ENTREPRENEURIAL TEAM STRUCTURE, TRANSACTIVE MEMORY, AND PERFORMANCE: A SOCIAL NETWORK PERSPECTIVE (INTERACTIVE PAPER)

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ENTREPRENEURIAL TEAM STRUCTURE, TRANSACTIVE MEMORY, AND PERFORMANCE: A SOCIAL NETWORK PERSPECTIVE

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Principal Topic

The dynamic and ambiguous nature of the entrepreneurial process requires new venture teams to acquire, integrate, and utilize large amounts of complex, non-routine information effectively and efficiently (Kogut & Zander, 1992). Team’s internal network structures play significant roles in the movement of both social and information resources between team members. The concept of transactive memory systems (TMS) describes a team interaction process whereby team members develop a shared understanding of each member’s individual knowledge stocks and areas of expertise (Lewis, 2003). Team members use this shared understanding to transfer and integrate each other’s diverse knowledge bases to create new knowledge, solve complex problems, and arrive at higher quality decisions (Wegner, 1991).

The present study positions TMS as a knowledge combinative capability that facilitates the transfer and combination of team resources to produce valuable team outputs (Kogut & Zander, 1992). The study draws on social capital and group-level information processing theories to develop and test an input-process-output model of entrepreneurial team performance. Specifically, the study explores the mediating effects of entrepreneurial team transactive memory systems on the relationship between entrepreneurial team networks and entrepreneurial team performance.

Method

The advice network is determined by asking each team member to indicate the amount of advice sought from every other member. Similarly, the conflict network is determined by asking each member to indicate the amount of disagreement of viewpoints, ideas, or opinions that occurred between them and every other member. TMS is assessed using the 14 item scale developed by Lewis (2003). Items include: “The specialized knowledge of several different team members is needed to complete the project deliverables” and “I know which team members have expertise in specific areas.”

Results and Implications

As early stage entrepreneurial ventures grow and develop, the entrepreneurial team begins to develop regularized patterns of exchange. For these growing teams, understanding who has what knowledge, trusting that knowledge, and coordinating that knowledge becomes increasingly difficult yet critical new ventures success. By examining the inputs of entrepreneurial team networks, the process of TMS, and the outputs of venture performance, the results of this study will advance the literatures on strategy, entrepreneurship and social networks.

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