

Blake D. Petty
Executive Director

GCEC Award Nomination Package

Cover Page

- Texas A&M University
- McFerrin Center for Entrepreneurship
- Exceptional Contributions in Entrepreneurship Research
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Research Goals

The McFerrin Center for Entrepreneurship seeks to support and advance world-class research in the field of Strategic Entrepreneurship. The central goal of Strategic Entrepreneurship is to understand why some organizations, whether start-ups or established firms, are successful in identifying and pursuing new entrepreneurial opportunities, while others are not.

“Firms, therefore, create wealth by identifying opportunities in their external environments and then developing competitive advantages to exploit them... *strategic entrepreneurship* results from the integration of entrepreneurship and strategic management knowledge.”¹

Through the foundational work of Dr. Duane Ireland, Dr. Michael Hitt, and other scholars at Texas A&M University, The McFerrin Center for Entrepreneurship at the Mays Business School holds a leadership position in establishing and advancing this important field of study within entrepreneurship.

Entrepreneurial research activities for the McFerrin Center for Entrepreneurship are organized and led by Dr. Michael Howard, who serves as Academic Director for the McFerrin Center and Associate Professor in the Management Department at the Mays Business School. Dr. Howard’s leadership role in the McFerrin Center creates an important connection between the entrepreneurial research scholars at Texas A&M and the many current and former student entrepreneurs participating in the more than 30 programs offered by the McFerrin Center.

Research Focus

The McFerrin Center seeks a balanced approach toward research, incorporating elements of theory development, large-scale empirical studies, and applied research that seeks to integrate cutting edge knowledge in the entrepreneurship discipline for use in the classroom and in the business setting. With direct financial and operational support of the McFerrin Center, faculty and students at the Mays Business School have presented original studies in entrepreneurship at many prominent international research conferences, including:

- Babson College Entrepreneurship Research Conference
- G-Forum Annual Interdisciplinary Conference on Entrepreneurship, Innovation and SMEs
- Academy of Management Annual Conference
- Strategic Management Society Annual Conference; Special Conference on Strategy, Technology and Society

Texas A&M scholars supported through the McFerrin Center have established an impressive track record of entrepreneurship research in top academic journals, demonstrating the broad impact of the McFerrin Center in the academic community. This group features twelve tenured or tenure-track faculty and six doctoral students who are active in one or more academic research projects

¹ Ireland, R.D., Hitt, M.A. and Sirmon, D.G., 2003. A model of strategic entrepreneurship: The construct and its dimensions. *Journal of Management*, 29(6), p.966.

in entrepreneurship. A summary of recent publications and conference abstracts by our researchers in the field of Strategic Entrepreneurship is provided in the appendix.

Our scholars have supported entrepreneurship research by serving as editors, working as reviewers or through membership on editorial boards in the topic area of entrepreneurship in outlets including the *Academy of Management Journal*, *Strategic Management Journal*, *Strategic Entrepreneurship Journal*, and the *Journal of Business Venturing*. They have also been recognized for their achievement in the academic community through research awards including the Schulze Publication Award from the Entrepreneur & Innovation Exchange and the FGF Norbert Szyperski Technology and Innovation Management Award from the Szyperski Foundation.

The McFerrin 360 Survey Project

Identifying which individuals are most likely to become entrepreneurs remains a key goal for researchers, entrepreneurship centers, policy makers, and many other stakeholders who are involved in the study and support of entrepreneurial activity. A growing thread of research suggests that third-party respondents may effectively assess individual traits of research study subjects. For example, this technique has often been applied in 360-degree feedback performance evaluations in the human resource setting.

Scholars working through the McFerrin Center have constructed a 360-degree survey tool capturing a broad collection of individual traits and characteristics associated with entrepreneurship – persistence, tolerance of risk, environmental scanning for opportunities, and many other categories. These core characteristics were established through an interview research program which collected insights from entrepreneurs and business leaders in the Aggie 100, a signature program of the McFerrin Center that recognizes the top 100 fastest growing businesses founded, owned, or operated by former Texas A&M students. The McFerrin 360 tool can be used to assess the propensity of individuals to engage in entrepreneurship by soliciting feedback from their employers, peers, family members, and others who may be in a position to evaluate their characteristics and behaviors.

