

What is Entrepreneurship?

Steve Gedeon¹

*Ted Rogers School of Management, Ryerson University
Toronto, Ontario, Canada M5B 2K3*

Abstract

It is widely acknowledged that the field of entrepreneurship lacks a single unified and accepted definition for the term “entrepreneurship”. This article analyzes the different theoretical roots of entrepreneurship. Not surprisingly, different theories resulted in a conflicting array of definitions describing entrepreneurship in terms of dynamic change, new combinations, exploiting opportunities, innovation, price arbitrage, risk, uncertainty, ownership, new venture formation, non-control of resources, asymmetries of information, superior decision-making, personality traits, monopoly formation or something else. What were previously viewed as contradictory definitions can now be seen to describe complementary lexicon terms or “sub-domains” of entrepreneurship such as “corporate entrepreneurship”, “social entrepreneurship” or “opportunity entrepreneurship”. The sub-domains that arise from different theories are organized into a coherent lexicon using simple classification taxonomy. A wide array of sub-domain terms is thus organized into a lexicon that can be used to describe the different aspects of entrepreneurship. This article started as the author’s own quest to make sense of the entrepreneurship literature. It is hoped that the proposed lexicon will contribute to a shared foundational terminology for the field of entrepreneurship that will make sense to both academics and practitioner entrepreneurs.

Keywords: Entrepreneurship Theories, Theories of Profit, Classification Taxonomy

¹ **Corresponding Author:** Dr. Steve Gedeon is an Assistant Professor in Entrepreneurship and Strategy and Director of the Ryerson Entrepreneur Institute. He can be contacted at sgedeon@ryerson.ca

Introduction

It is widely acknowledged that the field of entrepreneurship lacks a well-accepted definition (e.g., Bygrave & Hofer, 1991; Bull & Willard, 1993; Carsrud, Olm and Ely 1986; Cunningham & Lischeron, 1991; Gartner, 1989, 1990; Mitton, 1989; Sexton & Smilor, 1986; Shane & Venkataraman, 2000; Venkataraman, 1997 and many others).

Even worse, there is the belief that “entrepreneurship has become a label of convenience with little inherent meaning” (Gartner 1990). To put it more forcefully: “it is clear that the word [entrepreneurship] is normally used by analysts to mean whatever they like” (Hart 1975; Aitken 1965; Stewart 1991).

In order to avoid definitional problems and add a degree of clarity, scholars have applied various adjectives to the word entrepreneurship to create sub-domain terms such as “corporate entrepreneurship”, “social entrepreneurship”, “opportunity entrepreneurship” and “necessity entrepreneurship”. These terms provide greater clarity when specifying subject populations or sharing data sets but also enable us to focus on and explore different aspects of entrepreneurship.

“it is clear that the word [entrepreneurship] is normally used by analysts to mean whatever they like”

The literature is now rich with a wide variety of sub-domain entrepreneurship terms that arise from different theories

and that apply to different aspects of entrepreneurship.

The goal of this article is to describe these different theories and different sub-domain concepts to create a lexicon of entrepreneurship terms that may be used by both academics and practitioner entrepreneurs.

Methodology

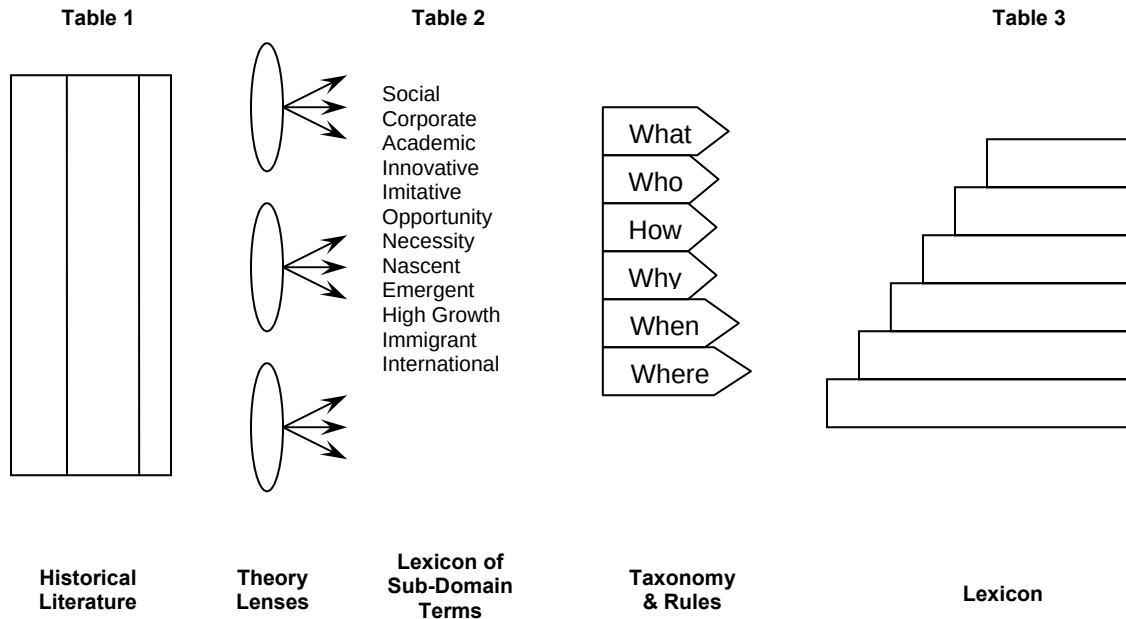
The methodology used in this article is as follows and shown in Figure 1:

1. A framework of theoretical lenses is used to review historical definitions of entrepreneurship (shown in Table 1) in order to articulate a wide range of sub-domain terms currently used in the entrepreneurship field.
2. A taxonomy is used to categorize and ensure completeness of the lexicon. The goal is to list and categorize a wide array of terms or terms as shown in Table 2.
3. The taxonomy and classification rules for combining sub-domain terms are used to apply the lexicon to articulate more specific terms as shown in Table 3.
4. The practical usefulness of the lexicon is described.

Literature Review

Table 1 provides a compilation of the major historical definitions of entrepreneurship reviewed in this article that provide a reasonably representative sampling of the major aspects of entrepreneurship. As can be seen, many are very different and contradictory from each other.

Figure 1. Methodology for Creating the Lexicon



The earliest historical references to entrepreneurship come from the field of economics and the nature and sources of profit. All economic value was thought by the classical economists to come from some combination of Land, Labor and Capital (e.g., Smith, 1776). Profits were obtained if a good was purchased at a market value that exceeded the intrinsic value of the land labor and capital that went into producing it.

Entrepreneurship became associated with all activities that create residual profits in excess of the rate of return for Land, Labor and Capital (e.g., Glancey &

McQuaid, 2000; Kirzner, 1973; Matley, 2005; Mises, 1949; Moschandreas, 1994; Ripsas, 1998; Schumpeter, 1934 (1961)).

There arose two opposing theoretical views regarding how entrepreneurs achieved this residual profit: the risk theory of profit and the dynamic theory of profit (Knight, 1964; Matley, 2005). These opposing theories, led to opposing definitions that can be viewed as alternative dimensions of entrepreneurship and give rise to different sub-domain concepts in our lexicon.

Table 1. Summary of the Major Definitions that Provide Alternative Sub-Domain Adjectives of Entrepreneurship

