



Reconciling diverse approaches to opportunity research using the structuration theory

Mike Chiasson*, Chad Saunders

Haskayne School of Business, University of Calgary, 2500 University Drive NW, Calgary, Alberta, Canada T2N 1N4

Received 1 December 2002; received in revised form 1 July 2004; accepted 1 July 2004

Abstract

Structuration theory (ST) is used to reconcile six approaches to opportunity research that emphasize either the recognition or formation of entrepreneurial opportunity. While opportunity recognition focuses on the restricting role of business and social structure on entrepreneurial activity, opportunity formation emphasizes the creation of opportunities by the entrepreneur. In contrast to this dichotomy, ST argues that recognition and formation are *recursively implicated* because it dissolves the dichotomy between structure and agency, thus showing how entrepreneurial action is both enabled and constrained by the conscious selection, imitation, and modification of business *scripts* by entrepreneurs. The implications for opportunity research and practice are discussed.
© 2004 Elsevier Inc. All rights reserved.

Keywords: Social theory; Structuration theory; Opportunity research; Entrepreneurial process

1. Executive summary

Diverse approaches to investigating entrepreneurial opportunity can be reconciled using concepts from the structuration theory (ST) to dissolve the formation–recognition dichotomy

* Corresponding author. Tel.: +1 403 220 7331; fax: +1 403 284 7905.

E-mail address: mike.chiasson@haskayne.ucalgary.ca (M. Chiasson).

inherent within this area of research. Six distinct approaches to opportunity research are considered: neoclassical equilibrium theory (NCET), coevolutionary lock-in (CEL), triggers for structural change (TSC), effectuation/embeddedness/relationality (EER), path creation (PC), and prior knowledge and feedback (PKF). The varying assumptions underlying these approaches often lead to contradictory explanations and predictions of how entrepreneurs find or generate opportunities.

Instead of arguing one or the other, we use the structuration theory, and its dissolving of the recognition–formation dichotomy, to suggest that opportunities are both formed and created through *scripts*. These scripts are both enabled and constrained by business and social structures that entrepreneurs need to carefully acknowledge (legitimate), accept (competence), and shape for specific advantage (power).

To demonstrate the diversity of approaches to opportunity research, consider the development of the microprocessor computer chip and Intel corporation. The neoclassical equilibrium theory would focus on how Intel recognized and adapted itself to structural opportunities in the microprocessor market. Coevolutionary lock-in would examine how Intel adapted to the microprocessor market niche, but later found itself unable to overcome organizational inertia to adapt to changing market circumstances. Triggers for structural change would examine how the use of particular information and electronic systems and/or the nature of microprocessor technology triggered organizational change at Intel. Effectuation/embeddedness/relationality would focus on the role of Andy Groves in gathering together unique resources and relationships to not only respond to, but also shape the microprocessor market. Path creation would examine how Intel understood and mindfully deviated from industry structures to achieve competitive advantage. Prior knowledge and feedback would focus on the previous knowledge and experience of Intel's leaders and how this shaped its growth and domination of the microprocessor market.

Given this rich, yet fragmented, view of opportunity, the issue is how to honor the diverse insights of each approach, while seeing and forming coherent strands among them. To do this, we draw upon ST's insights about the reciprocal role of both structure and agency in legitimate, competent, and powerful action. ST renders opportunity formation and recognition as complements and provides a common language for exploring the diverse approaches to opportunity research.

ST suggests that human action is guided by scripts that are formed within social and business structures. Whether a script is accepted and used depends on whether and where it works, and where it does not. The actions that work—competent, legitimate, and powerful—will be repeated and used again in this particular setting, while those that have not worked are discarded. If actions are repeated over a long enough period of time and space, individual and group actions can be considered scripts, thus appearing to have structural properties because they are observed in many places. Determining whether a script works depends on negative and positive signals that are given by people within particular business and social structures (rules and resources). A script works if people believe that it has legitimacy, competency, and power. It is up to the entrepreneur to understand and react to (or not) this information in recognizing and forming opportunities. Structure both enables and constrains script use through this signaling mechanism.

Download English Version:

<https://daneshyari.com/en/article/9734719>

Download Persian Version:

<https://daneshyari.com/article/9734719>

[Daneshyari.com](https://daneshyari.com)