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William B. Gartner

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An Issue about *The Republic of Tea*

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ENTER

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An Issue about *The Republic of Tea*

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An Entrepreneurial Jeremiad

William B. Gartner

Abstract

The aim and scope of *ENTER* (*Entrepreneurial Narrative Theory Ethnomethodology and Reflexivity*), the logic for using an open-access publication model, and a description of the contents of the first issue, are provided. Each issue of *ENTER* focuses on a specific entrepreneurial narrative. The future purview of narratives that *ENTER* will address are suggested. A lament on the for-profit publishing conglomerate capture of academic scholarship is proffered and hunches about the value and viability of the open-access publication model are offered. Articles that explore the book *The Republic of Tea* are outlined.

Introduction

I write the introduction to the first issue of *ENTER* (*Entrepreneurial Narrative Theory Ethnomethodology and Reflexivity*) with some trepidation. I am wary of making claims about whether *ENTER* is an indicator of a significant movement (Steyaert & Horjth, 2003) in entrepreneurship scholarship. I see radical changes occurring in how scholarship is distributed; from a print-based past to a present (electronic access and distribution of journals) that has not caught up with technologies pulling us into a future where interaction and communication among scholars around the world can occur instantaneously. I wonder whether we are remaining awake through a great revolution (King, 1986). I wonder what the role of journals and journal articles are, and will be, in the context of the internet. So, I surmise that the context of scholarship is poised for radical transformation. Yet I believe that change occurs (particularly change in mindset and action) through "small wins" (Weick, 1984) rather than by radical leaps. So, the goals and claims for the journal *ENTER* are rather modest. And, this jeremiad is hopefully optimistic about new vistas for scholarship in the field of entrepreneurship.

For those interested in the arc of history that precedes the creation of *ENTER*, those prior struggles are offered in Gartner, 2004; 2006a; 2006b; 2007; 2008; and 2010. A very brief rumination on the genesis of *ENTER* is offered here.

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I believe that most entrepreneurship scholars tend to comprehend the field of entrepreneurship and the nature of the phenomenon of entrepreneurship within the narrow bounds of their own research interests (Gartner, Davidsson & Zahra, 2006). That, I suppose, is to be expected, given that scholars have a limited amount of time, energy and resources to grapple with an ever-expanding variety of contributions. Be that as it may, the phenomenon of entrepreneurship is more diverse in its scope than is typically portrayed, and the methods and approaches for studying the phenomenon of entrepreneurship should be broader and more creative than what is typically published in most academic journals (Gartner, 2008). While I see that some academic journals are opening up to a wider array of ideas, methods and approaches to entrepreneurship scholarship, the format of an academic journal *per se*, and of journal articles as a genre, have inherent limitations for capturing the breadth and depth of entrepreneurial phenomenon. While there are many ways these various and sundry limitations might be overcome, I have migrated towards one approach as a partial solution: multiple perspectives on specific entrepreneurial narratives.

Aim and Scope of *ENTER*

Each issue of *ENTER* focuses on a specific entrepreneurial narrative. The label "entrepreneurial narrative" is defined loosely, to encompass a variety of texts that are generated by entrepreneurs, or by others, about entrepreneurs. So, entrepreneurial narrative should be considered broadly:

> Narrative is a form of "meaning making." It is a complex form which expresses itself by drawing together descriptions of states of affairs contained in individual sentences into a particular type of discourse. This drawing together creates a higher order of meaning that discloses relationships among states of affair. Narrative recognizes the meaningfulness of individual experiences by noting how they function as parts of a whole. Its particular subject matter is human actions and events that affect human beings, which it configures into wholes according to the roles these actions and events play in bringing about a conclusion. Because narrative is particularly sensitive to the temporal dimension of human existence, it pays special attention to the sequence in which actions and events occur. (Polkinghorne, 1988: 36)

While narratives might simplistically be thought of as stories, so that any form of story-telling (autobiographies, interviews, biographies, etc.) would be considered narrative, I want the idea of narrative to encompass a much broader array of possible narrative forms and approaches. This first issue of *ENTER*, for example, focuses on the book *The Republic of Tea* (Zeigler, Rosenzweig & Zeigler, 1992). The book is a series faxes among the founders/authors about the development of a business called "The Republic of Tea." The book, therefore, has a temporal aspect to it (the faxes occur over

time) but, the "story" of the Republic of Tea is not told by one specific author, and the story does not unfold in the typical "story" form. So, in terms of the scope of the kinds of texts that would constitute a narrative that might be a focus of an issue of *ENTER*, I would go beyond the typical suspects (i.e., stories, interviews, autobiographies, biographies, case studies, films, plays, etc.) and include documents such as business plans, journal articles, memos, or any form of textual material that might, with some scholarly insight, enable one to see in those texts a story worth telling and analyzing. There is only one constraint to the type of narrative studied: the narrative must be publically available for other readers to access. The boundaries for a contribution to an issue are subject to two limitations. For this issue, the "call for papers" asked that:

Manuscripts must:

1. Have something to do with (or) discuss in some way (or) use as data from *The Republic of Tea*

2. Be a "riff" (your improvisation, your personal "sense-making," your views, that is, the article should reflect you as an author) on *The Republic of Tea*

I suggest that focusing on a particular text using a variety of approaches both enhances an appreciation and understanding of the text, and puts into context the genius of a particular perspective vis-à-vis other contributions. So, in the context of *The Republic of Tea,* I believe a reader is better able to fathom the depths and complexities of this book, as well as gain insights into less familiar methods and approaches as ways of understanding entrepreneurship.

The limiting factor in whether a particular text will be the focus of an issue of *ENTER* will likely depend on whether there are a sufficient number of scholars willing to contribute. For example, in response to the "call for papers" for *The Republic of Tea*, I received a number of responses from scholars who indicated interest in the concept of the issue but felt, after reading the book, that the book's founders/authors did not personally engage these scholars as subjects worth writing about. So, I expect that a critical mass of scholarship on a particular entrepreneurial narrative will depend not only on the text selected, but also on whether a scholar can see a way to use to the text to fit a particular perspective worth exploring in the text. We will see.

The next three texts that I would like scholars to focus their attention on are:

McClelland, D. C. 1961. *The Achieving Society*. New York: The Free Press.

Szaky, T. 2009. *Revolution in a Bottle*. New York: Portfolio.

Vesper, K. H. 1980. *New Venture Strategies*. Englewood Cliffs, NJ: Prentice-Hall.

I believe the McClelland text needs a re-reading, particularly in the context of *ENTER*, because McClelland bases his ideas and theories about need for achievement

on stories and narrative methods. I suggest that McClelland's later work, which explores need for achievement through a more paradigmatic or logico-scientific approach, tends to ignore the richness and complexity of his initial research. I believe this shift away from the narrative core of McClelland's original work was a mistake. Another reason for focusing on *The Achieving Society* is that McClelland's theory and methods are grounded in the idea of "apperception," which provides insights into the *ENTER* zeitgeist (as will be discussed below). I am very pleased that Geoff Archer will be championing an issue of *ENTER* that focuses on *Revolution in a Bottle*. The Szaky book is current, touches on a broad range of social and environmental issues, and has an autobiographical form that provides ample opportunities for scholars to riff across levels of analysis, values and ethics, and economic rationality as currently viewed (in the book). I believe that significant insights into the ontology of "social entrepreneurship" are likely to emerge from close analyses of the Szaky book. Karl Vesper is one of the first scholars to seriously study the process of entrepreneurship as well as take an active role in developing the academic field of entrepreneurship in both research and pedagogy. I suggest a festschrift would be timely, with attention paid primarily but not exclusively to *New Venture Strategies*. Specific "calls for papers" on these three books will be posted soon.

Finally, as a way to provide a few additional clues about the journal's focus, a brief history of the title: *ENTER*. The original name for the journal was *VISIBLE HAND*, a nod to Chandler's book: *The Visible Hand* (1977), and a signal that the journal was focusing on organizational efforts. I think, in the end, the *VISIBLE HAND* metaphor would have been a difficult connection for most people to easily ascertain (notice that the visible hand does show up in the cover for this first issue). For the "T" in *ENTER*, we considered "theory," "temporality" and "text." "Text" and "temporality" seemed redundant since they are aspects of "narrative." A journal on narrative would inherently focus on texts, and these texts, as narratives, would have by definition a temporal aspect to them. "Theory" better reflects a primary objective of the journal. Theories should serve to explain, make sense of, and predict relationships about a particular phenomenon, in this case: entrepreneurship. For the second "E" in *ENTER*, we considered "epistemology," "ethnography," "enactment," "engagement" and "ethnomethodology." These "E" words are all good labels for aspects of the journal's focus: epistemology grapples with the question, "How do we know what we know?" Ethnography is the scientific study of human cultures. Enactment, as framed by Weick (1979), explores both the context and behaviors of individuals in the process of organizing. Engagement speaks to the active involvement of the researcher (and the reader reading the researcher) in the text. Yet ethnomethodology seems to encapsulate nearly all of the above mentioned ideas: the study of how people make sense of their experiences. The "R" in *ENTER* had the options "research," "rhetoric" and "reflexivity." The journal's basis is in research, so emphasizing this "R" seemed obvious. Rhetoric focuses on communication and the ways communication occurs in various domains and situations. Rhetoric is an apt sense of the journal's focus on both the communication inherent in the narrative offered, as well as the way in which each scholar explored the language for what is found in a particular text. Nonetheless, it seemed that reflexivity

better emphasized the critical role of the researcher in the research process, which is fundamental to how these narrative analyses occur. And, finally, the acronym *ENTER* suggests that the journal serves as a portal into ways of looking at a specific text. So, for this issue, we enter into an exploration of *The Republic of Tea*.

Open Access

ENTER is an experiment in the viability and value of providing a journal to scholars and readers for free. Why free? I suggest that the present framework for publishing scholarship in journals that are primarily owned by for-profit companies will make the sharing of knowledge among academics and others too expensive to continue. *ENTER* is a bet that the current institutional framework for disseminating academically generated knowledge will change. Given innovations in publishing technologies, as well as the ubiquity of the internet and the power of search engines like Google, the current publication model that serves the entrepreneurship field is due for some transformation. For a broad overview of the scope of efforts around open-access activities, please explore the Study of Open Access Publishing (www.project-soap.eu) as well as SPARC – The Scholarly Publishing and Academic Resources Coalition (www.arl.org/sparc) and Creative Commons (www.creativecommons.org).

Currently, I have the luxury of belonging to a university that can afford to pay for both electronic and print access to journals. This access is not without a substantial monetary cost to the library. In Table 1, I list, to the best knowledge of the Clemson University research librarians, the cost of electronic access to some of the journals that entrepreneurship scholars pay attention to.

My reading of this table suggests that the cost for access to a journal is less expensive if the journal is published as a part of a society of scholars (e.g., Academy of Management), or through a non-profit organization (e.g., Cornell University). The journals that appear to be the most expensive are those published by for-profit organizations (e.g., Elsevier, SAGE). It should be noted that many of these journals can be "bundled" into other electronic databases, so the cost of access for a particular journal may be less than what is listed in Table 1. Yet these databases are not inexpensive to acquire, either. And, I am told that "electronic access only" to some of these journals has not substantially reduced their cost. As higher-education institutions seem to be under enormous pressure to reduce costs, the costs of access to journals is likely to be a place where significant cuts will be made.

The irony of the costs of scholarly journals is that nearly all of the costs in developing journal articles are borne by scholars themselves, and this effort is provided "free" for academic journals to publish. Scholars frequently devote years to the research that goes into a journal article, yet nearly all journals require that authors give up their rights to distribute their own work to others. (I suppose the *quid pro quo* for this transference of copyright is the visibility, prestige, and availability of scholarly journals in academic and public libraries. These attributes are certainly of great value now, but it remains to be seen whether this framework will continue to be relevant.) While some journals have expressly given authors permission to send electronic copies of

Table 1: Cost to Libraries for Selected Academic Journals

Name of Journal (Publisher)	Cost per year
Academy of Management Journal (Academy of Management)	$155
Academy of Management Review (Academy of Management)	$155
Organization Science (Institute for Operations Research and the Management Sciences)	$360
Management Science (Institute for Operations Research and the Management Sciences)	$715
Administrative Science Quarterly (Cornell University)	$239
Journal of Management (SAGE for the Southern Management Association)	$572
Journal of Business Venturing (Elsevier)	$1078
Entrepreneurship Theory and Practice (Wiley/Blackwell for the United States Association for Small Business and Entrepreneurship)	$438
International Journal of Small Business (SAGE)	$1283 (current access) $1745 (1998 to present)
Small Business Economics (Springer)	$1419
Entrepreneurship and Regional Development (Routledge)	$748
Strategic Entrepreneurship Journal (Wiley/Blackwell for the Strategic Management Society)	$353

their work to others, for free, it is atypical for a journal to let an author post a journal article on the author's website for free distribution. So, scholars are in a bind about distributing their own work, as well as gaining legitimate access to the work of others.

If the dissemination of knowledge is one of the primary goals of academic scholarship, then why shouldn't this knowledge be free to other scholars and the public? Why should access to scholarship be limited to those who can pay for it? I

posit that the for-profit model of ownership of scholarly work is counterproductive to the efforts of scholars to make their work known to the widest possible audience. I believe that authors should have joint copyright of their own work so that they can freely distribute their scholarship to others.

And there are other reasons for seeking to publish an open-access journal. Adler and Harzing (2009) recently offered a comprehensive evaluation of issues involved with the visibility and value of academic knowledge in primarily business disciplines, and posit that our current view of what gets "valued" among academic scholars tends to ignore a number of critical issues. Journals, articles, and scholars that are highly ranked are often seen through the lens of the Social Science Citation Index (SSCI). The SSCI surveys a limited number of journals and ignores books and monographs entirely. Also, for a new journal to be added to the SSCI requires a three-year waiting period and a three-year study period before the journal is listed. Thus, the first six years of the journal are "unseen" in the SSCI database. So, for example, the sister publication to *Strategic Management Journal (SMJ)*, the *Strategic Entrepreneurship Journal (SEJ)*, is not in the SSCI because the journal is less than six years old. Therefore, new journals offering new perspectives are essentially ignored for the first six years of their existence. Finally, Adler and Harzing (2009) provide evidence that there is a low correlation between the "quality" of a journal and the "quality" of the article (in terms of number of citations.) They quote Starbuck (2005: 196): "Evaluating articles based primarily on which journal published them is more likely than not to yield incorrect assessments of the articles' value." In some respects, then, articles should have the option of being free for distribution across a wide range of venues, and to be promoted and championed by their authors. One assumes that articles that are more available are more likely to be read, and that articles that are read are more likely to be cited (if they are seen as having value. Again, the challenge is that articles of value that are not read cannot be of value until they are read).

There are a number of ways that journal articles, books and monographs can be evaluated in terms of their scholarly impact that are not dependent on the SSCI (e.g., Harzing, 2005; 2008a; 2008b; Harzing & van der Wal, 2008a; 2008b). These methods tend to use Google or other web search engines to cast a wider net over the ocean of scholarship that is available. I suggest that the methods used by Harzing and her colleagues better reflect how scholars actually pay attention to the work of other scholars. This is especially true in terms of the impact of scholarly books. But I also believe that as scholars and others use search engines to explore information posted on the internet, other formats for conveying scholarship (e.g., blogs, personal web pages) may become more relevant and useful in the future.

So the articles in *ENTER* are jointly owned by the journal and the authors. The authors are free to use and disseminate their work in whatever form or manner they want (e.g., an article can be republished in a book, posted on freely available websites). The question, then, is whether allowing open-access to these articles will result in wider dissemination of these articles compared to their distribution through a traditional journal. For now, *ENTER* will be posted for free download through the Clemson University Digital Press. But, it is expected that the journal will be accessible elsewhere

on the internet as well, and that opportunities to promote interaction among the readers of these articles and the authors will be developed. In any event, I believe the future is on the side of open access.

Finally, there might be some interest in knowing the costs for developing and publishing a journal. The costs for copyediting, journal layout and design, formatting, posting *ENTER* on the web, and printing 100 copies comes to less than $5,000. I would say a substantial amount of those costs can be ascribed to "liability of newness" issues (e.g., deciding on a style guide for copyediting midway through the process, which meant that most of the articles were copyedited twice, and the many iterations undertaken for evaluating different formats for what the journal and articles would look like). At this point I felt it was important that the articles in *ENTER* look like journal articles and capture the sense of accessibility and engagement that authors offered in their articles. I hope the design and format of the journal achieves these objectives. Now that a process and format is in place, I expect that overall costs to publish an issue will be substantially less. For a publisher with more ingenuity or experience than I, it is possible to publish a journal for a fifth of what was expended on this first issue of *ENTER*. Given that the cost of self-publishing is within the financial capabilities of many scholars, exchanging copyrights for publication in journals owned by for-profit publishing conglomerates seems a poor bargain. The majority of value generated by an academic journal is due to the scholars involved with writing for the journal, reviewing for the journal, and reading the journal. It is not about the journal itself. So I believe that the current institutional process that rewards and supports publication in journals may significantly change, given that existing and emergent technologies for information dissemination and interaction offer scholars a wider venue for disseminating and discussing scholarly findings and insights. Only time will tell as to whether any of the speculations offered above will come to pass.

Articles in this Issue

As described in the "call for papers," the submission criteria required articles meet two requirements: (1) make use *The Republic of Tea* in some way, and (2) reflect the scholar in the scholarship. The second requirement is somewhat rare, but not unique in academic scholarship. I find that most journal articles in the social sciences are nearly scrubbed clean of any traces of the author(s), yet scholarship is by nature, the acts of specific scholars with specific interests and agendas focusing on specific phenomena. By way of example, I think the reason Karl Weick's scholarship (i.e., Weick, 1984; 1990; 1993; 1996; 2006; and 2010) generates such insight for the reader is that his style is so "Weickian." A Karl Weick article shows it is written by Karl Weick: it reflects his sensibility and perspective on things. There is a particular style, a use of words, and a reflective demeanor that is uniquely "Weickian." He never hides himself in his work. And, therefore, I find that his articles help me better see, through his linguistic genius, what he hopes he can get us to see. Karl Weick is an honest reflection of the idea of "apperception" inherent in scholarship.

