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## FIRM-LEVEL ENTREPRENEURSHIP IN MATURE INDUSTRIES: A KNOWLEDGE- BASED APPROACH (SUMMARY)

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## SUMMARY

### **FIRM-LEVEL ENTREPRENEURSHIP IN MATURE INDUSTRIES: A KNOWLEDGE-BASED APPROACH**

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#### **Principal Topic**

Several industries are in the maturity stage of their life cycle, but very little attention has been devoted to their study. Past research reveals that an entrepreneurial strategic posture may be most strongly associated with performance in emerging industries, rather than in mature ones: successful organizations adopt a more conservative strategic posture in mature industries. However, anecdotal evidence shows the cases of companies that have been successful in these industries just because of their entrepreneurial posture, and studies have been carried out to explore their entrepreneurial processes. Thus, the main objective of this study is to explore the relationship between firm-level entrepreneurship and performance of companies operating in mature industries. The research problem is approached by studying firm-level entrepreneurship in its content (product development, market development and diversification) rather than in its process (entrepreneurial orientation). Moreover, we adopt a knowledge-based view of the firm and entrepreneurship: firm-level entrepreneurship is conceived as a knowledge-based behavior, whose dynamics have not been explored in the context of mature industries, as far as concerns the sharing of knowledge between companies and the types of knowledge needed.

#### **Method**

A set of hypotheses was developed and tested on a stratified sample of 132 firms operating in the Italian textile-clothing industry. This industry is mature and the performance of companies operating in it is generally low. Correlation analysis was run to measure the relationships between types of firm-level entrepreneurship, performance, knowledge position, types of knowledge and knowledge sharing.

#### **Results and Implications**

Results suggest mature industry managers to behave entrepreneurially, despite previous suggestions to be administrative; to invest in product development rather than other types of entrepreneurial behaviors; to share knowledge with other companies in order to favor innovative combinations; to leverage on market knowledge with more emphasis than technical knowledge. From a theoretical standpoint, we develop the mature industry literature by questioning that entrepreneurial behaviors are not suitable. Following a knowledge-based approach, we adopt a new perspective on the phenomenon to enrich its understanding. From a managerial point of view, exploring what kind of knowledge should be leveraged and what type of entrepreneurial behaviors should be taken offers useful advice on success avenues.

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