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production of the future**

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# **ENTREPRENEURSHIP AS NEXUS OF CHANGE: THE SYNCRETISTIC PRODUCTION OF THE FUTURE**

## **ABSTRACT**

This paper deals with the issue of how the future is created and the mechanisms through which it is produced and conceived. Key to this process appears to be social interaction and how it is used to bring about change. Examining the entrepreneurial context by qualitative longitudinal research techniques, the study considers the situations of three entrepreneurs. It demonstrates that the web of relationships in which individuals are engaged provide the opportunity to enact the environment in new ways, thus producing organizations for the future. It further provides empirical evidence for a Heideggerian reading of strategy-as-practice, extending this conceptualization to account for the temporal dimension.

## **KEY WORDS:**

Entrepreneurship, networks, social interaction, change, Heidegger, strategy-as-practice

## **INTRODUCTION**

Organizations are perceived to represent the “building blocks of modern societies and the basic vehicles through which collective action occurs. Their products constitute the infrastructure of societies, shaping the context for organizations of succeeding generations” (Aldrich, 1999: 5-6). Understanding how organizations operate, how and why people start, build and develop organizations for the future are interesting issues to deal with. Yet the future, that time that has yet to come, is unknowable. The future - comprised of new events, new directions, new thoughts and things - may be drawn from the past, informed by previous events and shaped by the experience of people, but we cannot extrapolate history to foretell the future. The future may exist in the present and may well be seeded from what has gone before, but the becoming of tomorrow is not predicated or determined by the past alone. Any future is a possible outcome of many possible futures; each event today or yesterday; every thought or action or even lack of thought or action may have a role to play in shaping tomorrow. In the uncertainty that surrounds tomorrow, each event might play a critical role, each thought could change the shape, each act may alter the directions of tomorrow. Thus the future exists as a range of possible tomorrows, which one becomes, which future emerges, is a complex outcome of the interactions of the enactments of today. Emergence, notes Fuller et al (2005), is that conjunction of forces to produce an outcome that is more than, or at least behaves differently, from the sum of its constituent parts (Mill, 1843).

Core to this process seems to be social interaction. Indeed, the nature, extent and types of social interaction that take place are being recognized as being fundamental to building organizations. Giddens (2001) notes the downgrading of technical skills and the notable rise of personal skills within the workplace, where the ability to collaborate, work independently, show initiative and adopt creative approaches are increasingly significant (Meadows, 1996). It is the issue of how the future is created and the mechanisms through which it is produced and conceived that this paper deals with.

To consider these issues the context of entrepreneurship is used. The paper explores the processual nature of the role of entrepreneurship, and in particular social interaction and the social embeddedness of entrepreneurs, in how a future is created. The study reported here uses qualitative, longitudinal techniques to explore the ego-centred networks of three growth-oriented entrepreneurs over time. It illustrates that throughout the rapid entrepreneurial growth processes each entrepreneur and his/her organisation experienced, practice took the form of interaction, often with individuals from other organizations. Interaction provided the tool through which new market information was acquired but -and perhaps more importantly- it gave our entrepreneurs a relationally-driven mechanism for the co-creation of novel visions of the future. The innate potentiality of this web of relationships generates shared practices, which together provided the opportunity to enact the environment in new ways, to move beyond the past of industry norms, through interactions in the present, to the emergence of a shared path into the future.

The major contributions of our study are fourfold. Firstly, by providing an empirical investigation and illustration of the Heideggerian perspective on strategy as practice, we demonstrate that such theoretical readings are close indeed to the lived practice of entrepreneurs, their networks and the relationships of which they are comprised. Secondly, if tangentially, our field work highlighted the significance of entrepreneurs' role within the strategic development of other organizations. By micro-level interactions with top management in large-scale organizations, the entrepreneurs provided a nexus for these individuals and their ventures to also develop innovative processes and visions, supporting recent claims that the role of external stakeholders also needs to be taken seriously within the strategy-as-practice stream. Our third empirical contribution relates to the performance outcomes of strategy, traditionally of greater interest to content strategists. We observed a substantial divergence in entrepreneurial performance over the six-year period. We found this to be strongly influenced by and associated with the entrepreneurs' habitus, personal ties, shared cultures and inter-actions. This leads us to suggest, albeit tentatively, that Heideggerian-like relational and emergent strategic micro-actions may well be performance enhancing processes.

The study's final contribution is theoretical. Chia and Holt (2006) concentrated on the nature of being, as set out in Heidegger's *Being and Time*. The longitudinal nature of our fieldwork generated material which encouraged us to consider issues in time, being and becoming, and to extend their work to develop a theoretical explanation of the temporal dimension within Heideggerian approaches to strategy-as-practice.

## THE SOCIAL CREATION OF THE FUTURE

The creation of the future is a problematic. It has to be complex, even an outcome of chaos. Chaos theory describes how systems are impacted by small changes in initial conditions to create very different outcomes. Robertson (2004) suggests that chaos theory provides a useful theoretical framework for understanding the dynamic interaction of industries and the complex interactions amongst actors. But Robertson cautions that we should treat it as a metaphor rather than a model because of the difficulty in distinguishing between chaos, hence unpredictability; and complexity

which is concerned with order. Similarly, McGuire and McKelvey (1999) castigate the sloppy use of the complexity concept as applied in the discourse of organisations, whilst Fuller and Moran (2000), talking about smaller firms, argue that there is no evidence that complexity has validity in describing or explaining empirical observations. Chia (1998) is also critical of the application of complexity theory, for him the contrast between the social world (comprised of subjectivity, meaning and the transformative nature of human experience) and inert material means that complexity theory, ironically, is an oversimplification! Nonetheless, this notion of complexity and chaos provides a fine metaphor for grasping the formation of the future. Thus we follow Uden et al (2001), who “simply” assert that the world is a complex system and that we can learn from this perspective. Complexity and chaos understandings are a useful beginning, a metaphoric framework to explore how the future comes to be.

For us, this conjunction of complexity and chaos that presents the future represents an entrepreneurial milieu, in that what we have come to know as entrepreneurship is to operate a future orientation. Like strategy, entrepreneurship is not just concerned with envisaging the future but in enacting it. For example, business plans, the quintessential element of nascent, emerging and future businesses are representations of a future state of being. Innovation, in the Schumpertian sense is the prototypical quality of entrepreneurship, is about change, a shift from doing things as present into a new future way. Management can be differentiated from entrepreneurship and strategy, in that management is about applying existing resources efficiently, but entrepreneurship is about creating and using new forms of resource. Management is often about problem solving, reacting in the present, but entrepreneurial creation is about envisaging and making real a future. Entrepreneurship, suggest Fuller et al (2005), can be theorised as the production of sustained novelty with theoretically knowable multiple causal mechanisms, socially situated, but non-linear and generating unpredictable diversified patterns. Indeed, Johnes et al (2005) propose that entrepreneurs may be more successful than others in dealing with chaos. Certainly entrepreneurship is about change, and change whether enacted in entrepreneurship or more generally in strategic directions, is a reflection that the future will be different from the past.

