Aspects of Entrepreneurship

Aspects of Entrepreneurship:

Practice and Passion

Edited by

Basu Sharma and Martin Wielemaker

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PREFACE

Below is the call for papers that we wrote for the Atlantic Schools of Business (ABS) Conference in 2015 held in Fredericton, NB, Canada. Apart from the introductory chapter that we wrote, this volume brings you five papers that were presented at the ABS conference and shed light on the passion and practice of entrepreneurship.

> *The pursuit of opportunity requires both drive and a reality check. Without passion, and a set of other traits typically associated with entrepreneurs (whether it is being tenacious, having a vision, or being comfortable with risk), it becomes hard to guide initiatives through treacherous unknown futures. It comes as no surprise that behind most new ventures stand driven, passionate entrepreneurs. Yet, new endeavors require their founders to put their passion in check. Assumptions about the opportunity (be it the customer and their needs, the proposed solution or the business model), need to be put to the test in practice. Rather than conceptualizing detailed plans and building organizations in isolation, engaging the real world along the way offers a valuable learning ground for falsifying and validating the entrepreneurial vision. (45th Annual Atlantic Schools of Business Conference, 2015)*

The demands of practice may clash with the passion of the entrepreneur. At the same time, the passion of the entrepreneur may be a driving force in entrepreneurial practice. How do we balance practice and passion? Could practice stifle innovation? Why is it that many innovations come from outside the areas in which they are to be put into practice? Could it be that passionate minds require isolation from practice to envision new innovations? At the same time, why is it that investors often replace the ventures' founders with experienced professionals? Could it be that the traits of passionate entrepreneurs are a hindrance to putting their visions into practice? The interaction of passion and practice raises many interesting questions and debates that we look forward to exploring with you.

In light of the above, we are privileged to bring you in this volume six papers grounded in practice by academics passionate about entrepreneurship. Arriving at this interesting collection of papers that shed light on the passion and practice of entrepreneurship was only possible thanks to the work of so many others. We would particularly like to thank the

anonymous reviewers who reviewed the five papers in this volume that were presented at the Atlantic Schools of Business Conference that took place in Fredericton, NB, Canada in the Fall of 2015. Their dedication is much appreciated. We are also indebted to the authors of the included papers for submitting their papers for incorporation into this volume. Finally, we also wish to thank the Faculty of Business Administration for their financial support to partially cover the cost of manuscript preparation for this publication.

Martin Wielemaker and Basu Sharma
Fredericton, NB, Canada
July 2017

CHAPTER ONE

INTRODUCTION: PASSION AND PRACTICE

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Why do some people act where others stand idly by? Existing entrepreneurship research identifies a plethora of factors that in some form or another can all be said to explain entrepreneurial initiative. The fundamental question then is whether there exists among all those factors a primary set that are more important than others. Shane and Venkataraman (2000) posit two key factors: Individuals and Opportunities. We argue that a key shortcoming of their Individual-Opportunity (IO) framework lies in the juxtaposition of the individual as distinct and separate from the opportunity. Instead, we propose a framework consisting of three primary factors: opportunity (goals), passion (motivation), and practice (means). All these factors must coexist and, rather than being separate from the individual, be enmeshed with the individual for entrepreneurship to flourish.

Key words: Passion, Practice, Opportunity, Communities of Practice, Practice Theory, Judgement Theory

Entrepreneurial endeavor has propelled society and humankind forward. This explains the ongoing quest to find the key ingredients that promote such initiative. While we acknowledge the importance of determining entrepreneurial antecedents at the national level, as evidenced by research on national innovation systems (e.g., Lundvall 2007), our interest instead lies at the individual level. Why do some act where others stay passive? The existence of such enterprising individuals is crucial, because without them national innovation systems would not exist and progress would come to a halt.

Theories of Entrepreneurship

A significant body of literature investigating attributes of such entrepreneurial individuals exists. Not surprisingly, much of the early interest into what propels these enterprising individuals has come from economists. They have proposed differing theories of entrepreneurship that relate to the phase of the entrepreneurial process they emphasize. The first phase is alternatively referred to as opportunity recognition, identification, discovery, or creation; the second phase is referred to as opportunity exploitation (Venkataraman 1997).

Trait Theories that Focus on Opportunity Exploitation

Neoclassical economists assumed that everyone can see opportunities, but that only certain people act on them (e.g., Khilstrom and Laffont 1979), namely those individuals with a particular set of traits, such as people with a higher tolerance for uncertainty. This is very much in line with psychological theories of entrepreneurship, which also see certain trait sets as key for why people pursue opportunity (McLelland 1961). These theories assume that there exists no problem with the identification or discovery of opportunities, as they are equally obvious to all. Instead, it is their exploitation that requires individuals with a certain make-up of traits to pursue them.