> Educated as we already are, we never get an experience that remains for us completely nondescript: it always *reminds* of something similar in quality, or of some context that might have surrounded it before, and which it now in some way suggests. This mental escort which the mind supplies is drawn, of course, from the mind's ready-made stock. We *conceive* the impression in some definite way. We dispose of it according to our acquired possibilities, be they few or many, in the way of "ideas." This way of taking in the object is the process of apperception. The conceptions which meet and assimilate it are called by Herbart the "apperceiving mass." The apperceived impression is engulfed in this, and the result is a new field of consciousness, of which one part (and often a very small part) comes from the outer world, and another part (sometimes by far the largest) comes from the previous contents of the mind. (James, 1925: 123)

We bring ourselves to the experiences we encounter, and, then, our senses of these experiences are reflections of ourselves:

> based on the well recognized fact that when someone attempts to interpret a complex social situation he is apt to tell as much about himself as he is about the phenomenon on which his attention is focused. At such times, the person is off his guard, since he believes he is merely explaining objective occurrences. To one with "double hearing," however, he is exposing certain inner forces and arrangements, wishes, fears, and traces of past experiences. (Morgan & Murray, 1935: 390)

The articles in this issue are, by intention, written to make obvious the authors' beliefs and agendas about the nature of entrepreneurial phenomenon as found in *The Republic of Tea*. That such diverse arrays of viewpoints on *The Republic of Tea* are offered speaks to the breadth of theories and methods that are applicable to entrepreneurship research. A reader who engages with these articles will come away with a deep, complicated, and nuanced understanding of entrepreneurship as well as an appreciation for each author's apperceptive abilities to reveal new insights into the nature of entrepreneurship.

In Sean Williams' article: "A Rhetorical Theory of Transformation in Entrepreneurial Narrative: The Case of *The Republic Of Tea*," an argument is developed and supported through evidence from the book that individuals learn how to perform as entrepreneurs based on cues embedded in their rhetorical situations. Based on theory taken from Baudrillard and Bourdieu, Williams outlines the context in which nascent entrepreneurs learn how to "talk the talk" of entrepreneurship, and thereby assume the identity of "entrepreneur" as portrayed in existing social representations of the entrepreneur. In this case, the representation of "entrepreneur" that Bill Rosenzweig learns is "Mel Ziegler" through their fax dialogue. Williams concludes by suggesting that

"entrepreneur" is not a disposition, but a visible performance that individuals learn to produce based on the situations they are in.

Using the logic of comprehension theory, Alice de Koning and Sarah Drakapoulou Dodd's article "Tea and Understanding" emphasizes the development of metaphors and phrases in the conversations among the three founders. As these conversations develop over time, certain metaphors and phrases (labeled "narrative gambits") that were introduced early in the book are either developed into narrative frameworks or abandoned. A narrative framework becomes a way for all of the participants in the conversation to understand, specifically, what they are talking about. Narrative gambits, then, serve as a bridge between the prior knowledge and beliefs of the founders and the emergence of new knowledge formulated in jointly understood narrative frameworks.

Using a phenomenological/constructivist perspective, Paul Selden and Denise Fletcher in their article "'Narrative Dreamworlds' and 'Small Stories:' 'Narrativeness' and the Practical Story of Entrepreneurial Becoming in *The Republic of Tea*" distinguish between retrospective narrative and practical narrativity, and argue that narrative researchers tend to focus on retrospective narratives, rather than the "small stories" of practical narrativity. I understand practical narrativity to be the "in the moment stories" that individuals tell about their current situation and their possible futures. These stories are disjointed, in terms of offering a coherent "self" because the stories of present and future have yet to unfold. In retrospective narratives individuals take their past experiences and form a cogent self that is sensible to others. Retrospectively, we can tie together the various discontinuous situations that were/are our present and future (now, the past) into something others will understand. After a very thoughtful development of this dichotomy, the authors utilize *The Republic of Tea* to describe a variety of instances where the founders offer both retrospective narrative and practical narrativity as the book unfolds. They suggest that in a real-time story approach to entrepreneurial narrative, a focus on the process of self-becoming is seen to stem from both retrospective narrative and practical narrativity.

Benyamin B. Lichtenstein and Beth Kurjanowicz in the article "Tangibility, Momentum, and the Emergence of *The Republic of Tea*" apply the theory and methods of complexity science to an analysis of the "organizing moves" that occur in the faxes. These organizing moves are divided into three categories: *ideation* (values, visions and conceptual ideas), *planning* (tasks of industry research, market definition, and specific decisions regarding products, marketing, or strategic entry that have implications for further organizing) and *tangibility* (actions that reach beyond the entrepreneurs and involve other stakeholders). When these three types of organizing moves occur is noted. The authors demonstrate that three types of emergence (first-degree —structural properties; second-degree—new levels of order; and third-degree—new levels of order with supervenient effects) are evident in the data, and that when organizing moves were more tangible and more frequent in a given time frame (had momentum), all three degrees of emergence were more likely to occur. The authors posit that business creation is more likely to occur when entrepreneurs engage in tangible actions, and they suggest ways in which complexity science and entrepreneurship studies can better inform one another.

In an ambitious attempt to synthesize and extend prior literature on entrepreneurial process, Kevin Hindle, in the article "Skillful Dreaming: Testing a General Model of Entrepreneurial Process with a Specific Narrative of Venture Creation" offers: a narrative about his own odyssey to make sense of a variety of models of entrepreneurial process; a definition of entrepreneurship—*the process of evaluating, committing to and achieving, under contextual constraints, the creation of new value from new knowledge for the benefit of defined stakeholders*; a framework that synthesizes prior process models into broad stages of opportunity, evaluation, business model, commitment, and exploitation that result and are influenced by value; a detailed content analysis of *The Republic of Tea* that highlights the importance of evaluation to the process of entrepreneurship; and some insights into the philosophy of science in entrepreneurship scholarship.

In Steffen Korsgaard and Helle Neegaard's article "Sites and Enactments: A Nominalist Approach to Opportunities," they question the "taken-for-granted" idea of what opportunities are, and suggest that opportunities be thought of as processes rather than as "things." Using Foucault's idea of "practices" as a way of seeing the nature of processes, they dismiss the opportunity discovery view as a valid way to ascertain the nature of opportunities. Practices, by their nature, are not stable, because they are negotiated and evolve among the actors involved. The authors describe two core characteristics of "practices:" sites (the context of the individuals involved) an enactments (the ongoing actions of these involved individuals), and they explore *The Republic of Tea* using these constructs to answer these questions: "what are we looking for?""who is doing it?" and "where do we look?" In their analysis they find a multitude of sites (e.g., physical—the airplane, Sedona, the faxes; imagined/conceptual—retail store, business plan, mail order catalogue) and enactments (e.g., the conversations via the faxes between the founders, Bill's actions to learn the tea business) that portray the process of opportunity as a messy evolution in which some possibilities are abandoned while others are developed. Rather than opportunities being "out there" in a form that can be evaluated, this article suggests that the process of what an opportunity becomes is inherently temporal, more fluid and complicated.

Using the notion of rhythm, as conceptualized and proposed by French philosopher Henri Lefebvre, Karen Verduyn in the article "Rhythmanalyzing the Emergence of *The Republic of Tea*" explores the temporal process by which events unfold in the creation of the tea business. In this perspective there are a variety of ways of looking at the nature of time. It can be linear and cyclic in nature. Time can be "work time" or "natural time." The process, then, of when events unfold are influenced by the various rhythms (linear, cyclic, work and natural) and how they play out, specifically, in the rhythms of two of the founders, Bill and Mel, and the business itself (*The Republic of Tea)*. Verduyn identifies Mel's rhythm as emancipated, free, slow, and idle. Bill's rhythm is mechanical, linear, repetitive, and purposeful. And the business has a rhythm all its own: that is, it reveals itself in various moments throughout the rhythms of Mel and Bill. The Republic of Tea unfolds in its own natural way. Verduyn questions whether the creation of an organization can be forced to occur in ways that are incompatible with the natural rhythms of the organization itself.

In Bruce T. Teague's article, "A Narrative Analysis of Idea Initiation in *The Republic of Tea*" the concept of idea initiation is developed and defined as "the recognition on the part of potential entrepreneur(s) that an as yet undiscovered or uncreated business opportunity may exist within a defined product or service domain space." Entrepreneurs, therefore, explore "entrepreneurial potentialities." Using a dialogic/performance analysis of the faxes of Bill Rosenzweig and Mel Zeigler, and, to a lesser degree, a visual analysis of the drawings and sketches provided by Patricia Zeigler, Teague identifies the context in which the idea emerges, as well as the power dynamics among the founders. Mel is identified as the individual who owns the idea of "The Republic of Tea," serves as the idea's voice, and provides direction for how and why the business will evolve. Bill's role somewhat waffles between affirming Mel's direction and offering additional perspectives on the idea's philosophy and direction. And Patricia, through faxed drawings, provides a visualization of how the business will look which in subtle and powerful ways becomes the eventual look and presence of the business itself. In an analysis of the dynamics among these founders, Teague suggests that the founders play out both creation and discovery modes of idea initiation, as well as differing views for whether the venture will emerge or be more systematically developed. And finally, he offers insights into the various intrinsic and extrinsic motivations of the founders as drivers of the idea initiation process.

The article by Helene Ahl and Barbara Czarniawska, "Many Words about Tea…" serves as a delightful coda to the articles in this issue. The authors' article consists of a series of emails about *The Republic of Tea*, which in both format and content provide a reflexive commentary on the nature of narrative (as well as offering a cornucopia of other insights across many different disciplines, utilizing a variety of different knowledge sources from scholarship to anecdotes). The dialogue is both playful and serious, but best of all it shows the dynamic nature of narrative: that we are both readers and writers, responding and creating, reflecting and instigating, serving as both performers and audience, in dialogue, over time. And, I suggest, the article demonstrates the nature of scholarship: a dynamic interaction of ideas and evidence crafted by individuals with unique and important agendas and motivations in order to provide more clarity and understanding about the nature of our world. I hope that this first issue of *ENTER* evokes a similar spirit among those readers (you) who might see further opportunities to respond to these articles and develop new insights into the nature of entrepreneurship and entrepreneurial narrative.

Finally, I am very grateful to the authors of these articles for investing their time in generating such insightful scholarship. But I am more thankful for their willingness to participate in this new academic endeavor. Now, we will see what becomes of this.

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A Rhetorical Theory of Transformation in Entrepreneurial Narrative: The Case of *The Republic of Tea*

Sean D. Williams

Abstract

This article argues that entrepreneurship is a performance, specifically that entrepreneurs must learn the roles they need to play, including specific types of discourse patterns, to succeed as entrepreneurs. Building on a theoretical framework from Bourdieu and Baudrillard, the article traces how Bill Rosenzweig's character learns to imitate the discursive habits of his mentor, Mel Ziegler. The more Bill builds identity with the image (simulacrum) of an entrepreneur proposed by Mel, the more Bill's enterprise begins to succeed. Based upon this narrative analysis, the article concludes that entrepreneurship is not a disposition, but rather a visible performance of existing social representations of entrepreneurship.

We are reading the story of our lives,
as though we were in it,
as though we had written it.
This comes up again and again.
In one of the chapters
I lean back and push the book aside
because the book says
it is what I am doing.
I lean back and begin to write about the book.
I write that I wish to move beyond the book.
Beyond my life into another life.
I put the pen down.
The book says: "He put the pen down
and turned and watched her reading
the part about herself falling in love."
The book is more accurate than we can imagine.

> —From "The Story of Our Lives" by Mark Strand, Pulitzer Prize Winner and
> former Poet Laureate of the United States (*Strand*, 2002)

Introduction

I'd like to start with a claim that might seem like a strange place to start for an article on entrepreneurship: entrepreneurs do not exist. That is, one cannot "be" an entrepreneur. Instead, one "performs" entrepreneurship, just as one performs "masculinity" or just as one performs "management." These are roles that we assume in the rhetorical moment, writing them as we move through our lives and responding to unique contexts that require us, at any given moment, to shift our identity within the realm of what it means to "be an entrepreneur." In other words, multiple types of "entrepreneur" exist, and depending upon the situation in which we find ourselves (those of us who consider ourselves to be entrepreneurs in one way or another), we move along a continuum of identities that are more or less "entrepreneurial."

Entrepreneurs, and all of us really, perform these shifting roles in the ways that we write our lives—quite literally in the way that we externalize our understanding of ourselves to others through oral, written, visual or digital communication. Just as the two lovers in Strand's poem see the reality of their love first built and then lost in synchronicity with the reading of the poem —(as they read it in the poem, it happens)—our identity as entrepreneurs becomes manifest in the very moment of revealing it to others in language. We are not entrepreneurs before we present ourselves as entrepreneurs; we are not some sort of genius innovator emerging from a chrysalis one day with a great idea to improve the world. We write our identity as we communicate it to others, and then once that communication is no longer "in us"— rather, it is now articulated and external—we read it ourselves, and that external story we tell for others becomes the story of our lives.

The stories we tell about our entrepreneurial lives fit along this continuum of identities, ranging from, for example, Richard Branson to the twelve-year old kid who sells gum from his locker at a slight markup because the school candy machines don't sell it (my first entrepreneurial experiment). *The Republic of Tea* by Ziegler, Rosenzweig and Ziegler (1992) follows in this tradition of entrepreneurs telling the story of their lives, rehearsing their tales about how they "became" entrepreneurs and, by extension, what it means to "be" an entrepreneur. In most of these tales, the authors follow a typical pattern that moves the protagonist/entrepreneur through various challenges, villains and decision points on their way to the successful venture. Smith and Anderson (2004), for example, outline some common storylines for entrepreneurs; one could easily see how *The Republic of Tea* follows the classical "narrative of the poor boy made good" that shows the main character fleeing from oppression of some sort. In the case of *The Republic of Tea*, Bill attempts to flee from just another job to a venture that means something more than just going to work and doing well. Mel Ziegler becomes Bill's "guide" on the journey after a serendipitous meeting (serendipity is, in fact, a defining feature of the "classical narrative"), and they embark on their challenge with Bill journeying through the dark woods of self discovery, of networking, of self doubt, of planning, of false starts, of over-reaching and of exuberance, while Mel watches from his mountain-side home outside of San Francisco. Then, after nearly two years of hard struggle in the desert of entrepreneurship, guided by his entrepreneurial master,

Bill finally arrives at The Promised Land: starting the company. The narrative of *The Republic of Tea* would have us believe that Bill *is* an entrepreneur at the end of the book, while he wasn't at the beginning. In fact, the difference is that Bill has learned to *perform* entrepreneurship throughout the journey in a way that readers of the book will recognize as entrepreneurship.

When framed this way, we can easily see *The Republic of Tea* as a very simple fable with a very simple storyline about a man overcoming great obstacles to do great things to *become* something else. It's a common story told in so many different contexts (e.g., politics, sports, religion) that we all know it. Joseph Campbell, in his important work *Hero with a Thousand Faces* described the fable this way: "A hero ventures forth from the world of common day into a region of supernatural wonder: fabulous forces are there encountered and a decisive victory is won: the hero comes back from this mysterious adventure with the power to bestow boons on his fellow man" (Campbell, 1968, p. 23). Clearly, *The Republic of Tea* fits this well-worn story about how a hero transforms from one state to another: where Bill transforms from bright-eyed idealist to genuine entrepreneur. And because *The Republic of Tea* fits this familiar generic pattern so closely, the actual narrative itself isn't very interesting.

However, *The Republic of Tea* does provide us with some interesting insights into the rhetorical construction of an entrepreneur, into the ways that a person can "seem like" an entrepreneur or "play at" entrepreneurship by investing in the discourse of entrepreneurship. Bill "becomes" an entrepreneur because he learns to talk like one and act like one by presenting to the world external manifestations of himself that align him with a certain set of expectations about how entrepreneurs "are." Far from presenting some fundamental change in Bill's character or identity, *The Republic of Tea* chronicles Bill's process of learning "to seem like" an entrepreneur, which in the course of this book means learning to act like Mel. Once Bill has confidently learned the lessons of entrepreneurship that Mel—unfortunately—wouldn't clearly articulate to him, the business emerges. Bill has learned to play the role of entrepreneur by literally writing himself into that role through his correspondence with Mel. *The Republic of Tea* chronicles, then, how Bill writes the story of his entrepreneurial life. As he writes his letters to Mel, Bill writes his own identity, an identity that is just one of myriad "entrepreneurial" identities he could have performed.

The idea that individuals perform their identities in response to specific rhetorical situations is not really a new concept; however, as Hjorth and Steyaert (2004) argue, the so called "linguistic turn" that rooted and blossomed in the humanities and social sciences in the mid-/late-20th century has only recently begun to impact studies of entrepreneurship. According to Hjorth and Steyaert, we could position Gartner's (1993) "Words Lead to Deeds" as one of the foundational texts that treats entrepreneurship from a rhetorical perspective (although they call it "discursive") since Gartner's article asks us to look at the impact that scholars' language has on the field of entrepreneurial studies. Gartner's idea is straightforward: the language—the actual words—we use to describe a phenomenon influences the way we think about that thing and what we think about that thing governs our actions. This compactly summarizes the sophisticated thoughts of many 20th century thinkers, including

Burke (1969), Bahktin (1981), Foucault (1982), Baudrillard (1994), Bourdieu (1991) and many others who trace the ways that actual words create categories of inclusion and exclusion. (A classic example is how saying "The manager, *he…*" predisposes us to think of management in masculine terms like competition and instrumental rationality. "He" is not a neutral term, as many of us were taught in grammar school.)

Gartner's article, and many that build on it, did a service to entrepreneurship studies by introducing us to these concepts. However, the time has come for us to turn these tools of the linguistic orientation outward from us as scholars to entrepreneurs themselves in order to go the next step and see how the act of communicating not only represents a perspective on reality but how communication, in fact, *creates* reality. Stated another way, rather than assuming that there is a thing called "entrepreneurship" somewhere out there and that we can really understand it if we just expand our terms enough, I'm proposing that the only *real* thing we can truly know is the world humans make through words and deeds. We cannot know "entrepreneurship" as an abstract concept or disembodied, ideal phenomenon because language and actions always mediate between us and a concept or phenomenon. Nonetheless, human creations, like entrepreneurship, are real because we make them real through symbols and performances. Mumby (1997) calls this position "interpretivist modernism" rather than "postmodernism" because there is something we can definitely know, and that thing is the world humans create—the texts we write. Individuals are perceived, then, as entrepreneurs based on what they say and do, not by the degree to which they are (ontologically) the things called "entrepreneurs."