This future orientation of entrepreneurship may help to explain the popularity of the concept, in that there are few managerial practices which are so well equipped to deal with the future. Entrepreneurs serve an important role in enabling the economy to adapt to changing conditions and new possibilities for material improvements by creating new production organizations, and even whole new industries. According to Johnston (2006), entrepreneurship involves looking ahead to foresee future conditions can be expected to be different from present conditions. Having arrived at a vision of the future based on observation of previously unnoticed trends, tentative theories, recent discoveries and inventions, and a large dose of creative imagination, the entrepreneur differentiates himself from the prophet, the social scientist and the idle dreamer by taking practical action to reallocate costly resources in the present so as to prepare for meeting an expected future demand. Taking together these notions of complexity, chaos and unpredictable futures, it seems to us that observing how entrepreneurship is enacted should aid our understanding of how the future becomes.

However as Chia (1998) has argued, complexity and chaos theories which deal with inert objects are poor explanators for the subjective, discriminant and interpretive

human world. Entrepreneurs, like all humanity, are deeply embedded in the social milieu. They draw from, work with and produce and reproduce this social milieu. But Toynbee, the historian, (1972) has argued that the heart of society is not the human beings who comprise that society, but the relations between them. Social capital, traditionally perceived as a set of social resources embedded in relationships and therefore the resources available to people through their social connections, is one way to conceptualise these relationships (Liao and Welsch, 2003; Baker, 1990; Burt, 1992; Coleman, 1990; Lin, 2001; Kim and Aldrich, 2005). Social capital represents the resources which inhere in a network (Anderson et al, 2007). This conceptualisation is useful because it indicates how connectedness, the structural quality of social capital, might lead to particular outcomes. Within the entrepreneurial context, social capital has been found to represent “an investment of social resources with expected returns, directly or indirectly anticipated, now or at some possible future time. As a social relational artefact it is produced in social interactions but resides within the network. Individuals can only draw on the social capital which resides within a particular network by being part of that network, either directly or indirectly” (Anderson et al, 2007). This cohesion may not always be beneficial, the stickiness of existing norms and values can also work to maintain the status quo and thus the old becomes repeated. But the stability inherent in relationships characterised by strong social capital may also provide a platform for change. Indeed, Fuller et al (2005) propose that innovation, which for us is a type of future, results from the creation of order from three hierarchical levels; the innovator; the organisation and the industry network.

This notion of a social network seems important in understanding how the future is created. Gioia et al (2001) in discussing leadership “vision” propose that a better way of describing vision is for leaders to place themselves in the future, act as if the envisaged events have already occurred and look back from that perspective, they then can influence interpretations of the past when the imagined future actually emerges. But these interpretations of the past and present are clearly social constructs, any history making a sense of the past is inevitably an interpretative selective process. Histories are the narratives that chart the successful outcomes of the processual struggles for possible futures. As such these socialised accounts of the past present the well networked entrepreneur with a legitimated understanding, from many different perspectives, of the past and present conditions. They provide an understanding from which the future can become.

The strategy-as-practice literature continues to wrestle with the dialectic of recursivity and adaptation; stasis and movement; inertia and change. Adaptation, movement, and/or change have often been argued to occur in response to environmental dynamics, typically those which emerge in the macro-environment. However, inter-related communities of practice at the micro-level can also co-produce organizational and strategic innovation (Brown and Duguid, 1991). Whittington et al similarly posit specific external actors, such as gurus, as being participants in the practice of strategy (2003: 398). Inter-action thus merits at least as much attention as action. Theoretical support for this approach can be found, especially, in the work of Chia and Holt (2006), who argue that “practical actions and relationships precede individual identity and strategic intent”. Chia and Holt develop a Heideggerian approach to strategy-as-practice, in which the actor is construed as a “non-deliberate, relationally-constituted nexus of social activities”.

However, when reading through the various debates and developments that are presented in the literature several critical questions emerge as being important. What do communities of practice, networks of organizations, and/or nexuses of social activities do when they interact to co-create the future? How do practical actions and relationships make manifest environmental and firm-specific latencies? Or, in Jarzabkowski's words: "how do new practices emerge and become diffused?", through relationships embedded in culturally-mediated "dwellings" (Jarzabkowski, 2004; Chia and Holt, forthcoming)? Equally importantly, how can we uncover these shared practices and relationships? It would seem that more insight is really required if we are to enhance and develop our understanding further about how change occurs, organizations develop and the future emerges.

The actual practice of entrepreneurship is both a stimulating and challenging locus to hunt for insights. Entrepreneurial scholars who subscribe to a socialised version of the processual nature of entrepreneurial organisation, have argued that the on-going life of the entrepreneurial firm can perhaps best be understood as "a partial mobilization of a slowly changing overall network" (Johannison and Monsted, 1997). There is strong evidence in the entrepreneurship literature that a relationship based approach to "strategy", typically innate and as emotional as it is pragmatic, is the hallmark of high-growth firms (Zhao and Aram, 1995; Lee and Tsang, 2001; Peng, 2001; Larson 1992, Donckels and Lambrecht, 1997; Drakopoulou Dodd et al, 2006). This is important inasmuch as it proffers a rare connection between analysis of strategy process, and the content school's emphasis on strategy's outcomes.

#### A HEIDEGGERIAN PERSPECTIVE ON STRATEGY-AS-PRACTICE

Chia and Holt's Heideggerian re-reading of strategy-as-practice is rooted in a relationalist conception of agency and action. "Classic" approaches to strategy presuppose deliberate and thoughtful intention on the part of individual agents as the cause of their subsequent actions: methodological individualism. By contrast, strategy-as-practice "puts relationality, action, interaction and habituation at the centre of social analysis" (Chia and Holt, 2006).

Chia and Holt's application of Heidegger's philosophy to conceptualise strategy-as-practice leads them to propose a mode of engagement of total immersion within one's life-world, a "dwelling" mode, brought into being by everyday coping interactions. Everyday life is characterized by unreflective action, the uncritical utilization of tools which readily present themselves to the task in hand, which in turns confirms and extends their role in our "dwelling". It is only when this readiness is disrupted, when tools surprise us by their lack of availability for un-thought action, that reflection, deliberate action and the use of representations interrupt our "dwelling" mode and move us into a "building mode". Chia and Holt argue that the occurrent "building" mode – reflective, retrospective, structured intentionality leading to deliberate action – is thus relatively rare. The "occurrent mode is thus provoked by a breakdown in organizational functioning and a threat to its identity brought about by mal or mis-alignments between competencies and market conditions". Given the role of the centre in a large organization in identifying and responding to such misalignments, top executives are likely to invoke a building mode more often than those at an organization's periphery whose engagement with their environmental life-world tends

to be one of everyday availability coping, the “dwelling” mode. Chia and Holt then introduce Bourdieu’s conception of habitus, which they explain thus: “ habitus is a modus operandi – a stylistic configuration of tendencies that is activated when leading a life - inscribed onto material bodies that enable actors to ‘mindlessly’ cope with unexpected and changing situations such that the resultant actions that ensue appear eminently sensible or reasonable within a specified socio-cultural context”

Agents learn by their engagement in a given habitus how to get on within that social context. Their actions, which make up that getting on, shape their identity and, collectively, the identity of the habitus. The shared modus operandi is not so constrictive as to totally limit agent improvisation, but nevertheless is consistent enough to present a stream of actions which exhibit a patterned logic of practice. These patterns, and the actions which comprise them, contain immanent latency, as they interact with the evolving dispositions – the “historically influenced attitudes” – of individuals and groups. This type of practical coping can thus be purposive, in that it is directed to resolving an undesirable situation, without requiring a supposition of a clearly articulated, purposeful end-state intention. It is embedded in lived experience, as our dispositions enact the available “tools” which co-dwell with us, within the shared local rules of the game, and via relationships with others in our community-of-practice habitus. Identity, and practical coping streams of action (strategy as practice), are available to the habitus in important ways, co-producing each other reflexively.

