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**Rising Scholars Conference
Strategy and Entrepreneurship Student Research Presentations**

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Ihsan Beezer is a Ph.D. candidate in Organization Management at Rutgers Business School and a 2020 Kauffman Knowledge Challenge student grantee. His research considers the social and geographic contexts of entrepreneurship. Ihsan primarily draws on large-scale archival datasets and surveys but also employs case studies.

ABSTRACT:

The economic geography of technology start-ups in university technology incubators:
knowledge spillover, strategy spillover, or knowledge spill-in?

This paper examines the impact of the human capital of technology start-ups on the type of university technology incubator they decide to locate in. Based on a preliminary multi-level dataset of technology incubators and technology start-ups in the U.S., this study tests the proposition that a start-up locates in the university technology incubator that fulfills its human capital deficiencies. Specifically, the paper addresses the following research questions:

1. To what extent does scientific and technical human capital homophily affect the incubator decisions of technology start-ups?
2. To what extent does institutional homophily affect the incubator decisions of technology start-ups?
3. To what extent does boundary-spanning scientific and technical human capital affect the incubator decisions of technology start-ups?

Whereas the notion of knowledge spillovers and new firm location is well-examined, the current paper is novel in its differentiation among (1) start-up collocation with a university to access human capital for eventual hire (the spillover of graduating students), (2) start-up collocation with a university to access human capital for scientific and technical leadership (the spillover of senior expertise in decision making), and (3) start-up collocation due to academic appointments personnel (the "spill-in" of start-up amongst start-up human capital to universities). The results will have implications for the organizational strategies of technology start-ups as well as for technology transfer policies across the economic sectors.

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Celeste Diaz Ferraro is a qualitative scholar and doctoral candidate in entrepreneurship and social innovation at Penn State University. She has a more than a decade of experience in corporate strategy, international development, media and public policy, all of which inform her focus on business as a mechanism for more equitable, sustainable and resilient communities of human dignity and flourishing. Her dissertation investigates infrastructural systems of power and meaning in the emergent field of genomic medicine.

ABSTRACT:

'Who gets a test?' Haves and have-nots in genomic medicine, and how battles over power and meaning form the institutional infrastructure of emerging fields

The public is increasingly aware of the enduring and often invisible controls that shape, enable and constrain daily life for individuals, groups, and organizations within social systems. For example, vestiges of slavery persist in modern legal systems and little-questioned tax systems reproduce inequitable educational outcomes. As scholars, we understand these elements as markers of structure in established institutional fields (Hinings, Logue & Zietsma, 2017; Zietsma, Groenewegen, Logue & Hinings, 2017), growing denser and more entangled –and exerting greater control over organizational life—as fields develop. Yet despite a long tradition of institutional fields as a central concept in organization theory (e.g., DiMaggio & Powell, 1983), our theoretical understanding of how emergent fields **become** structured suffers

from a dearth of empirical research to understand the processes involved (Aldrich & Ruef, 2006; Lawrence & Phillips, 2004).

Examining these processes of field emergence and structuration, I ask ***how the underlying institutional infrastructure that supports an emerging field's functioning is constructed***. To answer this question, I take an inductive, grounded approach in exploring the 1990 emergence of genomic medicine as a nascent and highly dynamic interstitial issue field with little field infrastructure of its own, and follow its structuration over the following three decades. Drawing on four years of field observations in a field-convening organization's technical and governance meetings, a large corpus of industry news articles documenting the field's daily activities, grant applications, firm acquisition data and extensive organizational, regulatory and field-level archival documentation, I first use content analysis and network analysis techniques to longitudinally construct the emergent and evolving field as dynamic power-infused 'webs of relations' (Emirbayer, 2007) between organizations, practices and events. I then use critical discourse analysis to deconstruct the meaning- and power-laden interactions associated with specific practices and events that produced a single instance of field infrastructure: the use of genomic diagnostic testing in clinical medical treatment. My early findings identify various bases for power in these relations and emergent meanings associated with various practices. These then shed light on multi-level processes in which power and meaning intertwine during each step in the field's structuration—from institutionalization of a single practice, assemblage of individual practices into specific conjoint configurations, and accretion of these elements into the interlocking, self-reinforcing infrastructure that enables genomic technology to be used in diagnostic testing. Drawing on Nelson's (2020) computational grounded theory approach, I then integrate findings from the quantitative analysis of qualitative data with those of the critical discourse analysis to construct a grounded process model of infrastructure construction in emerging fields. In doing so, I contribute to field theory in two ways. First, by showing how battles over infrastructure elements are won or lost, I make salient the often-invisible systems of infrastructure that solidify power structures and explain how power is originally amassed in organizational fields. Second, through my focus on practices and events as mechanisms for meaning-making, I also expand our understanding of how interstitial fields coalesce and evolve. Ultimately, I am engaging in ongoing conversations regarding the mutually-constitutive roles of structure and agency in entrepreneurial action. By shedding light on infrastructural systems of power and control that can perpetuate societal inequities, this research highlights tensions between innovation and societal well-being that are at the heart of entrepreneurial motivation and action.