Knowledge Theories that Focus on Opportunity Discovery or Creation

Israel Kirzner (1973) disagreed with mainstream neoclassical economists, in that he did not believe all opportunities were obvious to all. Instead, he believed entrepreneurs were people who were more alert to discovering opportunities. Their alertness was the result of information asymmetries (Hayek 1945). Entrepreneurs, he argued, were people who possessed superior information allowing them to see opportunities where others could not see them. Shane (2000) explains that individuals will only recognize opportunities that relate to their prior knowledge, something referred to as a “knowledge corridor” (Ronstadt 1988). These researchers emphasized opportunity discovery over the exploitation phase and saw prior knowledge, as opposed to any trait, as the determining factor driving entrepreneurial initiative.

Schumpeter (1934) represents a second strand of thought that also attributes primary importance to the first phase, but, rather than opportunities being discovered, he believed they are created through recombinations of existing knowledge (Galunic and Rodan 1998). He sees entrepreneurship as innovation, whereas Kirzner sees it as a search process. Clearly, there are fundamental differences between Kirzner and Schumpeter, e.g., search versus creation (Alvarez and Barney 2007), yet they are also similar in that they emphasize the initial discovery or creation phase at the expense of the exploitation phase, and they both regard knowledge as the primary determinant of entrepreneurial behavior.

Action Theories that Seek to Bridge the Two Phases

The previous schools of thought have been criticized for their failure to recognize that both phases, opportunity discovery (or creation) and exploitation, must occur in order for entrepreneurial endeavors to reach fruition (Ardichvili, Cardozo, and Ray 2003). Foss and Klein (2010, 153), therefore, based on Knight (1921), propose an approach that "seeks to explain not only discovery, but action, … combining abstract processes of imagination and creativity with action on real markets." This action-based approach requires judgement, which as Foss, Foss, and Klein (2007, 1895) explain "refers primarily to business decision-making when the range of possible future outcomes, let alone the likelihood of individual outcomes, is generally unknown."

Because of its uncertainty, this judgement cannot be outsourced or obtained from markets, and this is why for the original idea or concept to become reality entrepreneurs must themselves also start an organization that converts it into a tangible method, material, good, or service and brings it to market. They in essence need to become resource allocators or capitalists to make their opportunity a reality:

> *there is no market for the judgment that entrepreneurs rely on and, therefore, exercising judgment requires the person with judgment to purchase and organize factors of production—in other words, to start a firm. Judgment thus implies asset ownership, for judgmental decision-making is ultimately decision-making about the employment of resources. (Foss and Klein 2010, 164)*

Existing Entrepreneurship Frameworks

The above schools of thought all agree on one aspect—entrepreneurship requires opportunity. Entrepreneurship after all has been defined (Stevenson and Jarillo 1990, 23) as "a process by which individuals—either on their own or inside organizations—pursue opportunities without regard to the resources they currently control." We will touch on the second aspect later, but the first part is clear. Entrepreneurship is about the pursuit of opportunity. Any framework that seeks to describe entrepreneurship must, therefore, at minimum contain that aspect. There are various frameworks that have sought to depict the key determinants of entrepreneurship. We touch on some of these key ones below.

Individual-Opportunity Framework by Shane and Venkataraman

The Individual-Opportunity (IO) framework views "entrepreneurship [as] involv[ing] the nexus of two phenomena: the presence of lucrative opportunities and the presence of enterprising individuals" (Shane and Venkataraman 2000, 218). Objective opportunities are deemed to exist, separate from and outside of the individual. This IO framework is firmly grounded in a Kirznerian view of entrepreneurship, as it posits that individuals who have relevant prior knowledge are the ones who can see, i.e., identify, certain opportunities.

The IO framework has been criticized in vigorous debates for various reasons. One criticism is that the framework undervalues environmental forces (Zahra and Dess 2001). Shane and Venkataraman (2001) do feel those are incorporated; they just consider them as second order factors that impact the opportunity or the individual. We agree with Shane and Venkataraman that it is entirely appropriate and in fact very useful to distinguish between primary and secondary factors.

