

ASKING THE ENTREPRENEUR: AN ENQUIRY INTO ENTREPRENEURIAL BEHAVIOUR

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Israel Kirzner's work on alertness to opportunity has formed the centre of Austrian thinking on entrepreneurship and his contribution has led to significant insights into the workings of the market. However, the process of entrepreneurial behaviour that intrigues many in the field of entrepreneurship research has been largely unexplored within the Austrian tradition and indeed within economics in general (Endres & Woods, 2006). Theoretical and operational insight into entrepreneurial behaviour can be gained by using Personal Construct Psychology (PCP). PCP provides one means of operationalising Kirzner's theory of entrepreneurial alertness. This paper will outline the research methods used to explore the entrepreneur's construct system and report findings from empirical work outlining some of the constructs influencing entrepreneurial behaviour.

Key words: *Austrian economics, entrepreneurship, personal construct psychology*

INTRODUCTION

Alertness to opportunity distinguishes the actions of the entrepreneur from those of other market actors. Israel Kirzner (1973, 1979, 1985, 1992, 1997) was the first to articulate an economic theory of entrepreneurship based on the concept of alertness. His work was path-breaking, laying the theoretical foundation for a theory of entrepreneurship placing the entrepreneur at the centre of the market process (Vaughn, 1992). While Kirzner articulated a theory of market process based on entrepreneurial discovery, alertness has become a convenient means of describing entrepreneurial behaviour. The process of entrepreneurial behaviour that intrigues many in the field of entrepreneurship research has been largely unexplored within the Austrian tradition and indeed within economics in general (Endres & Woods, 2006). Behavioural economics takes the view that when examining behaviour 'it is necessary to assume that actions are preceded and determined by some form of cognitive information processing' (Earl, 1990, p. 725). Indeed the general contribution of psychological work to economic thinking is increasingly being recognised within the field of economics (Kahneman, 2003). Kaish and Gilad (1991) and Busentiz (1996) draw on economics and a be-

havioural approach to empirically explore Kirzner's theory of alertness. Empirical research examined differences in how individuals noticed opportunities "without search" comparing the behaviour of corporate managers and new venture founders. Results were mixed and researchers concluded that improved theoretical and operational precision were required.

The purpose of this article is to explore entrepreneurial behaviour in more detail focusing on entrepreneurial alertness. I suggest that theoretical and operational insight into entrepreneurial behaviour can be gained by using Personal Construct Psychology (PCP), an area of psychology that has been used to good effect by some economists (Earl, 1983, 1990, 1999; Loasby, 1983, 1986, 1991; Harper & Earl, 1996). PCP provides one means of operationalising Kirzner's theory of entrepreneurial alertness. This paper will briefly discuss Kirzner's understanding of alertness to opportunity and the appropriateness of PCP as a means of exploring entrepreneurial behaviour. It will then outline the research methods used to explore the entrepreneur's construct system and report findings from empirical work that outline some of the constructs influencing entrepreneurial behaviour.

ENTREPRENEURIAL ALERTNESS AND PERSONAL CONSTRUCT PSYCHOLOGY

Building on the work of von Mises (1949), Kirzner was the first to articulate a theory of market process based on the concept of entrepreneurial alertness (Gaglio & Katz, 2001; Woods, 2002). Responding to a perceived gap in mainstream neoclassical microeconomic theory, Kirzner sought to contribute a better understanding of the forces operating within the market process. He articulated a theoretical understanding of the entrepreneurial role within the market process subsequently labelling this approach 'the modern Austrian entrepreneurial discovery theory of the market process' (Kirzner, 1997, p. 69). The essence of this theory is that alertness to opportunity defines entrepreneurial behaviour. The entrepreneur is 'a decision-maker whose entire role arises out of his alertness to hitherto unnoticed opportunities' (Kirzner, 1973, p. 39). For Kirzner, entrepreneurial alertness is a discovery process. The entrepreneur discovers 'which ends to strive for and which means are available' (Kirzner, 1973, p. 34).