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Christopher Eaglin is a PhD student at Harvard Business School and a Research Fellow at the Fuqua School of Business at Duke University. He studies how to build inclusive and sustainable economies focusing on entrepreneurship and the small and medium sized firms they initiate, develop, and sustain.

ABSTRACT:

The Impact of Capital Constraints on Firm Risk Taking and Failure:
Evidence from the Minibus Taxi Industry in South Africa

How do firms in emerging markets respond to the relaxation of capital constraints? Existing studies primarily focus on the impact of capital constraints on growth, productivity, and innovation. This focus overlooks the fact that many firm owners and policymakers indicate that firm distress and failure are equally important. Furthermore, studies have yet to show how capital constraints impact deviant risk taking, behavior we would like for firms to avoid. I examine the impact of capital constraints on rates of firm distress, failure and deviant risk taking through the minibus taxi industry in South Africa. Using a natural experiment in which a financing company changed their interest rates due to nation wide protests, I assess the impact of declining interest rates on over 5000 firms from 2015 to 2020. Using an instrumental variable analysis, I find that firms given lower interest rates experience less stress, undertake less risky behavior and fail less. Contrary to other studies, I find that more marginal firms, those that are newer, smaller or run by women, benefit as much if not more from the relaxation of capital constraints. Exploring potential mechanisms, I find suggestive evidence that the high likelihood of catastrophic business events and high penalties for default might drive these results. My findings suggest that the examination of distress, failure, and deviant risk taking might be important metrics for understanding how firms respond to capital constraints and present implications for the way in which we might assess economic resilience.

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Mauricio Mercado is a third-year Ph.D. student in Entrepreneurship at Iowa State University (ISU). Currently, he is working on projects that examine the informal entrepreneurship process, the VC-entrepreneur relationship prior to financing, and diversity among nascent entrepreneur teams and how this affects their growth. His main research interests include studying entrepreneurial ecosystems in developing country settings, entrepreneurial legitimacy in the informal economy, and, more generally, entrepreneurial financing.

ABSTRACT:

In the last decade, minority entrepreneurs have created over one million new businesses in the United States (SBDC, 2020). Nonetheless, relative to Anglos these minority owned new ventures are more likely to fail (Sullivan et al., 2007). Several studies suggest that minority business owners face higher barriers relative to their Anglo counterparts and this may be why they stagnate or fail (Parker, 2009; Bates, 2011). However, these arguments are deficient in that they emphasize the macro and micro limitations of minority entrepreneurs, ignoring the meso-level elements affecting minority business success. Explicitly, new ventures are started by teams, rarely the product of solo founding (Jin et al., 2017). Then, ignoring the team dynamics, or meso-level elements, when studying the minority entrepreneurial process is limiting the development of a systematic understanding of the plight of this important entrepreneurial group.

The tendency of entrepreneurial ventures to operate in teams, be distinctively endogenous compared to organizational teams, along with the importance of team composition to its performance, suggests that the plight of minority entrepreneurs can be explained by the interaction of minority status with the different team formation and functioning stages an entrepreneurial team goes through. Because the minority status and team functioning relationships is severely understudied, we seek to answer the following research question: How and when does minority team composition influence the formation, emergence, and performance of entrepreneurial teams? For this study the unit of analysis is the start-up itself. And in order to investigate the relationships postulated, data from the Panel Study of Entrepreneurial Dynamics (PSED) PSED I, PSED II, the harmonized PSED transitions outcome file, and the Kauffman Firm Survey (KFS) will be utilized.

