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LINKING THE FIVE DIMENSIONS OF EO TO ENTREPRENEURIAL BRICOLAGE: A STUDY OF SMALL KNOWLEDGE-INTENSIVE FIRMS

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Principal Topic
It has been suggested that bricolage can help firms build a resource base from seemingly nothing, but that bricolage can also spin out of control and eventually limit growth (e.g. Baker & Nelson, 2005). Yet, “bricoleurs” are clearly able to innovate, proactively solve customer needs, and take risks by challenging the institutional environment. However, mainstream research on entrepreneurial orientation (EO) suggests that a combination of innovativeness, proactiveness, and risk taking linearly promotes growth (e.g. Rauch et al., 2009). To resolve this paradox, we make use of the additional autonomy and competitive aggressiveness dimensions of EO (Lumpkin & Dess, 1996). We hypothesize that firms that are entrenched in habitual “parallel” bricolage have high entrepreneurial autonomy, but are less competitively aggressive. This would limit their growth particularly in hostile environments (Lumpkin & Dess, 2002) - the very settings that seemingly promote bricolage.

Method
We use survey data from Finnish software companies from 5 to 100 employees with a sample size of 199. The 14-item EO measure was adopted from the literature (Kreiser, Marino, and Weaver, 2002; Lumpkin & Dess, 2001; Lumpkin et al., 2009). Bricolage was measured using a new semantic differential scale that is under development. The factor structure of the constructs and their relationships were examined with structural equation modeling.

Results and Implications
Our analyses find positive and significant relationships between bricolage and proactiveness, autonomy, and innovativeness dimensions of EO. However, we find the relationships between bricolage and competitive aggressiveness and risk-taking to be nonsignificant. Demonstrating that proactiveness and competitive aggressiveness relate differently to bricolage suggests that distinguishing these two dimensions has empirical utility (e.g. Lumpkin & Dess, 2001). Furthermore, it seems that bricolage behavior channels itself more through entrepreneurial autonomy than entrepreneurial risk taking. Overall, our findings suggest that the five-dimensional EO construct is more useful in understanding the behavior of entrepreneurial firms compared to its three dimensional variant. Consequently, our findings bring some relief to the theoretical tensions between bricolage, EO, and firm growth.

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