While the entrepreneur is always 'scanning the horizon', about to make these discoveries, how or why an entrepreneur suddenly notices an opportunity is not explained by Kirzner (Kirzner, 1997, p. 72). His purpose was to develop a theory of entrepreneurship that was sufficient to explain how the market process works. He avoided discussion of any behavioural process that would be compatible with the notion of the alert entrepreneur. Rather he describes entrepreneurial alertness as a 'gift' (Kirzner, 1979, p. 148). However, Gaglio (1997) argues that Kirzner's discussion of entrepreneurial alertness clearly directs attention to the underlying cognitive dynamics of the opportunity identification process, which includes insight, perception, assessment and breaking the ends-means framework. Indeed, Kirzner appreciated that empirical research could result in crossing the disciplinary boundaries into psychology. Entrepreneurial alertness 'expresses and reflects the entrepreneur's dreams, aspiration and imagination, his expectations and his knowledge, his hunches and his biases' (Kirzner, 1992, p. 131).

Entrepreneurial behaviour centres on alertness to opportunity (Shane, 2003). However, rather than see opportunities as existing like "Mt. Everest" waiting

to be "discovered" by those possessing some type of gift, I suggest that opportunities are constructed through experience in the market – through interaction between the entrepreneur and the environment (Ardichvili, Cardozo & Ray, 2003; Chell, 2000; Keh, Foo & Lim, 2002; Krueger, 2000). This process could be called entrepreneurial action: constructing worthwhile opportunities for gain and acting upon them in the market. The entrepreneurial process begins when alert individuals identify potential opportunities requiring the formulation of a new mean-ends framework (Shane, 2003). The task then is to explore the specifics of entrepreneurial action, more commonly described as entrepreneurial behaviour. Personal Construct Psychology provides one means of doing this.

PCP provides an integrated overview of the nature of the person and is based on the premise that people endeavour to anticipate the future, 'reaching out and beating the world to the punch' (Bannister & Fransella, 1980, p. 17). It is a theory that has already been used within economics and in research on entrepreneurial behaviour (Hisrich & Jankowicz, 1990; Watson, Ponthieu & Doster, 1995) and is consistent with Kirzner's definition of alertness as 'a motivated propensity of man to formulate an image of the future' (Kirzner, 1985, p. 56).

This focus on anticipating the future is consistent with Kirzner's understanding of alertness. For Kirzner, the concept of alertness accommodates the action of entrepreneurs oriented toward the future. The entrepreneur works not only to envisage his future but also to see it realised.

He is thus motivated to bring about correspondence between the envisaged and the realised futures. Not only are man's purposeful efforts to better his condition responsible for his choices as constructed against a given envisaged future, that purposefulness is, perhaps even more importantly, responsible for the remarkable circumstance that that envisaged future does overlap significantly with the future as it actually unfolds. (Kirzner, 1985, p. 55-56)

PCP emphasises the creative change aspect inherent in the way people live; it views the building and testing of constructs as a creative endeavour. A person does not merely respond to what is going on in

the world. Rather, she actively represents the environment through the way she formulates her own construction of events. Kelly (1970) describes a five-phase experience cycle as a means of representing this construction process. The phases are: anticipation, investment, encounter, confirmation or disconfirmation, and construct revision. As an entrepreneur constructs an opportunity she is engaged in revising and replacing constructs in light of her experiences in the market process. Reality is not revealed to the entrepreneur directly; it is subject to the many alternative constructions that may be imagined. That entrepreneurs are alert to opportunities does not necessitate that the opportunities are static, predetermined entities waiting to be discovered. Rather, they are constructed by the entrepreneur and subject to alternative constructions. Change in the market process is not the result of the entrepreneur reacting to, then acting upon, a discovered opportunity; it is the result of a process of construction. Opportunities are construed as entrepreneurs participate in the market process, as they engage in entrepreneurial action.

METHOD

Empirical research was conducted using qualitative case study methods. The approach is summarised as collective case study: the extension of an instrumental case study approach over a number of cases. An instrumental case study examines a particular case providing insight to assist in developing or refining theory. The individual case plays a supportive role in facilitating an understanding of entrepreneurial behaviour and provides illustrative empirical examples.

