

University of Florida  
Spring 2018 Module III  
MAN 7779: Strat Proc/Struc Org section 25CA

**Ph.D. Research Seminar in  
*Theoretical and Empirical Perspectives on Entrepreneurship***

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This Ph.D.-level course focuses on entrepreneurship research, not entrepreneurial practice.

In each session, we will read and discuss a few important articles. By design, the reading list is purposely short compared to other seminars of this type. The objective of using a discussion-based format is to actively engage the students' mind to think deeply about what original, novel, and ground-breaking papers can be written for each theory.

I expect all seminar participants to read EVERY article and to consider what innovation can be added to the stream of literature before coming to class. My focus is on cutting-edge contemporaneous approaches. The seminar participants are therefore expected to search out and read background articles including the classics (see a recommended list shown below) to the extent they deem necessary to their understanding.

*The "Classics of Entrepreneurship"*

Kirzner, Israel M., 1979, *Perception, Opportunity, and Profit; Studies in the Theory of Entrepreneurship*, Chicago: University of Chicago Press. [Reading guide: pp 154-81; skim 37-75, 107-19.](#)

Kirzner, Israel M., 1972, *Competition and Entrepreneurship*, Chicago: University of Chicago Press. [Reading guide: pp 125-34.](#)

Knight, Frank, 1921, *Risk, Uncertainty, and Profit*, Boston: Houghton Mifflin. [Reading guide: Part III, chapter 9 and chapter 10. Skim chapter 7.](#)

Schumpeter, Joseph A., 1988, *Essays in Entrepreneurs, Innovations, Business Cycles, and the Evolution of Capitalism* (R. Clemence, editor), Piscataway, New Jersey: Transaction Publishers. [Reading guide: pp 253-71.](#)

Schumpeter, J. A., 1942, *Capitalism, Socialism, and Democracy*, New York: Harper Brothers. [Reading guide: pp 72-106.](#)

Class Meeting Format

The seminar is discussion-based and all seminar participants are expected to engage regularly in the discussions. The discussions will focus on the specific papers assigned as well as the general issues they raise. To facilitate the discussion, **each assigned paper marked with \*** will have TWO discussants. The discussants (either self-nominated or appointed by the course instructor) will lead off the discussions and

give their reviews on the paper. The reviews are supposed to be positive and critical. The discussants are required to provide a short written summary and an outline of their review before class. This document, between 1 to 3 pages in length, should be distributed to all seminar participants before the beginning of the class meeting time.

In evaluating theory development, scholars are urged to ask the following questions:

- Are the theoretical claims unambiguous?
- Can the conclusions be derived rigorously from explicit premises?
- Do the premises sufficiently capture the core drivers of the phenomena under study?
- Have the theories produced propositions with measurable implications that can be refuted empirically?
- Do the theories merge ideas from multiple disciplines in ways that produce something greater than the simple sum of the discipline-based ideas?

In evaluating the design and execution of empirical studies, scholars are urged to ask the following questions:

- Are data presented and analyzed as transparently as possible?
- Does the research employ reliable data that conform closely to theoretical constructs? In particular, do the level of analysis and the unit of observation in the study match those of the theory? Can the empirical proxies discriminate among alternative explanations?
- Are the empirical designs and methods chosen carefully to generate valid inferences? In particular, have concerns about endogeneity and selection been addressed adequately?

#### Course Requirements

- Attend and actively engage in discussion in the weekly seminar.
- Distribute your summary and review of the assigned paper (1-3 pages) before class (electronic AND print copies).
- Serve as a “lead discussant” for at least one paper in each session.
- Write a review paper (~10 pages) targeted for a major academic journal, such as the *Academy of Management Review*, with a literature review (and references) for THEORETICAL and EMPIRICAL PERSPECTIVES on a topic of your own choice about entrepreneurship. An example of a topic is ‘gender, ethnicity and entrepreneurship’. Please email your review paper to [Gwendolyn.lee@warrington.ufl.edu](mailto:Gwendolyn.lee@warrington.ufl.edu) by March 2<sup>nd</sup>, 2018.