A constructivist criticism is that individuals and opportunities cannot be separated, as "opportunities are social constructions that do not exist independent of entrepreneur's perceptions" (Alvarez and Barney 2007, 15). However, Eckhardt and Shane argue that they do exist separately, as they define a "conjecture" as the subjective interpretation, i.e., an idea or concept, by an individual of an external opportunity. They define that opportunity as something objective, i.e., "technical and market constraints" (Eckhardt and Shane 2013, 163). However, we believe that most people in the startup world would agree with Alvarez and Barney (2007; 2013) and Garud and Giuliani (2013), as they would interpret an opportunity as an idea or concept that (an) individual(s) created, i.e., that it is subjective. In fact, it is for this very reason that the popular "Lean Startup" method (Blank 2013) requires that the "opportunity" be validated. As such, opportunities are most commonly not viewed as independent from individuals, thus undermining a key premise underlying Shane and Venkataraman's IO framework.

Actor-New Venture Idea-External Enabler-Opportunity Confidence Framework by Davidsson

Davidsson (2015) advocates both a constructivist and a realist perspective that opportunities can both be subjective and objective, something recently underscored also by Ramoglou and Tsang (2016). He has proposed a framework in which the two kinds of opportunities are distinguished. He labels subjective interpretations "New Venture Ideas" and objective external conditions "External Enablers." Actors form new venture ideas and refine them through a new venture creation process into actions. All of this is influenced by external enablers and the opportunity confidence of the actor.

We agree with Davidsson that it is helpful to distinguish between the two interpretations. In the general discourse within the startup world, the term "opportunity" is typically used to express the subjective interpretation, i.e., the new idea (Ramoglou and Tsang 2016). However, Davidsson's use of the word "opportunity" in "opportunity confidence," coupled with the word "new venture idea" to denote subjective opportunities, is problematic because it makes it appear that "opportunity" only refers to some objective opportunity not labelled in Davidsson's framework. This is counterintuitive to many, confusing, and thus problematic. More problematic is that the new venture, the subjective idea or concept, is depicted as separate from the actor, as it is at odds with Davidsson's own assertion that it is socially constructed by the actor. Finally, while there is nothing problematic with external enablers, we are in agreement with Shane and Venkataraman (2001) that including secondary factors clouds clarity around what the primary factors in the entrepreneurial process are.

Multifactor Framework by Ardichvili, Cardozo, and Ray

A more intuitive and earlier framework is that of Ardichvili et al. (2003). They conducted a literature review in which they aggregated various factors. At its core, they define entrepreneurship as a process in which a venture is formed. This entrepreneurial process is influenced by two factors. On the one hand, the entrepreneurial process is influenced by the type of opportunity being pursued. For this, they offer an interesting matrix that juxtaposes the value sought and the objective external conditions of an opportunity (i.e., the need) with the value created and the subjective interpretation of an opportunity (i.e., the solution). This results in four different types of opportunities, i.e., dreams, problem solving, technology transfer, and business formation. On the other hand, the entrepreneurial process is also influenced by Entrepreneurial Alertness, which is, in turn, influenced by Social Networks. Social networks then are seen as impacted by Prior Knowledge as well as Personality Traits.

The framework does a good job of removing the individual as a distinct factor and instead depicts attributes of that individual. We believe this to be a major advantage over the two previously discussed frameworks, as it recognizes that factors are enmeshed with the individual and not entirely separate. It also does a good job of capturing key factors identified in the literature. For example, it integrates both personality traits as well as prior knowledge. Finally, the matrix provides much needed clarity by explaining that an opportunity can be viewed both as an unmet need (the objective condition) as well as a solution (the subjective interpretation or the idea).

However, we disagree with the centrality of Entrepreneurial Alertness in the framework and the way causality is depicted. For example, the Entrepreneurial Process is directly impacted by "Entrepreneurial Alertness," a prototypical Kirznerian interpretation that is clearly at odds with neoclassical, psychological, or Schumpetarian views. Entrepreneurial alertness, in turn, is affected by Social Networks, which, in turn, is affected by Personality Traits. This sequence of causality may potentially occur, but neoclassical and psychological views would instead point to the direct impact of Personality Traits on the Entrepreneurial Process. And finally, having prior knowledge affect social networks is at odds with the author's discussion. One would, instead, have expected it the other way round.

A Practice-Passion-Opportunity Framework for Entrepreneurship

Having criticized the above frameworks, we owe it to propose our own. We do so acknowledging that we build on elements of the above frameworks that we deem to be well done. We also take on the implicit challenge put forward by Shane and Venkataraman's (2000) crisp and clear IO framework to only describe the most important primary factors, and to try and get as close as we can to a minimal set of factors. We believe such simple frameworks to be helpful for understanding the key driving forces. After all, large lists of factors are easy to tabulate, but come at the expense of clarity and insight.