I have suggested that a key aspect of entrepreneurial behaviour is the construction of worthwhile opportunities that are then acted upon in the market process. Establishing an enterprise is often the most significant action an entrepreneur takes and is perhaps one of the best examples of entrepreneurial behaviour. Thus the participants chosen for this research were involved in establishing an enterprise [1]. Twenty-four entrepreneurs were interviewed twice; all operated businesses in the greater Auckland area of New Zealand; twelve were in retail, two were wholesalers and sixteen were involved in the service sector.

Interview approach

Two in-depth interviews were conducted with each participant. The first interview was a face-to-face interview carried out as an unstructured open-ended discussion. The purpose was for the participant to “tell me your story” in her own words. The interview began with the question: “how and why did you start your enterprise?”.

To analyse the findings of the interview, two reviews of the data were conducted [2]. The first was a within case analysis, involving detailed case study write-ups. This enabled familiarisation with each case and provided an opportunity for any patterns or themes to emerge. To facilitate this process the concept of mind mapping was used [3]. The second review of the data was a cross-case comparison; its purpose was to highlight patterns and themes emerging across case studies.

It is important to note that interview data is never raw; it is situated in a context (Silverman, 1993). Emergent themes are often recurrent themes informed by the researcher’s theoretical framework and construct system. While the subjective nature of data cannot be avoided, data can be explored from different perspectives using multiple research techniques or triangulation (Denzin & Lincoln, 1994). The use of triangulation reflects the need to add depth to the investigation by engaging with the participant in a variety of ways. In addition to the open-ended interviews carried out in the first phase of the research, construct elicitation techniques were used in the second interview. This took the form of a semi-structured interview using PCP laddering and triadic sorting techniques.

The personal construct is an interpretation of events experienced by the entrepreneur that serves to assist her in understanding the current situation and anticipate the future. In Kelly’s original formulation of PCP the main events in a person’s life were other people. Kelly’s elicitation procedures concentrated on the use of groups of people as the prompt for eliciting bipolar constructs. He suggested several techniques to elicit a person’s constructs using triadic sorting procedures where three elements (people) are used, two of which are similar in one way and one that is dissimilar. While these adjective pairings are useful, constructs form part of a larger structure called personal construct systems. Su-

perordinate constructs organise or structure subordinate constructs. To elicit these structures a laddering procedure can be used.

Starting with the elicited construct, the researcher begins the laddering procedure by deciding which way she would like to move along the ladder. "Why" questions move the researcher and participant up the ladder toward superordinate and core constructs. Core constructs are central to a person's behaviour and may include such things as nationality or religion. "How" questions move them down the ladder to more subordinate constructs. During the second interview constructs were elicited using triadic sorting. The constructs were then laddered and discussed with each participant [4].

RESULTS

First interview: "tell me your story"

Three themes arose from the data reviews: "doing the entrepreneurial act", alertness to opportunity and the entrepreneur's learning methods. To maintain that these themes were independent of theory-based research would obviously be misleading. The notions of alertness to opportunity had already been presupposed as part of the conceptual framework and discussion with the participants reinforced the belief that these concepts were important influences on entrepreneurial behaviour. More precisely, even though participants did not use this terminology, equivalent conceptual content is evident in the expressions they provided.

The theme of doing the entrepreneurial act arose from discussion with entrepreneurs. This theme is better summarised by the quote *'get off your butt and do it'* [5]. All the participants expressed the view that it was important to *'just get out there and do it'*. Exactly what *'getting out there and doing it'* meant was more difficult to ascertain. One possible understanding was that entrepreneurial action is very much a doing behaviour as compared to more passive behaviour of reflection, reaction, analysis and planning; it was doing the entrepreneurial act. This is also consistent with Schumpeter's description of the entrepreneurial function; it *'consists in getting things done'* (Schumpeter, 1976, p. 132). All participants concentrated the discussion on actions taken, as this seemed to be a measure of what their

enterprise was about. More specifically, the entrepreneurial act is best described by active verbs. It is the doing of the act that is important for the entrepreneur rather than the planning, reacting, reflecting or analysing.

