

Introduction to Innovation and Entrepreneurship Theory and Practice

Katia Passerini
Seton Hall University
katia.passerini@shu.edu

Cesar Bandera
New Jersey Institute of Technology
bandera@njit.edu

Michael Bartolacci
Penn State University - Berks
mrb24@psu.edu

Abstract

The HICSS-56 edition of the mini track on innovation and entrepreneurship theory and practice brings another interesting set of research papers to the forefront of addressing changes in digital entrepreneurship practice, theory, and education. As in previous editions, these studies take place within the context of knowledge management and organizational transformation and focus on understanding where the locus of entrepreneurial knowledge resides, how it is achieved, and how business models continue to evolve in the digital venture space. Through the HICSS rigorous peer reviewing process, eight articles were ultimately selected from almost twenty submissions to the mini track, a number that reflects the growing interest in innovation and entrepreneurship knowledge creation and capture research.

1. Introduction

The focus of the papers presented in this track span from sustainability to how small and medium businesses are surviving and supporting sustainable growth, to digital products business model evolution, to keen attention on how we teach entrepreneurship in higher education, and the opportunities for improvement and expansion across disciplinary boundaries.

The paper from Kulturel-Konak, Konak, Webster, and Murphy titled “*Building Inclusive Student Innovation Competitions, Exhibitions, and Training Programs*” describes emerging trends of expanding entrepreneurship education programs and events to increase outreach across a whole university, regardless of the major/minor of the students. Entrepreneurial skills are viewed as foundational to future innovation behaviors in various sectors and, therefore, limiting outreach within a major of study represents a limitation to the growth of entrepreneurial activities. Kulturel-Konak et al. are interested in studying how to increase participation in student innovation competitions, exhibitions, and training programs. They conduct student surveys on factors and barriers affecting student participation in co-curricular programs and frame the study within Self-Determination Theory. The survey

uses validated scales such as the Expectancy-Value-Cost Scale and confirms the instrument suitability to this type of studies. The authors show that time commitment (i.e., the length of these activities) remains one of the persisting barriers, followed by the lack of awareness of some of the existing opportunities to engage in co-curricular activities.

Collins and Deek’s paper “*Toward Designing Innovation Learning Experiences: Examining Engagement and Affective Traits Based on Learner and Course Characteristics*” also expands innovation education research beyond the business major’s domain and examine how learner affective and course characteristics influence innovation learning experiences. Their findings suggest that graduate students across programs are more engaged, affectively, and cognitively, when their courses embed the use of innovation and entrepreneurship content. In particular, effective outcomes are achieved with groups that are assigned by instructors (rather than self-selected), but also when the course is within the student’s own degree program, that is it counts towards completing the degree. In those cases, students are more engaged, and report higher perceptions of perceived learning, quantity of social capital, task value, and system satisfaction. The paper paves the way to better design effective entrepreneurship modules within and beyond traditional curricula outside of traditional programs.

Still on the topic of entrepreneurship education, but focusing on characteristics of successful entrepreneurs, Mittermeier, Pöppinghaus, and Beimborn in “*Digital Start-up Success: How Formal Education and Academic Diversity Impact New Digital Ventures’ Performance*” analyze factors that impact the success of entrepreneurs in the long run. They uncover that while work experience is constantly emphasized, formal education still plays an important role, a role possibly often undervalued by both theoreticians and practitioners. Their study reviews the impact of the founders’ academic background and diversity of knowledge on the success of digital startups. By studying digital start-ups and their founders through available data on various media channels and databases, the authors show that both the ranking of the universities the founders graduated from and the level of quantitative know-how of their majors contribute to the

success of digital start-ups in achieving funding. Their study reaffirms the importance of continuing to develop human capital and core competencies beyond the practical skills acquired through experience.

Thomas and Bandera review the temporal dimension of the entrepreneurship lifecycle with “*On the Timing of Pivots: Jumping the Gun or Late Out of the Gate?*” because they uncover that while there is a general fascination with pivots in the startup literature, there is a dearth of knowledge of their actual impact. Some studies overemphasize the importance of strategic pivots, and others suggest pivoting has either positive or negative effects and are non-conclusive. Their paper reviews both timing and effectuation of pivoting on startup survival. They use a proxy for measuring pivots, such as the change in a venture’s North American Industry Classification System code and find that, among Kauffman Firm Survey participants, timing is a factor in long-term success. In particular, earlier pivoting activity yields a more positive impact on economic survival than later pivoting activity.

In “*The Effects of Firm Relational Capital on Export Performance: The Moderating Effects of Technological Turbulence*,” Chowdhury, Sui, Morgan, and Li recognize that relational capital is key to manufacturing firms in global value chains to enhance competitiveness. They fill the gap in earlier research that did not provide clarity on the impact of relational capital on export performance. Focusing on studies in developing countries and using a learning-based perspective and contingency approach, their analysis shows that relational capital will have a stronger positive impact on export performance when a moderating factor, such as technological turbulence, is lower, and vice versa.

The paper from Böttcher, Petry, Weking, and Hein on “*Balancing on the Triple-Bottom-Line: Tensions in the Success Factors of Digital Business Models for Sustainability*” studies what types of innovations enable companies to meet the grand challenges of the UN Sustainable Development Goals. The authors note that while startups play a role in sustainability by creating innovative products and services that are sustainable, firms also sustain their business models (BMs). The authors analyze the success factors of sustainable BMs by interviewing 16 experts from 15 startups. The study identifies four internal and two external success factors that enable businesses’ long-term impact on sustainability and survival: aligning the firm’s and team’s sustainability purpose; using digital technology effectively for sustainable value creation; focusing on simultaneous economic, environmental, and social value creation; selling the sustainable value in a targeted approach; understanding customers external sustainability motivations; and finding supportive

funding for economic growth and sustainable impact. The paper concludes that these factors promote sustainable development and limit the negative consequences of environmental challenges while supporting the UN SDGs.

Mihailova and Fraccastoro, in “*Institutional Reinforcement in a Newly Emerged Digital Industry*” study mobile gaming, an industry in expansion due to the ubiquitous advent of smart devices. Their study centers on Finnish firms that have quickly achieved a global market positioning, despite size disadvantages. The paper shows that informal socio-cultural institutional arrangements are reinforced by local formal, government-sponsored initiatives and these aspects, together, create the positive conditions for global leadership in a digital industry.

Finally, Mamonov in “*Digital Platform Strategy – A Systematic Critical Review*” reviews the literature on digital platform research presented in key information systems journals. He observes that this literature remains disconnected and is skewed towards a focus on technical platform architecture, network effects, and specific tactical decisions, rather than on creating a comprehensive view of digital platform strategy for small and medium enterprises. The author conducts a systematic critical review of such research and concludes that markets, partnerships, differentiators, staging, and profit logic must form the core elements of a holistic business strategy, beyond platform technology tactics. He highlights a pathway to constructively expand this level of strategic and systematic research within the field of information systems.