A Theory of Rhetorical Transformation

The rhetorical perspective that I'm proposing draws together French philosopher Jean Baudrillard, French sociologist Pierre Bourdieu and a library of modern rhetorical theorists. In what follows, I'd like to ground my perspective a bit more by discussing Baudrillard and Bourdieu, showing how their ideas combine to form a theory of rhetorical transformation for entrepreneurs. In short, my purpose is to show how Bill's transformation in *The Republic of Tea* is *rhetorical* and not *categorical*. He learns to act like an entrepreneur, and in performing the fiction of entrepreneurship—a rhetorical action—he actually impacts the material world by creating the business. The fiction constructs his material reality. First I'll outline Baudrillard's perspective then turn to Bourdieu's before analyzing *The Republic of Tea* in more detail to reveal the points made by Baudrillard and Bourdieu.

Baudrillard

Disneyland exists in order to hide that it is the "real" country, all of "real" America that is Disneyland… [W]e are in a logic of simulation, which no longer has anything to do with facts and an order of reason.
            —Jean Baudrillard, *Simulacra and Simulation* (Baudrillard, 1994, p. 12)

In his important work *Simulacra and Simulation*, Jean Baudrillard proposes that a culture or group (in his particular case the United States) is defined by a "simulacrum" and that individuals suspend their disbelief of artifice and symbols as representations and instead choose to live according to a logic of simulation that presents the symbols—the representations—as reality. A particularly poignant example is so-called "reality TV" like the hit series *Survivor*. Obviously, the show is constructed by producers and editors, yet the audience thinks the fiction is "real."

This logic, expressed above by Baudrillard in reference to Disneyland, hypothesizes that what we see is always a simulation—that Disneyland simulates and represents American culture. At the same time, however, Disneyland's perspective on American culture is so appealing that Americans begin to replace the "real" America with "Disneyland America." In turn, our belief that Disneyland values are real becomes solidified because we see those values in action in our lived experiences, which only further reifies the fiction as truth. In this circular process, America actually becomes what Disneyland offers and Disneyland reflects back to America the values that it once created. In an endless procession of the simulacrum, we see simulations of simulations—we act out Disneyland values, which Disney then reinforces through its media, which then strengthens our commitment to the constructed world originally offered by Disney because we see it enacted in our lived experience. According to Baudrillard, I look at Disney and see myself, but the self that I see is merely a performance, a re-enactment, of the things that I see in Disney. It's a house of mirrors. In this house of mirrors, the only thing that we know exists for sure —the only thing that is real—is the representation. We can never "get back to" the "reality" that initiated the process of simulation because what we think of as "authentic" is never available to us outside of the representations of language and communication (Baudrillard, 1994).

Bourdieu

A second way of approaching the rhetorical construction of identity comes from French sociologist, Pierre Bourdieu. In his important work, *Language and Symbolic Power*, Bourdieu (1991) elaborates the concept of "habitus"—in short, the idea that people become what they practice over and over. More specifically, the idea of habitus describes the system of beliefs, thoughts, actions and perceptions that a person develops in response to the society they inhabit. The habitus, then, describes the conditions that guide a person's choices and predispose that person to act in certain ways without those rules of inclusion ever being fully articulated. One might look at habitus as "suggestions" for how one should act, feel, think and believe in particular situations, and in conforming oneself to those suggestions, individuals constantly re-inscribe the society and conditions that combine to form a particular habitus. In a way, this parallels Kuhn's idea of paradigms (Kuhn, 1996) and Foucault's (1982) idea of discursive formation because the habitus is a recurrent way of acting and responding in specific situations that indicates one's membership in a particular society or community.

The notion of habitus differs from Baudrillard's notion of the simulacrum because in Bourdieu's frame, there is an observable "reality"—something outside of the individual. By comparison, within Baudrillard, the very idea of "reality" seems ludicrous because even if one exists, we cannot grasp it because we are stuck in a perpetual cycle of simulations and reflections housed in language. For Bourdieu, though, the habitus, the character of the social situation, is real and material and impacts the lives of individuals. Bourdieu's theory might seem to limit the potential of individuals because it is so materialist—because it would appear that we can never move outside of a particular habitus. However, all belief systems, like all paradigms, have ruptures, and once a rupture is revealed, individuals begin an evolutionary process of changing the paradigm (Kuhn, 1996). In the case of the habitus, those ruptures enable small evolutionary changes in perceptions of race, class, gender, wealth, etc., that over time, converge into a new paradigm or habitus. In short, the idea of habitus is extremely powerful in circumscribing and guiding our actions, beliefs and perceptions, although we are never "required" to act feel, think or believe in complete consonance with the habitus. The power of the habitus resides in an individual's willing, and perhaps unconscious, subjection of the self to the habitus, often ignoring the ruptures in the system.

These two theoretical approaches—Baudrillard's "simulacrum" and Bourdieu's "habitus"—form the basis for the claim that entrepreneurs perform their identities rather than identity being something they "have." The simulacrum shows us that entrepreneurs always act based upon a reflection, a construction, of what they perceive to be the appropriate way for entrepreneurs to behave. A novice entrepreneur conforms their identity to an image—just an image—of entrepreneurship, and that image is just one of endless possibilities. The habitus teaches us that entrepreneurs act according to a set of grounded perceptions, that those representations to which they respond have some basis in *social* reality. Novice entrepreneurs conform their identities to images (simulacrum) but those images are grounded in historical and material social practice (habitus).

Combined, then, we see that entrepreneurship is merely a set of practices that individuals perform over time and that as individuals conform their practice more or less to the image that has evolved over time, they are accepted more or less as an entrepreneur by the community to which the aspire to belong. At the same time, those individuals' identities meld with the image they have constructed, so the image of entrepreneurship becomes the reality: their identities are constructed by participating in ongoing cycles of representation associated with the concept of "entrepreneurship." This perspective defines rhetorical construction since material identity results from conformance with a representation. Individuals become the rhetoric they employ and believe.

Revealing Rhetorical Transformation through Narrative Analysis

The Republic of Tea presents a rich opportunity for exploring this concept of rhetorical construction of an entrepreneur since we see Bill's gradual transformation from

thinking about entrepreneurship as a concept to embodying the idea. To paraphrase the subtitle of the book, "how an idea becomes a business," Bill becomes the idea of an entrepreneur. Before we launch into the discussion of Bill's rhetorical transformation, let me offer some notes on my approach to using narrative analysis as the analytical method in what follows.

Narrative analysis has occupied the attention of entrepreneurship scholars for about 20 years. Through their stories, entrepreneurs can both retrospectively demonstrate how they arrived where they are today and can also project their ideas into the future, showing how their vision will create a new world. Entrepreneurship scholars have used various methods of narrative analysis to uncover exactly how entrepreneurs are able to weave these compelling tales. However, at their core, most of the methods social scientists use replay a long tradition of analyzing stories to see how individuals order their experiences to make sense of their lives. Following Labov's structural approach (Labov & Waletzky, 1967; Labov 1972) and later Jerome Bruner (1987), most narrative scholarship reveals how "narrators create plots from disordered experience, give reality a unity that neither nature nor the past possesses so clearly. In so doing, we move well beyond nature and into the intensely human realm of value" (Cronon 1992, in Riessman, 1993, p. 4). In sum, narrative analysis shows how the participants themselves create "stories of their lives"—create fictions—that account for their current material conditions. Because narrative analysis studies these fictions, it represents an excellent method for understanding the rhetorical construction of entrepreneurs as a function of both the simulacrum and habitus.

In particular, I follow the example of Reissman (1993) in understanding how narratives come into existence. Events happen and we perceive those events. Reismann calls this "attending," as we make conscious note of things happening in the world. The second stage is "telling" in which participants "refashion the events…make the importance of the scene real for them…expand[ing] on what the moment means in a larger context" (Riessman, 1993, p. 10). In other words, people construct a narrative from the events that *makes sense for them*. The third stage is "transcribing" or fixing the essence of the story. Like photography (and telling), transcribing is a selective practice that further hones the message that supports the arguments or points that the tellers wish to get across to an audience. The fourth phase is "analyzing" in which tellers read the story they've constructed and hopefully confirm their sense of the events. Through reading their stories, the analysts draw conclusions that reify the points they felt were important. In the final phase, "reading," the audience analyzes the story and sometimes agrees with the tellers and sometimes does not, and the audience places the story in a larger context outside of the tellers' original intention. At this point, the story has become separate from the teller because it is fixed and public, and the audience now "owns" the interpretation.

Although scholars might use Reismann's method for studying naturally occurring stories, the model still serves us well to analyze *The Republic of Tea*, a sort of naturally occurring story. First, Bill, Patricia and Mel did share some experiences and did start a company (that is still in business today). The faxes they share in the book provide the basis of those experiences and represent the conscious attending of phase 1,

"attending." Second, Bill, Mel and Patricia selected which events and letters to share. Perhaps they shared all of them but probably not, and certainly there is no transcription of phone calls or conversations that occurred among the team members. In other words, the authors have selected specific details to tell us. Third, in deciding to record the story in a book, they have transcribed their story; they have fixed the essence in a way that clarifies the meaning they hope to get across by including and excluding specific details. Because the transcription is selective, we must first assume that the story told here reveals an idealized form, one that has stripped out the experiences and reflections that undermine the representation of entrepreneurship that the authors wish to present. This process is no different from what most of us do when we tell stories. As Bruner (1987) reminds us, stories are always selective; we pick and choose among details to construct a story that makes sense given what we are trying to justify. Stories, then, are always retrospective justifications of current conditions.

The fourth stage, analyzing, is most essential for the purposes of this article. Specifically, in their "interstices," the italicized commentaries interspersed throughout the book, Mel and Bill analyze the progress of the story. This analysis is key because it shows how the protagonist in the story, Bill, aligns with the values being espoused in the story. In other words, the commentaries represent the habitus to which Bill should be oriented but that the habitus is just an interpretation of entrepreneurship—a simulation. So the commentaries present us with the primary texts—a sort of naturally occurring narrative—for exploring the role of the simulacrum and the habitus in the rhetorical transformation of Bill from consultant to entrepreneur. Finally, these commentaries are available for us to study because the authors have made them available to us—the fifth stage of Reissman's model. By choosing to publish the book, the authors have opened it up for external evaluation.

Analyzing the Interstices: Bill's Transformation to Zentrepreneur

> *TRoT **is** a fine teacher, Leaves*
> -Progress to Leaves, April 27, 1990

As I noted above, *The Republic of Tea* covers the full scope that might characterize a narrative analysis within the book itself. However, rather than analyze the full narrative in *The Republic of Tea*, in what follows, I look closely at the "interstices," those italicized sections where Bill and Mel analyze their own narrative to reveal exactly how Bill learns to perform entrepreneurship. It's these interstices that tell the narrative of Bill's transformation to a zentrepreneur, so we'll turn our attention to these as a separate kind of narrative available for analysis. To accomplish this analysis, I'll provide a general characterization of the story told in the interstices, and along the way I'll tease out the values and expectations the interstices hold. Finally, I'll explore the degree to which Bill aligns with the practices that represent "entrepreneurship" in the book. By doing this last step, we'll see, finally, the role that the simulacrum and the habitus play in the rhetorical construction of an entrepreneur as Bill moves from not performing as entrepreneur in the opening of the book to merging with Mel at

the end when Bill genuinely "becomes" an entrepreneur by learning to perform the right roles.

Combined, Mel and Bill comment 40 different times on the progress of their relationship. These interstitial commentaries range from one word—Mel's "Finally" in response to Bill's first concrete attempt to construct the business around May 30, 1990 (p. 200, 201), to Bill's two-page reflection that begins to examine the relationship with Mel around April 30, 1990. I have also included Mel's "poetry" and quotations among the texts being analyzed since they comment on the progress of the narrative, although they do so in a metaphorical way rather than the more direct way that occurs in the other interstices. Finally, I've included the opening frame about the serendipitous meeting of the two main characters that Mel authored because this occurs outside of the "regular" text consisting of the faxes that the characters (Bill, Mel and Patricia) exchanged.

Of the 40 interstices, both Mel and Bill authored 20. Interestingly, Patricia's voice in the book appears only through drawings and sketches. The bulk of Mel's comments occur early in the book before about May 18, at which point Mel begins to critique Bill's progress on the idea for the business. The majority of Bill's commentaries, though, occur after this point with nine of Bill's comments appearing after Mel's one-word fax, "Magnificent," on May 27. Finally, while Bill and Mel comment the same number of times, Mel owns the opening and closing spots, pointing to Mel's key role as the beginning and the end of the theory of entrepreneurship espoused in the book. Ultimately, it is Mel's vision that Bill must learn to perform.

Within these 40 exchanges, we see Mel and Bill reflect not just on the progress of the business but also on their own values and the idea of entrepreneurship itself. Beginning from Mel's introduction, we learn how the two met on an airplane after a conference, shared some great conversation and constructed the idea of "The Republic of Tea," a sort of fantasy dreamland based upon the business of tea. The two characters shared their first faxes the day after the airplane conversation. The initial exchange sets up the dichotomy between the Minister of Progress (Bill) and the Minister of Leaves (Mel) that the remainder of the book explores, so these first two exchanges are worth repeating in their entirety:

> *April 7, 1990*
> *To: The Minister of Leaves*
> *If you have to boil it down into a single phrase, what is the **philosophy**
> behind the Republic of Tea?*
> —Progress [Bill]

> *April 7, 1990*
> *To: The Minister of Progress*
> *To show, through the metaphor of tea, the lightness of taking life sip by
> sip rather than gulp by gulp. What would you say is the **business** behind
> the philosophy?*
> —Leaves [Mel]

This opening dialogue reveals that the key theme of the book will be the relationship between a vision/philosophy/idea behind a business and the practical, day-to-day operational concerns of actually doing business. Most importantly, Bill, who is supposed to be the pragmatic one, is the one concerned most about the idea here while Mel, the visionary, asks about the business. In other words, Bill thinks of Mel as the visionary and Mel thinks of Bill as the business manager.

This dialogue is absolutely key not only because it represents the main ideas that the book struggles with but also because it lays the foundation for the misunderstandings that Bill and Mel have about their respective roles. Paradoxically, Mel *presents* himself as the visionary guru throughout the book, the man who goes on week-long meditation holidays, while Bill expects Mel to be a guide on practical matters. This creates a problem throughout the book because Bill is already invested in the idea but needs instrumental help in creating the company. In spite of Bill's needs, Mel continues to give Bill "philosophical" guidance in the actual faxes, while Mel's interstices show that he knows very clearly that Bill needs instrumental guidance. Bill knows Mel has the practical wisdom to accompany the vision; Mel believes Bill has the potential to realize the vision in practical terms but restricts his mentorship to advice couched in philosophical meanderings. Unfortunately, Bill mistakes Mel's philosophical behavior for what it means to act like an entrepreneur. In other words, Bill does not see that Mel's "philosophical" advice is really metaphorical for the instrumental concerns that Bill must address. As a result, each wants something from the other but neither clearly or openly articulates their expectations, so both receive something different from what they had hoped. This cycle repeats itself throughout the book.

Starstruck by the first conversation and the apparent sagacity of the more experienced Mel, Bill's initial interstice reveals that maybe he "had fallen in love with an idea." Bill felt the "thrill of collaborating with Mel and Patricia" and was "motivated by some inexplicable energy to make it [*The Republic of Tea*] happen" (p15). In his own reflection, Bill sets himself up as an idealist, somebody who is excited about the prospect of the business. Compare this to Mel's first interstice, which comments on events about 10 days into the collaboration, where Mel clearly states that he does not want to provide instrumental assistance and that he wants Bill to figure out for himself that he will have to refine the idea *and* work with lawyers, accountants, and investors. Mel wants no part of the daily grind of starting a business because he had his fill in founding Banana Republic. Yet, almost paradoxically, he writes that "although entrepreneurs might like to think otherwise, one does not create a business. A business creates itself when the circumstances are ready for it" (p51).

This first set of interstices mirrors the opening exchange of actual faxes and presents us with our first picture into the simulacrum of entrepreneurship. Specifically, Bill is in love with an idea, and Mel says that the idea has to take hold of the entrepreneur, not the other way around. Check that aspect off for Bill: Bill has "learned" to perform his fascination with an idea—something that Mel's commentary suggests all entrepreneurs must have. Through his first set of notes, then, Bill meets the cultural expectations of "entrepreneurship," the habitus, by performing his enthusiasm for the encouraging mentor.

But a problem arises because Mel's initial commentary conflicts with itself, and this conflict will become the root of Bill's confusion later in the book. Specifically, Mel's first commentary says that the entrepreneur *must* address the practical elements and that he was concerned about Bill's ability to face that reality. At the same time, he concludes his first interstice by saying that entrepreneurs do not create businesses; businesses create themselves when the time is right. So which is it? Does Bill need to take concrete action or does Bill need to live in the moment and savor the idea while waiting for the right moment? Bill thinks he is performing adequately, that he is reflecting what it means to be an entrepreneur by expressing his enthusiasm. Part of Mel's response would indicate that this is exactly what the entrepreneur *should* do. But the other part of Mel's response focuses on the practical details. Bill is not privy, of course, to this bit of the simulacrum—that the entrepreneur needs to savor the idea *and* make instrumental headway on realizing the vision because Mel does not share it in the faxes. At this point, Bill thinks he is performing "entrepreneurship" adequately, but he is not really living up to the expectations of the idea of "entrepreneur," as Mel has imagined, it because Bill is neglecting the practical, which is the second component of the entrepreneurship simulacrum outlined in *The Republic of Tea*.

The interstices continue roughly in this way: mostly with Bill expressing his confusion about Mel, Mel's relationship to the business, and Mel's expectations of him, while Mel wonders whether or not Bill will actually do anything. Mel's interstice on the events about one month into the relationship is particularly instructive here. Mel compliments Bill's ability and then addresses us, the readers, by asking us if it was fair to think that Bill would have the business established in four weeks. In contrast to his espoused belief of "living sip by sip" or enjoying the process, Mel notes that he started Banana Republic in three weeks with $1500 and, "therefore, [tends] to place a greater value on ideas in the form of action than action in the form of ideas….Life is not an idea. Starting a business is not an idea. It is getting things done" (p. 122). So what are Mel's expectations? That Bill experience "tea mind"—let the idea flow through him to its inevitable creation—or meet with attorneys and draft pro formas? Drawing on his own experience, it appears that Mel views the entrepreneur as somebody who performs quickly and decisively with little regard for risk, and Mel criticizes Bill for not performing in this way. Yet throughout their faxed correspondences, Mel continues to model contemplative behaviors that Bill mistakes for the way entrepreneurs act. That is, Bill takes his cues about the habitus of entrepreneurship—the social practices of entrepreneurs—from Mel's outward demonstrations, which to this point, are philosophical and creative musings. From Mel's point of view, though, this approach does not align with what entrepreneurs "really do."