What encapsulates the entrepreneurial act is difficult to ascertain. What does the entrepreneur do that incorporates the need for action and thus results in an entrepreneurial act? The second theme to emerge was closely linked to doing the entrepreneurial act. The concept of alertness to opportunity was implicit in every enterprise start-up discussed. Participants *'saw a gap in the market'*, were in *'the right place at the right time'* and had *'peripheral vision to see opportunities'*. However, the fact that the opportunities existed was not the central issue; it was that the entrepreneurs acted to take advantage of these opportunities that resulted in *'things happening'*. As suggested earlier, the entrepreneurial act can be described as the culmination of a process that involves being alert to opportunity and then acting on this opportunity to bring about some type of result or change. Also the opportunity was not a static entity; rather it changed and grew as a result of *'getting out there and doing it'*.

The third theme related to the idea of learning. The impression gained from many of the entrepreneurs was that if, at the point of establishing an enterprise, *'I had known how much I didn't know, I would never have started!'*. How then were they able to establish and run the enterprise? One participant spoke of *'building up the knowledge'*. The view of some participants was that they had often *'seen how not to do it'*, thought they could *'do it a better way'* and they would *'make it work'*. The participants expressed the view that the enterprise *'will be successful'* with several stating *'I cannot let this fail, it will succeed'*. This did not imply a "bloody-minded" attitude in every aspect of their enterprise. Participants highlighted strategies used to make the enterprise succeed. If they did not know how to do something *'I will ask the dumb question'* or consider *'what mistakes did I make?'* They *'realised from experience'* thus *'building up the knowledge'*. Another important strand to these strategies was the concept of intuition. Comments like *'I just knew'*, *'I felt'*, *'I just trusted my intuition'* or *'my gut feeling told me'* were integral to the stories of many participants.

Bhide (1994) considers these themes when ex-

ploring 'How Entrepreneurs Craft Strategies that Work'. While not explicitly discussing the need for entrepreneurs to 'just do it', he points out that many successful entrepreneurs spend little time researching and analysing. Instead they seize opportunities, taking action without endless planning. Entrepreneurs integrate action and analysis and do not wait for all the answers before making a decision.

Second interview: eliciting constructs

The focus of the second interview was to elicit constructs about entrepreneurial behaviour, informed by the first interview. Doing the entrepreneurial act was a difficult concept to build into the construct elicitation process. It appeared too abstract and lacked the practical ring of 'get off your butt and do it'. It was necessary to operationalise the concept in some way so that it had relevance to the participants. Given the focus on the 'just do it' aspect of entrepreneurial behaviour, eliciting constructs about self-perception seemed an appropriate way of examining the entrepreneurial act. Alertness to opportunity is a more concrete concept. Using this concept as one pole of a construct, the intention was to first elicit the opposite pole and see if participants identified with the alertness aspect and then explore how they expressed alertness to opportunity.

The second interview was carried out in four stages. The first part focused on self-perception. The entrepreneur was asked to write the names of six people who owned and operated their own enterprise. Three names were then selected randomly by the interviewer and placed in front of the entrepreneur. They were then asked to state how two were "the same" and the other "different", focusing on how they operated their enterprise. The entrepreneur was then asked which of the two poles she identified with and why. The "why question" was repeated until a core construct was elicited.

The most significant constructs to emerge were linked to the idea of taking action and 'making things happen'. Over half the entrepreneurs (14 of the 24) used these words or some variation of them in the construct ladders elicited in this first stage. When examining constructs, both poles of the construct need to be considered. For example, the construct that has *organised growth* as one pole may not, at first glance, appear to link to the concept of

make things happen. However, the other pole of the construct is *go with the flow*. The entrepreneur chose *organised growth* rather than *go with the flow* as an element that influenced her behaviour. *Organised growth* is a way to *make things happen* rather than *going with the flow*.

Table 1 lists all of the constructs provided by participants in the *make things happen* category.

Table 1 'Make things happen' construct

Favoured Pole	Opposite Pole of the construct
Doing and doing it well	Waste of time
Doing it	Not wanting to go the next step
Move on person	Bogged down
Start things	Same thing
Make things happen	Having no impact
Plunge into it	Giving up
Organised growth	Go with the flow
Do more	Stand still, go backwards
Doing something different	Rut
Go somewhere	Go with the flow
Doing different things	Lack of choice
Initiate	Doing nothing
Make things happen	Stagnation
Growth	Stagnation

The *make things happen* construct influences entrepreneurial behaviour; when faced with a decision the entrepreneur is likely to choose to *make things happen* in preference to *stagnation* or *being bogged down*. As stated above, while not all of the entrepreneurs used this exact phrase, equivalent conceptual substance was apparent following content analysis and reference to the first interview. These constructs and the behaviour guided by them connect with the earlier theme that entrepreneurs choose to 'just do it'. Also *making things happen* is theoretically consistent with Schumpeter assertion that entrepreneurship is about "getting things done".