“The inhabitant of a Heideggerian world is aware of it as composed of significant equipment, caught up in various social practices and classified by the involvement those practices institute. But this awareness is practical, social, and behavioural, consisting entirely in the exhibition of differential responsive dispositions according appropriately with those of the community.” (Brandon, 2005, p220).

This then is the project of this paper, to explore the processual nature of the role of entrepreneurship and how through social interaction and embedding a future is created. To arrive at a deeper understanding it considers how entrepreneurs invoke networks, network knowledge and networked people in their planning, their enacting and their creation of an emergent future. By exploring these key aspects this study draws attention to an under-explored nexus of change - the rapid growth entrepreneur - “dwelling” within an under-explored relationalist change “dwelling” – the entrepreneurial network. Table one summarizes this collection of idea, which we have sketched loosely here.

INSERT TABLE ONE ABOUT HERE

The following section of this manuscript presents the methods used to gather and make sense of our field data which sought to identify and analyse some of the networking practices and processes of high growth entrepreneurs. The tight – although unanticipated - connections between the findings of our field work and the Heideggerian approach outlined here will then be set out and examined.



## METHODS

### Methods adopted

To address the research questions a longitudinal, qualitative approach was used to explore in-depth the network content, processes and relational dynamics of three growth-oriented entrepreneurs. When exploring social phenomena, such as networks, qualitative studies are often preferred because of the rich detail they provide (Blackburn et al 1990; Chell and Haworth, 1992; Hill et al, 1999; Hoang and Antoncic, 2003; Johannisson and Monsted 1997; Uzzi, 1997; Zeleny, 2001). This is especially so when addressing the process, content and dynamics of networks, rather than purely structural matters (O'Donnell et al 2001; Lechner and Dowling, 2003). The use of longitudinal research is similarly beneficial in that it provides the opportunity to really explore the dynamics of networks over time (O'Donnell et al 2001; Greve and Salaff 2003; Hoang and Antoncic, 2003).

### Sample and research techniques

In qualitative work it is established practice to purposively select sample respondents (Miles and Huberman, 1994) who may provide some degree of representiveness of the wider population, whilst being open to intensive, even intrusive, research efforts (Hill et al, 1999). Our sample of respondents was chosen following personal recommendation from our embedded business contacts within the local area. Moreover, they were selected because 1) they were founding entrepreneurs who continued to be the major owners and managing directors of their ventures, 2) they had significant growth ambitions, 3) their product/service offerings were knowledge-intensive, and 4) they were perceived as individuals who whilst trusted and well respected in the business community would be willing and prepared to discuss sensitive matters in an open, detailed and trusting manner. This is especially important for longitudinal studies where extensive interactions over time are demanded. To minimize potential variance, the respondents were all selected from the same industrial milieu: supplying to the Oil Industry.

The study was deliberately and explicitly not restricted to inter-firm relationships, but encompassed the entrepreneurs' discussion network. Discussion networks are a subset of an entrepreneur's total network and are composed of those ties with whom business is regularly discussed (Renzulli et al, 2000; Greve and Salaff 2003). Following other scholars, our study focused on the five main ties of the discussion networks of our sample entrepreneurs (Burt and Ronchi, 1994; Greve and Salaff 2003).

To develop the case studies, ethnography and interviews were utilised (see Hill et al, 1999: 75). The research team immersed themselves in the research setting at regular intervals over a six-year period. Being geographically located within the selected industrial context, known and well-embedded within it provided the opportunity for the researchers to generate ethnographic understanding. Additionally, and in line with theoretical hypotheses, relationships with the three sample respondents became multiplex in nature, as they, for example, acted as classroom speakers and joined institutional committees. The wider networks in which the researchers were embedded provided additional information about the sample entrepreneurs. These networks became an important resource for data triangulation and verification.

In order to elicit more formal detailed data, semi-structured interviews using a basic topic guide were used. This provided the opportunity to collect rich data about the ego-centred entrepreneurial networks of our respondents. To ensure that the necessary depth and extent of data was generated we carefully probed to stimulate discussion around the topic (Hill et al, 1999). Interviews were carried out at the respondents' premises, since relaxed and open discussion is facilitated by familiar surroundings (Hill et al, 1999; O'Donnell et al 2001). This was especially important and seemed to help deal with the issue suggested in previous work, that entrepreneurs are somewhat secretive about their networks (Johannison and Monsted, 1997). "Formal" interviews were carried out at three points in time throughout the six year period: 1998, 2000 and 2003/2004 but were also supplemented by irregularly spaced occasional meetings.

#### "Case" firms

One of the firms develops and sells specialised software to major oil companies (Paul), the second sells engineering solutions (Mike) and the third is in the communications sector (Jill). We found a great deal of homogeneity in the practices of the two successful entrepreneurs (Paul and Mike) within our study. The firm of our third entrepreneur (Jill) survived for 17 years in its original form, the last three of which were a steady downhill slide, before a dramatic down-scaling and the exit of Jill who was considered to be the lead entrepreneur. Jill's firm never achieved the break-through growth, nor the market recognition, of the other two case firms, in spite of the ambitions of its owners. In this work, for reasons of space constraints, we will restrict ourselves to discussions of the two high growth entrepreneurs. Elsewhere (Drakopoulou Dodd et al, 2006), we have demonstrated that Jill's practices, which contributed to her communication firm's failure to thrive, contrast dramatically with those of the two successful entrepreneurs, and hence provide some confirmatory evidence for many of our conclusions.

Turning to the two case firms upon which the present paper concentrates, both ventures were founded in Aberdeen in the late to mid 1980s, and each supplied the oil industry with a distinct type of safety management solution. They are now thriving international concerns, awash with prestigious awards, selling in multiple industrial sectors and continuing to grow at a very dramatic pace. The firms and their owners have been disguised.

OilScience and Paul - Paul founded OilScience in 1989, when in his mid thirties and after a successful career in a major oil company. OilScience develops and installs safety and production systems in more than 15 countries for most of the world's largest oil companies. OilScience has won many prizes for technical excellence, and with offices in three countries, continues to grow dramatically. On each of our visits, the company had doubled turnover the previous year, whilst maintaining impressive profit margins. OilScience currently employs 65 people with a turnover of £6 million.

MetroTech and Mike - Mike was still in his early twenties when in 1985 he bought the four-person SBU, a part of his employers' business that would form the bedrock of MetroTech. Also involved in safety and production solutions, MetroTech has customers in the oil, defense and marine industries. Now containing six business units, MetroTech and Mike have also been recognized nationally for technical and

commercial success. Metrotech employs more than 200 people, and turns over in excess of £14 million.

### Data analysis

Interviews were transcribed verbatim and examined using well-established qualitative data analysis methods (Miles and Huberman, 1994; Glaser and Strauss, 1967), which have become the accepted approach for handling entrepreneurial network analysis (Human and Provan, 1996; Hill et al, 1999). Specifically, the transcripts were read and re-read, with notes on emergent themes contemporaneously entered into a research diary (Easterby-Smith et al 1999). The research diary was reviewed to clarify these emergent themes. We then revisited the transcripts for initial coding. This re-visitation continued until few new insights occurred (Human and Provan, 1996). These tasks were carried out by the three researchers separately, to increase reliability (Falkenberg et al, 2002).