All Entrepreneurial Theories Agree on Opportunity

We start the discussion of our model by revisiting the major theories of entrepreneurship we discussed previously. All these theories agreed that entrepreneurship was about opportunity, whether recognizing, creating, or pursuing it.

Agreement between the schools of thought does not go any further than the importance of there being opportunity. They have clear differences (see figure 1) on how to discover or exploit opportunity. At the same time, it can be argued that each school of thought exists because it has a clear reason justifying its existence. In other words, each school provides a sound and legitimate rationale for how to capitalize on an opportunity. For our framework, we will seek to distill a primary factor from each of these rationales.

Neoclassical and Psychological Theories Lead to Passion as a Primary Factor

Neoclassical and psychological theories assume opportunities are a-dime-a-dozen, and the key phase they focus on, therefore, is the exploitation phase. They emphasize the pursuit of opportunity, and, because this is no easy process, they point to having a certain set of traits as a key factor in being able to move initiatives forward. Fundamentally, their focus is on factors that motivate entrepreneurs to proceed, where others would abort or stay passive. Large lists of relevant traits for entrepreneurs have been formulated, ranging from self-efficacy to persistency, but there exists a body of research (e.g., Cardon, Wincent, Singh, and Drnovsek 2009) that shows that the overarching trait, the one above all others, that also encapsulates many of the other traits, including creativity, and motivates entrepreneurs, is Passion. Even though these theories focus on the exploitation phase, because Passion incorporates creativity, it turns out that it is also relevant for the initial opportunity creation phase. Staying true to the challenge to distill a primary factor, we thus take from this school of thought Passion as a primary factor.

Proponents	Foss and Klein	Kirzner	Schumpeter	Neoclassical/Psychological
Key Phase	Discovery and Exploitation	Discovery		Exploitation
Key process	Judgement	Search	Creation	Pursuit
Key factor	Actions	Prior Knowledge	Recombining Knowledge	Traits
Focus on	Means	Means		Motivation
Primary factor	Practice	Knowledge		Passion

Figure 1. The major entrepreneurship theories

Kirznerian and Schumpetarian Theories Point to Knowledge as a Primary Factor, but only for the Initial Discovery or Creation Phase

Obviously, Kirznerian and Schumpetarian theories are very different. The first believes entrepreneurs discover opportunities through superior prior knowledge, while the second believes entrepreneurs create opportunities by recombining knowledge. Yet, they are both similar in that they focus not on motivation but on inputs—the means—necessary to engage in entrepreneurship: knowledge. However, their views only apply to the initial discovery or creation of opportunities phase, when the opportunity is still an idea or concept.

Knightian Theories (Foss and Klein) Point to Practice as a Primary Factor

Knightian entrepreneurial theories, well articulated by Foss and Klein (2010), emphasize the use of judgement in order to take action in real-world settings that are rife with uncertainties. Like Kirznerian and Schumpetarian theories they focus on the inputs—the means—to engage in entrepreneurial action. However, because they emphasize both creation and exploitation, they do not exclusively take a conceptual, knowledge-based view of the entrepreneurial process, but a wider capitalist view. The entrepreneur, in order to convert his idea into reality, must organize capital, i.e., resources, competencies, people, etc. Because this typically involves resources beyond the ones they control, entrepreneurs must tap into their social networks to access those.

Because of the variety of inputs and networks needed there is no one variable necessarily more important than the other. As such, we are in need of a factor that encapsulates the inputs and networks needed to transform ideas into reality. We suggest Practice as the primary factor, because it builds on the real-world focus of the theory, encompasses the social networks that provide inputs, and also encapsulates the inputs themselves, i.e., capital, resources, and people. Finally, Practice also encapsulates knowledge and therefore also provides the means for the discovery phase, i.e., expertise in a field and the communities of practice that can be tapped into to “see” and create opportunity.

A Venn Diagram to Capture the Relationship between Opportunity, Passion, and Practice

Now that we have distilled three primary factors, the question is whether there is a best way to depict them. Rather than showing causality between the primary factors, which we found to be problematic in the previously discussed frameworks, we use a Venn diagram to depict the relationships between them. We were inspired by a Venn diagram by Mark Coopersmith listed in Guy Kawasaki's *Art of the Start 2.0* that contains most of our factors. It shows a Venn diagram of Passion, Opportunity, and Expertise, concepts that are virtually identical to ours. However, in the *Art of the Start 2.0*, Expertise is considered an individual or founder team aspect. We have replaced this with Practice, which operates both at the individual level and at the level of a community of people. Because, unfortunately, there is barely any discussion beyond a few sentences in the *Art of the Start 2.0* about Coopersmith's Venn diagram, we proceed, instead, to explain our own Venn diagram of Passion, Practice, and Opportunity (see figure 2).