Grouping these self-perception constructs under the label of ‘make things happen’ was one way to operationalise the entrepreneurial act.

In the second stage of this interview participants were asked to identify one of the six names selected by them that was, in their opinion, “entrepreneurial” and state what it was that made this person entrepreneurial. They were asked to give the opposite of the entrepreneurial characteristic and state which end of the construct they identified with. The 24 constructs are listed in Table 2.

Table 2 Entrepreneurial constructs

Favoured Pole	Opposite Pole
Mind always working	Cannot achieve
Make it happen (two participants)	Sitting back, doing nothing
See possibilities	Easy route
Looking for a new edge	The same
Think outside the square	Safety
Streetwise	Naïve
Take on all sorts of opportunities (two participants)	Stagnant, blinkered
Innovative ideas	Always done that way
Cutting a deal	Accepting a deal
Creation	Maintainer
Try new things	Just the same
Leading edge	Static
Finish task	Shift around
Try new things	Nothing
Risk taker	Plodder
Full on	Bland
Listener	Not wanting to hear
Challenge	Acceptance
On the edge	Safety
Growth	Ticking over
Hunger	Complacent, comfortable
New Ways	Same things

No one overriding construct emerged from this elicitation process. However, the idea of *trying new things* as opposed to *doing the same thing* emerged in many of the constructs. Once again *trying new things* was sometimes more apparent when examin-

ing the opposite pole of the construct, the pole not chosen as entrepreneurial. Several of these constructs were also consistent with the ‘*make things happen*’ constructs elicited in the first part of the interview.

From a broad Austrian theoretical perspective, the function of the entrepreneur within the market process is to bring about change by being alert to opportunities for gain. Building on findings from the first interview, the third part of the interview elicited constructs using alertness to opportunity. This pole was supplied by the interviewer and the participant asked to state the opposite pole. Each participant’s response is listed in Table 3.

Table 3 Opposite pole to Alert to opportunity

Opposite Pole	
Blinkers	Just a bump on a log
Unfortunate	Locked in, narrow outlook
Stagnant	Blind, unawake
Happy working for others	Closed
At risk of being passed	Bowling along
Closed	Closed minded
Blinkered	Going day to day
Conforming	Giving up
Failure	Closed Minded
Stuck	Not wanting to go the next step
Blind	Lack of awareness
Blinkered	Switched off

The last phase of the interview considered the “how” aspect of alertness to opportunity. If being alert to opportunity is entrepreneurial, how are entrepreneurs alert to opportunity? The participants each gave one or more responses to this question, a summary of which is provided in Table 4.

Participants were then asked to focus on the relationship between alertness to opportunity and learning. The response of participants in describing ways of learning was the same as their response to the question that examined the way entrepreneurs were alert to opportunity. ‘*I sometimes feel like a Martian, with little antennae scanning for opportunities*’. Participants talked of copying others, listening,

talking to people who have experience, learning from experience and doing things. Entrepreneurs use all of their sensory modalities – they are auditory, visual, tactile and kinaesthetic learners [6]. Based on these illustrative comments it appears that entrepreneurs use a variety of sensory modalities to survey the environment guided by the construct alert to opportunity.

Table 4 How are entrepreneurs' Alertness to opportunity?

Response	Frequency
Ask questions	8
Listen	12
Seeing, looking, watching	8
Copying	3
Reading	4
Thinking ahead	1
Networking	1
Intuition	3
Vision	2
Have a go	3

Illustrative case

Chris is an entrepreneur who established her enterprise in 1981 after being 'in the right place at the right time'. Unhappy paying \$25 every two to three weeks to have her false nails maintained, she notices that her local bank was shifting premises and that retail space is available for lease. How does Chris construct a profitable opportunity? She does so by imagining a future situation where she owns and operates an enterprise that provides false nails. Chris 'saw the opportunity', and constructs this opportunity based on her own need and her knowledge of the availability of retail premises 'just up the road' from where she lives after listening to the conversation in her local bank.

