studies based on the already existing firms as pointed out by Davidsson and Wiklund (2001). In another observation Davidsson and Honig (2003) stipulate that there are very few studies that focus on the early phases of the entrepreneurial process. The basis for the fundamentals of entrepreneurship may be essential for determining further concepts. While the categorisation of these definitions carries one to the level of a dilemma, the crucial aspects of resource limitation remain unattended to. In any event, resources in all forms become the cross-cutting baseline for entrepreneurial support and success.

CHALLENGES AND SIGNIFICANCE OF MICRO ENTERPRISES AND SOCIAL ENTREPRENEURS

The role of small micro business was not understood in developed economies and had often been confined to developing countries; nonetheless, it has provided financial independence in countries such as America (Guste, 2006). Micro enterprises have a sizeable

existence in developed countries like United States where more than a half of all businesses are considered micro. The importance of small businesses has been understood by the Small Business Administration (SBA). It has been recognised that more than a half of the employees are employed by the private sector. This is no small number considering that the figure in question here is 99.7% of the employer firms (Shah, 2010). In some places like Maryland State, micro enterprises are considered as a focus of public investment with admirable returns falling in the range of #2.06 to #2.72 per dollar invested. This is in addition to providing 17.8% of employment, which essentially refers to the provision of over half a million jobs to individuals.

In spite of the above stated benefits derived from micro enterprise, it has a share of challenges to contend with. Research has identified financial challenge as a common denominator to micro enterprise. In a study conducted by Panel Study on Entrepreneurial Dynamics (PSED) though uncertainty was noted as higher among micro entrepreneurs in dealing with the regulatory compliance in the local and federal laws, financial challenge was as well noted. The categorisations in this study underscored the following uncertainties in micro enterprise: Financial uncertainty; Competitive uncertainty and Operational uncertainty. This in essence indicates that the financial uncertainty is a challenge in as far as the bottleneck of micro enterprise is concerned. Likewise, in a study conducted by Rogoff et al. (2004) it was noted that among the factors that impeded success of micro entrepreneurs were regulation, finances, competition, technological and environmental factors.

Social enterprises have been credited with the role of undertaking to fulfil pressing social concerns with innovative solutions (Sivathanu, 2013). Nonetheless, there is a common element that these enterprises face that is connected to the micro enterprises. Underwood et al. (2012) have noted that among the challenges that face social enterprise are the issues on resource depletion and the financial system disruption. The remedy to these challenges they argue cannot be found either in the government sphere, business or the civil society actors in isolation. SBA (2004) has noted in its findings that nascent firms did struggle in obtaining credit among other challenges such as market entry. Cohen et al. (2008) in their submission towards factors that contribute to a social enterprise success point out the need for sufficiency in start-up capital and sustained resource support. It is further noted that social enterprises need no less than 3-4 years to help cover their own costs (SVA, 2010).

THEORY, DEFINITIONS AND POLICY

Entrepreneurial theory has been varied according to different perspectives, as seen above. A number of

theories have thus far defined the role and intent of an entrepreneur. Definitions have captured the individual aspect of entrepreneurial endeavours, though economic theories have mainly been concerned with the macro aspects of entrepreneurship. Besides, there are some important issues that require underscoring, for example, Simpeh (2011) has noted how ownership and entrepreneurship are distinct and yet this has not been noted in the definitions. To be an entrepreneur does not necessarily mean possessing ownership of resources, as may be noted in an entrepreneurial individual in a government facility as opposed to a venture-creating individual. The understanding that an entrepreneur is a resource owner is assumed in definitions directly or indirectly. It is important to acknowledge that definitions have often emphasised issues related to risk-taking in connection to resource possession rather than venturing without necessarily owning resources.

The summary of definitions observed in the categorisation by Aldrich (2011) also does not help clarify the issue with regard to resource possession as opposed to resource allocation by entrepreneurs. Policy makers have thus often made policies based on the assumption that all business owners are entrepreneurs. In addition to this situation, individuals that are entrepreneurial in organisational setting may then become unrecognised. The recognition of such individuals therefore is based on the discretion of the organisations or companies they work for and simply passes as an additional effort. Although such recognition cannot be regulated the cultivation of entrepreneurial culture would lead to an automatic recognition of such individuals.

Another aspect of importance is that of monetary gain. The aspect of gain in entrepreneurship is an important incentive that cannot be categorized in monetary terms only, and so far this understanding is prevalent at the very mention of small, micro and medium enterprises (SMMES) policies. Although it is notable that social entrepreneurship does not necessarily consider an entrepreneur in terms of gain, as in an economic input for motivation, yet by and large the entrepreneur is seemingly seen in that context by policy makers. This in effect biases the support that should be given to develop social entrepreneurs.

In the field of commerce there is a need for leveling the playing field. In as far as the domains of tax laws, labour and product market regulations are concerned, entrepreneurship is contextualised by such an atmosphere unavoidably. It is common knowledge that public policy is mainly intended to correct market failures, where entrepreneurship happens to find its perpetual habitation and it is in this need that entrepreneurial policy is made to exist. Various countries have goals justifying public intervention, such as the creation of comparative advantage, advancement of technological frontiers and poverty alleviation. The interdisciplinary nature of entrepreneurship includes management, finance, psychology,

