

6-12-2010

ENTREPRENEURIAL INTENTIONS FOR SUBSISTENCE, LIFESTYLE, SPECULATIVE AND GROWTH OPPORTUNITIES: THE IMPACT OF DIFFERING PERCEPTIONS OF DESIRABILITY AND FEASIBILITY (INTERACTIVE PAPER)

Evan J. Douglas

University of the Sunshine Coast, Edouglas@usc.edu.au

Bari Lynn Bendell

Indiana University

Recommended Citation

Douglas, Evan J. and Bendell, Bari Lynn (2010) "ENTREPRENEURIAL INTENTIONS FOR SUBSISTENCE, LIFESTYLE, SPECULATIVE AND GROWTH OPPORTUNITIES: THE IMPACT OF DIFFERING PERCEPTIONS OF DESIRABILITY AND FEASIBILITY (INTERACTIVE PAPER)," *Frontiers of Entrepreneurship Research*: Vol. 30: Iss. 6, Article 18.

Available at: <http://digitalknowledge.babson.edu/fer/vol30/iss6/18>

This Interactive Paper 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.

INTERACTIVE PAPER

ENTREPRENEURIAL INTENTIONS FOR SUBSISTENCE, LIFESTYLE, SPECULATIVE AND GROWTH OPPORTUNITIES: THE IMPACT OF DIFFERING PERCEPTIONS OF DESIRABILITY AND FEASIBILITY

*Evan J. Douglas, University of the Sunshine Coast, Australia
Bari Lynn Bendell, Indiana University, USA*

Principal Topic

Empirical studies of entrepreneurial intentions that neglect the opportunity side of the nexus may confound the influence of opportunities and individuals, such that results attributable to individuals might also include the impact of the specific new venture opportunities envisioned. Accordingly, this paper examines the antecedents of the intention to start a particular type of new venture.

Method

A typology of new venture types was developed based on the salient outcomes offered by the new venture. Subsistence, lifestyle, speculative and growth ventures, form two main groups – subsistence and lifestyle ventures both supply relatively greater intrinsic outcomes of the new venture, while speculative and growth ventures both supply potentially more wealth at greater risk exposure. Using self-determination theory (Deci & Ryan, 1985) and person-environment fit literature (Kristof-Brown, Zimmerman & Johnson, 2005) we argue that individuals will choose the type of new venture that best serves their personal wellbeing.

Our sample was MBA students. We used De Noble, Erlich & Jung's (1999) 23-item entrepreneurial self-efficacy instrument and collected individual demographic data. Another survey was reveal the degree of preference for each type of new venture.

Results and Implications

The conjoint experiment revealed individuals' attitudes to the five main outcomes of any career alternative. Hierarchical linear modeling demonstrated that all five outcomes are highly significant variables in the individual's career choice. Factor analysis of the new-venture-types survey revealed that respondents' intentions are separate and distinct as a two-factor solution. The first factor we named 'lifestyle-focused' entrepreneurship, and the second factor we named 'wealth-focused' entrepreneurship. Intention for lifestyle-focused entrepreneurship was negatively related to attitude to income and negatively related to risk tolerance. Conversely, the intention for wealth-focused entrepreneurship was negatively related to the attitude to intrinsic outcomes and positively related to risk tolerance.

This study makes three main contributions to the literature. First, we clarify the types of new venture start-ups previously identified. Second, we incorporate the type of new venture into the entrepreneurial intentions literature. Third, we demonstrate that the formation of entrepreneurial intentions will differ according to the type of new venture contemplated.

CONTACT: Evan Douglas; Edouglas@usc.edu.au; (T): +61 7 5430 1230; University of the Sunshine Coast, Maroochydore, Qld, Australia, 4558.