The Entrepreneur(s)

Although the entrepreneur is not depicted in the Venn diagram, the three primary factors require that they are, at least to some extent, embodied in the same individual or team of individuals. While this is perhaps obvious for traits—they are personal by nature—it also applies to opportunity and practice. When the opportunity represents a solution, i.e., an idea or concept, it is a subjective interpretation and must by definition be created within an individual or small team of individuals. In the case of the opportunity being an unmet need, this is an external condition and is not automatically located within individuals. However, to be able to see that type of external opportunity, it must be internalized within individuals before a proper evaluation can be made. As for Practice, entrepreneurs must already have a level of knowledge and expertise that allows them to tap into knowledge from the field that they can further internalize. They must gain control over capital, resources, competencies, and people. They must also gain access to relevant networks. All this requires Practice to be absorbed, to some level, into individuals. Overall, then, we can consider, at least to a large extent, the three primary factors to be attributes of individuals, who are not depicted by the Venn diagram but are present behind it.

Opportunity

The most important component in the Venn diagram is the opportunity. There exists a plethora of definitions of opportunity (Davidsson 2015). We follow Ardichvili et al.'s (2003) explanation of an opportunity. They explain that an opportunity can represent an external condition, i.e., an unmet need, as well as a subjective interpretation, i.e., a solution. We follow them in regarding an opportunity as a dynamic concept, or, as Ardichvili et al. (2003) say, "'opportunities' describe a range of phenomena that begin unformed and become more developed through time." As Ardichvili et al. (2003) explain well, opportunities typically start out as an unmet need that customers may even be unable to articulate. They progress to articulated needs, then to a concept, business model, business plan, and initial organization. The process is not necessarily linear at all: steps can be skipped and phases can be repeated. Given this dynamic nature, an opportunity evolves through a process that spans opportunity recognition and exploitation.

Passion

Passion of the entrepreneur, as Smilor (1997, 342) explains, is

> *perhaps the most observed phenomenon of the entrepreneurial process…. Passion is the enthusiasm, joy, and even zeal that come from the energetic and unflagging pursuit of a worthy, challenging, and uplifting purpose. … It is the "fire in the belly" that makes the improbable possible.*

It has typically been considered something that resides within an individual, or, as Smilor says (342), "passion is intrinsic. Its locus is inside each one of us." However, such an understanding of passion fails to recognize that the passion may be related to the work or activity itself. After all, many individuals with a supposed "passion trait" are not necessarily passionate about all activities they engage in. Cardon and colleagues, therefore, argue that passion is ignited by the activities the individual engages in (2013; 2009; 2005). They define passion as

> *consciously accessible, intense positive feelings experienced by engagement in entrepreneurial activities associated with roles that are meaningful and salient to the self-identity of the entrepreneur. (2009, 517)*