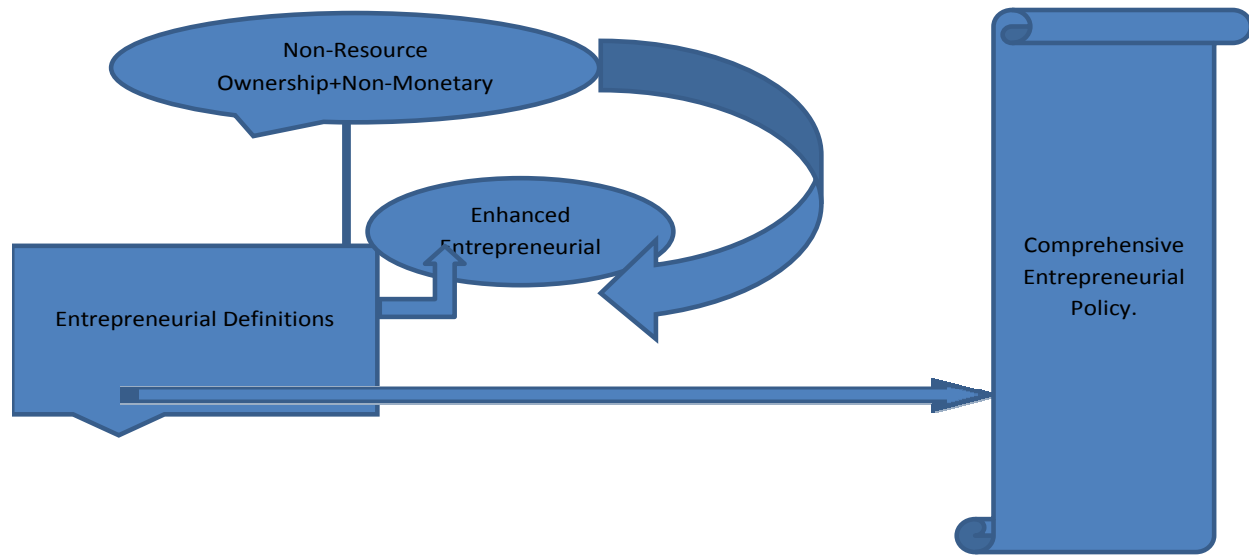


Figure 1. Research model.

political science, economics, geography and sociology (Audretsch and Thurik, 2001). All these areas have inadvertently been areas of public policy, without a shadow of doubt, in most economies, be they developing or developed.

In dealing with entrepreneurial policy, it has to be understood to be distinct from the policy measures necessarily taken to improve the performance of small and medium enterprises or business start-ups as done in developed and developing countries in a number of instances. From an economic point of view, one of the economic aspects has been noted in the area of financial access through credit systems. In the US for example, there are liquidity constraints binding on firm size decreases according to empirical evidence (Fazzari et al., 1998). Policies have always reflected on the existing political, social and economic environments. Ireland, for example, developed protectionist policies in 1932, in order to eliminate British control (Garvin, 2004) in pursuit of patriotism. This, however, distorted the Irish economy and caused a restraint on international trade (Garvin, 2004; Ruan and Görg, 1996). Although there were economic ramifications, the policy was politically motivated. Policies tend to be expressed at the expense of theories underpinning the success of entrepreneurial efforts, which can be derived from an understanding of economic theory, which may capture the element of resource scarcity. Resource ownership is on many occasions unarguably linked to resource scarcity, an economic factor, which may restrain or foster the acquisition or possession of assets. In their paper, Turker and Selcuk (2009) contend that although personality factors, such as the need to achieve, locus of

control, the ability to risk take and self-confidence, are linked to entrepreneurial intention, an individual is surrounded by a range of external factors, which include technological, cultural, political, demographical, social and economic factors. They further argue that in the social sciences a more accurate explanation takes into account the interaction of other factors rather than the impact of a single factor.

Resource ownership and monetary gain are dominant aspects by which entrepreneurs are being identified, which can bias the policy towards those who may be entrepreneurial and yet may not own resources. Such policy may well be motivated by social concerns such as poverty alleviation and other economic, social and psychological aspects. If resource ownership is not included in the definitions, policy guidelines are unlikely to benchmark it. Though there can be interventions that may support entrepreneurs who do not have resource ownership and do not have financial motivation, they may not be sustainable due to the discretionary nature upon which they are considered. It is worth noting that the entrepreneur's cognitive motivation model considers that there are monetary and non-monetary gains that matter to an entrepreneur. Before an entrepreneur acts, incentives put forward by policy makers can inspire them to take up some venture creation initiatives (Gabr and Hoffman, 2006).

Conclusion (proposed model)

This model includes the salient entrepreneurial features such as non-resource ownership and non-monetary gain

in the definition of entrepreneurship. Presently, the definitions leave out these important aspects. This also follows on the fact that the three levels of understanding entrepreneurship being Micro, industry and macro (Audretsch et al., 2007) be factored in. Non-resource ownership is an aspect that is to be understood from all angles regardless of the theoretical differences. This may be a discouraging factor for venture creation, but once policies fully recognise the intervention targeting this need will remedy this economic handicap. The non-monetary gain in some entrepreneurial endeavours as generally applicable to those organisations dealing with social entrepreneurship can be remedied by a supportive and appropriate policy intervention. Interventions from the policy level platforms can incentivise operations of such organisations and individuals alike.

The proposed model below explains how non-resource ownership and non-monetary gain concept, if inbuilt in the definitions of entrepreneurship can influence an enhanced entrepreneurial image and a comprehensive entrepreneurial policy. There is need to underscore the importance of the salient features such as non-resource ownership and non-monetary gain which can be made to feed into the concepts of defining a holistic entrepreneurial activity leading to a comprehensive entrepreneurial policy. The diagram therefore entails the non-resource and non-monetary gain from the top, pointing to both the entrepreneurial image as well as definition which together lead to a new policy outlook, that is more accommodative to the salient features mentioned above (Figure 1).

Conflict of Interests

The authors have not declared any conflict of interests.

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