For his part, Bill's public performance continues to be based on ideas and contemplation rather than on action until the crisis moment on May 12, when Mel "[observes] a week of silence" (p 170). Bill begins to feel lost because he looks to Mel for practical guidance, guidance that Mel knows Bill needs but does not provide because Mel believes Bill needs to own the process. The paired interstices about May 18—the only paired set—drives home the idea of the conflict that arose between Bill's understanding of how to perform entrepreneurship and Mel's presentation. First,

Mel's commentary again shows great complexity, oscillating between discussions of what it means to do business and how to be free from it, so that one can "see life as an idea" (p. 174). Yet he ends by arguing that "Nobody invents the business for the entrepreneur. That's his job." Again, we have the apparently competing expectations about performing entrepreneurship: believing the idea in your bones and taking pragmatic action to make the idea into a business. These two positions are seasoned by "tea mind" or enjoying the process along the way. Unfortunately, Mel did not communicate his complex expectations about how to act like an entrepreneur to Bill very clearly, causing Bill profound confusion and self doubt.

Perhaps more significantly, Mel modeled in his actions what Bill came to think of as the idea of the entrepreneur—the lofty idealistic thinker—but Mel was actually modeling the "free-from-business" entrepreneur (the guy who made millions and sold his business, retiring to a life of leisure), not the one in the thick of starting a business. Consequently, the second interstice in this climactic pair describes the beginning of Bill's move away from Mel—and ultimately toward the successful business. Specifically, Bill realizes that he *is not* Mel. Mel is free from business because Mel had already made his fortune from Banana Republic. Bill on the other hand, has to support his family, and "buy more time to follow this idea" (p. 175). Bill realizes, finally, that Mel and Patricia are not going to hire him to start a business that they want to create and so Bill begins to assess his commitment to the project. As all protégés do, the crisis causes Bill to begin seeing himself as separate from the mentor, a role that he was grudgingly accepting around mid-June 1990, about 10 weeks into the collaboration:

> "I was trying to structure a business around personalities rather than products, and this kept me mired in organizational thinking as opposed to action. I was waiting for them (Mel and Patricia) to tell me what they wanted to do and I was prepared to follow." (p. 207)

Mel's silence had caused Bill to assess what it means to act like an entrepreneur, and that uncomfortable reality drove Bill into determining whether or not he was really committed to the difficulty of playing the part as Mel had constructed it. Bill had not learned the habits Mel expected of an entrepreneur and, in not learning the habits, did not seem like an entrepreneur to Mel. In not seeming like an entrepreneur, Bill was not, in Mel's eyes, an entrepreneur. And since Bill looked to Mel for a definition of the term and Bill was apparently failing, Bill did not view himself as an entrepreneur either. In sum, at this point in the narrative, Bill was failing to realize this cycle of the seeming, acceptance, and re-inscription of the habitus and simulacrum.

As it turns out, by mid-July, a month after this critical climax, Bill parts ways with Mel for about a year to undertake another business opportunity with an old friend. During that year of separation from Mel, however, Bill begins to understand the complexity of playing the role of entrepreneur as Mel constructed it. Bill realizes during his recess from the communication that he really does believe in the idea of tea as a business, not in the idea of creating a business about tea. He comes back to the core—the tea—and immerses himself in learning about the product itself rather

than spending his time dreaming up fancy new ways to package an old product. In his words, Bill "had lost sight of this primary purpose [making finer quality tea available to Americans] amid all of the creative 'marketing' ideas" (p. 224). As a result of focusing on the tea, Bill began to see "a complete picture of the tea business: the product, the need for the product…and lastly, the presentation of the product" (p. 225). In short, ironically, by the absence of his mentor, Bill had learned the complex lessons of performing entrepreneurship that Mel had been trying to teach.

Importantly, at this point in *The Republic of Tea*, Mel's voice grows very quiet both in the interstices and the actual faxes. In fact, Mel only has one more formal commentary from this point forward and only three "poetic interludes" showing just how quiet he had become. Bill travels to England to learn more about tea and as a result of this trip,

> "finally gained the confidence [he]needed to jump into the tea business. The difference now was that [he] was willing to jump in without counting on others to help [him] swim. [He] realized that it was completely up to [him] to create a plan and implement it….Through a somewhat painful and lengthy process of getting comfortable with the concept of the business, thoroughly learning the product side, and coming to terms with the fact that being an entrepreneur is basically an individual pursuit, [he] finally became committed " (p. 237-38).

I quote this passage at length because it contains Bill's "apotheosis" or his heightened self that comes from overcoming great obstacles to finally see the "truth." According to Joseph Campbell in *The Hero with a Thousand Faces*, every hero goes through this stage, and from this place forward, the hero now has the ability to control his destiny rather than be controlled by it (Campbell, 1968, p. 127). While the classical concept of apotheosis usually refers to a person (mythical hero, ruler, etc.) who has united with the gods, in terms of my argument, apotheosis represents Bill's unclouded understanding of what it means to perform the role of an entrepreneur as Mel has prescribed it.

Previously, the "diety" (Mel) has stood separate from Bill, representing the picture of successful entrepreneurship—the man alone with an idea that he believes in so strongly that he pushes through profound difficulty by the power of his will to establish the company that he knows will succeed. Bill had idolized Mel and wanted everything he did to please Mel. From this point forward in *The Republic of Tea*, though, Mel falls away because Bill has now internalized the habitus of entrepreneurship that Mel embodied: the dual role of loving the idea *and* acting to transform the idea into a business. By this point, Bill has become the image of entrepreneurship that he himself worshipped as he becomes fully committed first to the idea of providing the best quality tea and second to taking concrete actions to make a business from the idea. In Mel's last long fax to Bill, he writes that "Progress (Bill), tea wanted you and you wanted tea. And I saw that it was my 'work' to serve you both by staying out of the

way" (p. 241). In other words, Bill is now what Mel had wanted all along: for the young entrepreneur to be fully awash in the idea of tea, to come to "tea mind" with tea as a metaphor for living in the process, rather than trying to control it. Mel lived that way, and now Bill had arrived at this place as well.

As we would expect, Bill's final two commentaries reveal his success: Bruce Katz, founder of Rockport Shoes, offers to invest in Bill's company, and then Bill and Bruce—not Bill and Mel—work through the particulars of starting the business. Curiously, Bruce provides Bill with some practical advice and structure that Mel would not provide, and Mel invests in the company knowing that with Bruce's guidance, the venture will succeed. Ultimately, in Bill's mind, in Bruce's mind, and in Mel's mind, Bill learned to perform entrepreneurship. Bill had constructed himself as an entrepreneur to the satisfaction of two very successful entrepreneurs and that meant, for Bill, learning the habits of entrepreneurs—the habitus—in order to be accepted as one. In the case of this book, that habitus represents both marriage to an idea and delivering concrete action to realize the idea as a business.

Of course the habitus projected in this book is only one possible way of performing that is acceptable to a particular group (Mel in this case), so ultimately Bill has constructed the reality of his fictional republic—his business—according to a story of what it means to be an entrepreneur that conforms to Mel's vision of entrepreneurship. Mel's closing words found in his last "poem" confirm this idea in which he uses tea as the metaphor for how Bill and he have come to be in the same place. Bill has learned to be "Mel":

> Tea opens the place beyond words. With the first sip I am only a visitor, but by the time I have drained the last drop from the cup it is my home. The tea inhabits me, and I the tea; there is no longer a distinction between us. What is named "me" and what is named "tea" are passing clouds. Together as one, we are the ineffable buoyancy of being. (p. 287)

In the end, to quote Mark Strand's poem, which opened this article, "the book is more accurate than we can imagine." Constructing the business called "The Republic of Tea" really represents the way that realities are constructed. People get together, and their ideas twist and merge to the point that they become indistinguishable from one another and from the context they inhabit. The business becomes the entrepreneur and the entrepreneur becomes the business, and this is the habitus of entrepreneurship that this book presents. Mel knows this at the start of the book and becomes frustrated with Bill who does not. As Bill comes to understand the way that entrepreneurs perform, Mel begins to see Bill as worthy of investment: only after Bill has learned to participate in the play as Mel has constructed it will Mel invest in Bill's company. Of course, the values of entrepreneurship revealed in the interstices are only one story of performing entrepreneurship, a simulation that Bill must come to accept as the right way in order to receive Mel's acceptance and financial support.

Implications for Entrepreneurship Studies and Education

Unfortunately, *The Republic of Tea*—the book itself—presents its simulation, its representation of entrepreneurship, as the story of entrepreneurship. As I've mentioned throughout the analysis above, the idea of entrepreneurship is squarely Mel's idea of entrepreneurship. In the book, Mel attempts to guide Bill to perform in a way that aligns with Mel's ideas about how the entrepreneur should act. Bill is obviously a relatively successful man in his own right who has the ability to start a business since he does so during the year he is apart from Mel. The problems between Bill and Mel arise because Bill approaches entrepreneurship in a different way than Mel does now and definitely in a different way than Mel did when he started Banana Republic. In the current time of the book, the early 1990s, Mel's vision of "Tea Mind" has inspired a new vision about entrepreneurship, about how ideas take hold of a person and how it is the entrepreneur's job to realize the idea in a business. This contrasts to the way he represents the way he started Banana Republic by quick and decisive action. So, Mel's own performance had changed from the "standard" view of the entrepreneur as a risk taker who scrapes together some cash to bootstrap an organization into existence by the power of his will to the alternative view of entrepreneurship presented in the book.

So, in short, even within the book we have at least two possible ways of approaching entrepreneurship successfully, the "old Mel" and the "new Mel." The old Mel is a perfectly acceptable story to tell—it worked for Banana Republic (and countless other businesses that exist today), and apparently, this is the narrative that Bruce Katz inhabited within the book. But the new Mel is also a legitimate way to look at entrepreneurship, where the point is not to start a business necessarily but to give material reality to an idea—to "tea mind" in this case. Bill's initial process was the logical extreme of this, where he lived with the idea so much that he avoided concrete action and dwelled completely on the idea itself. Eventually, though, Bill took concrete action and gave the idea form in an actual business. Since The Republic of Tea is still in business, it would appear that this "new Mel" model of entrepreneurship works, too.

Yet, even though at least two successful forms of entrepreneurship are represented in this book, the second is positioned as the right way, and Mel goes to great lengths to get Bill to see the "new Mel way." Mel even goes so far as to criticize his friend Bruce Katz for his adherence to the "old way" toward the end of the book: Mel was "troubled by Bruce at the meeting. He came with a list of 'shoulds,' presenting his ideas in monologue form…" (p. 269). The irony here startles me because the purpose of the book is to show how Bill comes to perform in a way that Mel sees as legitimate: throughout the book, Mel criticizes Bill for not "doing entrepreneurship" the right way, which indicates that Mel clearly has his list of "shoulds," too. To his credit, Bill is able to synthesize the old way and new way into a third way that suits his own goals.

The point is that whether it's Bruce's way, Mel's way, or Bill's way, no one way exists "to do" entrepreneurship. Consequently, when we analyze narratives about how individuals have come to be entrepreneurs, we must be careful not to essentialize individual stories into homogeneous categories. Each individual, after all, responds

to very different material and social conditions, so attempting to create a class of activities and dispositions we call "entrepreneurship" is just a story that washes away the things that do not fit the purpose of the story. When we tell the stories of our lives as entrepreneurs, we pick up those stories and align our stories with the prior stories to show that we, too, are entrepreneurs. We fit our individual stories into the stream of entrepreneurial narratives by reducing the complexity of our lived individual contexts so that we can demonstrate that we know how to act like entrepreneurs. In reality, we're re-inscribing a story that has evolved over time and the more we measure our actions by the received story, the more we diminish the importance of learning how to respond creatively to unique, individually complex contexts.

In the end, the danger of books like *The Republic of Tea* is that they present us with a very compelling tale about entrepreneurship that individuals might read as the one right way to perform entrepreneurship, although no single way exists. This book and others like it, are simulations, selections, representations, reductions of complex events that one person managed in order to start his/her business. The conditions Bill faced will never, ever, ever appear again, so his actions might or might not be adequate guides for our own responses to our own individual contexts. When individuals choose to align themselves with a particular story like *The Republic of Tea*, that by definition forecloses possibilities of creative action because as Bourdieu teaches us, the habitus guides our perceptions about possibilities. And as Baudrillard teaches us, we come to see the actions others took as prescriptions for how we should act in the real world even though the basis for our action is some existing fictionalized account. Simulation guides reality.

For those who find themselves wanting to be entrepreneurs, basing responses to today's material conditions on the fictionalized accounts of yesterday's responses imperils creative thought. If entrepreneurship is anything, it is creativity, and studying books like *The Republic of Tea* in which entrepreneurs tell their stories might actually harm the creativity that individuals must develop in order to respond in a way that suits their particular situations. All of the characters in this book were successful entrepreneurs, and that might compel us to perform entrepreneurship as they did. "I'm an entrepreneur if I act like Bill or Bruce or Mel," the thinking goes. The trouble is that if entrepreneurship is creativity and creativity is about unique responses to complex situations, then modeling others' behaviors might jeopardize our chances at success. But here's the rub: unless we do perform entrepreneurship in a way that others recognize as entrepreneurship, will those who have succeeded in the past see enough of themselves in us to fund our businesses? Can we call ourselves entrepreneurs if we are completely out of alignment with received categories of entrepreneurship?

Ultimately, perhaps, entrepreneurship is about creating the balance between our unique situations and the simulations and habitus about what entrepreneurs "are" that we have received. Perhaps it's by writing a story for ourselves in which we show how we have successfully synthesized the unique with the conventional to create something new—as I think Bill did—that we become entrepreneurs.

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Tea and Understanding

Alice de Koning and Sarah Drakopoulou Dodd

Abstract

When two (three?) strangers create the dynamic conversation in *The Republic of Tea* about starting a tea business, they build a relationship and create knowledge about tea and the proposed business. Following the logic of comprehension theory, we suggest that narrative frameworks are adopted within the conversation, and these frameworks allow the strangers to use prior knowledge to create new shared knowledge. We further propose the concept of narrative gambits, in which one person introduces metaphors and analogies into the conversation as suggestions for possible shared narrative frameworks. Critical analysis of the conversation illustrates the power of the concept.

Introduction

The Republic of Tea recounts a compelling story of venture emergence. Two people meet in an airport, travel together on a plane, and talk about tea. By the end of the journey, they are ready to invent a company that would serve tea to people like themselves. The book compiles their documented conversation through faxes; however, phone conversations and face-to-face meetings are obviously not recorded. Very early in the process, the wife of one of the strangers joins the fax conversation in the form of annotated drawings.

The sub-title of the book is "How an idea becomes a business," but that does not begin to capture the book's dynamics. A less succinct, alternative sub-title could be "How two strangers keep talking until they understand each other and share a mental model of tea and entrepreneurship." In this paper, we analyze how the process of creating a shared mental model is launched, by identifying and analyzing the narrative frameworks that are proposed and developed or rejected throughout the book. Using theories of comprehension, we argue that the narrative frameworks, whether personal or archetypal, are essential to comprehending new knowledge. In the case of

entrepreneurship, the narrative frameworks go further than assisting comprehension because they enable the creation of knowledge—knowledge of what the business will do and how it will work. Thus, we look at stories that are directly or implicitly referenced by the authors in their fax "conversation," usually through the use of metaphors, with the ultimate goal of understanding the emergence process of business opportunities and venture concepts. In the case of *The Republic of Tea*, the conversation between the two men cannot be facilitated by shared personal histories, because they are strangers. The "old" stories that are called up by the narrative frameworks should aid in understanding between the strangers and can be used to discuss the evolution of The Republic of Tea (TRoT) opportunity idea as it is enacted by the entrepreneurs.

Narrative and Knowledge

Narrative and Metaphors in Management and Entrepreneurship Research

Critical scholarship of organizations has long considered storytelling and the narrative to be of substantial significance in constructing shared realities, legitimating practices, and building identities. The well-rehearsed differences between leading thinkers in the field—most notably Boje and Gabriel—only serve to underline the passion and sophistication which organizational narratives generate. There is also a rising recognition of the potential richness of narrative methods and frames being applied to entrepreneurial studies, which is accompanied by calls for its wider application (Downing, 2005:189; Johansson, 2004: 273; Smith, 2005: 17; Steyaert and Bowen, 1997). Conference sessions, special journal issues (Gartner, 2007), and a workshop and book "combo" (Hjorth and Steyaert, 2004) are evidence of a growing movement in the area, as are new publishing outlets (like this one!). Although ontologies, epistemologies, and methodologies vary, yet researchers share the same broad view:

> [T]here is merit for entrepreneurship studies in developing understand-
> ing of the way in which organizations and identities are coproduced by
> further narrative and dramatic analysis. (Downing, 2005: 192)

What are the special attractions of narrative approaches for entrepreneurship scholars? As several researchers have noted, the "enterprises themselves are constructed by their founders through their discourse—they "tell a good story" (Rae, 2002:59; see also Steier, 2007: 1100). Put slightly differently, "Social order and transformation is rooted in joint sense-making and identity-making work amongst people" (Downing, 2005: 188). By its very nature, narrative also addresses the development of stories through time, thus providing a helpful temporal frame for recording and examining the longitudinal nature of entrepreneurship (Buttriss and Wilkinson, 2006). Johansson (2004: 274) argues that there are three main areas where narratives have much to offer: studying the constructions of entrepreneurial identities; articulating entrepreneurial cognition, which

he terms "learning and experience"; and using narrative to expose and develop varied conceptualizations of entrepreneurship. He then carefully illustrates these areas utilizing work by other researchers as well as his own more extended field examples. The link between narrative and cognition is indeed also exploited by scholars of entrepreneurial learning, who argue that the complexity—and largely experiential nature—of the learning process for entrepreneurs is best made accessible to deeper study through the use of narrative methodologies (Warren, 2004: 8; Rae, 2000; Rae, 2002: 59).

The importance of metaphor as a sense-making and sense-giving device within the narrative form has been recognized since Aristotle. Metaphor serves primarily as a rhetorical tool which helps us to share the meanings we ascribe to our reality and to our stories. Acting to bridge the known and the novel, metaphor links the literary and cognitive aspects of storied worlds. Metaphors serve to generate, communicate, legitimate and reproduce the basic mental models depicting the signifiers we attribute to other elements of narrative. Metaphor analysis has also been used often in management and entrepreneurship research. Metaphor analysis provides a method for examining how individuals and groups perceive their reality and—especially—what it may mean. Put differently, metaphor analysis gives access to signifiers, or that which gives meaning to the signified. Metaphor analysis has increasingly become used as a way of generating, extracting, or analyzing the meaning of various aspects of organizations (e.g. Pitt, 1998; Garud and Kotha, 1994). In general, management scholars and cognitive scientists alike agree that, as a minimum, "metaphor can generate insight into how things are" (McCourt, 1997) and that metaphors can "create realities, guide future action, and reinforce experiential coherence" (Klagge, 1997).

