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THE LIFE CYCLE OF AN ENTREPRENEURIAL PROJECT (SUMMARY)

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≈ SUMMARY ≈

THE LIFE CYCLE OF AN ENTREPRENEURIAL PROJECT

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Principal Topic

Entrepreneurship literature typically studies entrepreneurial projects and endeavors as the growth of a firm, and not as a process on individual level of analysis (Sarasvathy, 2004). Even the studies that have addressed entrepreneurial careers, have been more concentrated on how entrepreneurs start their careers than on how they progress through their endeavors (Dyer, 1994; Politis, 2002). In this paper, I take the perspective of an individual entrepreneur, and propose a theory that explicates the dynamics of a typical entrepreneurial project.

Method

I use grounded theory methodology for conceptually modeling the empirical data that comes from interviews with 41 entrepreneurs. The data collection was guided by the principles of theoretical sampling, and the analysis is based on constant comparisons between incidents and concepts.

Results and Indications

I discover that the actions of an individual entrepreneur are organized as a continuation of projects. A project is an activity that the entrepreneur is strongly committed to, prioritizing it over all other activities. I further find that a project life cycle consists of five successive phases that are marked by distinctive changes in the level of entrepreneur's commitment. I name these phases as *recognizing opening*, *engaging in action*, *passionate immersing*, *project saturation*, and *project release*.

My results suggest that the pacing of an individual entrepreneur's development during his or her entrepreneurial project significantly differs from the pacing of the venture's development as an organization. While the organization may grow continuously over years, the commitment of an individual entrepreneur to any specific endeavor is temporally limited. As a result, entrepreneur's actions are organized as a continuation of projects, which may or may not take place within the same organization. Hence the growth and survival of a venture is not determined merely by organizational and market level strategic issues, but also by the extent to which the entrepreneur pursues his or her new projects within this particular organization instead of choosing to entertain a new venture.

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