Pilot studies of subjects in Strategic Entrepreneurship and Management Strategy classes have been completed, and the McFerrin 360 Survey will now be comprehensively implemented with the incoming freshman class of Texas A&M in the Fall 2020 semester, with the goal of sampling 4,500 students. This will support the long-term effort to assess the entrepreneurial propensity within the student body, observe entrepreneurial activity across a broad timespan, and establish a detailed longitudinal dataset that may be applied to many important questions in entrepreneurship research.

Applied Research through Case Analysis

Scholarly research provides the most value when it is quickly and thoughtfully applied in the classroom and business setting. To accomplish this goal, the McFerrin Center has recently launched the McFerrin Entrepreneurship Case Series. In this series, tenured faculty in the Mays Business School are encouraged to collaborate with graduate students in our Master of Science in Entrepreneurial Leadership program to develop Strategic Entrepreneurship business cases. This provides an opportunity for faculty to demonstrate theories and concepts from their primary

research in the context of real-world decisions faced by entrepreneurs, expanding the impact of their work. Cases developed through this initiative have recently been accepted for presentation in the Social Impact and Sustainability Track of the North American Case Research Association Annual Conference (NACRA).

Stakeholder Engagement

The McFerrin Center has established a broad ecosystem of stakeholders who are dedicated and committed to the advancement of entrepreneurship through the development and application of academic research. This includes academic faculty, graduate students, research collaborators from partner schools, as well as entrepreneurs and business leaders. By supporting and integrating the efforts of these stakeholders, we seek to increase the scope and scale of our research in Strategic Entrepreneurship, while guiding our efforts toward topics that have the greatest potential to make a meaningful impact in our field.

To this end, we have established a Strategic Entrepreneurship major area of study for Mays Management Department doctoral students, supporting the enrollment of additional Ph.D. students majoring in SE who pursue and support academic research. We also offer an annual Strategic Entrepreneurship Doctoral Student Award, providing financial grants to the students who submit the most promising research proposals in this subject area.

The McFerrin Center has also sought to promote an active exchange of research ideas with external universities. For example, we have established a research exchange relationship with the University of Hohenheim in Stuttgart, Germany, hosting reciprocal visits between scholars from their entrepreneurship program and our own faculty over the past five years. This has offered tremendous opportunities for sharing new ideas and research insights, as well as conducting collaborative research studies that focus on cross-national aspects of innovation and entrepreneurship.

The McFerrin Center is very fortunate to also have the support and guidance of a loyal group of entrepreneurs and leaders in the business community, which has enriched our efforts in Strategic Entrepreneurship research in a number of ways. Our team hosts regular meetings with the McFerrin Center Advisory Council - comprised of successful business owners and entrepreneurs - in which we review and solicit feedback on the entrepreneurship research pipeline supported by the Center. This helps us identify emerging topics and phenomena from the business world. Our business stakeholders have also been instrumental in facilitating research data collection, the implementation of qualitative interview studies, and sharing stories of their own business challenges to provide the topics for business case development. In turn, these stakeholders benefit from an ongoing exchange of ideas grounded in the latest research, providing them with new insights and avenues for pursuing their own entrepreneurial opportunities.