Within entrepreneurship, research investigates metaphors both among researchers themselves and the phenomena they study. Examples of metaphors used in theory-building within the entrepreneurship literature include population ecology theories, which abduct theoretical material from biology as well as the more colorful parenting metaphor proposed by Cardon et al. (2005) and, as Johannisson (1987) has noted, the myriad metaphors contained in network theory. Cosgel (1996) argues that neoclassical economics cannot include entrepreneurs partly due to the mechanistic rhetoric of the discipline. Studying the phenomenon of entrepreneurship, Hill and Levenhagen (1995) explain how entrepreneurs use metaphors to develop and communicate mental models to make sense of their experiences, perceptions, and plans. Pitt (1998) studied the metaphors used by two case entrepreneurs to make sense of the different roles they played over the years, while Perren and Atkin (1997) use metaphor analysis to examine entrepreneurial decision-making.

In the next section, we draw a link from the narrative structure of knowledge and the narrative process of knowledge creation to metaphors and metaphor analysis. By linking these areas, we discover a new way to investigate the cognitive aspect of the emergence of opportunities and ventures. To show the significance of this cognitive and literary approach, we reflect on emerging research in the broad area of opportunity recognition and venture creation; specifically, we focus on opportunity development, opportunity recognition as sense-making, and effectuation.

The Narrative Structure of Knowledge and the Use of Metaphors in Communication and Comprehension

Schank and Abelson (1995) argue that most knowledge is stored as narratives, especially the knowledge we use in social contexts of action and conversation. In particular, they argue that each person understands others' stories by relating them to relevant stories that he/she retrieves from memory. To the extent that relevant stories are easy to retrieve, our understanding and appreciation of the new story is enhanced. One question raised by Schank and Abelson (1995) is how the new story may trigger listeners' "memory retrieval signals." Green (2008) argues that the narrative framework is essential because it transports the audience into the story, such that one's belief in current reality is suspended as the new narrative or new knowledge is (perhaps temporarily) explored. Without transportation, narrative persuasion is reduced, and thus the new knowledge is not absorbed (Green & Brock, 2000). Therefore, to the extent that new ventures represent new knowledge or new stories, narrative structures perform a valuable emergent and creative role in entrepreneurial cognition.

If entrepreneurial knowledge emerges in narrative structures, how are those narrative structures evident? "Memory retrieval signals," as discussed by Schank and Abelson (1995), are often metaphors or allusions that are woven together in an image system. Thus, to learn new knowledge or a new narrative structure, one may use archetypal narrative structures, allusions, or metaphors to "tell" the audience what old stories they can use to understand the new knowledge or the new story. Note also that the relevant stories we retrieve to enhance understanding are not necessarily biographical stories. Relevant stories may be specific cases or archetypal narratives drawn from our public discourse. An example of the use of narrative structures can be found in literary criticism. For example, Tseng (2007) and Kimmel (2005) discuss how authors weave metaphors through their novels, creating image systems that are narrative macrostructures for the reader. In other words, the image systems are critical to reader comprehension. Tseng goes further, arguing that image systems are multiple and emergent within a specific work and also aid abstract thinking.

The image schema of literary criticism is echoed in cognition research by studies of extended metaphors (Gentner, Bowdle, Wolff & Boronat, 2001). Cognitive researchers note that extended metaphors represent a wide variety of metaphors that play on an accepted relationship between the source (metaphor) and the target (subject) domains. We are able to interpret these metaphors quickly, particularly in text that uses a series of related metaphors, because there is an understanding of the relationships between elements in each domain and a broadly accepted understanding that these relationships' structures are similar. Thus, the physicists may use a number of different metaphors to describe a cell's structure, yet all of the metaphors draw from the source domain of the universe. Curiously, highly novel metaphors may be constructed by a writer or speaker, yet if they belong to a familiar extended metaphor, readers will understand the intent easily. Thus, we can argue that an analysis of extended metaphors and/or image systems allows researchers to tap into the implicit narrative frameworks and (emergent) shared meanings used by entrepreneurs in their personal discourse.

The Emergence of Ventures and Narrative Frameworks

Entrepreneurship research is quintessentially about the emergence of opportunities and ventures. Over the last 15 years, the interest in the emergent nature of opportunities and ventures has grown and is evident in the many different theoretical frameworks proposed by research. In opportunity recognition research, for example, there was an early shift from recognition as discovery of opportunities in the market (cf. Kirzner, 1973; Hills & Shrader, 1998) to emergent perspectives that emphasized how opportunities develop over time (cf. de Koning, 2003). In fact, de Koning (2003) suggests that an important part of opportunity development occurs while the entrepreneur engages in starting up the venture by developing an action network. More recently, Fletcher (2006) suggests that opportunities are socially constructed and that recognition should be viewed as a sense-making process. These approaches to opportunity recognition suggest that the opportunities are constructed in much the same way that people create new knowledge. Sarasvathy (2001) sets aside the issue of opportunity recognition *per se*, rejecting a linear approach to venture start up, and suggests that entrepreneurs effectuate their enterprises. Sarasvathy (2001) argues that venture creation is a process of effectuation rooted in actions in the real world. Effectuation seems to demand the emergence of shared meaning or knowledge between the entrepreneurs and various stakeholders, suggesting again that knowledge is being created. These trends and findings in entrepreneurship research strongly suggest that a new method of studying the development of opportunities and the emergence of ventures is required.

All of these approaches to emergence in entrepreneurship can be linked to the narrative structure of knowledge. In the dialogue of an entrepreneur, we see the emergence of new knowledge as an opportunity or a venture concept. The new knowledge is constructed using narrative frameworks rooted in previous knowledge. If we could listen in on the conversations between entrepreneurs and their most trusted friends, we could analyze the process of creating their entrepreneurial knowledge. Because the dialogue is about emergent knowledge, we would not expect to find the polished image system of a novelist (Tsang, 2007) or the well chosen narrative structure of a public health official (Green, 2008). Rather, we would expect numerous narrative frameworks to be tried, some adopted, and some forgotten. In the process, the dialogue continues, and the new venture concept emerges.

Some recent studies use narrative analysis to explore how entrepreneurs construct a new venture with the help of key stakeholders. For example, Downing (2005) argues that the narrative processes of starting a venture support the critical activities of sense-making and action-making between the entrepreneurs and the stakeholders. Lounsbury and Glynn (2001) argue that the process of storytelling is critical to creating new venture identity and that identity is in turn critical to the legitimacy conferred by stakeholders. These examples serve to highlight how rarely we can analyze the narrative processes of entrepreneurs themselves—distinct from the process of influencing stakeholders—as they think through their ideas as in *The Republic of Tea*.

Research Questions

In TRoT's case, we have a unique opportunity to listen in on the entrepreneurial dialogue over a long period of time. There are three levels or units of analysis that may yield interesting analysis. One level is the conversation between the partners. Second, at the level of the organization, the emergence of a venture implies that potential and actual customers value and understand the ventures' offering. The book only provides the partners' perspectives, but there are numerous encounters that are described that illuminate potential customer reactions. Third, this book is part of the public discourse on entrepreneurship, and we could examine how the narrative frameworks in this book compare to the frameworks found in the broader discourse.

In the back-and-forth conversation in the book, narrative frameworks are offered, answered, and developed. In this way, stories are exchanged and created. In this paper, we asked how the partners facilitated understanding by linking their own stories to others' stories. What "memory retrieval signals" did each person offer, what happened in response? How did the narrative frameworks evolve over time? Did the process lead to greater knowledge or a more precise venture concept? How does TRoT's story evolve as the entrepreneurs move through their visioning and creative process, as they research and reflect on their products, markets, and customers?

Exegetical Tactics

To begin answering these questions, an exegetical approach gives us a strong shot off the tea (tee). Following Schank and Abelson (1995), we identified narratives referenced in the first 20 pages of the faxed conversation. We called these phrases or metaphors "narrative gambits" to capture the tentative nature of how the narrative frameworks are offered in the conversation. Because we were interested in how the narrative frameworks of the conversation started and possibly evolved, we ignored any new narrative frameworks that were introduced much later in the book. We then tracked how those narrative gambits were responded to within the conversation. The goal of this process was twofold. First, we wanted to identify which narratives helped individuals relate to the idea of a new tea company. Second, we wanted to see which of those narratives had resonance with the others and thus became part of the conversation. The narrative gambits that survived and developed, either explicitly or through the metaphorical language used, evolved into image systems or narrative frameworks that were part of the prior knowledge of all of the conversational participants and were resonate with their emerging knowledge.

In the next section, we identify numerous narrative gambits from the first 20 pages of the fax conversation. The gambits are organized in approximately in the order in which they are first mentioned in the fax conversation. We have further separated the gambits in two sections, those that become narrative frameworks and those that do not. The narrative gambits are examined by exploring the way they are presented, how they are responded to, and how they evolve within the context of the book.

Narrative Gambits that become Narrative Frameworks

The Republic

The conversation of the book starts with a question from the Minister of Progress. He asks about the philosophy behind TRoT (p. 13). It is clear that the Minister of Leaves initiated this narrative framework and that it has already been accepted by Progress as the company's name. They have established a republic, have given themselves ministries and titles, and have their conversation within this narrative framework from the very beginning, as is evident by the salutations and conversation.

But, Progress is asking for a little more clarity. After the glow of the initial plane conversation, he wonders why is 'The Republic of Tea' a good name and concept for a tea company, and Leaves answers without even referencing the narrative framework. On p. 14, Progress mentions a letter written by Leaves to the People of Tea, a suggestive link to citizenship in their established republic, but other interpretations are possible. On p. 18, Progress begins to play with the metaphor:

The Republic of Tea will be the new home for this present-day team spirit, and our customers will become citizens of our little land. Perhaps The Minister of Enchantment could create some kind of Declaration of Citizenship that we could give to our customers to let them know how welcome they are.

These comments play with the idea of the republic from a marketing perspective, but they do not seem to inform Progress' thinking about the business concept of the tea company.

Leaves responds on April 13, 1990, by referring back to his first business, which also used the word "republic." Here, we finally see the roots of the narrative framework, the prior experience of Leaves and the Minister of Enchantment:

> This is not dissimilar to Patricia's and my experience with Banana Republic, where the catalyst was clothing. The game we played through BR with the customers was to invent an imaginary place where together we transcended our everyday lives by fantasizing adventure in faraway places. We all got there through the metaphor of clothing. As I look back at it now, the difference between BR and TRoT is that the former uses fantasy to lighten up the customer's idea of reality, and the latter prods the customer to see that nothing is more gratifying or more purifying than surrendering to reality. (p. 21)

This paragraph is particularly illuminating in explaining what "republic" means as a narrative framework in this book. For Leaves (and Enchantment, no doubt) the republic is a place of enchantment. What is interesting, as a reader, is to note how deeply personal this framework is and how a casual shopper is unlikely to make this type of allusive interpretation of the republic. Later in the fax, Leaves writes, "The Republic of Tea is a place that has never been spoiled." This resonates with mythologies

that evoke a Garden of Eden or Shangri-La and again, "In the fanciful world of TRoT, tea is *everything*…"

Interestingly, the first reaction of Progress is to respond to the "game" (p. 26). He later responds to the idyllic place Leaves is trying to evoke and again turns to specific merchandising ideas (p. 27-28). There is a telling phrase, though: "That's why our tiny nation." Even at this early stage in the book, one does not get the impression that Progress has grasped a big vision of the company or the idea of tea. Leaves' vision is much broader in scope than Progress', perhaps partly because of his success with Banana Republic. The conversation is engaged, but arguably, the narrative framework belongs more to Leaves than Progress at this stage of the process.

The republic as a metaphor for structure, government, and control and imperialism is rejected early in the conversation. On p. 17, Leaves says "It frees us from the hubris of trying to *control* what cannot be controlled." This theme continues throughout the book. Leaves is adamant that the business can offer an experience to customers but can never change them. On p. 234-235, for example, he rebukes Progress' most recent fax because his language presumes to suggest that customers can be changed. Similarly, despite frequent conversations about the various companies in the tea industry, and how TRoT can successfully compete against these companies, the discussion does not evoke the militaristic or sports metaphors of aggressive competition often found in these discussions. For example, Progress and Leaves do not imagine the Republic attacking unsuspecting (neighboring) companies or establishing a beachhead in competitor markets, nor implementing offensive or defensive strategies. The republic is a metaphor for a new identity, rather than a basis for creating an us-them mentality.

The narrative framework for the republic continues throughout the book. Playful job titles for friends and colleagues, merchandizing ideas, marketing messages, and philosophical reflections of tea and of how business ought to be run—all of these things resonate with the language and images of a special place called The Republic of Tea.

Tea as Metaphor

The first phrase in the first fax from Progress is "If you have to boil it down" (p. 13). This is a fun metaphor, clearly drawing on the domain of tea, yet it is not proposed as a narrative framework by Progress. However, Leaves responds strongly to the narrative gambit and says "To show, through the metaphor of tea, the lightness of taking life sip by sip rather than gulp by gulp." Progress responds, but does not really echo the narrative framework. Leaves loves tea, the product, and tends to focus just on tea and what drinking tea does for him (and potentially others), and it shows often. On p. 22 he argues "Our goal is to use the metaphor of tea…to get as many people as possible to notice how stupendous life is in and of itself, no matter what you may think *it* is doing to *you*." On p. 24 he notes, "If the packaging of our teas can reflect the inner life of the tea, can suggest the latent experience that is realized only by entering the tea, then we will have done something exquisitely subtle, and damned useful."

Progress first responds to this narrative gambit on p. 27, when he says "Tea Time in itself is a powerful idea…Americans have never caught on to the tradition of the siesta, the prolonged break, the afternoon tea. Our culture is all about fifteen-minute *coffee breaks.* Grab it and go." Until this point, Progress was much more rooted in tea as a product, as something that will be marketed and sold. On p. 15, for example, he says, "I'm going to keep a tasting journal too. I'd appreciate it if you would save me all tea boxes and packaging…It will be a useful reference."

The discussions of teas, specific tea flavors, tea times, and many tea-related encounters throughout the book show that tea, especially the process of brewing and drinking tea, is a metaphor for a life philosophy. Tea becomes a metaphor for a philosophy of life and business and a narrative framework for discussing creative breakthroughs and moments of deep appreciation of life. This framework is dominated by Leaves, as he continually focuses attention back to tea. He also emphasizes the mystical and spiritual language of Asian philosophers. Despite this esoteric style, Leaves is very practical as he gently reminds Progress that the business is about tea. In answer to Progress' description of his research and the comment that communication is the center of every successful business, Leaves says "Communications is the business. But there is nothing to communicate unless we've got great-tasting teas" (p. 37). Progress forgets this often and must be reminded again. In the last fax, he says, "I finally understand: the *name* of the tea doesn't really matter…It's the tea itself that is going to motivate a second buy. How simple" (p. 286).

Business as a Person

Progress starts his third fax by observing, "I like the idea of having a personal business with a visible *person*ality" (p. 14). He appoints Leaves as the voice of TRoT and appoints himself as the feet (p. 15). This gambit clearly resonates with Leaves. His next fax makes two responses. First, on page 16, he evokes the idea of Tea Mind, bringing together organism (see below) and tea metaphors. The concept of Tea Mind develops and evolves in the book but arguably continues to be a narrative framework used primarily by Leaves. It does not seem to resonate with Progress and is thus not initially shown in his responses. Note, however, that Enchantment must have been inflicted with a long conversation about Tea Mind from Leaves. Her first contribution to the conversation is a playful drawing of the TRoT mascot, a kimono clad man with a tea pot for a head.

Leaves' second response to "personal business" is to reify the business as a separate organism with its own will to live:

> I trust that if we enter the spirit of tea in the beginning, the business will end up putting you to work in a way that takes care of what's truly important. A good business wants to be, Progress. A good entrepreneur allows it. (p. 17)

This theme returns throughout the book. On p. 81, Leaves writes the following:

> In my view, all things are born to thrive. You cannot go wrong when you create something, be it a life or a business, if you take responsibility to see to it that it thrives. What makes a thing thrive?…To make a business thrive, however, takes a bit of effort… Unlike you and me, the business itself is not endowed with a natural, innate happiness. It's our responsibility to make it happy, and that means making it thrive…Business always thrives on *profit.* So when everyone who has an association with a business, its investors, its employees, its vendors, and its customers *all* realize a profit from the association, the business is happy. (p. 81)

It is clear that Leaves deeply believes that a company is a separate organization and organism, something that will take on a life of its own. He often reflects that *how* TRoT is created will have a profound effect on what it becomes. He also believes that what TRoT becomes will have a profound effect on what the entrepreneurs can do in the future. He reflects on choices he made when founding Banana Republic and regrets how those choices made it impossible for him to get things right later on. Some people may say that a company takes on a life of its own after many years; Leaves is deeply convinced that a business *always* has a life of its own. He often warns Progress to be careful and not to compromise for this reason. Yet almost despite his mystical bend, he remains clear what the lifeblood of the business is: "Money is the energy of business" (p. 188).

Progress uses the narrative framework of organisms differently. He continues to refer to Leaves as the voice of TRoT, for example. Thus he echoes the biblical metaphor of Paul, who compares the Church as a body and describes different members acting as different body parts. This metaphor emphasizes the cooperation and complementarity among the TRoT participants.

Despite their very different outlooks of the business as a person, Leaves and Progress are both clearly comfortable with the conversation. This is a good example of how a metaphor (in this case an extended metaphor or narrative framework) can enhance cooperation because it allows each person to have somewhat different ideas about what the metaphor signifies without allowing those differences to inhibit action or cooperation (Cf. Strategic change literature on metaphors).

The Journey

The idea of journey as a life philosophy and as a metaphor for business is embedded throughout the book. The journey is an important narrative framework introduced by Progress in his third fax (p. 14): "he or she not only *buys* tea, but *comes* to tea." Indeed, the very name "Progress" implies a sense of journeying somewhere.

Leaves responds to this gambit by defining the Greek word metaphor as "to carry along from one place to another" (p. 16). He wants a tea and marketing style that will

lure customers and "transports them …to a new place of calm and contentment" (p. 16). He reflects, "If a sip of tea brings me, no matter how briefly, to enter things as they are, I have been transported outside myself, into perfection itself" (p. 17). In some ways, the emphasis on the republic as an enchanted place somewhere else necessarily calls forth the journey metaphor. If we want to get to the new place, we must journey there (although Leaves prefers to journey by not moving, over a cup of tea.)