The research team met to present and compare our sets of initial coding. Comparisons were made between sets and with a working framework of expectations derived from the literature on entrepreneurial networking and rapid growth. Coding categories were agreed upon by the research team. Elements of the emerging analytical framework were “retained, revised, removed, or added”, as field data provided empirical evidence (Uzzi, 1997). Completing the laborious task of categorisation, replete with illustrative examples, we simultaneously continued the development of our framework, in constant comparison to extant theory. Findings for this study were also validated and developed by comparison with two linked pieces of field work within the same habitus, and with similar research objectives: a small quantitative study and a 12-firm cross-sectional qualitative study, which took place at the midpoint of the longitudinal field work.

We then jointly produced an illustrated summary of the major themes and the relationships between them, this provided our initial explanatory framework addressing our main research question: the dynamics of the networking process in a temporal framework. At this point, more formal articulation of our findings took place with the production of conference papers, academic articles and a book chapter. By this stage of the research process, we had carried out six years of field research, carried out a thorough analysis of the field data. We had articulated this work, using a social constructivist perspective, in a series of entrepreneurship texts which emphasized a number of radical breaks with many traditional understanding; the “natural”, unplanned nature of our respondents strategic practice; the importance of strong friendship ties within their habitus as the nexus for enacting the environment at all stages in the growth process (gathering market data, customer search, NPD, sales, etc.); and, hence, inter-action as privileged above individuated action. Comments and critiques of these texts were received in discussion and written form from a variety of peers: departmental colleagues; conference participants; journal and book chapter referees.

The next element in our methodology was to review our findings in the light of “mainstream” management and organizational behaviour theories. Feedback from colleagues had suggested strongly that we should explore the implications of the study within a wider context and at a higher level of abstraction. We therefore compared our

findings against a number of theoretical constructs, including the dynamic capabilities variant of RBV, neo-institutionalism, strategy as content, social cognition, and strategy as process, including, eventually, strategy as practice. This task involved moving between our findings and extant theory, reflecting on the interactions between the two: what new and interesting insights did the data have to shed on the theory, and vice versa. More than looking opportunistically and superficially for a “good fit”, we were carrying out a detailed interrogation to determine which theoretical lens potentially provided the most comprehensive and rigorous reading of this particular set of empirical findings. This would, we hoped, provide the basis for a re-reading of both data and theory. One of these theoretical lens provided us with an astonishingly cognate frame of reference to revisit our findings: the Heideggerian “take” of the practice turn in the study of strategic process.

The final stage in this lengthy methodology was to carry out a detailed application of the Heideggerian lens to our findings, reflecting on each in the light of the other. It is to this task that the remainder of the manuscript is dedicated. We begin by introducing our chosen theoretical lens before presenting the original set of themed findings from our analysis. These are then deconstructed and interrogated from the perspective of the Heideggerian approach to strategy as practice.

## Issues

Whilst we can make no claims for generalisability of our findings the purposeful sample, examined over time in changing circumstances, provides an opportunity for rich data about and an appreciation of the phenomenon we wish to understand. Consequently both reliability and validity are argued to be strong and our findings should contribute to a fuller conceptualisation. Through the ethnographic, recursive, exchange of private knowledge that has taken place over time, a high degree of trust has been developed and a detailed understanding has been gained about the respondents, their firms and how they are situated within the environmental context. We recognise that the benefits of our affinity with our respondents may also bring the disadvantage of being too close and thus producing bias in our observations. However, to reduce the impact of participatory observer bias, the three members of the research team were careful to discuss our subjective interpretations with each other.

Next, we provide a brief review of the Heideggerian perspective on strategy-as-practice, contrasting it with the content approach to strategy. This sets the theoretical framing of our subsequent analysis. Then we set out the study’s findings, reflecting on these findings through the lens of the Heideggerian perspective, before finally drawing out conclusions.

## FINDINGS

From our first order analysis twenty-five themes emerged. We clustered these into five main cognate groups: the nature of networking, network development and cycles, network processes: strategy as conversation, network structures, and reciprocity. For the purposes of this paper, our findings comprise a reflexive interrogation between these five clustered themes, and the Heideggerian approach to strategy as practice outlined above.

Chia (2004) has raised the important issue of respondents, when asked directly about their actions, imposing logical means-ends explanations post hoc onto strategic practice. He has also emphasized the importance of peripheral vision in helping us to grasp the not-quite-visible, the not-yet-made-sense-of. In this spirit, our study did not ask respondents directly about their strategic practices. Rather, our interviews focused on their nexus of relationships. With an emphasis on entrepreneurial networks, we asked the following questions; who did they talk to about their businesses, what those conversations were about, and what they – and their network contacts – did before, after and during these interactions. In this way we were able to track the process of strategy in practice but avoiding, or minimising the risk of any overt pot-hoc rationalising by our respondents.

### The Nature of Networking

We found that the nature of networking was perceived somewhat paradoxically by Mike and Phil. On the one hand, they repeatedly emphasized that networking was something natural, unforced, and based not only on the needs of the business, but also on whether you actually like someone or not. On the other hand, in spite of their rejection of contrived and purposeful networking, they both participated in formal and informal industry and commercial bodies. The dominant view of our respondents appears to exhibit quite clearly the unreflective and uncritical “dwelling” mode, whereby their nexus of relationships forms an environmental life-world in which they are completely immersed. Indeed the paradox discussed above is not recognised by them, they describe the networking process as “natural”.

INSERT TABLE TWO ABOUT HERE

We can also see a more deliberate, intentional “occurent” building mode being enacted in response to specific pressing needs of the entrepreneurs. Mike, for example, repeatedly told us a story about attending a Christmas party hosted by a local development agency, and realizing how few people he knew in the room. He described this as “an epiphany”, and set out to improve the quantity and quality of his network contacts. Thus, a dislocation, a mis-alignment between his vision and his (network) resources prompted reflection, and the development of a deliberate strategy for a specific period of time.

Both Mike and Paul also made very clear that their networks, like their growing enterprises, were underpinned by a shared mindset. This combined a desire for deploying technical excellence in industrial change, with a strong personal integrity and honesty<sup>1</sup>. If these key ingredients were present, then even contacts who had been identified in a calculated manner as of use to the business could legitimately be brought into their network of business friends. Conversely, if the spark of friendship was not fired by common conceptual and ethical grounds, the relationship – no matter how potentially important – would not be pursued.

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<sup>1</sup> A further indication of the importance of professional and personal values to these two gazelles can be found in their start-up motivation, with both of them having a strong desire to do the job right, unhindered by the “clowns”, or “wankers” they were then reporting to. Similarly, their aspirations continue to be in the areas of ‘skills, excellence, engineering, technology’ (Mike).

We would argue that what Mike and Paul termed “shared beliefs and values”, or “shared philosophy” are the underpinning and identity-shaping tendencies which form the *modus operandi* of their *habitus*. Their validation of people using this means equates to a check of how well these others match up to the ethical, behavioural, and professional norms of the *habitus*. Can they get along? Do they “gel”? Can they participate in the shared creation of a stream of patterned action? Do their evolving dispositions fit closely enough to those of our entrepreneurs? In this way we see this *habitus* as relationally constructed and thus the *habitus*, the networked linked social formation, becomes the nexus for shared attitudes and behaviours.