Author	Definition or aspects of a definition	School
Cantillon (1755) in Thornton (2005)	The entrepreneur is the bearer of risks inflicted by changes in market demand. Entrepreneurs purchase inputs at a given price to produce and sell later at an uncertain price. The entrepreneur brings prices and production into line with demand.	Risk Theory of Profit
Hufeland (1807) Thunen (1826) in Knight (1964)	Profit is what is left after interest, insurance, and management wages. This residual profit consists of payment for risk and the extra productivity of the manager's labor due to the fact that he is working for himself, his sleepless nights when he is planning for the business. The residual profit that arises from this extra productivity is termed <i>Unternehmergewinn</i> – the entrepreneur's profits.	Risk Theory
Hawley (1907)	Risk taking is the essential function of the entrepreneur. Proprietorship is the essence of entrepreneurship. “... the profit of an undertaking, or the residue of the product after the claims of land, capital, and labor are satisfied, is not the reward of management or coordination, but of the risks and responsibilities that the undertaker... subjects himself to.... profit is identified with the reward for the assumption of responsibility, especially, though not exclusively, that involved in ownership.”	Risk Theory of Profit
Hartman (1959)	A distinction between manager and entrepreneur in terms of their relationship to formal authority in the industrial organization... The entrepreneur may justify his formal authority independently or he may describe it as delegated from others, notably from the stockholders. But within the organization he alone is the source of all formal authority. Management is defined residually as “not being the source of all authority.” The border between the entrepreneur and the manager is thus relatively precise.	Risk Theory
Hornaday and Bunker (1970) Hornaday and Aboud (1971)	The successful entrepreneur was defined as a man or woman who started a business where there was none before, who had at least 8 employees and who had been established for at least 5 years.	Risk Theory
Palmer (1971)	The entrepreneurial function involves primarily risk measurement and risk taking within a business organization.	Risk Theory
Draheim (1972) Howell (1972)	Entrepreneurship – the act of founding a new company where none existed before. Entrepreneur is the person and entrepreneurs are the small group of persons who are new company founders. The term is also used to indicate that the founders have some significant ownership stake in the business (they are not only employees) and that their intention is for the business to grow and prosper beyond the self-employment stage.	Risk Theory
Brockhaus (1980)	An entrepreneur is defined as a major owner and manager of a business venture not employed elsewhere.	Risk Theory
Hull and Bosley (1980)	A person who organizes and manages a business undertaking assuming the risk for the sake of profit.	Risk Theory
Mescon and Montanari (1981)	“Entrepreneurs are, by definition, founders of new businesses.”	Risk Theory
Vesper (1982)	“The overall field of entrepreneurship is loosely defined as the creation of new business enterprises by individuals or small groups.”	Risk Theory
Lumpkin and Dess (1996)	“The essential act of entrepreneurship is new entity.” “An EO [Entrepreneurial Orientation] refers to the processes, practices, and decision-making activities that lead to new entry.”	Risk Theory & Behavior School
Say (1816)	The entrepreneur shifts economic resources out of an area of lower and into an area of higher productivity and greater yield. The agent who unites all means of production and who finds in the value of the products.... the re-establishment of the entire capital he employs, and the value of the wages, the interest and the rent which he pays, as well as the profits belonging to himself.	Dynamic Theory of Profit
Clarke (1899, 1907)	An invention makes it possible to produce something more cheaply. It first gives a profit to entrepreneurs... and this profit... is an elusive sum, which entrepreneurs	Dynamic Theory

	grasp but cannot hold. [It] slips through their fingers and bestows itself on all members of society. Were it not for that interval, entrepreneurs as such would get nothing, however much they might add to the world's productive power.	
Schumpeter (1934)	"The carrying out of new combinations we call 'enterprise'; the individuals whose function it is to carry them out we call 'entrepreneurs'."	Dynamic Theory
Ely and Hess (1937)	"The person or group of persons who assume the task and responsibility of combining the factors of production into a business organization and keeping this organization in operation... he commands the industrial forces, and upon him rests the responsibility for their success or failure."	Dynamic Theory
Evans (1949)	"Entrepreneurs – very broadly defined – are those who organize, manage, and actively control the affairs of the units that combine the factors of production for the supply of goods and services."	Dynamic Theory
Soltow (1968)	"The not very tidy assumption can be made that entrepreneurship comprises 'a more or less continuous set of functions running from the purely innovative toward the purely routine,' performed within business firms or other agencies 'at many levels of initiative and responsibility,... wherever significant decisions involving change are made affecting the combination and commitment of resources under conditions of uncertainty'."	Dynamic Theory & Risk Theory
Baumol (1968)	"The entrepreneur (whether or not he in fact also doubles as a manager) has a different function. It is his job to locate new ideas and put them into effect. He must lead, perhaps even inspire... he is the Schumpeterian innovator and more. He is the individual who exercises what in the business literature is called 'Leadership.' And it is he who is virtually absent from the received theory of the firm."	Dynamic Theory & Traits School
Drucker (1985)	"this defines entrepreneur and entrepreneurship—the <i>entrepreneur always searches for change, responds to it, and exploits it as an opportunity.</i> " "Entrepreneurs innovate. Innovation is the specific instrument of entrepreneurs." "Innovation can be defined the way J.B. Say defined entrepreneurship, as changing the yield of resources."	Dynamic Theory
Walras (1877) in Ripsas (1998)	The entrepreneur is described as a coordinator and arbitrager.	Austrian Dynamic Theory
Mises (1949)	"the driving force of the market process is provided neither by the consumers nor by the owners of the means of productions – land, capital goods, and labor – but by the promoting and speculating entrepreneurs... Profit-seeking speculation is the driving force of the market as it is the driving force of production."	Austrian Dynamic Theory
Kirzner (1973)	An entrepreneur is "a decision-maker whose entire role arises out of his alertness to hitherto unnoticed opportunities."	Austrian Dynamic Theory
Bygrave and Hofer (1991)	"An Entrepreneur is someone who perceives an opportunity and creates an organization to pursue it."	Austrian Dynamic & Risk Theory
McClelland (1961)	Entrepreneurial activity involves (a) risk-taking, (b) energetic activity, (c) individual responsibility, (d) money as a measure of results, (e) anticipation of future possibilities, and (f) organizational skills.	Traits School
Litzinger (1965)	The distinction is drawn between "entrepreneurs" who are goal and action oriented as contrasted to "managers" who carry out policies and procedures in achieving the goals... Owners of mom and pop motels appear as the entrepreneurial type who have invested their own capital and operate a business.	Traits School
Cole (1959)	"The purposeful activity (including an integrated sequence of decisions) of an individual or group of individuals, undertaken to initiate, maintain, or aggrandize a profit-oriented business unit for the production or distribution of economic goods and services."	Behavior School
Casson (1982, 2003)	"An entrepreneur is someone who specializes in taking judgmental decisions about the coordination of scarce resources."	Behavior School
Gartner (1989)	Entrepreneurship is the process by which new organizations come into existence.	Behavior School