To answer this question, we leverage the concept of homophily (Lazarsfeld and Merton, 1954), the model of entrepreneurial teams proposed by Lazar et al. (In Press), and the shared mental model theory (Mathieu et al., 2000). Using these frameworks, we argue that racial homogeneity can have both positive and negative effects on startup performance, and the direction of such effect is contingent on the team development stage. In answering this question, we contribute to the minority entrepreneurship and teams literature in several ways. Firstly, we advance minority entrepreneurship scholarship by drawing on the concepts of homophily, team formation, and team learning, to systematically explain both the abundance of minority venture teams and their eventual lack of growth. Second, we identify how team composition, specifically racial homogeneity, impacts team performance along different stages of team development, effectively answering calls for microdynamics-oriented research on teams in general (Humphrey & Aime, 2014) and entrepreneurship teams in particular (Knight et al., 2019). Third, we advance team learning processes literature by challenging the wide held assumption of the positive effects of shared mental models on team performance (Mathieu et al., 2000). Specifically, we propose that the origin of such mental models along with the context where the mental models operate are essential in understanding their effect on team effectiveness. Lastly, we explicitly answer calls by Lazar and colleagues (In Press) that suggest further exploring the antecedents of team formation strategies. We highlight that racial makeup of founders are pivotal antecedents that not only dictate the formation strategy of a new venture teams, but are also predictive of its eventual performance.

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I am a scholar who researches the intersection of organizational learning, strategy, and entrepreneurship. My research focuses on how entrepreneurs manage uncertainty to create successful ventures. Research on entrepreneurship has flourished in the past few years, accompanied by steady growth in our understanding of this critical aspect of the economy. Ultimately, I aim to advance our knowledge of what allows entrepreneurs to handle the uncertainty inherent to starting a new business, such as what they do to handle their environments when they are founding a startup or what enables them to learn from past experiences despite the unpredictability of those experiences.

To date, I have addressed these questions using quantitative techniques. However, I have also supplemented my quantitative analysis with interviews to ensure that the experiences of actual entrepreneurs validate my results. I rely on surveys and partnerships that I have built with actual companies to gather data for analysis. Thus far in my career, I have advanced my research agenda in two main streams: the lasting influence of founding conditions on venture performance and entrepreneurs' (in)ability to leverage failure experience to improve venture performance.

The first paper in my dissertation focuses on the long-term effects of founding environmental conditions and founding team composition on startup performance. Analyzing 1,060 entrepreneurial ventures from a comprehensive survey of university alumni, I find that founding environmental dynamism and founding team functional diversity are independently related to the improved long-term performance of entrepreneurial ventures. I discuss the implications of these findings for entrepreneurial imprinting and venture teams.

In my second dissertation paper, I unpack when entrepreneurs can learn from failure during the early stages of the venture creation process. I analyze a unique longitudinal dataset of over 300 similarly oriented new ventures in the NSF I-Corps program. My results show that the locus of the negative feedback, i.e., which aspects of the business model receive negative feedback, determines the venture's responsiveness to the negative feedback as well as the effectiveness of the venture's responses. These results contribute to both the pivoting and the organizational learning literature.

The final paper of my dissertation centers on serial entrepreneurs and relies on the same survey data set as my first dissertation paper. The paper explores what enables serial entrepreneurs to improve the performance of subsequent ventures following a failed venture. In doing so, I aim to contribute to the literature on entrepreneurship by providing evidence that failure can, in fact, be beneficial to entrepreneurs in a similar fashion to how failure is beneficial for managers of established firms. Additionally, I plan to contribute to the literature on organizational learning by delineating a series of conditions that enhance the ability of individuals to learn from idiosyncratic failures.

Thus far, I have presented papers at two Academy of Management Conferences on aspects of this research. My first dissertation paper is currently under review at SEJ, and I will submit my second dissertation paper to SMJ at the end of this calendar year. My efforts below further explain the trajectory I hope to achieve with my scholarship.

ABSTRACT:

How are multiple imprinting forces connected to a venture's performance as its external environment changes over time? Analyzing 1,060 entrepreneurial ventures from a comprehensive survey of university alumni, we find that founding environmental dynamism and founding team functional diversity are each independently related to improved long-term performance of entrepreneurial ventures. However, the interaction of a highly dynamic founding environment and a functionally diverse founding team has different relationships with performance depending upon the changes to a venture's subsequent market environment. In particular, for ventures whose environments have stabilized over time, we show adding a functional role to the founding team of ventures formed in dynamic environments is associated with decreased performance. This study contains important implications for understanding entrepreneurial imprinting and venture teams.