### Network Development and Cycles

Both Mike and Phil had founded their enterprises on early sales to pre-existent customer ties. As their businesses grew, and sometimes changed direction, new customer ties were added, many of which became multiplex over time, but characterised by a very strong social and affective dimension being added to the purely commercial. Their strongest ties were preserved and extended, with some early very senior oil industry mentors eventually being brought within the formal borders of their organizations as board directors. This finding – that network contact ties become ever more multiplex over time, with, in particular, a strengthening of their social, affective nature – indicates to us the primacy of relationality as the context for entrepreneurship.

INSERT TABLE THREE ABOUT HERE

For both Mike and Paul, one of the key benefits of this internalization of strong ties was that they trusted these people, as well as their senior managers, to handle much of the day to day routine of the organization “if I can’t find the right people to do the operation stuff, then I can’t do what I’m supposed to do” (Paul). Both claim to be “useless at attention to detail”. This freed them up to get outside the company and act as architects of each growth phase, by providing “a safe pair of hands to put the core business into, to allow the fairies to go after the butterflies - to waft around and see what’s going on” (M). We interpret this as first, that these network ties provide a sound foundation for the operation of their businesses. But more significantly, this networked base was also a launching platform for new explorations. To talk of fairies and butterflies in the context of strategic change, as our respondents did, suggests to us that they were implicitly aware of how the future might be found in interactions.

Although both our growth entrepreneurs see building the development stages of their firms as their role, this is never carried out through formal strategic planning, or anything even close to it. In spite of their position at the centre of their firms, they see this task as beginning not with rational environmental and internal analysis, but with wandering around the *habitus* chatting to other people about which way the wind is blowing in a purposive but not purposeful fashion. They expose themselves to the shared disposition of the *habitus*, interrogating the community informally about perceptions of the future. In this practice, strategic practice takes the form of a specific practical coping interaction, co-exploration of the innate latencies and potentialities of the shared *habitus*.

## Network Processes: Strategy as Conversation

Beyond environmental interrogation as a broad approach which preceded strategic change in their firms, our successful entrepreneurs also referred repeatedly to the importance of conversations as a practical coping strategy. Paul even defined strategy as the skill “to manage a conversation in the right way”. Conversations represent such a key practice for our respondents, precisely because they offer the most readily available tool for interacting with others, for connecting self to habitus. What was perhaps surprising was the degree which, at various points in our own conversations with these people, they reiterated the importance of talking to others at every stage in what could be construed as the strategic planning and implementation process.

For both successful growers in our study, conversations outside the firm repeatedly provided strategic direction, even in some instances strategic purpose. For example, a key start-up activities had involved talking to people. Some of these conversations had the purpose of securing early customers, whilst others were more generic, related to the overall start-up process. In later stages, the inspiration for innovation very often came from interactions with sectoral players from outside their firms.

INSERT TABLE FOUR ABOUT HERE

Mike claimed that all his new product and service ideas had come through conversations with customers. Moreover, he refused to be constrained in this co-envisioning of the future by the existing resources and competences of his firm. He even secured contracts before sourcing-up to meet their needs: “when I won that contract, I had the technical know-how to deliver about fifteen percent of the contract, and we just plugged together the capabilities behind that, and we developed a centre of excellence”. Paul expressed this somewhat more graphically: “you go out there and you get the market...and then you think ‘oh shit, I better get back to the factory and start turning the wheels a bit more’ “. (Paul, of course, does not have a literal factory, and the only wheels are on his BMW). Mike was also very clear that keeping abreast of industry changes required that he leave the office, and go and chat to a range of different people: “It has decided the sort of strategic development of the company; you know I go out and speak to these people...and hearing these people and their thoughts as to how they see markets developing and business and such like”.

Note how these conversations provided a mechanism for the entrepreneurs to tap into the collective conscious and unconscious of the habitus, and thus moved them beyond the confines of their own imagination; to create “opportunities” for which their firms did not yet have the resources or competences to deliver. Nevertheless, they refused to be constrained by this, and found a way to “plug the capabilities together” that they needed, again, an example of practical coping. This strategic and tactical response to future possibilities seemed to be their way of enacting potential futures, but also provides a dramatic illustration of emergence rather than resource based formations of the future. We argue too, that this form of undeliberate, unstructured interactive strategy as practice led the two entrepreneurs to a much more rapid growth path than would have been possible via the more formal, “rational” strategic planning process. Their resource deficiencies would have been seen as an insuperable barrier to the growth paths they actually chose, under any “business school” matching of

environmental opportunities to their internal competences. Indeed it might be said that their “competencies” were in discovering new strategic directions.

When Mike returns from these conversational forays, his “analysis” of the new data is also carried out interactively, inside his company. As he processes and reflects on what he’s heard, he bounces ideas of whoever happens to be in his office at the time: technicians, board members, shop floor workers. We can see that even when he moves into a reflective, building mode, acting like an observer to make sense of what he has been absorbing, he still utilizes the practical coping tools of the dwelling mode.

Although the technical competence of both the gazelles is a substantial contributor to their commercial progress, it required social constructs and social capital to be fully leveraged. In Paul’s first week of operation, his former employer, an oil major, called and ask him to both fix a technical problem and to secure agency certification that the fix was valid and safe. He was able to succeed in this task by combining his specialist knowledge as to how to deal with the technical problem with the access to make two or three key phone calls to win approval for his solution: “I have some chums”.... Because of his reputation – both personal and professional – and his network of personal contacts, were brought together as inter-action, to meet his clients’ needs. It is also instructive that for both these entrepreneurs, it has always been seen as part of the job of their technical staff to build personal, indeed social, relationships within client organizations. This “picking up the beer bill” policy is a replication of the entrepreneurs’ approach to embedding expertise within a set of interactive and symbiotic relationships.

Our analysis indicates that the entire “strategic process”, from environmental scanning, through identification of strategic options, selection of strategy, resource development and implementation, are all mediated through a series of conversations. And, as in all productive conversations, interaction is of the essence. These conversations move beyond simply securing new information, to the co-envisioning of the future, the co-creation of new knowledge, and co-enactment of the environment. The practice of talking to people seems to be key to understanding the rapid growth of these gazelles, and thus represents the most dramatic form of organizational change. Conversation is a practical coping tool par excellence, linking the entrepreneur to the environment in an unstructured way, exposing the innate and latent, and profoundly rooted in a relationalist appreciation of the habitus. The social affect ties which underpin these interactions were also important: this is a deeply human process. Conversations are, though, unplanned and unstructured. These interactions were not viewed as “meetings”, there was no set agenda, no formal analysis before and afterwards. The technical problem-solving at which our successful entrepreneurs excel, derives its impetus from their simply asking their customers and friends to work through with them to find their ideal solution to their existing problem is. “What would you really, really like this product / service to do for you”?

The innateness of this potentiality was made very clear by our entrepreneurs, who saw networking as something “natural”, as we have seen. Mike poked fun (in plain Anglo-Saxon) at a “Business School” case study written about his firm’s growth, which imposed a rational strategic planning structure onto his entrepreneurial history. “It was beautifully done”, he told us, “but it was still bullshit: we just made it up as we



went along”. Indeed, but Mike might also have been describing his strategy formation practices!

### Network Structures

The two entrepreneurs built the early stages of their business on a bedrock of prior industry connections underpinned by trust. This habitus already exhibited a shared disposition to recognize their human and technical capital, and mediated this through a series of relationships which provided the entrepreneurs with early sales. But to grow so dramatically, however, the entrepreneurs had then to become embedded in the highest levels of the oil-industry environment, interacting with the most senior of executives within client firms. Both entrepreneurs argued that this was essential given the innovative and change-driven nature of their businesses: they could then have productive conversations at the highest levels. Thus the entrepreneurial habitus evolved in line with strategic objectives, mirroring as it were, the shifting aspirations of the entrepreneurs.