Stevenson and Jarillo (1990)	"Entrepreneurship is the process by which individuals pursue opportunities without regard to resources they currently control."	Behavior School
Churchill (1992)	"Increased consensus has been attained on the concept of entrepreneurship as the process of uncovering and developing an opportunity to create value through innovation and seizing that opportunity without regard to either resources (human and capital) or the location of the entrepreneur – in a new or existing company"	Dynamic Theory & Behavior School
Hebert and Link (1988)	Roles of the entrepreneur in the history of economic theory include: 1) assumes risk associated with uncertainty, 2) supplies capital, 3) innovator, 4) decision maker, 5) leader, 6) manager, 7) organizer and coordinator, 8) owner, 9) employer of factors of production, 10) contractor, 11) arbitrager, 12) allocator of resources.	Combination

The Risk Theory of Profit

Cantillon, 1755 (1931) coined the term entrepreneur to describe the farmer or merchant who bore the risks associated with purchasing inputs at a given price to produce and sell later at an uncertain price (Cantillon, 1755 (1931) in Thornton, 2005). Hawley (1907) is the first to articulate vigorously that the assumption of risk is the most essential function of the entrepreneur and that the rewards of enterprise primarily accrue to the owner due to the assumption of responsibility and risk. The risk theory clearly states that whereas good managers can create profits due to incremental innovation, unless they also assume the risk of ownership, managers are not entrepreneurs (Hawley, 1907 in Knight, 1964).

An array of later definitions (as shown in Table 1) embed ownership in entrepreneurship (e.g., Brockhaus, 1980) and many definitions also stipulate new venture formation as the means by which entrepreneurs obtain their ownership (e.g., Mescon & Montanari, 1981).

Classifying entrepreneurship in terms of new venture formation provides a very simple and clear definition. This is one reason why the largest cross-national

assessment of entrepreneurship in the world, the Global Entrepreneurship Monitor (GEM), creates measures of entrepreneurship activity based on the rate of new venture formation and degree of ownership involved (e.g., Acs et al., 2004; Reynolds et al., 1999).

"whereas good managers can create profits due to incremental innovation, unless they also assume the risk of ownership, managers are not entrepreneurs"

Essential entrepreneurship concepts that arise from the risk theory of profit are the degree of risk, presence of new venture formation, and/or whether ownership is involved. Potential sub-domain terms include new venture entrepreneurship, owner/manager entrepreneurship, and high-risk entrepreneurship.

The Dynamic Theory of Profit

The dynamic theory of profit, in contrast, starts with neoclassical economic theory which proposes that profits arise as a result of dynamic change from the static equilibrium state of perfect competition (e.g., Hayek, 1937). Whereas the Austrian School views the entrepreneur as

bringing the market back into equilibrium, Schumpeter (1934 (1961)) and others view entrepreneurs as being a source of disequilibrium (“creative destruction”). An array of definitions (and thus sub-domain concepts) have arisen from the dynamic theory, depending on the means by which entrepreneurs enact or respond to dynamic change (e.g., by shifting resources, creating new combinations, innovating, speculating, or being alert to opportunities).