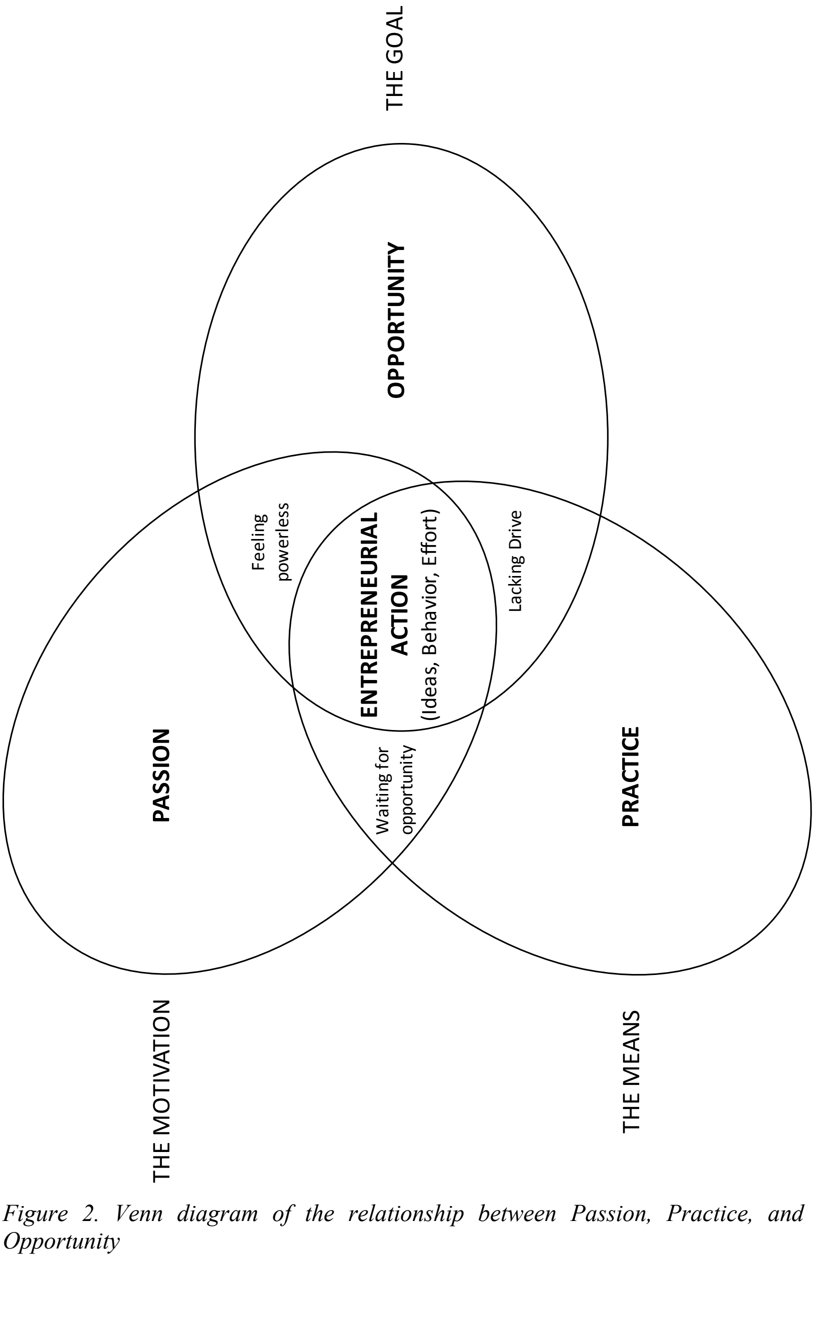

Figure 2. Venn diagram of the relationship between Passion, Practice, and Opportunity

They agree with previous researchers (e.g., Baum and Locke 2004) that at its core passion is an emotion or an energy consisting of an "intense positive feeling." However, in their view this is not just any positive feeling but only that which stems from being "engaged in something that relates to a meaningful and salient self-identity for them" (2009, 516), suggesting three such identities, namely, as an inventor, a founder, or a developer. The interesting point is that entrepreneurs are not necessarily passionate by nature (passion as a trait); rather, it is that the entrepreneurial activities they engage in provide them with role-identities that elicit these positive feelings.

Previous neoclassical and psychological theories had pointed to a wide variety of traits as being key to entrepreneurial behavior (e.g., Zhao, Seibert, and Lumpkin 2010). Passion is one such a trait, although Cardon et al. have shown that it may be contingent on and brought about by the type of activities one engages in. Notwithstanding, within the larger set of traits that have been associated with entrepreneurship, passion is increasingly seen as the primary explanatory factor for entrepreneurial behavior (Cardon, Post, and Forster 2017; Cardon et al. 2009; Knorr Cetina and Bruegger 2000; Gherardi, Nicolini, and Strati 2007; Murnieks, Mosakowski, and Cardon 2014; Sie and Yakhlef 2013).

Passion, in the view of Cardon et al., facilitates creative problem-solving, persistence, and absorption, all of which can be applied to each of the entrepreneurial phases and from which entrepreneurs derive their identities, i.e., opportunity recognition (inventor identity), venture creation (founder identity), and venture growth (developer identity). Passion is not only an individual construct; researchers have found that it also applies to entrepreneurial teams (Cardon, Post, and Forster 2017). Because of the primary importance of passion for entrepreneurship, the fact that it applies to all entrepreneurial phases, encompasses other desirable and relevant traits and behaviors, and can be shared within a team, it constitutes our second primary factor.

Practice

Entrepreneurs need to take actions in a real-world setting that move their venture forward. These entrepreneurial actions and activities constitute practice (Ma and Tan 2006, 713): "a process of everyday practical coping" (Clercq and Voronov 2009, 398). Because entrepreneurs pursue opportunities beyond the resources under their control (Stevenson and Jarillo 1990), many of their actions and activities are aimed at obtaining knowledge, competencies, resources, capital, people, and other factors that they require for the realization of their opportunity.