Interestingly, they both emphasized that professional advisers, traditionally assumed to be of much use in providing practical advice to the growing firm, were not a part of their network. Instead, bankers, lawyers and accountants belonged firmly in an alternative habitus, which was characterized by quite different *modus operandi*, being conservative, traditional and resentful: the Aberdeen business network. Although not discussed formally within this paper, it is worth noting that the unsuccessful entrepreneur in our study, Jill, chose to embed herself in this Aberdonian business habitus, of which her father had also been a participant. As a result she was unable to access the oil industries shared visions of the future, or to have any of the conversations which might have led her firm to significant growth. We see this emphasis on conservation, preserving the status quo, as a major distinguishing feature of the “professional” network. It stands in stark contrast, formal, professional and quite rigid to the informal, affectively tied and loose relationships of the commercial network. This might be explained, at least in part, by the professional roles in the network, lawyers, entrenched in legislation, itself a response to past events; accountants, accounting for what has happened- the future is not their business.

INSERT TABLE FIVE ABOUT HERE

What seems to be happening is that when faced with a substantive operational problem that they are unable to solve from within their own company, the entrepreneur sometimes circumvents formal “building” procedures. Instead, one of the oil industries’ shared practical coping (inter)actions for solving technical problems appears to involve co-creating change by interacting with external entrepreneurs. This appears to suggest that the habitus’ shared disposition includes a belief that the entrepreneur’s role is as a nexus of change, and which licenses routine-breaking innovation from these external actors. Rather than this being enacted through a structured, rational and instrumental process, micro-activity takes the form of a series of conversations, the formal expression of which is – eventually – a contract. This legal artifact, though, is much less important than the practical coping which has led to the co-production of vision and, eventually innovative products, services and processes, developing together a shared future with what is innately at hand within their habitus. Entrepreneurs are thus perceived as the change-makers, the nexus of

change within this community, which in itself, licenses their innovative activities through its shared dispositions.

### Reciprocity

So far, the findings we have presented have concentrated largely on the benefits which the entrepreneurs perceived as emanating from their interactions with their habitus. However, an important theme to emerge from the data was the responsibility they and others also felt to contribute to the development of that shared life-world.

INSERT TABLE SIX ABOUT HERE

The habitus is thus the locus of where our entrepreneurs and their business-friends were keen to enact change. This was perceived as a shared mission, a duty, and many of their relationships were focused on the development and enactment of change not just – or even primarily – within their own firms, but within the larger environment: “My networks were more around effecting change within the industry rather than in OilScience He wanted to radically change ‘oil major’ and he realized that we were a mechanism for developing real, radical change at the front line, and it was kind of mutually supportive” (Paul). To achieve these change-making tasks, their relationally-connected alters also built connections on behalf of our entrepreneurs. Some even moved inside the entrepreneurs’ firms as non-executive directors. What the alters “got back” from this was participation in the process of changing the habitus, and the fun of being part of growing a small firm into an international player.

When these changes occur in clusters of industry-leading firms, sectoral routines and competences alter to match the new practice. One of the case companies has now become the default supplier of a specific type of safety system throughout the oil industry, in spite of the substantial changes in routines demanded by his product. The initial product development and implementation was, notably, carried out through a relationship-based process with one (social and business) network contact.

Beyond their immediate habitus, Mike and Paul have been increasingly requested to join various change initiatives within the wider social world. Their prominence has become such that they can contribute to national-level initiatives, and, again, this is seen as a pleasurable responsibility. Giving something back matters; developing the shared environment – both at the level of their everyday commercial habitus, but also within the wider national socio-economic context – is perceived as a natural and normal aspect of being fully engaged with and immersed in the shared life-world. This reciprocity means that the habitus acts to co-produce change, both internal to the firm and externally.

### INTERPRETATION AND ANALYSIS

As the foregoing analysis has made clear, the life-experience practices of our respondents were highly cognate with a Heideggerian reading of strategy-as-practice. The mode of practice was found to be mainly *dwelling*, rather than *building*, relationalism was critical, and strategy was immanent in practical adaptive action. Action was consistently patterned in a stream, and much use was made of the ready-

to-hand equipment. Agents, as practicing actors – rather than explaining observers – behaved in a manner consistent with a shared, internalized *modus operandi*.

Specifically, we found that both markets and the working environment in which these respondents operated were actually socially constructed, and that our entrepreneurs enacted this environment by networking. The data, that is, led us to a relationalist view of the entrepreneurial business environment. Our findings indicated that at each stage in the rapid entrepreneurial growth process, practice takes the form of interaction. Interaction provides the mechanism for the acquisition of new market information, but, more than this, for the co-creation of novel visions of the future. The innate potentiality of this web of relationships generates shared practices, which together enact the environment in new ways. The innateness of this potentiality was made very clear by our entrepreneurs, who saw networking as something “natural”, poked fun (in plain Anglo-Saxon) at other case studies which imposed a rational strategic planning structure on the paths of their companies, and repeatedly told stories of their friendship with key contacts. Their definition of strategy, offered without prompting, centred on relationships and conversations. Substantial social capital was invested in, and deployed by, the entrepreneurs, combining both a proved personal integrity, and excellence in professional, technological reliability. The “currency” within which their social capital is denominated is excellence in practical technical solutions, a defining characteristic of the oil industry, an important shared disposition. Our data also demonstrates conversations as actions. It would seem that voice is actually practice and that this provided the mechanism for a shared building of the future. Conversations with others who were part of the social network actually provided a coping practice and strategy for dealing with growth – even survival – for the future. Those organizations that were successful changed in response to interaction with those individuals who formed the entrepreneurs social networks. Therefore, these social networks and the capital that resided in them shaped their organizations, thus demonstrating the importance of social interactions.

This, then, is the first key finding of the study: that, in this environmental context at least, the theoretical, Heideggerian reading of strategy-as-practice provides a strong explanation of the micro-actions of organizational agents. Secondly, the study highlighted the role of external stakeholders – the entrepreneur – as agents of change, co-creators of the future – within large industrial organizations. The processes described by Chia and Holt’s (2006) Heideggerian approach explained more than “strategy”, growth and change within our entrepreneurial case firms. Importantly the strategy as practice interactions within their cluster of relationships also engendered operational change in other linked firms. Our study sheds some light on how this happened, the micro-processes of relationality as change, with the rapid-growth entrepreneur as the nexus of change.

The “style” of the successful rapid-growth entrepreneurs, their “dwelling”, their habitus, encompass a strong tendency to interact with others, and a desire to enact change. When these are combined, the entrepreneurial style creates a nexus of change for those with whom they interact, licenses their change, and creates a shared habitus where the future can be first envisioned, and then co-produced. In Heideggerian terms, the process of *coming-into-being* as an entrepreneur stimulates performances, behaviours and interactions which are future-oriented, and change-related. Because of

the relational nature of these performances, other non-entrepreneurial organizational actors are also inspired to participate in these practices.