“the distinguishing feature of the entrepreneur is alertness to disequilibrium, or asymmetry of information, in order to create profitable opportunities”

The Austrian School of Entrepreneurship defines the entrepreneur as the driving force of the dynamic market process (e.g., Kirzner, 1997). According to Mises (1949) the entrepreneur sees opportunities for profit and uses them to bring the market back into equilibrium by promoting and speculating, not necessarily by innovation, ownership or risk. Kirzner (1973) also saw the adjustment of price as the main role of the entrepreneur (Casson, 2003). Accordingly, the distinguishing feature of the entrepreneur is alertness to disequilibrium, or asymmetry of information, in order to create profitable opportunities (e.g., Shane, 2000; Shane et al., 2000).

In contrast to the Austrian School, J.B. Say (1816) viewed the entrepreneur as creating dynamic change by shifting economic resources out of an area of

lower and into an area of higher productivity and greater yield. Clark (1899, 1907) took the theory a step further and claimed that entrepreneurs are those individuals who invent means to produce new things or to make things more cheaply. As competitors learn to duplicate this activity, profits reduce until they return to zero under perfect competition when equilibrium is re-established (Clark, 1899, 1907 in Knight, 1964). According to Clark (1899, 1907) the reward of risk-taking accrues to the capitalist, and the profit of the entrepreneur is a type of monopoly gain arising in connection with their causing dynamic (and temporary) disturbance from perfect competition.

The dynamic theory of profit leads directly to Schumpeter’s seminal theory of creative destruction and his well-known definition of the entrepreneur as the individual whose function it is to carry out new combinations. Schumpeter broadened the definition of entrepreneurship significantly beyond independent business owners to include employees, managers, board directors, financiers and promoters (Schumpeter, 1934 (1961)).

Later scholars moved beyond the historical roots of entrepreneurship in economic theory and applied the concept to innovative opportunity-seeking activity regardless of whether that activity is profit seeking or whether it takes place in large organizations, non-profit organizations, universities or governments (Drucker, 1985). This extension to the traditional domain has led, for example, to the sub-domain term “social entrepreneurship” (e.g., Dees,

Haas, & Haas, 1998; Thompson, Alvy, & Lees, 2000).

An essential entrepreneurship concept that arises from the dynamic theory of profit and the Austrian School of Economics is the manner in which value is created. Sub-domain terms arising include innovative entrepreneurship, imitative entrepreneur - ship, adaptive entrepreneurship, speculative entrepreneurship, and arbitrage entrepreneurship. Another important aspect of entrepreneurship that arises from the dynamic theory of profit includes the application of entrepreneurship outside the realm of profit-seeking business activities into other fields such as social, academic, political and criminal entrepreneurship.

McClelland (1961) acknowledged that there was no consensus on the definition of entrepreneurship from economic theory and instead shifted the focus to the personal characteristics and cultural values of those who engage in entrepreneurial role behavior. In other words, he defined an entrepreneur as someone engaged in any aspect of business or economic enterprise who behaved “like an entrepreneur” or “in an entrepreneurial way”.

This emphasis on the individual characteristics of entrepreneurs became known as the “traits school” of entrepreneurship (e.g., Dunkelberg & Cooper, 1982; Hornaday & Aboud, 1971; Low & MacMillan, 1988; McClelland, 1987; Pickle, 1964; Shaver et al., 1991; Solomon & Winslow, 1988; Timmons, 1978). The Traits school tried (and essentially failed) to describe how entrepreneurs were different from other

people. It was proposed that entrepreneurs had traits such as a higher Need for Achievement, Need for Control, leadership, or propensity for risk-taking.

The traits school has been criticized for the underlying assumption that all entrepreneurs should exhibit certain universal characteristics, when studies seem to show that entrepreneurs are as different from one another as they are from non-entrepreneurs (e.g. Brockhaus 1980; Brockhaus and Horwitz 1986; Carsrud, Olm and Eddy 1986). According to Low and MacMillan (1988) “It seems that any attempt to profile the typical entrepreneur is inherently futile.”

“studies seem to show that entrepreneurs are as different from one another as they are from non-entrepreneurs”

“Recently, a growing cohort of psychology-based researchers has renewed interest in entrepreneurs’ personal characteristics as predictors of success by moving beyond the past focus on traits.” (Baum, et al., 2007: 14). It is now generally recognized that the founders’ characteristics, goals, and social and cultural environment can affect the characteristics, performance and goals of the companies created and various studies have classified entrepreneurial ventures based on these aspects (e.g., Birley & Westhead, 1994; Cooper, 1993; Woo, Cooper, & Dunkelberg, 1991).