Appendix 1: Entrepreneurship and Innovation Research Recently Published or Accepted for Publication

Citation (A&M Management Faculty and Students)	Description
Ahlstrom, D., Arregle, J., Hitt, M.A. , Qian, G., Ma, X. and Faems, D. 2020. Managing Technological, Sociopolitical, and Institutional Change in the New Normal. <i>Journal of Management Studies</i> , 57(3), pp. 411-437.	Conceptual article examining the role of macroeconomic and technological change on strategic management
Webb, J.W., Khoury, T.A. and Hitt, M.A. , 2020. The Influence of Formal and Informal Institutional Voids on Entrepreneurship. <i>Entrepreneurship Theory and Practice</i> , 44(3), p.504-526.	Theory paper examining the role of institutional voids on forms and objectives of entrepreneurial activity
Lee, J.M., Yoon, D. and Boivie, S. , 2020. Founder CEO Succession: The Role of CEO Organizational Identification. <i>Academy of Management Journal</i> . 63(1), pp.224-245.	Empirical study of CEO organizational identification and its impact on succession decisions
Murnieks, C.Y., Klotz, A.C. , & Shepherd, D.A. 2020. Entrepreneurial motivation: A review of the literature and agenda for future research. <i>Journal of Organizational Behavior</i> , 41(2), 115-143.	Review paper of the entrepreneurial motivation literature.
Boeker, W., Howard, M. , Basu, S. and Sahaym, A. 2019. Interpersonal Relationships, Digital Technologies, and Innovation in Entrepreneurial Ventures. <i>Journal of Business Research</i> , in press.	Empirical study of the role of digital technologies in enabling knowledge spillovers to new ventures
Howard, M. , Boeker, W. and Andrus, J., 2019. The Spawning of Ecosystems: How Cohort Effects Benefit New Ventures. <i>Academy of Management Journal</i> , 62(4), pp.1163-1193.	Empirical study of collaborative ecosystems formed through entrepreneurial employee migration
Lahiri, A., Cox Pahnke, E., Howard, M. , Boeker, W. 2019. Collaboration and informal hierarchy in innovation teams: Product introductions in entrepreneurial ventures. <i>Strategic Entrepreneurship Journal</i> . 13(3), pp.326-358.	Empirical study of the effects of founding team characteristics on new venture product launch
Carnes, C.M., Gilstrap, F.E., Hitt, M.A. , Ireland, R.D. , Matz, J.W. and Woodman, R.W. , 2019. Transforming a traditional research organization through public entrepreneurship. <i>Business Horizons</i> , 62(4), pp.437-449.	Review and case study of entrepreneurial change in public sector organizations
Nason, R.S., Wiklund, J., McKelvie, A., Hitt, M. and Yu, W., 2019. Orchestrating boundaries: The effect of R&D boundary permeability on new venture growth. <i>Journal of Business Venturing</i> , 34(1), pp.63-79.	Empirical study of R&D boundary permeability and new venture performance
Jiang, H., Cannella, A.A. and Jiao, J., 2018. Does desperation breed deceiver? A behavioral model of new venture opportunism. <i>Entrepreneurship Theory and Practice</i> , 42(5), pp.769-796.	Empirical study examining the conditions under which entrepreneurs engage in opportunism

Appendix 1: (continued)