Our third empirical finding was entirely unanticipated, since it relates to the performance outcomes of relational, immanent, ready-to-hand strategy practice. We found that these seemed to substantially enhance organizational growth and profitability. We were struggling to make sense of the links between entrepreneurial growth strategy/practice processes using a network focus. Our objectives, interests, and approaches were therefore firmly rooted in the “practice” branch of “process” approaches to strategy, and not in “content” approaches. The organizational performance correlates of this process were hence not on our radar. Nevertheless, our findings threw into sharp focus the very successful strategy practices of two case firms, in contrast to the unsuccessful performance of the third entrepreneur’s firm. This substantial divergence in performance, which we watched develop over the six years of the study, we found to be strongly influenced by the entrepreneurs’ relational habitus, and the personal ties, shared cultures, and inter-actions which compose this “dwelling”. Our data indicated most strongly that the nature of the habitus in which an entrepreneur becomes embedded has a significant effect upon firm performance. We recognize the paradoxical irony that a process study, framed in a radical Heideggerian conceptualization utterly at odds with content theory, should result in a “content” findings.

The fourth contribution of this study is conceptual in nature, and extends Chia and Holt’s work to incorporate a treatment of the future. In *Being and Time*<sup>2</sup>, Heidegger stresses that the nature of being, and its temporality, are inextricably linked. He categorizes three types of being: the ready-to-hand (*zuhandsein*), the present-at-hand (*vorhandsein*), and human existence, or being (*Dasein*). The first two of these we have encountered already, but the third ontological category requires a little explication. *Dasein* is the answer which Heidegger develops to what he perceives as the key ontological question: what is the meaning of being?

*Dasein* is always and definitionally *Mitdasein*, being with others, and it is also inherently emergent movement. Heidegger argues that humans-as-*Dasein* are drawn onwards by their own desired fulfillment, and that this movement – and the meanings which give rise to it and are iteratively created and enacted by it – “give” world and existence: “*Es gibt Sein*”. (Heidegger *Being and Time*, A 2:483.5-7 Sheehan, 2005, p 204, Blattner, 2005, 314-15). We encounter others, and perform ourselves, as entities-in-the-world, as “for instance, users, owners, occupants of certain jobs or professions” (Schatzki, 2005, 235). Relating this to the practices of the respondent entrepreneurs, we argue that the desired end of these *Dasein* is to become entrepreneurs, to move continually towards a fulfillment of a socially-derived entrepreneurial identity, Heidegger’s *Seinkönnen*. This *telos* – which can never be reached, but the pursuit of which represents “perfection” of the *Dasein* – invokes from our entrepreneurs performances which are centred on relationally-generated change, on the creation of emergent futures.

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<sup>2</sup> Following Chia and Holt (forthcoming) we will be working only with the Heidegger of *Being and Time*, originally published in 1926. Our analysis is, nevertheless, restricted by its deliberate avoidance of later Heidegger. Whilst recognizing that the “ecstatic moment” of *Being and Time* extends its field into his intellectual and lived past and future, it is to this specific encapsulation of Heidegger’s thinking that we shall turn.

Each of the three ontological categories also has a temporal correlate. Occurent, present-to-hand deliberately reflective and ‘rational’ exist in, and are given their meaning by being embedded within, the now-time of the natural sciences. Ready-to-hand equipment are encountered within the practical time of everyday availability, the world-time which we experience through habitus-specific cultural conventions such as working hours, lunchtime, and socializing time. The originary temporality of the Dasein, however, of its very nature lacks totality, and contains a sense of unfinished business. It is de facto stretched out in-between the two ends of an individual’s Dasein’s lifespan (Hoffman, 2005 p327):

“by describing the meaning-giving world as ‘open’, rather than ‘closed”, Heidegger is indicating that the game is not over yet – there is still time to play and room to maneuver (Zeitraum, Spielraum)”. Sheehen (2005, p200).

Originary temporality is not successive and sequential: the future which is used to make sense, to give meaning, is the future of the never-to-be achieved desired fulfillment of the Seinkönnen. It is always in the process of having been. The past is experienced as we attune ourselves to the ready-at-hand in ways which are shaped by the meaning we – and the collective ‘we’ of our habitus – perceive as historically-ascribed to this concrete equipment. In originary temporality we “make sense in terms of a future that never will come to be present and a past that never was present” Blattner (2005, p315). In the originary present, we make present, empresent, the significance of the worldly matrix. Our practices and performances enact the significance of the available. The ontology of Heidegger’s originary temporality is hence, as one would expect, highly relational, and depicts each Dasein as moving towards an unreachable self-identity (Seinkönnen) through performances which generate a response from others, through practices which are consistent with both the habitus’ perceptions of what it means to strive towards this Seinkönnen, and with what meanings are ascribed collectively to available equipment.

For Heidegger, the three aspects of time are part of an integrated ontology, with world-time and now-time parasitic upon originary time. World-time is a degeneration of originary temporality, and represents the time-space where we make use of available every-day equipment in an unreflective manner, as for, example, in the practices discussed above which enacted an emergent, shared strategy. “It is significant, datable, spanned, public, and sequential or successive” (Blannter, 2005, p321). Indeed, both Chia and Holt’s conceptualization, and our empirical findings, suggest that the vast majority of entrepreneurial practices take place in world-time, in unquestioning dealings with the ready-to-hand, and through relationally-embedded interactions with others in their meaning-saturated habitus. Such practices are thus a bricolage of interaction, but these practices also seemed to be particularly oriented towards co-creation of a changed future. The top managers at the centre of large organizations have often been argued to be overly “rational”, to live in the now-time of the present-to-hand. Indeed, this may be an important element of the Seinkönnen of the “profession”. Our data suggests that a key role of the entrepreneur as external stakeholder is to involve such individuals in a shared entrepreneurial performance, and thereby enact the critical role of moving them into the world-time of emergence through the available. However, when we ask the question why does this emergent

movement occur, the answer is to be found in Heidegger's concept of originary temporality:

Because of the originary "future" pressing ahead towards their Seinkönnen of the entrepreneur, because of the importance of shared originary "past" meaning, because of the empresenting of significance in the originary "present", then the emergent world-time future horizon of the everyday can be conceptualized, enacted, sequentially co-created. This is entirely consistent with the entrepreneurial Seinkönnen, and with the Heideggerian principle that Mitdasein possibilities are norm-governed (Schatzki, 2005, p243). And, of course, the world-time horizon thus generated is then available for us to study in the now-time of science, as a specific set of practices interlinked and connected by meaning and purpose.

## CONCLUSIONS

Our study supports Chia and Holt's (2006) reading of strategy-in-practice. However, through our longitudinal exploration of the actual lived practices of entrepreneurs, their networks and the relationships of which these networks are comprised it also extends it. Looking at our data using the Heideggerian lens helps us to understand the nature and use of strategy as practice. The actions of agents shape their individual identity. By engaging with a given habitus agents learn how to get on within that social context. Collectively the actions of agents shape the identity of that habitus. Our findings demonstrate that through social interaction, embedding and engaging with the social context and the habitus of which they were a part, entrepreneurs (as agents) bring about change. Sharing beliefs, values and philosophies are the underpinning and identity-shaping are critical factors in forming the modus operandi of the habitus. Through bonds and connections the actualising, engagement with and for, the enactment of, entrepreneurship provides the nexus for change and forms the mechanism through which change is brought about to produce the future. The practical coping strategy for achieving this is through social interaction. Social interaction is a mechanism which allows entrepreneurs to deal with the unknowable. Entrepreneurial networks therefore in practice provide the strategy to initiate, create, deal and cope with change but also to shape the future. Therefore, social interaction would seem fundamental to building organizations for the future. Within the entrepreneurial context, social interaction may even provide a mechanism operating beyond the boundaries of the organization to deal with aspects of the social structure that may be self-reinforcing and resistant to change and which otherwise might affect organizational stability (Jarzabkowski (2004). However, importantly it is inter-action, rather than action, that represents the hallmark of this shared change process, with senior managers in very large firms fully complicit in the entrepreneur-centred change process. Such was the extent of their commitment to our entrepreneurs that several joined the firms as non-executive directors upon their retirement from corporate life.

