ENTREPRENEURIAL TEAMS AND THE OPPORTUNITY RECOGNITION PROCESS (SUMMARY)

Tali Sivan  
Technion Israel Institute of Technology, sivant@technion.ac.il

Ella Miron  
Technion Israel Institute of Technology

Avi Fiegenbaum  
Technion Israel Institute of Technology

Miriam Erez  
Technion Israel Institute of Technology

Uzi de Haan  
Technion Israel Institute of Technology

Recommended Citation
Sivan, Tali; Miron, Ella; Fiegenbaum, Avi; Erez, Miriam; and de Haan, Uzi (2006) "ENTREPRENEURIAL TEAMS AND THE OPPORTUNITY RECOGNITION PROCESS (SUMMARY)," Frontiers of Entrepreneurship Research: Vol. 26: Iss. 9, Article 9. Available at: http://digitalknowledge.babson.edu/fer/vol26/iss9/9

This Summary is brought to you for free and open access by the Entrepreneurship at Babson at Digital Knowledge at Babson. It has been accepted for inclusion in Frontiers of Entrepreneurship Research by an authorized administrator of Digital Knowledge at Babson. For more information, please contact digitalknowledge@babson.edu.
ENTREPRENEURIAL TEAMS AND THE OPPORTUNITY RECOGNITION PROCESS

Tali Sivan, Technion Israel Institute of Technology
Ella Miron, Technion Israel Institute of Technology
Avi Fiegenbaum, Technion Israel Institute of Technology
Miriam Erez, Technion Israel Institute of Technology
Uzi de Haan, Technion Israel Institute of Technology

Principal Topic

The current study focuses on the process dynamic and the knowledge base for the Opportunity Recognition process (OpR) in entrepreneurial teams. We propose that the process of OpR can be improved using teamwork, leading to opportunities with higher expected economic value.

We extend Wiklund and Shepherd's (2003) study that showed a positive effect of firm’s knowledge-based resources on performance. They demonstrated that knowledge has strong performance implications, because it increases the firm's ability to discover and exploit opportunities. We propose that effective teamwork can potentially enhance Entrepreneurial Team knowledge and lead to the discovery of opportunities with higher expected values. More specifically, we examined the following team characteristics: Teams diversity in terms of education and experience (Campion et al. 1993). Task interdependence, that expresses the extent to which team members depend on each other at work (Schippers, Hartog, & Koopman, 2001). Team reflexivity that involves feedback seeking on the team processes, goals and actions, and analyzing the data for improvement (West, 1996) and task related team conflict and controversy. (West, 1990). We hypothesize that knowledge mediates the effect of team diversity, task interdependence, reflexivity, and task related conflicts on the expected economic values of the identified opportunities.

Method

The sample consisted of 22 teams of MBA students who participated in entrepreneurship projects, aiming to search and identify the best business opportunity of a Technion patented invention together with the inventor.

We used a triangular approach including interviews, observations, and quantitative data.

We used a questionnaire to assess team processes and knowledge. VC willingness to invest in the patent was used as a Performance measure representing its expected economic value.

Results and Implications

The results supported the research hypotheses: team diversity, Task interdependence and team reflexivity had a positive effect on team knowledge and on the opportunity overall expected economic value, while task related conflict had a negative effect. Knowledge positively affected the opportunity expected economic value; knowledge mediated the team characteristics – outcomes relationship. The contribution of this study is threefold: First, the study introduces the entrepreneurial team as an important factor that enhances the opportunity recognition, and its economic value. Second, it demonstrates the importance of effective teamwork to the OpR process. Third, the research provides a model for improving the OpR process and outcomes in university settings.

CONTACT: Tali Sivan; sivant@technion.ac.il