All journal papers are available at JSTOR: <http://www.jstor.org>.

### **Session #1: Course Introduction**

*Assigned reading: required*

- Sorenson, Olav, and Toby E. Stuart. 2008. Entrepreneurship: a field of dreams? The Academy of Management Annals 2.1: 517-543.
- Shane, Scott. 2012. Reflections on the 2010 AMR decade award: delivering on the promise of entrepreneurship as a field of research. *Academy of Management Review* 37.1: 10-20.
- Lazear, Edward P. 2004. Balanced Skills and Entrepreneurship, *American Economic Review* 94 (2) 208-211.
- Sørensen, Jesper B. 2007. Bureaucracy and entrepreneurship: Workplace effects on entrepreneurial entry. *Administrative Science Quarterly* 52.3: 387-412.

*Supplemental reading: optional*

- Aldrich, H. E. (2012). The emergence of entrepreneurship as an academic field: A personal essay on institutional entrepreneurship. *Research Policy*, 41(7): 1240-1248.
- Lazear, Edward P. 2005. Entrepreneurship. *Journal of Labor Economics*, 23(4): 649-680.
- Cooper, A. C. & Dunkelberg, W. C. 1986. Entrepreneurship and Paths to Business Ownership. *Strategic Management Journal*, 7(1): 53-68.
- Folta, T.B.; Delmar, F. & Wennberg, K. 2010. Hybrid Entrepreneurship. *Management Science*, 56(2): 253-269.
- Alvarez, S.A., & Barney, J. B. 2010. Entrepreneurship and epistemology: The philosophical underpinnings of the study of entrepreneurial opportunities. *Academy of Management Annals*, 4(1): 557-583.

### **Session #2: The Sources of Entrepreneurs**

*Assigned reading: required*

*The sources of entrepreneurs: theory*

- Thornton, Patricia H. The sociology of entrepreneurship. *Annual Review of Sociology* (1999): 19-46.

*The sources of entrepreneurs: empirics*

- Ahuja, Gautam, and Curba Morris Lampert. 2001. Entrepreneurship in the large corporation: A longitudinal study of how established firms create breakthrough inventions. *Strategic Management Journal* 22.6-7: 521-543.
- \*Chatterji, Aaron K. 2009. Spawned with a silver spoon? Entrepreneurial performance and innovation in the medical device industry. *Strategic Management Journal* 30.2: 185.
- \*Stuart, Toby E., and Waverly W. Ding. 2006. When do scientists become entrepreneurs? The social structural antecedents of commercial activity in the academic life sciences. *American Journal of Sociology* 112.1: 97-144.
- \*Kaplan, Steven, Berk Sensoy, and Per Stromberg. 2009. Should Investors Bet on the Jockey or the Horse? Evidence from the Evolution of Firms from Early Business Plans to Public Companies. *Journal of Finance* 64:1, 75-115.

*Supplemental reading: optional*

- Baker, T., & Nelson, R. E. 2005. Creating Something from Nothing: Resource Construction through Entrepreneurial Bricolage. *Administrative Science Quarterly*, 50: 329-366.
- Eisenhardt, Kathleen M., and Yosem E. Compansys. 2002. Reviewed Work: The Entrepreneurship Dynamic: Origins of Entrepreneurship and the Evolution of Industries by Claudia Bird Schoonhoven, Elaine Romanelli. *Academy of Management Review* 27.4: 622-624.

- Carroll, G. R. & Mosakowski, E. 1987. The Career Dynamics of Self-Employment. *Administrative Science Quarterly*, 32(4): 570-589.
- Dobrev SD, Barnett WP. 2005. Organizational roles and transition to entrepreneurship. *Academy Of Management Journal* 48(3): 433-449
- Ganco, Martin. 2013. Cutting the Gordian knot: The effect of knowledge complexity on employee mobility and entrepreneurship. *Strategic Management Journal* 34.6: 666-686.
- Campbell, B. A., Ganco, M., Franco, A. M., & Agarwal, R. 2012. Who leaves, where to, and why worry? Employee mobility, entrepreneurship and effects on source firm performance. *Strategic Management Journal*, 33(1), 65-87.