Another aspect to arise from the traits school and personal characteristic researchers is the issue of whether the unit of analysis is the individual founder,

the entrepreneurial team, or the firm. The issue of “who” is being entrepreneurial leads to sub-domain lexicon terms such as “team entrepreneurship” and “corporate entrepreneurship”.

Essential entrepreneurship concepts that arise from the traits school include terms related to the entity that is being entrepreneurial and its environment, characteristics and goals such as immigrant entrepreneurship, female entrepreneurship, team entrepreneur - ship, employee entrepreneurship, corporate entrepreneurship, lifestyle entrepreneurship, opportunity entre - preneurship (i.e. those who start a company to seize upon an opportunity) and necessity entrepreneurship (i.e. those who are forced to become entrepreneurs out of necessity due to a lack of alternative employment opportunities).

“They saw entrepreneurship as a spectrum of activities that take place during all stages of an organization’s creation and growth”

In contrast to the traits school, the “behavioral school” argued that the process involved in creating a new venture, not the personality of the founder, should be fundamental to the definition of entrepreneurship (Gartner, 1989; Stevenson & Jarillo, 1990). The behavioral school’s focus on the process of pursuing opportunities led to articulating the various stages of entrepreneurial activity including

emergent, newness and transformation (e.g., Gartner, 2004).

Stevenson et al., (1990) defined entrepreneurship as pursuing opportunities without regard to the resources they currently control (i.e., entrepreneurs access other people’s resources). They saw entrepreneurship as a spectrum of activities that take place during all stages of an organization’s creation and growth as well as all stages of an individual’s lifetime, from traditional entrepreneurship to corporate entrepreneurship. The sub-domain term “corporate entrepreneurship” has been created to encompass not only new venture spin-offs from within companies, but also re-birth of organizations through strategic transformation (Katz & Shepherd, 2004).

Essential entrepreneurship concepts that arise from the behavioral school include the stages in the process of venture emergence, newness or transformation as well as the activities involved. Sub-domain terms would include nascent entrepreneurship, emergent entre - preneurship, startup entrepreneurship, growth entrepreneurship and trans - formation entrepreneurship.

Creating a Lexicon for Entrepreneurship

Taxonomy Structure

Rather than considering any of the historical definitions of entrepreneurship to be incorrect, we may instead extract the essential elements of truth that most contain. What were potentially viewed as contradictory historical definitions or theories may be reconciled by viewing

them as alternative sub-domains of entrepreneurship.

Building on the main questions posed by Stevenson, et al., (1990) a classification taxonomy for our lexicon can be provided by using questions that encompass all the sub-domains: *what* (the field of entrepreneurial activity), *who* (the entity or capacity in which the entity is acting), *how* (the manner in which the value is being created), *why* (the goals of the entity involved) *when* (the stage of venture emergence, newness or transformation), and *where*.

- *What*: classical economic theory and neoclassical economic theory defined entrepreneurship in terms of residual profit-seeking activity. The dynamic theory expanded the definition beyond the historical roots in profit seeking business activity and into the non-profit sector and other fields of human activity. Lexicon terms following from this taxonomy structure would include the field of activity and what types of values are created.
- *Who*: the traits school demonstrated that entrepreneur-ship involves individuals with certain skills, who engage in entrepreneurial activity. The behavior school expanded the definition beyond independent individuals to groups as well as employees and companies. An additional set of sub-domains that arises from this taxonomy could include the unit of analysis (such as individual, team, firm, sector, region, cluster or nation) and the

ownership status (such as owner/manager, founder or inheritor).

- *How*: an essential dimension of entrepreneurship that arises from the dynamic theory of profit and the Austrian School of Economics is the manner in which value is created and/or the market is moved toward or away from equilibrium.
- *Why*: as demonstrated by the traits school, the goals of the founders are an important dimension of entrepreneurship.
- *When*: the risk theory shows that new venture formation is an important dimension and the behavior school shows that the stages of emergence, newness (or “startup”) and transformation are important aspects of entrepreneurship.
- *Where*: the environment has a powerful effect on the entrepreneur, the entrepreneurial process, the resources available and the markets involved. No lexicon would be complete without this taxonomy classification lens.

Table 2 summarizes a partial lexicon of single level sub-domain terms that arises from this taxonomy classification structure and potential impinging fields of research from other disciplines.