The practice perspective (Gartner, Stam, Thompson, and Verduyn 2016; Jarzabkowski 2005; Lounsbury and Crumley 2007; Shatzki 2001; Whittington 2006) clarifies that practice refers not just to actions undertaken by such individuals, but as Smets, Morris, and Greenwood (2012, 879) explain, also to "patterns of activities that are given thematic coherence by shared meanings and understandings." In other words, they also refer to a social context or network that is connected to that entrepreneurial activity, sometimes referred to as a community of practice (Lave and Wenger 1991). We should be clear that practice theory does not focus on either the individual or the social setting at the expense of the other. Instead, it is the interplay between the two that matters, or, as Osterlund and Carlile (2005, 92) explain, "in the relational thinking found in practice theory, subjects, social groups, networks, or even artifacts develop their properties only in relation to other subjects, social groups, or networks." Through their shared understandings, such communities of practice facilitate knowledge sharing and learning (Brown and Duguid 1998; 2001), something of key importance to new ventures.

These communities of practice represent social networks, or, as Lefebvre, Lefebvre, and Simon (2015, 502) explain, "entrepreneurial networks are therefore socialization systems designed to create favourable social interaction conditions for helping entrepreneurs to become better practitioners." And they offer more than just knowledge sharing. These same communities of practice are identical to, or otherwise they are at least closely intertwined with, social networks that provide all sorts of resources to the entrepreneurs, whether capital, people, or factors of production (Aldrich and Zimmer 1986). In essence, they enable the entrepreneur to tap "into external sources to augment the limited resources of the firm" (Zontanos and Anderson 2004, 228). While this is a wider definition of communities of practice than some may like (Cox 2005), we feel it is appropriate in an entrepreneurial setting, as all the providers of resources, be it knowledge or other forms, can be considered part of the community of practice, e.g., the local startup scene.

Where Things Fail

Having explained the three primary factors, we turn our attention to how they interact. Our central argument is that all three primary factors must be present for the entrepreneurial process to be successful. Clearly, though, much can and does go wrong. That is where we start.

Passion-Practice

There is a clear link between passion and practice, as Sie and Yahklef (2013, 13) explain:

> *It is likely that experts are passionate about their area of expertise, and because passion is the bond that holds together a community of experts, these experts are likely to willingly talk about and share their passion with other members. Thus, passion can be regarded not only [as] the link between an individual and his or her knowledge behavior, but also [as] the bond that links a community of practitioners to one another and to their object of passion (knowledge).*

The first thing that can go wrong is when passion and practice fail to meet, i.e., there is no overlap between the two. If one has passion but no access to the appropriate practice, it is the same as being motivated about something but lacking the proper means to do anything about it. Alternatively, if one has practice but no related passion, then it is the same as having the means but lacking the right motivation to do something with it. This leads to the following proposition:

> *Proposition 1. If there is no convergence of passion and practice, entrepreneurial endeavors will fail.*

Waiting for Opportunity. If passion and practice do converge, there is still one more aspect that can go wrong. If opportunity is lacking, then these individuals will also be unable to move forward, as there is no goal to work towards achieving. This represents a situation where people are motivated to do something, and they have the means to solve issues, but they have no idea what problem to solve. They are basically waiting for an opportunity. This leads to our next proposition:

> *Proposition 2. If there is convergence of passion and practice, but opportunity is lacking, then entrepreneurial endeavors will fail.*

Practice-Opportunity

To see and act on opportunity, one depends on relevant practice, whether it is relevant prior expertise or the ability to tap into a network of individuals with relevant expertise, resources, or contacts. Vice versa, if one has the practice, but not the right opportunity to apply it to, there will be no entrepreneurial action, either. This leads to the following proposition:

> *Proposition 3. If there is no convergence of opportunity and practice, entrepreneurial endeavors will fail.*

Lacking Drive: For an entrepreneurial initiative to move forward, many hurdles need to be overcome. Without passion, the stamina to overcome them is absent and the train will come to a halt. Hence, when opportunity and practice are both present, but not passion, then there is no drive to move things forward, leading to our next proposition:

> *Proposition 4. If there is convergence of opportunity and practice, but passion is lacking, then entrepreneurial endeavors will fail.*

Passion-Opportunity

We see many problems around us, but we are often not passionate enough to do something about them. Those that do take action are people who are passionate enough about the particular issue that they decide to act. Clearly, if there is opportunity but no passion to do something about that particular opportunity, nothing will happen. Alternatively, it could be that someone is very passionate about something, but opportunities only present themselves in an area that the person is not passionate about. Then again, there will be no initiatives. This leads to the following proposition:

> *Proposition 5. If there is no convergence of opportunity and passion, entrepreneurial endeavors will fail.*

Feeling powerless: Without practice, i.e., with individual expertise or the ability to tap into an ecosystem that can supply expertise, resources, and connections, passionate individuals pursuing opportunities will just be standing idly by and feel completely powerless, as they lack the means to do anything. This frustrating experience is captured in our final proposition on potential failures:

> *Proposition 6. If there is convergence of opportunity and passion, but practice is unavailable, then entrepreneurial endeavors will fail.*

Entrepreneurial Action: Where Passion, Practice, and Opportunity Meet

When all three primary factors are present, entrepreneurial action happens. Opportunities are matched with passionate individuals who have and are connected to relevant practice that makes the entrepreneurial process move forward. This represents the sweet spot and is captured in our last proposition:

> *Proposition 7. If there is convergence of opportunity, passion, and practice, entrepreneurial endeavors will be successful.*

Discussion

Our framework accentuates the need for the convergence of practice (means), passion (motivation), and opportunity (goals) for entrepreneurial action to happen. Previous entrepreneurial frameworks have been causal in nature, in part because by creating dependent and independent variables they have allowed us to test the influence of one on the other. This has been very useful in providing an understanding of the relationship between the factors. What the same causality research shows, though, is that the causality is not unidirectional, perhaps contrary to what many would expect. A framework based on a Venn diagram, such as we have suggested, better reflects this interdependency of factors.

A key finding from the causality-based frameworks is that entrepreneurial performance or action is not necessarily just a dependent variable or an outcome. Cardon et al. (2009) have corroborated the often-held assumption that passion indeed improves entrepreneurial performance, i.e., it leads to entrepreneurial action that allows for the opportunity to be developed. However, Gielnik, Spitzmuller, Schmitt, Klemann, and Frese (2015) have found the inverse to also hold true, i.e., effort, or action, also drives passion. Something similar is the case with the relation between practice and entrepreneurial action. The availability of practice, whether it be prior knowledge, communities of practice, or networks that provide capital, have been shown to aid entrepreneurial action (Aldrich and Zimmer 1986). However, the literature on communities of practice also finds that communities of practice are formed around interest in certain actions or activities. Practice theory, in fact, argues that this is an interdependent relationship. Finally, it should be obvious that, while opportunity drives entrepreneurial action, the opposite also holds true: actions define opportunities. This is the premise behind Sarasvathy's (2001) effectuation process, where actions help entrepreneurs define opportunities or goals, the same premise that the Lean Startup method (Blank 2013) is based on. Our framework acknowledges these interdependencies.

As opposed to the Individual-Opportunity (IO) framework (Shane and Venkataraman 2000), by treating the primary factors as attributes separate from the individual we recognize that they may not necessarily reside in and converge with the individual. They may reside in a network to which the individual may or may not have access to. They may not reside anywhere at all. The point is that it is not the existence of an individual per se that drives entrepreneurial action; it is the convergence of these factors that is key.

We feel our framework has lived up to the implicit challenge put forward by the clarity and simplicity of the IO framework to seek a minimal set of primary factors. We have proposed a minimal set of primary factors representing goals (opportunity), means (practice), and motivation (passion) that cause action. They are rooted in a fundamental theory of entrepreneurship: passion is rooted in a trait-based explanation of the pursuit of opportunity, and practice in a Knightian-based one, although it also aligns with a Kirznerian one.

Our framework shows similarities to another from a slightly different discourse, one proposed for a specific field within entrepreneurship, namely, corporate entrepreneurship: the Motivation-Ability-Opportunity framework developed by Turner and Pennington (2014). Their framework lends legitimacy to our three-pronged approach of Motivation, Means (Ability), and Opportunity. However, in our view, the most fundamental shortcoming of their framework is that they focus on knowledge-sharing, which we have argued is too limited a focus on what ventures really need to move forward. It applies well to opportunity creation, but not to opportunity exploitation, as ventures also require resources, capital, and people to move forward during that phase. This is why rather than using a Schumpetarian or Kirznerian knowledge approach, we have expanded it to a judgment and practice approach and use Practice as our primary factor instead of Knowledge. Additionally, rather than keeping it at the level of generic categories of Motivation and Means (Ability), we have proposed specific primary factors within those generic categories, namely, Passion and Practice. Moreover, the framework of Turner and Pennington is also causal in nature, which, as we have said, provides much value, but fails to account for the interrelatedness between factors. And most importantly,