### **Session #3: Entrepreneurial Labor Markets**

*Assigned reading: required*

*Entrepreneurial labor markets: theory*

- Khilstrom, R., and Jean-Jacques Laffont, 1979, A general equilibrium entrepreneurial theory of firm formation based on risk aversion, *Journal of Political Economy* 87, 719-48.
- Sorensen, Jesper B. and Sharkey, Amanda J. 2014. Entrepreneurship as a Mobility Process. *American Sociological Review* 79(2): 328-349.

*Entrepreneurial labor markets: empirics*

- \*Evans, David S., and Linda S. Leighton, 1989, Some empirical aspects of entrepreneurship, *American Economic Review* 79, 519-35.
- \*Fallick, Bruce, Charles A. Fleischman, and James B. Rebitzer, 2006, Job-hopping in Silicon Valley: Some evidence concerning the microfoundations of a high-technology cluster, *Review of Economics and Statistics* 88:3, 472-81.
- \*Ganco, Martin, Rosemarie H. Ziedonis, and Rajshree Agarwal. 2015. More stars stay, but the brightest ones still leave: Job hopping in the shadow of patent enforcement. *Strategic Management Journal* 36.5: 659-685.

*Supplemental reading: optional*

- Gromb, Denis, and David Scharfstein, 2002, Entrepreneurship in equilibrium. Working Paper no. 9001, National Bureau of Economic Research.
- Agarwal, Rajshree, Martin Ganco, and Rosemarie H. Ziedonis. 2009. Reputations for toughness in patent enforcement: Implications for knowledge spillovers via inventor mobility. *Strategic Management Journal* 30.13: 1349-1374.
- Holmes, Thomas J., and James A. Schmitz, Jr., 1995. On the turnover of business firms and business managers, *Journal of Political Economy* 103, 1005-38.
- Fairlie, Robert W., 1999, The absence of the African-American owned businesses: An analysis of the dynamics of self employment, *Journal of Labor Economics* 17, 80-108.

### **Session #4: Local Industrial Characteristics, Agglomeration, and Entrepreneurship**

*Assigned reading: required*

*Local industrial characteristics, agglomeration, and entrepreneurship: theory*

- Chinitz, Benjamin, 1961, Contrasts in agglomeration: New York and Pittsburgh, *American Economic Review* 51:2, 279-89.
- Glaeser, Edward, William Kerr, and Giacomo Ponzetto, 2010, Clusters of entrepreneurship, *Journal of Urban Economics* 67, 46-60.
- Golman, Russell, and Steven Klepper. 2016. Spinoffs and clustering. *The RAND Journal of Economics* 47(2): 341-365.

*Local industrial characteristics, agglomeration, and entrepreneurship: evidence*

- \*Dumais, Guy, Glenn Ellison, and Edward Glaeser, 2002, Geographic concentration as a dynamic process, *Review of Economics and Statistics* 84, 193-204.
- \*Michelacci, Claudio, and Olmo Silva, 2007, Why so many local entrepreneurs?, *Review of Economics and Statistics* 89:4, 615-33.
- \*Almeida, P. & Kogut, B. 1999. Localization of knowledge and the mobility of engineers in regional networks. *Management Science*, 45(7): 905-917.

*Supplemental reading: optional*

Chatterji, Aaron, Edward L. Glaeser, and William R. Kerr. Clusters of entrepreneurship and innovation. No. w19013. National Bureau of Economic Research, 2013.

### **Session #5: Entrepreneurship and industry evolution**

*Assigned reading: required*

*Entrepreneurship and industry evolution: theory*

Cabral, Luis M.B., and Jose Mata, 2003, On the evolution of firm size distribution: Facts and theory, *American Economic Review* 93, 1075-90.

*Entrepreneurship and industry evolution: empirics*

Caves, Richard E. 1998. Industrial organization and new findings on the turnover and mobility of firms, *Journal of Economic Literature* 36, 1947-82.

\*Dunne, Timothy, Mark J. Roberts, and Larry Samuelson, 1988, Patterns of firm exit and entry in U.S. manufacturing industries, *Rand Journal of Economics* 19, 495-515.