Progress takes the next step in developing this narrative framework. On p. 17-18, he says "The spirit of tea, as you put it, can serve as a nurturing guide." Leaves responds by saying "Tea Mind shows the way to peace and happiness" (p. 22). A drawing on p.28 probably by Enchantment, though it is in the middle of a fax from Progress, captures the "slow" journey of allowing tea to bring us to a different place and to a feeling of oneness with tea, life, and living.

Progress brings the narrative framework to the venturing process itself. He writes: "And just for the challenge of it I took a stab at the first ten-year plan. This is a good exercise…because it forces me to think about where we want to go" (p. 30). The narrative framework of journeying is found throughout the book. The references are even reified in hiking trips that lead to inspiration and clarity of purpose. For example, Leaves observes the following: "As you set out on your expedition, I want you to think of Patricia and me as wells available to you when you need us. Should you need a drink, we will be here… It is becoming clear that destiny is taking us all for a ride." (p. 99).

The metaphors of journeying take on the character of a pilgrimage, of moving from our everyday home towards a place of (spiritual) enlightenment. And as should happen on pilgrimages, the travelers are transformed by the process. Even though, the specific modes of travel may differ (the three TRoT travelers seem to prefer non-mechanical means), but the pilgrimage narrative resonates within the conversation about life and business. On p.158, Progress asks, "Do you think everyone is internally **motivated** (emphasis in original) to search out and find a path? Or are we more inclined to stand around and wait for one to appear?…Is the process of the search *making* things happen, or *letting* things happen?" Leaves answers by asserting the pilgrim or Buddhist perspective on the journey: "The path finds the person, but not the one who stands around waiting for it. The search *is* the happening" (p. 158).

At the end of the story, Progress starts the business. He writes to Leaves, "Fate has given me a healthy shove off the board and into the pool…In a strange way I know this is the final push I need…I'm diving in now—hook, line, and sinker—and although I'm a little scared of the water, I know I can swim…The water feels fine" (p. 238). Leaves, in reply, describes Progress' story over the previous 18 months as an "odyssey" (p. 239), an image of a long journey by a hero. In the last sentence of the last fax , Progress writes, "It's taken me a long time to get here and I'm still only at the beginning" (p. 286).

The narrative framework, although very important to the book, starts slowly in the first 20 pages. It is interesting to speculate whether a different metaphor or narrative framework for describing the venturing process could have taken root. For example, an equally non-combative narrative framework could have been farming or a game. Because the republic, a place, is a key narrative framework for the conversation and

for the business, it may be that journeying is a natural complement. Alternatively, the journeying metaphor may capture the personal philosophies of the partners, because it places more emphasis on how the individual evolves and acts, and less on how an individual defines him/herself in relation to others.

Narrative Gambits that go Nowhere

Within a conversation, a narrative gambit cannot contribute to knowledge creation if there is no response to the gambit. These neglected gambits are interesting for two reasons. First, the full set of narrative gambits shows that the entrepreneurial conversation can evolve in other directions. Second, neglected narrative gambits provide a contrast, helping researchers better appreciate the significance of the dominant narrative frameworks in entrepreneurs' conversations. The nonlinearity of effectuation suggests that the construction of a new venture depends on the choices and actions of the individuals involved, and thus includes the rejection of specific options. Similarly, neglected narrative gambits are a part of understanding the process of knowledge creation among the TRoT entrepreneurs. In this section, we explore the narrative gambits in the early pages of *The Republic of Tea* that do not develop into narrative frameworks. We also include the first narrative gambit introduced by Enchantment, to give her voice.

Poetry, Film Production and Art

Progress introduces a new narrative gambit in his third fax, when he asks "Can poetry make a business?" (p. 15). Leaves responds "Not without the tea." He then suggests that a better analogy to business than poetry is movie production. He spends a paragraph developing this analogy, showing how creating a new venture is like creating a movie (p. 16). This is an interesting analogy and potentially as much fun to play with as the republic, yet neither poetry nor film production are ever mentioned again. These, then, are narrative gambits that do not become narrative frameworks because there is no prior knowledge that would help the partners' increase their comprehension of this new, emerging, and evolving "knowledge" of TRoT.

Interestingly, art (as in painting or sculpture) does emerge as a minor theme in the conversation, although it does not develop into a narrative framework. First, Progress remarks (p. 36), "You're right about painting our world too small." Leaves does not respond to this wording but much later says the following:

> Think of TRoT as a work of art accomplished by several friends who share values and a way of being in the world. TRoT is an expression of their relationship, a manifestation of their collective wisdom, and therefore it is greater than any one individual. Although a single investor might own a share of the company that is disproportionate to the friends…For an investor, it would be like owning a work of art. You own it, hang it on the wall, give it to the museum, show it

to your friends, take great pleasure in it. But *you don't doodle on it.*
(p.128-129)

Progress probably gets the point, but he does not use this metaphor himself. Later, in a single sentence fax, Leaves writes "Here's the Big Key: The Republic of Tea is Business as Art" (p. 160). Again, there seems to be no written response to this thought, and no narrative framework evolves around art.

The Game

The game as a narrative framework is introduced by Leaves, "in fact the power of the TRoT concept is that it is ultimately a game, a game that we get to play with the customers" (p.21). Both Progress and Enchantment respond to this gambit. Progress responds immediately in the next fax, "I'm inspired! The game, as you have so cleverly identified it.…" (p. 26). Enchantment proposes some fun packaging ideas (p. 26), apparently in the spirit of the game.

The game underlies Leaves' characterization of TRoT as a place of enchantment, imagination, and interaction between the players and thus links to the narrative framework of the republic. The game does not become fully developed as a narrative framework in the conversation; however, it could have easily functioned in a way similar to the journey.

Mother's Little Helper

Enchantment introduces "mother's little helper" in response to Progress' reaction to the game and to her drawings of the cylinder packaging (p. 31). The reference is to the Rolling Stones song about Valium, but she applies it to children's tea. By asking "Too loaded? Too coded?" (p. 31) she admits that she is aware it will not be an appropriate name. Progress responds positively to the idea of children's tea but avoids discussing the innuendo. Are the men being polite? Clearly this reference does not develop into a narrative framework, although other aspects of the children's tea concept become part of the TRoT product line.

The subversiveness of naming children's tea for Valium raises questions about Enchantment's participation in the new conversation and in creating the new business concept. Does the gambit express the ambiguous feelings experienced by Enchantment as she watches her husband and business partner become engaged in this new conversation with Progress? Or is it a personal issue, hinting at the frustration experienced by a full-time mother of a young child after years of being an entrepreneur in a very successful, large business? In this case, the narrative gambit seems to have nothing to do with proposing a narrative framework, and everything to do with Enchantment's role. Enchantment contributes to the conversation through drawings most of which are reflections of the conversations between Leaves and Progress. We may ask, from a feminist perspective, why the male voices are so clearly attributed by person and date, and the female voice is tucked into the flow according to design

layout needs. This makes it hard to identify which narrative frameworks are introduced by Enchantment, and how her contributions fit into the dates of the overall flow of the conversation.

Concluding Remarks

Summary of Findings

As two (three?) strangers get to know each other and explore the idea of a tea business, they create a dynamic conversation. The conversation is ostensibly about the tea business idea, but it is also about building a relationship and learning or creating knowledge about tea and the business idea. To facilitate the conversation, we suggest that narrative frameworks are adopted within the conversational dynamics. These frameworks provide a structure to the conversation itself. But more importantly, they provide a framework for the ideas themselves. Following the logic of comprehension theory, we suggest that by alluding to the adopted narrative frameworks, the partners are using prior knowledge to facilitate learning (or creating) new knowledge.

In this paper, we identified a number of metaphors, analogies, and anecdotes as narrative gambits in the opening phases of the TRoT fax conversation between Progress, Leaves, and Enchantment. These narrative gambits are allusions to narrative frameworks based on personal knowledge or public discourse. To the extent that the narrative frameworks are shared and developed together, the partners can create shared knowledge about TRoT, their relationship, and the venturing process.

The analysis identified a number of narrative gambits that become full-fledged narrative frameworks throughout the book. These frameworks are explicitly explored and implicitly referenced through metaphors throughout the conversation. Other narrative gambits fail to become narrative frameworks, making a specific point in the moment, but not enjoined by the other conversationalists. They contribute to the conversation as metaphors, but do not lead to the creation of knowledge. As we define narrative gambits, all the gambits could have become narrative frameworks for knowledge creation; the fact that only some gambits are turned into frameworks reinforces the exploratory and collaborative nature of entrepreneurial conversations.

Future Directions for Research

The analysis raises a number of interesting questions for further discussion. One, if the narrative frameworks are used to enhance learning and create knowledge, then presumably the details of the narrative should change over the 18-month conversation. It would be interesting to pick one or two themes and track them carefully throughout the text. A hermeneutical analysis should illuminate how the ideas and the narrative framework evolve. Two, if the first 20 pages demonstrate so clearly the two distinct voices (and a third muted voice), would an analysis of the frameworks over the full conversation show continued differences in the details and emphases of the partners

within each narrative framework, or do they converge over time as they create a shared identity? Do the frameworks function to facilitate just the conversation and coordination, or do they also create shared knowledge, identity, and vision? Third, from a methodological perspective, would multiple readers identify similar narrative gambits in the first 20 pages? What could be gained by asking multiple researchers to identify narrative gambits and discuss how these gambits evolve (or not) into narrative frameworks in the book? Fourth, is the "success" of the venture linked to the type of narrative frameworks that are adopted? Does the lack of competitive and aggressive narrative frameworks in TRoT predict the slow growth of the company?

We found that another concept in comprehension theory may provide intriguing research questions for the emergence or effectuation process. Green and Brock (2007) argue that transportation into the story and suspension of disbelief is essential to comprehension because the reader must enter into the story to understand it. They also suggest that readers are more open to novel ideas because of the transportation effect. This suggests that narrative frameworks play an important role in generating novel knowledge, precisely because they allow entrepreneurs to suspend disbelief and explore ideas thoroughly.

By discussing the metaphors and narrative frameworks, we have confined our analysis to the text itself. An alternative approach might place greater emphasis on narrative archetypes and how the archetypes might in fact shape the entrepreneurs themselves. For example, Smith (2005) identifies five narrative schema that seem to be used to structure the entrepreneurial experience of individuals; similarly, Warren (2004) finds four structures in her analysis of the stories of female entrepreneurs. In this alternative approach, we would view the metaphors as signals for exploring entrepreneurial archetypes, rather than as vehicles for creating shared knowledge. This approach seems to emphasize the entrepreneur more than venture creation and may lead to very different conclusions.

A single study gives little basis for recommendations, yet the implications are intriguing. First, from a pedagogical perspective, we wonder to what extent professors can teach students to consciously explore various narrative frameworks as a way of creating new knowledge and developing their venture concepts. Rather than the rigid, data-driven model of a business plan, would an exploration of narrative frameworks help students develop their ideas more organically and more creatively? We are tempted to deliberately plant narrative gambits and see how students respond. Second, given that metaphors and narratives are a part of linking stakeholders to the entrepreneur and the venture (see research cited above), how can an entrepreneur effectively engage in these conversations? Entrepreneurs may wish to engage in a deliberate strategy to create narrative gambits as a way of learning more about resource holders and identifying useful narrative frameworks.

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"Practical Narrativity" and the "Real-time Story" of Entrepreneurial Becoming in *The Republic of Tea*

Paul Selden and Denise Fletcher

Abstract

The sleeve-jacket tells us that the *The Republic of Tea* is "the story of the creation of a business as told through the personal letters of its founders." Indeed, the retrospective compilation of the dialogue plots a narrative journey for the reader, but is this story the same journey as the "real-time story" of the original dialogue? From a phenomenological/constructivist perspective, we argue that a real-time story develops in the self's discontinuous understanding of "what is" and "what should be", and that "narrative-like" action (or "practical narrativity") is involved in managing this process. We explore the research implications of this narrative perspective through a real-time story analysis of *The Republic of Tea*.

Introduction

The text of *The Republic of Tea* tells the story of the creation of an innovative tea company through an autobiographical reconstruction of a real-time fax conversation between its founders. It, therefore, provides a unique opportunity to distinguish the function of retrospective narrative constructions in presenting a cultural self-identity to an audience and the function of inter-personal narrative-like actions (practical narrativity) in the real-time emergence of an entrepreneurial life. In the wake of the "narrative turn" (Shafer, 1981; Spence, 1984; Polonoff, 1987; Polkinghorne, 1988, Bruner, 1990), narrative research has tended to conflate the self-becoming function of practical narrativity with the self-identifying and self-unifying functions of retrospective literary narrative (Polkinghorne, 1988). The everyday becoming of social relationships has been explained in terms of the living of a "storied life" (Ochberg, 1994) and the playing out of "cultural narratives" (Bruner, 1990) and "self-narratives" (Baumeister, 1986). At the same time, the "practice turn" (Schatzki, 2001) has generated an interest in the fine-grained analysis of real-time relational praxis, which has fed into narrative research

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(Samra-Fredericks, 2007). Organizational narrative researchers have problematized the practical functions of narrative action in strategic change actions, problem-solving, and learning processes (Boje, 1991; Orr, 1996; Patriotta, 2003). Entrepreneurship praxis-orientated researchers have sought to explain the role of narrative in the emergence of entrepreneurial processes (Steyaert, 2004; Downing, 2005; Fletcher, 2007; Fletcher and Watson, 2007; Gartner, 2007; Hjorth, 2007). While narrative identity researchers have challenged the dominance of life-story research through a focus on "narratives-in-interaction" or "small stories" (Moissinac and Bamberg, 2005; Bamberg, 2006; Georgakopoulou, 2007). In this paper, we make a contribution to this praxis-oriented literature through the development of a systematic distinction between retrospective narrative and practical narrativity from a phenomenological/constructivist perspective (Heidegger, 1962; Kelly, 1955/63). In relation to practical narrativity, we argue that the unplotted "real-time story" of self-becoming emerges through discontinuities in the self's understanding of "what is" and "what should be" ("self-meaning positions"), and that the function of practical narrative-like actions is to create and manage these self-meaning positions. In contrast, the function of retrospective narrative is to take the discontinuities of self-becoming actions as an object of narrative convention in order to present the continuities of a culturally recognizable self.

The paper begins by distinguishing the self-identifying and self-becoming functions of narrative action from a phenomenological/constructivist perspective (Heidegger, 1962; Kelly, 1955/63). We then situate these functions within a schematic understanding of the layers of narrative action in the research process (Cunliffe, Luhman and Boje, 2005). From these premises, we argue that while the real-time story of a practical decision-making process is lost to the retrospective construction of a cultural self-identity, it can be reconstructed from the identification of self-meaning positions in the text of the original real-time dialogue or a retrospective narrative. Practical narrativity can then be contextualized as functional to changing self-meaning positions (the self-becoming process) in the development of the real-time story. We demonstrate this approach through a comparative telling of the autobiographical story of the "heroic entrepreneur" and the real-time story of entrepreneurial self-becoming in the text of *The Republic of Tea*. The research implications of the textual analysis are then discussed in the context of narrative identity research and entrepreneurship narrative research.

Retrospective Narrative and Practical Narrativity

From a phenomenological/constructivist perspective (Heidegger, 1962; Kelly, 1955/63), a person copes with the impossibility of living in the transience of the present moment by anticipating the future meaning of present experience relative to past experience. The function of narrative actions, like other sense-making actions, is thus the meaning contextualization of future actions. The distinction between retrospective narrative and practical narrative-like actions is that they involve different forms of meaning contextualization. Life stories and self-narratives have a "backward orientation" in the sense that they contain the past in a literary-style narrative in order to present a unified self-identity to oneself or to an audience. In contrast, practical

narrativity has a "forward orientation" because it involves the selective use of literary narrative techniques in order to create a general meaning context for the realization of an intended outcome. The practitioner cannot write a detailed literary narrative for the future because his/her real-time story of practical living emerges from moment to moment in context-specific circumstances. The *complete* story of a practical process can only be told retrospectively from a vantagepoint in the future. Therefore, the practitioner employs *narrative-like* actions in order to manage the uncertainty of realizing an intentional outcome, including short autobiographical anecdotes and elements of narrative technique, such as "skeleton plots," narrative visions of the future, fictional narrative settings, and role-playing character identities.

In the next section, we look at how retrospective narrative has dominated socio-economic inquiry in the form of life-story research and how the problematization of self-unifying narrative actions has detracted from a narrative understanding of practical self-becoming.

Life Stories, Self, and Practical Living

The dominance of life stories (Labov, 1972; Georgakopoulou, 2007) in narrative research can be explained by the significance of the interview as the core research method in qualitative research. The interview format provides the speaker with an opportunity to retrospectively combine experienced events as episodes in a life story. Interview-based research, therefore, involves the elicitation and analysis of authentic narrative interpretations of lived experience (Denzin, 1997). In this methodology, there is an awareness that the life story is a co-constructed reinterpretation of original practitioner actions (Wengraf, 2006). However, a retrospective narrative is treated as an analogue for a tacit self-narrative that was played out in the originating actions. In other words, there is an implicit assumption that the life story tells the same story as the storied life of the originating actions and performs the same function in constructing and presenting a self-identity through the unification of historical events (Polkinghorne, 1988).

The challenge facing the narrative researcher is that real-time actions cannot be explained in real-time because they are still in the process of becoming. One way of dealing with this issue is to conflate an antecedent or succeeding action with the originating action. This is what happens in life story research. The life story is treated as if it is a telling of the real-time story. This approach is problematic because it doesn't take full account of the dislocation in time and space between narrative-like originating actions and subsequent retrospective narrative reinterpretation.