Citation (A&M Management Faculty and Students)	Description
Withers, M.C., Ireland, R.D., Miller, D., Harrison, J.S. and Boss, D.S., 2018. Competitive landscape shifts: The influence of strategic entrepreneurship on shifts in market commonality. <i>Academy of Management Review</i> , 43(3), pp.349-370.	Theory paper linking strategic entrepreneurship to competitive dynamics to explain strategic decisions to enter competitors' markets
Hitt, M. and Ireland, R.D., 2017. The intersection of entrepreneurship and strategic management research. The Blackwell handbook of entrepreneurship, pp.45-63.	Examination of differential firm performance integrating strategy and entrepreneurship perspectives
McKenny, A.F., Allison, T.H., Ketchen Jr, D.J., Short, J.C. and Ireland, R.D., 2017. How should crowdfunding research evolve? A survey of the entrepreneurship theory and practice editorial board. <i>Entrepreneurship Theory and Practice</i> , 41(2), pp.291-304.	Reports findings of a survey of the editorial board of ET&P on the future direction of crowdfunding research
Short, J.C., Ketchen Jr, D.J., McKenny, A.F., Allison, T.H. and Ireland, R.D., 2017. Research on crowdfunding: Reviewing the (very recent) past and celebrating the present. <i>Entrepreneurship Theory and Practice</i> , 41(2), pp.149-160.	Introduces the ET&P special issue on crowdfunding of new ventures
Sutter, C., Webb, J., Kistruck, G., Ketchen Jr, D.J. and Ireland, R.D., 2017. Transitioning entrepreneurs from informal to formal markets. <i>Journal of Business Venturing</i> , 32(4), pp.420-442.	Exploration of the role of institutions and intermediaries in the transition from informal to formal markets
Wright, M. and Hitt, M.A., 2017. Strategic entrepreneurship and SEJ: Development and current progress. <i>Strategic Entrepreneurship Journal</i> , 11(3), pp.200-210.	Retrospective article on the creation of the Strategic Entrepreneurship Journal
Howard, M.D., Steensma, H.K., Lyles, M., & Dhanaraj, C. 2016. "Learning to collaborate through collaboration: How allying with expert firms influences collaborative innovation within novice firms" <i>Strategic Management Journal</i> , 37: 2092-2103.	Empirical study of the effects of alliance activity on young technology ventures
Jaskiewicz, P., Combs, J.G., Ketchen Jr, D.J. and Ireland, R.D., 2016. Enduring entrepreneurship: antecedents, triggering mechanisms, and outcomes. <i>Strategic Entrepreneurship Journal</i> , 10(4), pp.337-345.	Introduces the SEJ special issue on enduring entrepreneurship
Klotz, A.C. and Neubaum, D.O., 2016. Article Commentary: Research on the Dark Side of Personality Traits in Entrepreneurship: Observations from an Organizational Behavior Perspective. <i>Entrepreneurship Theory and Practice</i> , 40(1), pp.7-17.	Commentary proposing new avenues of inquiry for the study of personality in entrepreneurship

Appendix 1: (continued)

Citation (A&M Management Faculty and Students)	Description
Markman, G., Devinney, T.M., Pedersen, T. and Tihanyi, L. , 2016. Global entrepreneurship: Assessment and challenges. In <i>Global entrepreneurship: Past, present & future</i> (pp. 35-43). Emerald Group Publishing Limited.	Exploration of the emergence of ventures that operate internationally at their founding
Pryor, C., Webb, J.W., Ireland, R.D. and Ketchen, Jr, D.J., 2016. Toward an integration of the behavioral and cognitive influences on the entrepreneurship process. <i>Strategic Entrepreneurship Journal</i> , 10(1), pp.21-42.	Theory paper examining sensemaking and structuration in the entrepreneurship process
Sahaym, A., Howard, M.D. , Basu, S., & Boeker, W. 2016. "The parent's legacy: Firm founders and technological choice" <i>Journal of Business Research</i> , 69: 2624-2633.	Empirical study of the effects of venture founding team characteristics on innovation strategy

Appendix 2: Select Abstracts from Conferences and Awards

Babson College Entrepreneurship Research Conference, 2020

DISENTANGLING THE INFLUENCE OF SERIAL ENTREPRENEURS

*Inn Hee Gee, Texas A&M University, College Station, TX, USA
Michael Howard, Texas A&M University, College Station, TX, USA
Emily Cox Pahnke, University of Washington, Seattle, WA, USA*

ABSTRACT

This study explores technology strategy as a key mediating mechanism explaining the influence of serial entrepreneurs on new venture success. The ability of serial entrepreneurs to draw from their prior experience in exploiting familiar and well-established technologies may be beneficial for subjective outcomes, such as the assessment of prospects for entrepreneurial success by venture capital (VC) investors. However, such strategies may hinder objective performance outcomes such as executing an initial public offering (IPO) or launching a new product. As described in our theoretical framework, relying on older technologies or those used in prior ventures may undermine the optimal balance between exploration and exploitation. We find strong empirical evidence to demonstrate this mediating role of serial entrepreneur technology strategy in determining new venture outcomes.