\*Klepper, Steven, and Elizabeth Grady, 1990, The evolution of new industries and the determinants of market structure, *Rand Journal of Economics* 21, 27-44.

\*Pakes, Ariel, and Richard Ericson, 1998, Empirical implications of alternative models of firm dynamics, *Journal of Economic Theory* 79:1, 1-45.

*Supplemental reading: optional*

Hopenhayn, Hugo, 1992, Entry, exit and firm dynamics in long run equilibrium, *Econometrica* 60:5, 1127-50.

Jovanovic, Boyan, 1982, Selection and the evolution of industry, *Econometrica* 50, 649-70.

Jovanovic, Boyan, and Glenn M. McDonald, 1994, The life cycle of a competitive industry, *Journal of Political Economy* 102, 322-47.

### **Session #6: Capital Constraints**

*Assigned reading: required*

*Capital constraints: theory*

Holtz-Eakin, Douglas, David Joulfaian, and Harvey S. Rosen, 1994, Sticking it out: Entrepreneurial survival and liquidity constraints, *Journal of Political Economy* 102, 53-75.

*Capital constraints: empirics*

\*Kerr, William, and Ramana Nanda, 2009, Democratizing entry: Banking deregulations, financing constraints, and entrepreneurship, *Journal of Financial Economics* 94, 124-49.

\*Chatterji, Aaron K., and Robert C. Seamans. 2012. Entrepreneurial finance, credit cards, and race. *Journal of Financial Economics* 106.1: 182-195.

\*Hsu, D.H. 2004. What do entrepreneurs pay for venture capital affiliation? *Journal of Finance*, 59, 1805-1844.

Hsu, D.H. 2006. Venture capitalists and start-up venture commercialization strategies. *Management Science*. 52: 204-219.

*Supplemental reading: optional*

Evans, David S., and Boyan Jovanovic, 1989, An estimated model of entrepreneurial choice under liquidity constraints, *Journal of Political Economy* 97, 808-27.

Stiglitz, Joseph, and Andrew Weiss, 1981, Credit rationing in markets with imperfect information, *American Economic Review* 71:3, 393-410.

Hurst, Erik, and Annamaria Lusardi, 2004, Liquidity constraints, household wealth, and entrepreneurship, *Journal of Political Economy* 112:2, 319-47.

### **Session #7: Entrepreneurship, Innovation, and Growth**

*Assigned reading: required*

*Entrepreneurship, innovation, and growth: theory*

Murphy, Kevin M., Andrei Shleifer, and Robert W. Vishny, 1991, The allocation of talent: Implications for growth, *Quarterly Journal of Economics* 106, 503-30.

Mostafa, Romel, and Steven Klepper. 2016. Industrial development through tacit knowledge seeding: evidence from the Bangladesh garment industry." *Management Science* 47(2): 341-365.

Agarwal, Rajshree; Audretsch, David; Sarkar, M. B. 2007. The process of creative construction: knowledge spillovers, entrepreneurship, and economic growth. *Strategic Entrepreneurship Journal*, Volume 1, Issue 3-4, pages 263–286.

*Entrepreneurship, innovation, and growth: empirics*

\*Kortum, Samuel, and Josh Lerner, 2000, Assessing the impact of venture capital on innovation, *Rand Journal of Economics* 31, 674-92.

\*Samila, Sampsa, and Olav Sorenson, 2011, Noncompete Covenants: Incentives to Innovate or Impediments to Growth, *Management Science* 57(3), 425-438.

\*Gans, J.S. Hsu, D.H. & Stern, S. 2008. The impact of uncertain intellectual property rights on the market for ideas: Evidence from patent grant delays. *Management Science*, 54(5): 982-997.

*Supplemental reading: optional*

Banerjee, Abhijit V., and Andrew F. Newman, 1993, Occupational choice and the process of development, *Journal of Political Economy* 101:2, 274-98.

Ederer, Florian, and Gustavo Manso. 2013. Is Pay for Performance Detrimental to Innovation? *Management Science* 59.7: 1496-1513.