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10 YEARS OF PSED DATA - CHANGING THE GAME OR NOT (INTERACTIVE PAPER)

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Principal Topic
This study provides empirical answers to three questions: 1) how do new venture initiatives change in the nascent venturing process. 2) Is it possible to identify and track change agents across time and 3) how do change influence performance in the nascent venturing process across time. Asking these questions is important for two main reasons: 1) creating awareness about change and its antecedents could help entrepreneurs in their strategizing efforts in the nascent venturing process in order to be more efficient. Understanding change also increases our ability to develop more dynamic explanations to entrepreneurship as well as to reduce methodological errors in longitudinal studies.

Method
Data comes from the Swedish Panel Study of Entrepreneurial Dynamics (PSED), which follow 623 venture opportunities over a period of six years. This is a unique research design and the first in the PSED framework that have information about the entrepreneurial process from inception through gestation and new venture formation to a new venture birth or abandonment. We interviewed each venture initiative every sixth month during the initial 24 months and then a follow-up interview approximately 6 years after the first interview.

Results and Implications
Concluding this paper it is possible to argue that change is present in the nascent venturing process, however, not at all in the magnitude the author expected. Approximately 15.6 % (n=97) ventures change exploiting entrepreneur (champion) during the first 6 years. Empirical results shows that 78.8% (n=491) do not change business idea and that 21.2 % (n=132) change their business idea during the nascent and early stages of the entrepreneurial process. Most important change agents are customers and partners.

Implications are of two kinds, one suggesting that change could be a significant error source in any analysis of the nascent venturing process. Assume we draw a random sample in which approximately 15 % change entrepreneur and 21% change idea; should these ventures be excluded from the analysis? Great care should be taken in order to understand heterogeneity across time both for researchers and practitioners.

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