CREATING HUMAN CAPITAL PORTFOLIOS IN HIGH TECH START UPS: THE PROCESS OF HANDLING TEAM DYNAMICS AND COMPLEXITY? (SUMMARY)

Iris Vanaelst  
*Vrije Universiteit Brussel, Vanaelst@vub.ac.be*

Bart Clarysse  
*Vlerick Leuven Ghent Management School*

Rosette S’Jegers  
*Vrije Universiteit Brussel*

Deniz Ucbasaran  
*Nottingham University Business School*

Recommended Citation  
Vanaelst, Iris; Clarysse, Bart; S’Jegers, Rosette; and Ucbasaran, Deniz (2006) "CREATING HUMAN CAPITAL PORTFOLIOS IN HIGH TECH START UPS: THE PROCESS OF HANDLING TEAM DYNAMICS AND COMPLEXITY? (SUMMARY)," *Frontiers of Entrepreneurship Research* Vol. 26: Iss. 14, Article 11. Available at: http://digitalknowledge.babson.edu/fer/vol26/iss14/11

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.
SUMMARY

CREATING HUMAN CAPITAL PORTFOLIOS IN HIGH TECH START UPS: THE PROCESS OF HANDLING TEAM DYNAMICS AND COMPLEXITY?

Iris Vanaelst, Vrije Universiteit Brussel
Bart Clarysse, Ghent University, Vlerick Leuven Ghent Management School
Rosette S’Jegers, Vrije Universiteit Brussel
Deniz Ucbasaran, Nottingham University Business School

Principal Topic

Existing research found that high growth firms show a variation in terms of their growth paths. One element of consensus across the studies is the importance of human capital in explaining growth. The creation of high tech new ventures is more often the collective effort of an entrepreneurial team. As such an entrepreneurial team can be considered to be the embodiment of a portfolio of human capital. In this paper we explore the evolution and influence of a venture’s portfolio of human capital at the start up of the venture and its evolution over the growth path by examining the experiential, functional and cognitive heterogeneity of the entrepreneurial teams.

In summary, our research question is: how and why does the portfolio of human capital of high tech ventures evolve over the growth path of the venture?

Method

In this paper we employ a case-study methodology. Our sample of 50 ventures was selected from a unique dataset of innovative ventures created between 1990-2000, in a specific region. Our entrepreneurial teams are analyzed in terms of their experiential, functional and cognitive heterogeneity as well as the team turnover during the venture’s life cycle.

Results and Implications

Our analysis offers insights into the process by which the portfolio of human capital present within an entrepreneurial team at the pre-founding stage, unfolds and changes as the venture evolves. We explore the extent to which the value of experiential, functional and cognitive heterogeneity may vary along the venture’s growth path. The insights offered by our findings have implications for both researchers and a variety of practitioners. By exploring the way in which an entrepreneurial team’s portfolio of human capital changes over its lifetime, we are able to offer guidance to stakeholders seeking to create and manage this portfolio to allow the venture to proceed to the next step in its growth path.

CONTACT: Iris Vanaelst; Vrije Universiteit Brussel, Department of Business Economics & Strategic Management, Pleinlaan 2, 1050 Brussels, Belgium; (T): +32 2 629 20 14; (F): +32 2 629 38 60; Iris.Vanaelst@vub.ac.be