Cunliffe et al. (2004) have drawn attention to the issue of layered narrative actions through their work on "narrative temporality" in which they argue that the object of narrative research should be "reframed as a collectively constructed process over time—fluid and dynamic, and open to the interpretations of its many participants" (p. 262). From this perspective, one can distinguish three distinct layers of narrative action in the research process. First, there is the practical narrative-like action of everyday social interaction. Second, there is the practitioner's and the narratologist's co-construction of a life story through the circumspect reinterpretation of past actions. Thirdly, there is

the narratologist's hermeneutic analysis of the life story and/or the originating actions, which involves telling the narrative of theory development. From a practitioner perspective, the first phase is functional to the actualization of a practical intention, while the second phase takes the first phase as an object in the service of presenting the researcher with what the practitioner thinks they should hear. The orientating (unconscious) intention of the retrospective storyteller in the second phase is, therefore, the explicit presentation of a culturally meaningful self-identity. If, in the third phase, the researcher then regards the second phase narrative as telling the story of the first phase, then a self-identity display becomes the "self-making narrative" (Bruner, 2003) that underlies the "storied nature of human conduct" (Sarbin, 1986). However, for the researcher who looks back at antecedent narrative actions through the "plurivocal" framework of narrative temporality (Cunliffe et al, 2004), he/she can reconstruct these actions as layered narrative sense-making actions, thus making a clear distinction between originating and retrospective actions. Moreover, for the researcher who looks back through a phenomenological/constructivist framework, a distinction can also be made between the self-presenting function of retrospective narrative and the practical self-becoming function of narrative-like actions (see earlier). Making this distinction involves two conceptions of self—the unified cultural self and the becoming self. In the next section, we explain how a phenomenological/constructivist understanding of the process of self-becoming is a prerequisite to understanding the function of narrative-like actions and the possibility of reconstructing a real-time story from a text.

The Unified Self and the Becoming Self

In retrospective narrative research, there are two broad conceptions of self—the "personal self" and the "social self" (Weigert et al, 1986; Harré, 1998). The autobiographer takes the events of a unique life history and constructs a personal self with "external and internal coherence, liveability and adequacy" (Polonoff, 1987) through its identity with "distributed," "transactional," and "transformational" social selves. In other words, when we tell a life story, the significance of unique life events is communicated through the symbolic forms of a shared culture. The storyteller maintains and projects a sense of unified self through a positioning of lived *discontinuities* relative to cultural *continuities*. For example, discontinuous life events can be unified in generic transformative storylines, such as from rags to riches, from sin to redemption and from coward to hero. But what form of self is transformed and emerges in real-time *through* the discontinuities of everyday life? Can the discontinuities of a real-time dialogue and a life story be disentangled from the continuities of a unified self and reconstructed as a real-time story?

From a phenomenological/constructivist perspective, a self emerges through concurrent "temporal selves" in the self-reflexive human experience of the "three-fold present"—the simultaneous relationship between past, present, and future in the moment of living (Ricoeur, 1984). In other words, the process of self-becoming can be conceptualized through those parts of the self that act concurrently in different dimensions of time (Selden, 2008). This view is consonant with the assumption

in "narrative sense-making" research that an ego self is the constructor of an autobiographical self-identity through an interpretation of a historical self (Spence, 1984; Polonoff, 1987; Bruner, 1990). The first self in this schema is the doing subject of the present moment, the historical self is the objectified self of memory, and a self-identity is the projection of a culturally meaningful future self.

These temporal selves can be understood in terms of William James's (1890) distinction between the present knowing "I" (the first-person, agentic "doer") and the historical known "me,"[1] or the third-person self-reflexive object.[2] The "I"/"me" distinction is now regarded as somewhat artificial on the grounds that "reflecting on one's own functioning entails *shifting the perspective of the same agent* rather than reifying different internal agents or selves regulating each other" (Bandura, in press). Whatever the ontological status of temporal selves, however, the pragmatic significance of the "I"/"me" distinction is that it is a "useful fiction" for schematizing the temporal dimensions of self-reflexivity—the taking of oneself as an object.

The "I" self interprets present experience relative to the historical "me" self in order to contextualize future "I"-self action. Crucially, future action is contextualized in two concurrent timeframes. In one timeframe, it is contextualized by the meaning given to an ongoing state of affairs—the "what is" context for the acting "I" self. In another timeframe, it is contextualized in terms of an intended otherness or a "what should be" future self. A self, therefore, becomes in the meaning discontinuity of its own understanding of "what is" and "what should be" (Selden, 2008). It is propelled into the future through the need to resolve contradictions between self-meaning positions concerning how things are and how things should be. This mechanism is a self-regulating system (Lecky, 1945; Kelly, 1955/63) in which the "I" self equilibrates self-meaning discontinuities through a re-orientation in the "me" self's meaning contextualization of future "I"-self action. Therefore, in a real-time dialogue, the plot of living develops as self-meaning discontinuities are constructed, reinforced, and resolved, and the function of practical narrativity is to manage this process through the narrative-like signification of "what is" and "what should be."

Life stories take the real-time meaning of discontinuities in everyday life and re-construct them in order to project a cultural self-identity through "grand narratives" (Lyotard, 1984) and "public narratives" (Somers, 1994), such as "entrepreneurial tales" (Smith and Anderson, 2004). Nevertheless, the real-time story of self-becoming is still present in the reconstructed drama of the lived events—the struggle to bring an existing state of affairs ("what is") into line with hopes, wants, desires, and expectations ("what should be"). Both the events of real-time interaction and an autobiographical account of those events can, therefore, be reconstructed as a narrative journey of the becoming self through the identification of the real-time and retrospective contradic-

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[1]James (1890) identifies "material," "social," and "spiritual" "me" selves.

[2]Mead (1934) makes a similar distinction between the "I" self and the "me" self. The primary theoretical function of Mead's conception, however, is the signification of a dialectical relationship between society and the individual, rather than the self-reflexive structure of consciousness. Mead's "me" self is an internalized social self, and the "I" self is a creative individualized response to the "me" self.

tions, problems, and dramatic complications between states of affairs and intentions. Telling the real-time story of originating actions, therefore, involves describing the process of self-becoming in terms of the creation and resolution of discontinuous self-meaning positions and explaining how narrative-like actions mediate this process.

In the next part of the paper, we use our conceptual understanding of the self-becoming process to embark on a comparative telling of the self-identifying story of the heroic entrepreneur and the real-time story of entrepreneurial self-becoming in the text of *The Republic of Tea.*

A Tale of Two Stories—The Heroic Tale

In *The Republic of Tea*, the protagonists are practitioners of entrepreneurship and practitioners of telling a published story of entrepreneurship. This duality is the product of time. It is only in retrospect that what is lived through can become the object of literary convention. Looking back at what they have done, the authors are able to select historical fax messages and contextualize them within an autobiographical commentary that creates a narrative journey for the reader. The commentary converts an ongoing process of conversational becoming into the projection of a unified cultural self through a generic storyline—the transformative tale of the heroic entrepreneur who perseveres and endures in the face of doubt and anxiety.

The literary reconstruction takes real-time discontinuous events and plots them within the conventional narrative structure of the transformational tale—situation, complication, climax, and resolution. The situation at the beginning of the story is that a businessman (Mel Ziegler) returning home from a conference implants a business idea in the mind of another businessman (Bill Rosenzweig). The idea is that Bill launches a tea company called The Republic of Tea that markets a quality product on the basis of the meditative attributes ("Tea Mind") and culture ("Tea Process") of tea drinking:

> Our goal is to use the metaphor of tea (by promoting the culture of it and presenting Tea Mind as a new kind of reverse kick for the Pepsi generation) to get as many people as possible to notice how stupendous life is in and of itself. (Leaves' fax, p. 22)

The complication is Bill's inability to convert the idea into a concrete enterprise; the climax is a showdown between Bill and Mel about the failure to actualize the business; and the resolution is Bill's eventual success at problem solving and launching the company.

The cultural identity of the heroic entrepreneur is conveyed through a narrative manipulation of the reader's discontinuous self-meaning positions. The narrative structure creates an expectation of what should happen (venture creation) and an understanding of what is happening (problems with venture creation). It is the events that contradict the expectation (the miscommunications, the misunderstandings, the mistakes, the doubt) that create dramatic tension, while those that affirm the expectation (the successes, the moments of learning, the strategic revelations) resolve

dramatic tension. The identity of the entrepreneur as a modern day adventurer is projected through the building and relieving of dramatic tension in the transformative journey. In the telling of the autobiographical story, Mel and Bill have full control over plot development. The reader lives through the selective opening and closing of the meaning discontinuities that are taken from original lived experience and put into service, thereby displaying Bill's self-identity as a entrepreneur and Mel's self-identity as a mentor. The discontinuities in the originating actions, however, also tell the real-time story of entrepreneurial self-becoming. In the next section, we tell this story and explain how practical narrativity is employed to manage real-time meaning discontinuities through the narrative-like contextualization of future action.

Practical Narrativity and the Real-Time Story

While the reader is comfortable in the hands of a narrator who knows the journey ahead, the practitioner is anxious in the face of uncertainty. In this predicament the practitioner uses all means available (including narrative means) to mediate the passage into the future. The practitioner copes with the uncertainty of an unplotted life by creating immediate ("what is") and longer-term ("what should be") narrative-like contextualizations for future "I"-self action. In the same way that a literary narrative creates self-meaning positions for the reader, narrative technique is used by practitioners to create self-meaning positions for living in the present moment, both for themselves and for those they wish to influence.

At the beginning of the real-time story, Mel constructs a narrative-like entrepreneurial vision that spans the gap between present and future: "The Republic of Tea." In this imagining, the "Republic" is a "fictional" land that symbolizes not only the "what-should-be" tea market of the future but also a metaphorical political system that functions to create "what-is" self-meaning positions for the present acting "I" self. The "Republic", therefore, constitutes a narrative-like meaning contextualization of Mel and Bill's subsequent interaction.

As a vision of a future market, the Republic is a marketing strategy that symbolizes the coming together of what Mel imagines the customer wants and what the business is going to give them—"the future of our little republic" (Leaves' fax, p. 21):

> Our task is to find a product and create a style of marketing that lures people who are living crazed coffee-style lives and then transports them through our metaphor of The Republic of Tea to a new place of calm and contentment. Tea Mind! (Leaves' fax, p. 16)

In the present (or immediate future), the Republic provides a narrative-like *setting* (the political system of the Republic) and *characters* (role-playing alter egos) for improvised real-time action and the co-ordination of relationships with stakeholders and customers. The customer is a "citizen" of the Republic, and Mel and Bill are "ministers" that educate citizens about a meditative and aesthetic understanding of the practice and culture of tea drinking. Mel and Bill describe the project in the following terms:

> The Republic of Tea will be the new home for this present-day tea spirit, and our customers will become citizens of our little land. (Progress's fax, p. 18)

> [T]he power of the TRoT concept is that it is ultimately a game, a game that we get to play with the customers. In creating TRoT, we and the customers together begin to see and to give shape to a whimsical, reflective state where we all agree the highest goal is to get in touch with the wonder of our lives. (Leaves' fax, p. 21)

As a testament to their submersion into the world of TRoT, Mel calls himself "The Minister of Leaves"—the voice of the Republic in communication with its "citizens"—and Bill is called "The Minister of Progress," as he is responsible for the practical implementation of the business idea. Mel and Bill address each other as "Leaves" and "Progress" throughout the dialogue, so these alter-ego sobriquets will be adopted for the remainder of the paper.

The Republic is, therefore, both a narrative vision and a narrative context for the realization of that vision. As we shall see, this "narrative-world discontinuity" between "what should be" and "what is" is productive in terms of Leaves' and Progress's output of creative products and business development ideas but creates problems with the actualization of the business in the practical-world.

The Practical-World/Narrative-World Discontinuity.

In the same way that the literary narrator controls the "I" self experience of the reader in his/her understanding of "what is" and "what should be," so everyday the practitioner tries to control the "what is" and "what should be" context of real-time interactions. Practitioners, therefore, use narrative-like actions to encourage the "me" self-sublimation of others into their world of meaning in order to share their visions and passages to the future. Leaves orchestrates the realization of his dream by mentoring Progress into his narrative-world, which he believes will empower and equip Progress in his struggle for entrepreneurial otherness. As part of this process of persuasion, Leaves objectifies and anthropomorphises the narrative-world as if it is a discrete entity with a self-identity and a will of its own. Throughout the dialogue Leaves implores Progress to give himself over to the "idea"—something that is greater and more powerful than their individual selves. Leaves advocates the following arguments at different stages in the fax dialogue:

> Let's get things in the biggest perspective. There's you, there's me, there's Patricia, and there's TRoT. We are *not* TRoT. TRoT is not us. TRoT has come to life, and it is its own entity, a living energy separate from us. It speaks for itself. It knows what it needs to realize itself. Our job here is to get out of the way and allow "it" to be. (Leaves' fax, p. 124)

> Think of TRoT as a work of art accomplished by several friends who share values and a way of being in the world…TRoT is an expression

> of their relationship, a manifestation of their collective wisdom, and therefore it is greater than any one individual. (Leaves' fax, p. 129)

> Get out of the way and let this business tell you what it is. (Leaves' fax, p. 146)

> TRoT is an expression of [our] relationship, a manifestation of [our] collective wisdom, and therefore it is greater than any one individual. (Leaves' fax, p. 129)

Leaves believes that if Progress gives a part of himself over to the unity of the TRoT narrative-world—if he allows his "me" self to commit to the TRoT vision and his "I" self to act in the world of TRoT—then he will be carried successfully into the future.

The initial signs are that Progress will be able to empower himself through "me" self-sublimation into the Republic. He seems to be fully immersed in Leaves' narrative-world when he asserts:

> We don't own anything: words, ideas. They belong to The Republic. We are just the vessels for communication. Therefore our feelings need not get in the way of growth or understanding. (Progress's fax, p. 149-150)

There is, however, a dramatic complication. TRoT is first and foremost a projection of Leaves' *non-business* "me" self, and his desire to maintain a "Tea Mind" life (after his success with "Banana Republic")[3], while Progress takes on the day-to-day running of the business. Leaves' primary intention is, therefore, the continued self-equilibration of his non-business self-identity. TRoT is an *entrepreneurial* narrative-world by way of an analogy with existing market practice, but not in terms of its contextualization of practical action in the marketplace. Although the narrative-world of TRoT is productive at a discursive level, it does not support Progress's struggle with the practical demands of setting up the business.

In the initial stages of the dialogue, Leaves and Progress embark on a protracted session of product development and market imaginings within the TRoT narrative-world. This "dream stage" (Progress's commentary, p. 104) comes easy for Leaves because TRoT is a projection of the way he already is as a person and as a tea drinker. He is, therefore, *self-referential* in affirming his self-identity by using his "me" self to determine not only "what should be", but also "what is." In other words, the self-meaning positions that are created and resolved in the TRoT narrative-world are not referenced to market actualities. For example, Leaves argues that they should think of themselves as the customers and develop ideas relative to their own wants and needs, rather than looking to the market (Leaves' fax, p. 183).

For Progress, things are a little more complicated. He has to connect "what should be" with "what is" in the market in order to implement the entrepreneurial opportunity. He has learned the language of TRoT, he role-plays in the land of TRoT, he develops products in the world of TRoT, and he has a belief in TRoT as a narrative

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[3]Leaves has a successful track record as an entrepreneur in his creation and running of a retail clothing chain called Banana Republic.

outcome, but the confidence he derives from living in the TRoT narrative-world is not sufficient to compensate for an absence of plot in the practical-world. Progress recognizes that success depends on being "able to move between the practical world and the world of bigger perspective [i.e., the narrative-world]" (Progress's fax, p. 155). In the same way that an entrepreneurial dream is the imagining of "what should be" relative to a practical "what is," so the practical development and realization of the idea relies on an *adaptation* of "what should be" to a practical "what is." It is one thing to be creative relative to the self-referential "what is" of a narrative-world and another to be creative relative to the "what is" of an interpersonal economic "reality."

If Progress had learned to practice entrepreneurship in an analogous market context, then he would have a generic plot line to follow based on the effectiveness of his past actions. But when a decision-maker is learning a practice for the first time, he/she is creating the plot line for the first time and so must continually refer back from the future dream to "what is." The dream is a future analogy of the present, and it can only be successfully actualized by bringing the "me" self into union with "what should be" through the "I" self acting in relation to "what is." In other words, the dream must be lived in a productive present context. The question becomes this: which "what is" is the productive "what is"? The real-time story of TRoT, therefore, concerns how Bill learns to become an entrepreneur through the re-orientation of his "I" self in different "what is" contexts.

Most entrepreneurial decision-makers will intuitively acknowledge the need to adapt their business idea to "what is" in the market through business discourse, which assumes the need for market "experience/knowledge" and a rational search/evaluation of market information. Progress is no exception when he expresses his intention to "research" the market:

> Last night it struck me that maybe it's time for me to get somebody who's a little less emotional about tea to take a look at the business, and so I've appointed the other half of my brain as The Minister of Research. (Progress's fax, p. 38)

The researched market, however, is just one "what is" context in the real-time story of Progress's self-becoming. Progress primarily learns to become an entrepreneur through the re-orientation of his "I" self in the context of his relationship with Leaves. Therefore, the real-time plot unfolds in the discontinuity between Leaves' narrative-world and Progress's practical-world.

The Real-Time Story

At the beginning of the dialogue, Progress makes an implicit distinction between Leaves' narrative-world and his practical ambitions:

> Leaves you are clearly the "voice" of The Republic…Your "Dear People of Tea" letter sets the tone beautifully for a first transaction with our customer – a transaction when he or she not only *buys* tea,

> but *comes* to tea, just as you did…On to practical matters…I want to become familiar with everything that's on the market – how its made presented and distributed…I'm working on a more formal research plan now…You tune the voice and I'll look for the ground to put our feet on. (Progress's fax, p. 14-15)

As the dialogue continues, however, the reader becomes aware that the protagonists are pursuing "[endless] merchandising possibilities" (Leaves' fax, p.23 and Progress's fax, p. 27) within the narrative-world and failing to make concrete decisions. Progress acts on his awareness of this practical discontinuity by generating "what is" market information through his research activity. The information, however, generates further market-relative discontinuities, such as the need for a market strategy and business model (p. 64-66). Are they going to enter the market as a joint venture with an existing company (p. 52), as a franchising holding company (p. 56), or as wholesalers and/or retailers and/or as a mail order company (p. 273)? How extensive should the product line be (p. 71-73 and 85)? What will be the scale of the initial start-up, and how will it grow (p. 67-68)? How will the business be financed (p. 75)? Should they acquire an existing tea company or set up their own distribution channels (p. 86, 88-90 and 105-6)? Should they take on another investor (p. 100)? Should they test the concept in a regional market first (p. 118)? Should they specialize in a particular niche market and/or sell to the wider black tea market and/or expand the tea market by converting coffee drinkers (p. 119-121, 130-132, and 140)?