Applying the Lexicon of Entrepreneurship Terms

The lexicon is applied by adding adjectives (such as “social” or “innovative”) to the noun “entrepreneur”

using the proposed classification taxonomy. Table 3 shows sample lexicon terms obtained by successive additions of adjectives.

The first example, shown in Table 3, applies the *what adjective*. Entrepreneurship, as described in most of the literature, either explicitly or implicitly, would be classified in the lexicon as “business entrepreneurship”. Historically, unless the author has explicitly deviated from this assumption by applying a *what adjective* such as “social entrepreneurship”, entrepreneurs, as described in the literature, have generally been profit-seeking “business entrepreneurs”.

Similarly, unless authors specifically applied a *who adjective* in Table 3 such as “corporate entrepreneurship”, “team entrepreneurship” or “family business entrepreneurship”, most scholars have, either explicitly or implicitly, described “independent entrepreneurship”.

Historically, the vast majority of scholars have used the term “entrepreneurship” instead of the more precise lexicon term “independent business entrepreneur - ship”. The proper use of a lexicon, however, will omit adjectives only if that dimension is unspecified. Thus, if we are discussing “social entrepreneurs” we are stating that the population may include independent social entrepreneurs, team social entrepreneurs, and/or corporate social entrepreneurs since the *who adjective* is unspecified.

In some cases, it may be important that others know whether an adjective has been dropped because it is implied or

because it is unspecified. In order to share results and build on the work of their colleagues, researchers need to know whether or not the sample population for “innovative entrepreneurs” has merely implied independent business entrepreneurs or whether the sample population also includes social entrepreneurs, team entrepreneurs, and corporate entrepreneurs since the *what* and *who adjectives* are unspecified.

“entrepreneurs, as described in the literature, have generally been profit-seeking ‘business entrepreneurs’”

Thus, we can apply the *how adjective* to contrast “innovative independent business entrepreneurs” from “imitative independent business entrepreneurs”. If we are researching “innovative entrepreneurs” we are stating that the sample population may include innovative team entrepreneurs, innovative social entrepreneurs, and/or innovative corporate entrepreneurs as well as innovative independent business entrepreneurs. The precision with which sample populations may be classified using this lexicon may be demonstrated by considering the following examples. On one hand, we imagine Sir Richard Branson deciding whether to use profits and resources from the Virgin Group of companies to startup a new non-profit organization. On the other hand we see an immigrant that has already started up a new laundry business in collaboration with her family.

Table 2. A Partial Lexicon of Entrepreneurship Sub-Domain Terms

Lexicon Terms (Adjectives)	Taxonomy	Associated Fields of Research
Business Entrepreneurship Social Entrepreneurship Academic Entrepreneurship Political Entrepreneurship Criminal Entrepreneurship	What	Economics Sociology Praxeology
Independent Entrepreneurship Employee Entrepreneurship Corporate Entrepreneurship Team Entrepreneurship Family Business Entrepreneurship Immigrant Entrepreneurship Gender-based Entrepreneurship Race-based Entrepreneurship Minority Entrepreneurship Celebrity Entrepreneurship Founder Entrepreneurship Inheritor Entrepreneurship Owner-Manager Entrepreneurship Nation-specific Entrepreneurship Region-specific Entrepreneurship Sector-specific Entrepreneurship	Who	Psychology Organizational Behavior Change Management Agency Theory
Innovative Entrepreneurship Imitative Entrepreneurship Adaptive Entrepreneurship Acquisitive Entrepreneurship Speculative Entrepreneurship Arbitrage Entrepreneurship High Tech Entrepreneurship	How	Innovation Creativity Cognitive Science Engineering Technology Knowledge Management Strategic Management
Necessity Entrepreneurship Opportunity Entrepreneurship High-expectation Entrepreneurship Investment-quality Entrepreneurship Small Business Entrepreneurship Lifestyle Entrepreneurship	Why	Psychology Sociology Economics Praxeology Goal Setting
Emergent Entrepreneurship Nascent Entrepreneurship Startup Entrepreneurship Transformation Entrepreneurship	When	Population Ecology
International Entrepreneurship Local Entrepreneurship Grassroots Entrepreneurship Indigenous Entrepreneurship Diaspora Entrepreneurship	Where	Economics Political Science Sociology Social Network Theory