Social Status, Social Exchange, and Deference: Asymmetric Tie Formation between New Ventures

*Michael Howard, Texas A&M University, College Station, TX
Leif Brändle, University of Hohenheim, Stuttgart, Germany
Toby Li, Texas A&M University, College Station, TX*

Abstract

New venture growth and survival depend on attracting valuable partners, in some cases working with other ventures of significantly higher social status. Prior research has highlighted benefits for a low-status firm working with a high-status partner, such as building legitimacy. However, tie formation is a dyadic decision, and it is unclear how a high-status partner agrees to such an asymmetric partnership. Drawing on social exchange theory, we explore how a low-status venture can strategically engage in organizational deference to increase its attractiveness. Preliminary results from a 26-year panel dataset of 660 US biotech ventures suggest that: 1) alliance formation between status-asymmetric partners is less likely; but 2) a low-status venture engaging in deference towards the high-status party significantly increases the likelihood of their partnership formation.

ISOMORPHIC FORMS, NEW VENTURE LEGITIMACY, AND THE PURSUIT OF VENTURE CAPITAL

*Inn Hee Gee, Texas A&M University, College Station, TX
Chi Hon Li, Texas A&M University, College Station, TX*

ABSTRACT

We develop a theoretical framework in which the adoption of different isomorphic forms creates additive advantages in gaining access to resources, though this effect can be substituted through other sources of new venture legitimacy. Based on results using 659 U.S. VC-backed firms in the biotech industry, our study provides strong evidence that new ventures entering more common market segments attract greater VC funding. We find that the effect is accelerated as new ventures exhibit exoisomorphism (alignment with external parties) and as they show endoisomorphism (alignment with parent firms). We also examine the role of media in influencing venture capitalists' perceptions of new ventures, finding a compensatory relationship. Our findings offer important theoretical implications for entrepreneurship research and the nature of isomorphism in new venture settings.



**Norbert Szyperki
Technology and Innovation Management Research Award 2018**

**INFORMAL KNOWLEDGE SOURCES, DIGITAL TECHNOLOGIES, AND
INNOVATION IN ENTREPRENEURIAL VENTURES**

*Warren Boeker, University of Washington, Seattle, WA
Michael Howard, Texas A&M University, College Station, TX
Sandip Basu, Baruch College, New York, NY
Arvin Sahaym, Washington State University, Pullman, WA*

ABSTRACT

Innovation research has yet to characterize the role of informal knowledge sources such as former employers, prior collaborators, and proximate firms in facilitating innovation within new ventures. It remains unclear how such knowledge transfer may be shaped by the advance of digital technologies. This study examines how these knowledge sources and the context of the digital technologies in which they are produced influence the quality of knowledge developed by entrepreneurial ventures. Our results show that parent firm and co-inventor innovativeness significantly impact venture knowledge quality, enhanced when parents possess superior information technology systems. We also find that geographically local innovations provide similar benefits, though they are mitigated in regions with greater adoption of computer technologies. We test our predictions on a sample of 632 biotechnology ventures founded over a ten-year period, tracking their innovations over a subsequent ten-year period. We contribute to research on entrepreneurship, geographic location, and knowledge creation.

Appendix 3: McFerrin Center Org Chart

Executive Director
Blake Petty

Academic Director
Mike Howard

Open/Posted
Position FY21

Business Coord
Kathy Miller

Programming & Operations
All Program Logistics
MarComm
Mays Leadership Academy
EBV/Aggie 100

Asst Director
Shanna Spencer

Revenues & Alumni
AAN/AiB
Aggie Vistage
Alumni Program
Grants

Asst Director
LauraLee Hughes

Global Programs
Student Orgs
Curricular

Asst Director
Don Lewis

Program Mgr

Program Mgr

Comms. Coord
Stephanie Burns