Our study also found that organizational performance is strongly associated with and influenced by the actual types of ties which form the network and the social capital which resides within a network. Interaction provided the mechanism for the acquisition of new market information, but, more than this, for the co-creation of novel visions of the future. Deep interactions were built on relationships which combined affect and instrumentality, for both parties, and by strongly held shared mindsets. A symbolic license for change was allowed to the entrepreneurs, and, as a

result of their interactions with them, by extension to their dyad alters. This license permitted the entrepreneurs and their industry network ties to enact change, by the shared development and implementation of new products and services, and the processes associated with them. Senior managers of leading firms are complicit in this creative destruction process, actively and enthusiastically engaging with external entrepreneurs to move beyond current practice so as to achieve their shared vision of the future. This use of entrepreneurs as an exogenous source of change within other larger, more mechanistic organizations seems to be an efficient and effective way for senior managers to overcome, subvert and circumvent the inherent inertia of their own organizations.

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TABLE ONE: CONTRASTING THE HEIDEGGERIAN AND STRATEGIC CONTENT PERSPECTIVES

Table One Contrasting the Heideggerian and Strategic Content Perspectives		
	Strategic “content” perspective	Heideggerian perspective
Mode of thought	Building mode	Dwelling mode
Level of agency	Methodological individualism (action-theoretic)	Relationalism (“primacy of latent connections and relationships that animate and constitute human agency”)
Strategy as	Purposeful goal-orientation	Immanent in practical adaptive action
Strategic practice	Planned, organized, causally determined actions	Patterned consistency in a stream of action
Action guided by	Mediation of prior mental representations	“Readiness to hand”
Agents as	Observers, explaining	Actors, practising
Consistency understood to be ordered by	Deliberate intent: pre-planned consistency	Modus operandi – “an internalized disposition”
Adapted from Chia and Holt (2006)		

TABLE TWO: THE NATURE OF NETWORKING

Table Two: The Nature of Networking	
“I’ll be having a conversation with somebody and think, well to hell with it, he’s quite a handy guy to really know, rather than the other way round”. M	
Something natural, unforced	“You never think about these things because it’s so instinctive” P
Acknowledging some degree of purposive networking	“you’re out to make contact with people” M
Rejection of wholly contrived networking	“I don’t play golf”....M and P
Network (and growing enterprise) underpinned by mindset / shared values	“I am very much into shared beliefs and values, as if you share beliefs and values then you either tend to meet people who you were friends with or friendly with” P
Participation in industry and other formal groups	“Getting involved in other activities, getting out an about, CRINE, CBI, those sorts of things, very deliberate ways of gaining access to some people you need to have contact with” M

TABLE THREE: NETWORK DEVELOPMENT AND CYCLES

<p>Table Three</p> <p>Network Development and Cycles</p> <p>“Sitting here I wasn’t getting any inspiration, so I got out there, got the inspiration, came back in here and said ‘right guys, this is where we’re going’ and we’re off, you know, and we did the growth curve” M</p>	
Strong ties preserved and extended	“I’ve got a non-executive director who was staying with me over the weekend...who is the lawyer who put together the package which started me up in 1985” M
Formally internalizing the network through, eg, board positions	“Now I’ve got two non-execs..both retired, extremely heavy hitters...their assistance and help has been immeasurable” P
Time spent on networking increases when entrepreneurs act as architects of growth	“I think the amount of time you spend coincides with the growth phase because you’re usually the architect of each growth phase and that’s probably why it’s been so cyclical” P
New customer ties added	“A lot of the centre of my contact base has moved to being military, naval, and I’ve worked very hard – we get on very well, we’ve got a lot of friends in the Navy now” M
Network expansion through linked “nodes”	“Once you lock into one node then that opens a whole lot of new nodes for you” P

TABLE FOUR: NETWORK PROCESSES: STRATEGY AS CONVERSATION

Table Four: Network Processes: Strategy as Conversation	
“Strategy: that’s the skill I have; to manage a conversation in the right way” P	
Talking to people as a key start-up activity:	“There were a couple of customers and suppliers and people who I spoke to and said ‘look, this is what I’m thinking of doing’ “.M
Talking to people as stimulating growth:	“100% of what we are doing is because of the customer saying it would be great if somebody could offer us this” M
Talking as a way to refine ideas	“the clarification of my thinking is done in conversation” M
Conversations as a source of wider industry knowledge	“having conversations with a broad spectrum of people about what is happening in the business world...what’s going to happen in the industry” M
Resource development as conversation driven	“once we get in there and understand what it is we want, then we’ll fashion our technical capabilities” M
Technological and industrial knowledge firmly embedded in social constructs	“I did the engineering calculations... and I went to some contacts I had in the States” P
Relationship marketing by technical employees	“Before networking became trendy I used always to encourage my guys to go and network and I’d pick up the bills for beer” P

TABLE FIVE: NETWORK STRUCTURES

<p>Table Five Network Structures</p> <p>“the driving factor in your pattern is that mix of who you gel with and who you need” M</p>	
Prior industry / customer connections and trust as key start-up tool	“we did the product in an area that I was already recognized as a guy within that area so the network already existed” P
tight links within the oil industry	“the oil business is very well bounded, it’s not a big business, you can probably list 20 people worldwide who are the key people you want to talk to”. P
High level networks as sales mechanisms	“radical innovation demands that you get in at the top” P
Quality of contact as a survival mechanism	“if a small company is going to have a relationship with a very large oil company then its relationship will probably only survive if its at a relatively high level” P
Professional advisers in a secondary functional role	“Oh no, no! I do not network with accountants, lawyers or bankers.” P
Local business network contrasting to, separate from, and antagonistic to the oil industry	“in Aberdeen, the business network is more often than not separate from the oil network, it’s strange” P

TABLE SIX: RECIPROCITY

Table Six: Reciprocity	
<p>“We use each other as judges of character as I think in the area we are in running, we are in the business of new ideas and changing the way people think, its important and we use each other as weathervanes for that” P</p>	
<p>Network bridging holes spontaneously</p>	<p>”one of our clients has been helping us network. As soon as they’ve found something different they think I need to put these two things together and see what happens”. P</p>
<p>Entrepreneurs’ duty to promote change within the industry</p>	<p>“we both wanted to radically change stuff” P</p>
<p>Entrepreneurs’ duty to support the wider society</p>	<p>Paul’s involvement with a range of national social development and leadership organizations; Mike’s work with local schools, board of local university</p>
<p>Fun to be found in enterprise development for senior industry figures</p>	<p>“people enjoy having their knowledge and skills put to good use” M</p>



## Biographical Notes

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Professor Anderson is Director of the Charles Skene Centre for Entrepreneurship at the Robert Gordon University, Aberdeen. He is also Honorary Professor at Aberdeen and Ballarat Universities. His research interests lie in trying to understand entrepreneurship through social processes and his work is driven by curiosity.

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