Table 3. Example Applications of the Lexicon for Sub-Sub Domain Terms

Where	When	Why	How	Who	What
					Business entrepreneur
					Social entrepreneur
				Independent	Business entrepreneur
				Corporate	Business entrepreneur
				Team	Business entrepreneur
				Family	Business entrepreneur
			Innovative	(Independent)	(Business) entrepreneur
			Imitative	(Independent)	(Business) entrepreneur
			Adaptive	Corporate	(Business) entrepreneur
		High Expectation	(Innovative)	(Independent)	(Business) entrepreneur
		Opportunity		(Independent)	(Business) entrepreneur
		Necessity	(Imitative)	(Independent)	(Business) entrepreneur
	Nascent			(Independent)	(Business) entrepreneur
	Startup			(Independent)	(Business) entrepreneur
	Transformation			(Corporate)	(Business) entrepreneur
International	(Transformation)		(Innovative)	(Corporate)	(Business) entrepreneur
International	Startup		Arbitrate	Independent	Business entrepreneur
International	Nascent	Opportunity	Innovative	Corporate	Social entrepreneur
Local	Startup	Necessity	Imitative	Immigrant Family	Business entrepreneur

(Note that the terms in parentheses are often omitted or assumed in certain contexts.)

Although both may be considered entrepreneurs, there is little reason to expect them to have the same traits, personality characteristics, skills, beliefs, attitudes, behaviors or cognitive processes. They may simply not belong in the same sample population. Additional layers of specificity may be obtained if we classify Sir Richard Branson's population set as "international, nascent, opportunity, innovative, corporate social entrepreneurs" and that the recent immigrant is acting as a "local, startup, necessity, imitative, immigrant family business entrepreneur".

Usefulness of the Lexicon and New Insights

The use of this lexicon removes the problems associated with multiple conflicting definitions and provides authors with a clear, consistent, integrated set of highly differentiated terms so that others will clearly understand what they are talking about. An adjectival term may be appended from each element of the taxonomy to add incremental levels of specificity as required. If certain dimensions have not been controlled for, then the less specific terms would apply (e.g., high expectation business entrepreneurs vs. necessity business entrepreneurs in the GEM surveys).

The ability to specify clearly the referent set may help us understand the broader principles or theories involved in entrepreneurship and/or resolve disagreements. For example, one may argue that scholars are unable to state, "Entrepreneurs have higher 'Need for Achievement' than managers". However,

it may be possible to state that "innovative, independent business entrepreneurs have higher 'Need for Achievement' than lifestyle, imitative, established family business entrepreneurs". Once such a level of specificity is established, it may become possible to discern that some types of entrepreneurs have the trait of high "Need for Achievement" while others have lower "Need for Achievement" but that overall, entrepreneurs, as a group, have similar average scores as managers.

"we classify Sir Richard Branson's population set as 'international, nascent, opportunity, innovative, corporate social entrepreneurs' "

The contradistinction between Schumpeterian-disequilibrium and Austrian-equilibrium approaches to entrepreneurship could potentially be resolved by applying the *how adjective* and comparing the roles of "innovative entrepreneurs" and "imitative entrepreneurs". Namely, it is possible that innovative entrepreneurs cause creative destruction and market movements away from perfect competition and static equilibrium, whereas imitative entrepreneurs may drive the market back toward equilibrium as described in the Austrian School.

Summary

By reviewing the theoretical foundations of entrepreneurship, what were previously viewed as contradictory historical definitions in Table 1 can be seen to articulate complementary viewpoints or sub-domains of entrepreneurship. The sub-domains that

arise from classical and neoclassical economics, risk theory, dynamic theory, the Austrian school, traits school and behavior school are organized into a lexicon using the classification taxonomy of what, who, how, why, when and where. A wide array of potential sub-domain terms is thus organized into a lexicon of sub-domain terms in Table 2.

The application of the lexicon is described by adding successive adjectives (such as “social” or “innovative”) to the noun “entrepreneur” to illustrate the use of the lexicon with various examples such as “local, startup, necessity, imitative, immigrant family business entrepreneurship”.

So what is entrepreneurship?

Entrepreneurship is a multi-dimensional concept that includes owning a small business (Risk Theory), being innovative (Dynamic Theory), acting as a leader (Traits School), or starting up a new company (Behavioural School). It includes spotting opportunities to drive the market toward equilibrium (Austrian School) or causing disequilibrium through “creative destruction” (Schumpeter). It includes doing this on your own, in a team or inside a company. It involves starting without any resources and creating new values in the realm of business, social values, government or academia. By adding the right set of adjectives to the noun “entrepreneur”, the proposed lexicon allows us to embrace and discuss all these facets of what it means to be an entrepreneur.

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