Using a laddering approach, a construct ladders was constructed with Chris. The laddering process began with a comment made by Chris in the first interview where she stated she 'saw the opportunity' to open up the salon. The opposite pole to this was *not wanting to go the next step*. Chris was then asked a series of 'why' questions that resulted in the

part of the ladder that includes: challenge, doing it and being successful. Being successful was fundamental to Chris and was the core construct in this ladder. 'How' did Chris see the opportunity? By listening and seeing what was going on around her and then acting on this to become a salon owner. Table Five is Chris's construct ladder elicited from the construct saw the opportunity – not wanting to go the next step.

Table 5 Chris's Construct Ladder

Favoured Pole		Opposite Pole
Successful	-	Mediocre
↑↑		
Doing it	-	Not doing it
↑↑		
Challenge	-	Same thing
↑↑		
Saw the opportunity	-	Not wanting to go the next step
↓↓		
Salon owner	-	Housewife
↓↓		
Listens and sees what is going on around her	-	Blinkered

The purpose of this paper is to gain operational and theoretical insight into entrepreneurial behaviour. The main theoretical assertion is that opportunities are constructed through experience in the market – through interaction between the entrepreneur, their construct system and the environment. The entrepreneurial process begins when alert individuals "see" opportunities that require the formulation of a new mean-ends framework. PCP's five-phase experience cycle provides a useful means of theoretically describing the interaction involved in constructing a new ends-means framework. Combining this cycle with examples of the construct system and the environment found by asking entrepreneurs provides us with one possible way of operationalising entrepreneurial behaviour. Chris' construct ladder and "story" provide one illustrative example of the construction process involved in developing a new ends-means framework for a business opportunity.

Beginning with alertness to opportunity, described by Chris as *saw the opportunity*, Chris constructs the opportunity to be a salon owner providing false nails based on a construct of *salon owner – housewife*. This construct is then tested through the five-phase experience cycle that involves anticipation, investment, encounter, confirmation and revision. Chris *anticipates* that being a salon owner will enable her to better anticipate the future. She *invests* in the construct of salon owner, amongst other things, acquiring a lease on premises, employing a nail technician and importing the necessary raw material to make the nails. Her *encounter* with experience suggests that the construct of salon owner is *confirmed* as a way of successfully engaging in the future. However, Chris revises the salon owner construct to one of importer/distributor. The reason for this is that once Chris had successfully imported the raw material to make false nails for her own salon, other salon owners throughout New Zealand approached her to buy the raw material directly from her. Faced with a decision, Chris decided to go the next step and start importing and distributing the raw material, eventually supplying over 360 customers and closing her own salon. Feedback from market experience resulted in the construction of a new ends-means framework, one where the end aspect changed from salon owner to importer/distributor. The opportunity of being a major player in this market was the result of the interaction between the entrepreneur and the environment, a process informed by the entrepreneur's construct system.

CONCLUDING COMMENTS

What then does this empirical exercise and illustration imply for the Kirznerian theory of entrepreneurial alertness? As stated in the opening paragraph, the purpose of this work was to use PCP to provide one means of operationalising Kirzner's theory of alertness. Specifically, exploration of entrepreneur's construct systems allows us to gain access to constructs that guide the construction of the ends-means framework. According to Kirzner the entrepreneur is able 'to identify which ends to strive for and which means are available' (1973, p. 34). Any ends-means framework must be 'actively chosen' by the entrepreneur (Kirzner, 1992, p. 131). Our under-

standing of entrepreneurial action is synonymous with the process of constructing the ends-means framework, a central tenet of an Austrian understanding of the entrepreneurial discovery process. The choice of the end aspect of the framework is achieved through alertness to opportunity. Through exploring an entrepreneur's construct system we find that while alertness to opportunity is necessary, it is not sufficient when describing entrepreneurial behaviour. Action is taken to *make things happen* – that is choosing and allocating means to achieve the chosen end. For Chris this was opening a new salon. The constructs that guide this process are part of a system focused on correctly anticipating the future. As part of this process the end aspect can be changed; in Chris' case this involved changing from a salon owner to being an importer and distributor as a result of feedback from the market. Kirzner's concept of alertness to opportunity needs to be placed in a wider context that explicitly takes action into account. The illustrative example also supports the assertion that reality is not revealed the entrepreneur directly. Opportunities are not static, pre-determined entities waiting to be discovered.

While one purpose of entrepreneurial behaviour is to *make things happen*, it can't be '*just anything*'. Entrepreneurial action is contrasted strongly with *doing the same thing*. This expression is reminiscent of Kirzner's claim that entrepreneurs are 'routine resisting' (Kirzner, 1997, p. 71). Entrepreneurial behaviour is more than just making things happen; it is about making new or different things happen as opposed to doing the same thing. While participants did not offer one key phrase to summarise entrepreneurial action, the constructs connoted change. Entrepreneurs choose the opposite pole of the construct to *doing the same thing*. Their behaviour is guided by construct systems that emphasises change. Therefore it is consistent to describe entrepreneurs as change-actors in the market process, guided by some type of change construct system. While this claim is not new, the constructs elicited from the entrepreneurs help us to examine the influences on entrepreneurial behaviour in more detail; in particular, alertness is not a gift, but a construct that is part of the overall construct system used by the entrepreneur.

The entrepreneur strives to formulate an image of the future and bring this image to fruition in the

market process. Opportunities do not exist like Everest waiting to be “discovered” by those who possess some type of “gift”. Rather they are shaped by entrepreneurial action as the entrepreneur interacts with the market. PCP provides a fertile empirical method for exploring the entrepreneur’s construct systems, which are integral to understanding entrepreneurial behaviour. The focus of empirical work was to begin the process of gaining access to these constructions in order to improve our understanding of entrepreneurial behaviour.

Further research is obviously required to extend this preliminary exploration. For example, the research presented in this paper is cross-sectional; detailed information would be gained from a longitudinal study that explored the change in entrepreneur’s construct systems over time. This paper has focused on alertness to opportunity and the ‘make things happen’ aspect of the entrepreneurial process. No attention was paid to risk taking behaviour although this appeared in several of the constructs. Examining constructs specially related to risk taking within the experience cycle would provide valuable insight into the entrepreneurial process. Also the empirical inquiry explored “how and why did you start your enterprise?”. While establishing an enterprise is a significant change in resource allocation, other critical incidents in enterprise development are also worth exploring in relation to entrepreneurial behaviour. Research might focus on product or service innovation, technology transfer or export development. PCP provides a means of carrying out this exploration to gain greater access to the detail of entrepreneurial behaviour.

ENDNOTES

1. Only one of the participants had not been involved in establishing an enterprise but had been involved in major changes subsequent to the purchase of the enterprise
2. Eisenhardt (1989) describes both of these processes in more detail.
3. The use of mind maps is similar to the use of rich pictures in Soft System Methodology (Checkland & Scholes, 1990; Hicks, 1991). While the mind map summaries may appear basic, a pictorial representation has a number of advantages over written descriptions when carrying out empirical research: 1) a picture can show far more information in the same space; 2) it shows patterns, arrangements, connections and relationships far better; 3) the researcher is less likely to overlook vital links and connections as she is able to see the whole situation in all its complexity and 4) it provides a representation that can be shared readily with participants (Hicks 1991: 235). For a complete summary of mind mapping techniques see Buzan (1995).
4. For further discussion of construct elicitation methods see Epting, Probert and Pittman (1993) and Caputi and Reddy (1999). Neimeyer, Anderson and Stockton (2001) provide support for the construct validity of the laddering technique and also recommend various guiding heuristics that are consistent with the approach used in this paper.
5. In the remainder of this paper italicised quotations indicate statements made by participants. The paper draws on these quotes as a means of authentically representing the subjective knowledge of the entrepreneurs. Italicised words without quotation marks represent the pole of a construct.
6. These four sensory modalities are further subdivided into nine submodalities: auditory learning comprises talking and discussing, listening and self talk; visual comprises reading, imagination, seeing and watching; kinaesthetic learning is made up of intuition and experiencing. For further discussion on this matter see Prashnig (1999).

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