For Progress, these questions are overwhelming. He does not have the confidence to answer them (Progress's commentary, p. 87), so he tries to empower himself by making Leaves his practical "what is." In other words, Progress equates the "what is" self-meaning position of his "I" self with that of Leaves. He raises practical market issues with Leaves in the hope that Leaves will have the answer, but unfortunately Leaves is ambivalent and non-committal in his responses (p. 85-86). Progress also proposes numerous narrative-like business plans or company stories, which posit hypothetical narrative plots for the future. Unlike Leaves' narrative-world, which is a narrative-like means of constructing a future in real-time, company stories are sequenced means-ends solutions to the overarching strategic vision and are thus "skeletal," "what-should-be" narrative visions of the future. Leaves is equally ambivalent in his assessment of these hypothetical solutions.

The "what is" of the researched market and of Leaves opinion are, therefore, both unproductive. This is not because Progress and Leaves are incapable of making a "rational" economic decision but because the *criteria* for their decision-making actions are tied up with the equilibration of their respective "me" selves. Leaves has already lived an entrepreneurial dream in the form of Banana Republic, but is unable to draw practical analogies from his past successes because he is now focused on the practice of a meditative life. In any case, he maintains in his retrospective commentary that he wants Progress to find his own way in his own time. Whether or not this explains his lack of practical advice, is not really the point. What we have are two people whose

co-construction of the TRoT venture is orientated by the projection of different "me" selves with different wants and needs.

When Progress again presents Leaves with a raft of practical questions and Leaves fails to reply (Progress's fax, p. 71-75), Progress is forced to look to himself for affirmation of his intended otherness – to make himself his practical "what is". His reaction is to send Leaves an extensive declaration of "personal goals and vision" (Progress's fax, 25 April, p. 76-78). As with a company story, these hypotheses are visions of "what should be", but offer no criteria for the practical evaluation of "what is". A similar thing happens a couple of days later when Leaves gives another oblique response to a question and Progress responds with a list of declarations of what he intends to do as a successful entrepreneur (p. 95-97). In retrospective commentary (p. 87), Progress and Leaves give an insight into the dynamics underlying these exchanges.

> I [Progress] guess even though I was talking "big" at this time and really batting it around with Leaves, deep inside I was still unsure about this whole thing. The "game" had been progressing rapidly for a little more than two weeks now, and it was moving beyond the passive research stage (inquiring conversations, reading articles, and dreaming) into the "active" acquisition stage. Even though I could dream the big dream with Mel, I didn't have the confidence I could pull off buying an existing company…I still didn't have a clear enough sense about the business to know if it would succeed or fail (in sharp contrast to Mel and Patricia's confident assertions that it would be a success). I was starting to feel uneasy about changing my life in order to go into the tea business – the great unknown. (Progress's commentary, p. 87)

> He [Progress] needed to figure for himself "what" to do. To succeed he would have to stake his all on the Republic of Tea. He had to get over the compulsion of turning to someone outside himself to tell him "what" the business should be. (Leaves' commentary, p. 175)

Over time the discontinuity between Leaves' narrative-world and Progress's practical-world, and their failure to actualize their shared intention, creates increasing dramatic tension or stasis in the intended process of self-becoming. The real-time plot of the actual process of self-becoming is the repeated pattern of Leaves trying to draw Progress into his narrative-world and Progress successively re-orienting his "I" self in the search for a productive "what is" context. Their retrospective commentaries bear testament to these entrenched relational contradictions.

> Still I [Progress] didn't feel entirely comfortable about bringing up those lingering questions about structure. I didn't know what I wanted or what he wanted. Does he want to run this thing? Or does he want me to? Is he willing to put up the money, or does he expect

me to raise it?…How are we going to make this thing more than a dream? Whose move is it? (Progress's commentary, p. 115)

A vaguely uncomfortable feeling began to set in, and then I [Leaves] suddenly realize: The discomfort was Bill's, not mine. He was obsessively thinking the business through (quite brilliantly, I might add), but other than typing words on a computer, he wasn't yet doing anything to get the business started. Did he find the doing of starting a business less compelling than the idea of it? (Leaves' commentary, p. 121)

Both protagonists are so wrapped up in the logic of their own worldviews, and the projection of their own self-identities, that they fail to understand the need for transparency in their communication. Progress fails to convey his lack of confidence and reliance on Leaves, and Leaves fails to make clear his determination not to be involved in the day-to-day running of the business. After a particularly self-indulgent session of product naming (p. 160-165), Leaves confides his frustration at Progress' lack of "nerve" and "practicality" to the reader (Leaves' commentary, p. 167). In the real-time fax dialogue, he makes a Ministry declaration of "Practical Week" by way of encouragement (Leaves' fax, p. 168). But still Progress struggles with the basic issues.

I didn't know what being in the tea business meant. Inside I was struggling to get comfortable with Mel's big vision of The Republic of Tea. I wasn't entirely convinced how much people wanted or needed tea, and I had absolutely no experience of selling tea. (Progress's commentary, p. 179-180)

Significantly, Progress's first actualization of the TRoT concept is an agreement to set up a single tea stand attached to an arts centre in his hometown, Sedona. For Progress this modest achievement is a dramatic climax in the realization of his dream.

I'm actually kind of shaky right now (with a nervous excitement) because this means WE ARE IN THE TEA BUSINESS and we are definitely on to something. (Progress's fax, p. 189)

In the context of the TRoT vision, however, this development merely reinforces discontinuities within the broader business plan (company story). Again Progress presents Leaves with strategic issues (Progress's fax, p. 208-210) and admits in his commentary that he is "still looking to others, outside myself, for confirmation of the big idea" (Progress's commentary, p. 205). Ultimately, it is Leaves who provides the real dramatic juncture in their dialogue by coming clean and finally making it clear to Progress that he is not offering any hands-on support (13 June, 1990, p. 211). This is devastating news for Progress because his reliance on Leaves to designate "what is" is taken from under his feet. He has lost the framework that he believes will establish productive self-meaning positions.

The TRoT idea is so much *you* that it is difficult to see it succeeding without you in the structure…[A]n idea like TRoT grew from your vision and centre and it can't be handed off before it starts. I can't launch your idea without you in the structure….it will require your commitment. (Progress's fax, p. 213)

Now that the discontinuity in their relationship has been exposed, Progress has the opportunity to fundamentally re-orient his "I" self and perhaps discover a productive "what is" context for the resolution of his practical problems.

So, my dear Leaves, where does that leave us? I'm going to have to make some decisions for myself because my life and business are somewhat in flux. (Progress's fax, p. 213)

I have a much better understanding of the way IT IS now and what I can do about it. (Progress's fax, p. 215)

At this point of emotional climax, Progress resolves to go it alone and there is a one-year break in the dialogue. We re-enter the story with a commentary from Progress on the events of that missing year. Progress tells us about the gradual realization of something that had eluded his communications with Leaves.

But the real impediment, I slowly realized, was a formidable professional barrier I'd created between the business and me…We dreamed up the product names, packages and promotion. We defined the values and vision of the business and we invented a personality and position for the product, but I failed to look squarely at one key fact on which everything would ride: There was no product until I went out and found it…So finally the missing piece exposed itself: my lack of product expertise. The only thing standing in the way of this idea becoming a business was that The Minister of Progress had failed to realize that it was he who must carry the portfolio of the Minister of Product. (Progress's commentary, p. 224)

I reread some of my earlier letters to you this afternoon and I'm almost embarrassed by them now. How could I be so oblivious to the fact that there is no way to start a business without a tangible product? or a full-time commitment? or a workable business structure between partners? My letters were all dreams about marketing and positioning. No wonder I was stuck. I understood the concept of the business, but I guess I was waiting for someone (from somewhere?) to give *me* the product. (Progress's fax, p. 286)

And so, in his spare time, Progress sets out to acquire product knowledge by learning to taste tea with an "old-time tea broker". His "I" self has a new meaning context–the "what is" of market practice. Over that missing year, Progress gains a "complete picture" (p. 225) of the tea business and then begins to re-engage with Leaves on the basis of a new understanding of "what is", both in their relationship and in the tea market. Progress learns that, in order to realize his intended otherness, his "I" self must be in sync with his "me" self and that he can achieve this by *living* as a tea merchant.

> As for becoming a tea merchant, now I touch, taste, drink, and differentiate the product every day. I'm talking the language of tea with the growers, blenders, packers, shipping agents, customs brokers, the FDA. I'm an outsider becoming an insider. This process takes time, persistence, commitment, and especially a deep belief in the company's purpose. (Progress's fax, p. 286)

> I have learned so much in the past twenty months. Business isn't just about the idea for a business. It's fundamentally about a product that has an intrinsic value. (Progress's fax, p. 286) My confidence level had reached a critical point: I was now convinced that my own knowledge, expertise and confidence would attract the confidence (and capital) of others. (Progress's commentary, p. 238)

With his new born confidence and knowledge Progress finally settles on a "wholesale-with-catalogue" business model and successfully launches the business.

Discussion and Conclusions

In our textual analysis of *The Republic of Tea*, the original process of practical self-becoming is reconstructed as the intentional and circumstantial opening and closing of personal and relational meaning discontinuities. The plot of the real-time story is, therefore, a history of these transformative events—the construction, reinforcement, and re-orientation of "what is" and "what should be" self-meaning positions. The process of Progress's self-becoming begins with Leaves' narrative-world discontinuity. The plot then develops through successive meaning discontinuities as Progress looks to reconcile his practical "me" self with the overarching intention of the TRoT narrative vision. The journey to resolution circumstantially stagnates in relational discontinuities with Leaves until the build up of dramatic tension prompts a resolution that opens the door to a fundamental re-orientation of Progress's "I" self within the practical-world.

In the context of this real-time story, the practical narrativity concept can be used to describe the intentional use of narrative technique to influence future self-meaning positions. Narrative-worlds can be used to manipulate others into sharing an intention and the means of living that intention within a narrative-like meaning discontinuity; company stories can be used to create a hypothetical plot for the future through the simplified narrative structure of complication-resolution, and

autobiographical anecdotes can be used to relive an analogous solution to a problem through the narrative structure of the anecdote (see "small stories" discusssion below). In the real-time story of TRoT, Leaves' deploys his narrative-world in order to manipulate Progress into sharing his vision of the future, and Progress uses company stories in order to present hypothetical self-meaning positions that potentially resolve meaning discontinuities in the practical-world. As we shall see, Progress also uses short anecdotal autobiographical stories as a means of affirming existing "what is" positions.

As a whole, a real-time story narrates the process of self-becoming both in terms of narrative-like and non-narrative actions. The research implications of real-time storytelling are, therefore, far-reaching in providing a narrative framework for contextualizing mainstream assumptions about rational (non-narrative) decision-making actions (Simon, 1955; Gaglio and Katz, 2001) and interpretivist/constructionist assumptions about narrative and non-narrative sense-making actions (Mead, 1934; Berger and Luckmann, 1966; Bruner, 1990; Gergen, 1994; Fletcher, 2006). In this discussion section, we explore some of these implications in the context of the narrative and entrepreneurship literatures.

At the heart of narrative theory (Bruner, 1990 and 2003) is the question of how, in retrospective narrative, the construction of a "life" requires a "self" and the construction of a "self" requires a lived life (Bruner, 2003). In other words, how does the self of "there and then" become the self of "here and now" in the narrative construction of past events? This transformational issue appears paradoxical when a life is objectified in retrospective self-narrative and is continuous with existing cultural narratives. In recent years, however, the long established assumption that an autobiographical story, or "big story," is the principle object of narrative inquiry has been challenged by "small stories," or "narratives-in-interaction," research (Georgakopoulou, 2007: 284). Small stories research questions the essentialization or reification of self-identities and lives in biographic narratives and problematizes the real-time performance of short autobiographical anecdotes in everyday interaction settings (Moissinac and Bamberg, 2005; Bamberg, 2006; Georgakopoulou, 2007). It explains the transformation of a self from "there and then" to "here and now" through real-time identity displays in the performance of conversational small stories. Therefore, small story research redefines the primary object of narrative inquiry as real-time practical narrativity, while maintaining a focus on the self-identifying function of narrative action.

A real-time story approach opens up the small story agenda beyond self-identification by embracing the process of self-becoming through the narrative-like contextualization of future action. From a real-time story perspective, narrative actions are not just functional in the reproduction of a self-identity position *in the present* but are functional to the anticipation of new self-meaning positions *in the future*. It is the intentional overlapping of the future with the present in the concurrency of the "I" and "me" selves that explains how self-reproduction and self-transformation work in parallel. Practical narrativity not only reproduces a past but involves narrative-like anticipations of a transformed future. In the same way that the reader of a literary narrative is emotionally manipulated over time in the re-living of intentional meaning discontinuities created by the author, so the re-living of short autobiographical

anecdotes, self-identification with narrative-worlds, and self-referencing to narrative visions is intentionally used to transform a practical becoming self.

From a real-time story perspective, an autobiographical anecdote is self-transforming because it anticipates a future through the analogous significance of telling how something became something else in the past. It presents a past transformation as an analogous solution to a present discontinuity and so can be used to convince or confirm a resolution. When Progress is trying to bring "what is" and "what should be" into practical union he uses small stories to convince both Leaves and himself that he is on the right track. He looks for signs of reconciliation of "what is" and "what should be" in his own experience so that he can tell the story of that reconciliation through an analogous autobiographical narrative. Consider the following small story anecdotes, as told by Progress:

> Did you know that our tiny little Sedona health food market carries eleven different brands of tea? I made a remark to that effect out loud and the saleswoman said, "Ridiculous, isn't it." And I responded, "And we're starting one more." (Progress's fax, p. 125)

> I talked to a colleague and a friend on the phone this morning. Said she was dragging a little. I suggested a cup of tea. (She knows nothing of what we're up to.) She said she doesn't usually drink tea, but she'd try it. I told her it would make her feel more balanced. When I called her back late this afternoon and asked her how it worked, she said, "It was great!" It was a small triumph but the simple power of suggestion can shift a person from coffee to tea in a cinch when we're not feeling quite right. Imagine what we could do if we could just get everyone to drink one cup a day. (Progress's fax, p. 152)

> I wanted to recount to you what happened this afternoon. We went to a community planning meeting at the home of a friend. As we were walking toward the house, Faye muttered (out of nowhere), "I feel like a cup of tea." We went inside, and there on the table, beautifully set, as an Oriental tea service. The woman of the house was brewing her own recipe which she discovered at a bed and breakfast in Santa Cruz. It was called Well Within.
> There were five of us and our conversation revolved around tea for about forty-five minutes. Everyone had something personal to recount about an experience with tea. (Progress's fax, p. 142-143)

In his commentary, Progress also recounts that while Leaves and himself were on a cycle ride they came across a historic cabin inn in the middle of nowhere and were offered a cup of peppermint tea: "I was stunned. I can't explain much more except to say that I took this mini tea ceremony on the mountaintop as some kind of confirmation that we were on the right track" (p. 144). In all of these examples, Progress finds signs that the TRoT vision really does have a resonance with "what is"

in his everyday life, and when he tells these stories to Leaves, he is really convincing himself that things are as they should be. He is presenting himself with an apparent solution to his own problems through the narrative structure of the anecdote.

The function of Progress's small story anecdotes changes after the one-year break in the narrative when the new self-confident Progress begins to tell small stories that affirm his new self. For example, he recounts a conversation in which he successfully answers questions about the business (Progress's fax, p. 229) and explains how he survives a "one-hour grilling" from the father of an investor.

> I faced a most challenging and almost confrontational questioner. I wasn't expecting this onslaught on tough issues, but I rallied my knowledge and confidence to address them…He caught me with a quick jab and pushed me off guard. I was a bit jittery, but I charged back…After forty-five minutes the tone of our conversation warmed up considerably as he came to see that I had done my homework. (Progress's fax, p. 283-4)

The successful resolution of this small story is symbolic of his arrival at his intended destination. Rather than convincing, it confirms both to himself and to others that "what is" and "what should be" are finally in union. Progress also starts telling small stories that recount successes in finding products and making contacts (Progress's fax, p. 266). The function of this type of story is similarly to confirm that things are as they should be.

In general, a real-time story approach refocuses narrative inquiry from the self-reproducing significance of narrative actions to the transformative significance of narrative-like actions in the process of self-becoming. In this context, narrative action is understood in terms of its mediation of reproductive and transformational self-meaning positions. From this perspective, all forms of narrative action—from literary narratives, life stories, and autobiographical anecdotes to the creation of narrative-worlds—can now be systematically differentiated and contextualized in their real-time functional relationship with the self-becoming of the reader, the practitioner, the listener, or the collaborator.

From a non-narrative economic rationalist perspective (Simon, 1955; Gaglio and Katz, 2001), Progress and Leaves simply deviate from a rational, or heuristically effective, assessment of the situation when they fail to take full account of market actualities. Indeed, any handbook "method" or "tool" of entrepreneurship would identify the normative importance of being acquainted with market-specific practice. But in real-time, this is rarely how it happens because we live a unique life history in actualizing an intended outcome through a sea of possible meaning discontinuities. The "what is" of business discourse is just one dimension of how Progress lives from moment to moment as he intentionally tries to equilibrate his unique "me" self in the face of circumstantial discontinuous experience. While there are arguably many strategic plans discussed by Progress and Leaves that might prove to be economically rational or heuristically effective, the question is, given who they are, which route is imaginable for them?

In the context of entrepreneurial decision-making, a real-time story approach, therefore, has implications for the debate between objectivist "opportunity recognition" and subjectivist "opportunity formation" approaches (Chiasson and Saunders, 2005). If entrepreneurial action is lived forwards through the meaning discontinuities of self-equilibrating psychic systems, then entrepreneurial opportunities are formed through narrative-like self-becoming processes rather than through the veridical interpretation of environmental information (Gaglio and Katz, 2001). Therefore, a real-time story approach can contribute to opportunity formation approaches, such as effectuation theory (Sarasvathy, 2001), in the explanation of how a novel entrepreneurial future is intentionally created. In particular, the real-time story of TRoT reveals how entrepreneurs construct overarching narrative-like discontinuities (narrative-worlds and company stories) as a meaning context for actualizing an intended future, and how a novice entrepreneur learns to realize entrepreneurial otherness through the process of adapting and experimenting with his/her self-meaning positions.

Finally, we will discuss the significance of a real-time story approach in the context of existing narrative approaches to the relational becoming of entrepreneurial lives and ventures. In entrepreneurship narrative research, life stories have been regarded as sites of entrepreneurial identity construction and reproduction that explain entrepreneurial action through a correlation between recounted events and culturally-mediated self-identities (Lindgren, 2000; Mallon and Cohen, 2001; Lindgren and Wåhlin, 2001; Down, 2006). At the same time, the question as to how entrepreneurial practical actions and self-identities are constituted by real-time narrative actions has been addressed through the concept of "narrative sense-making" and the "self-making" function of narrative (Polkinghorne, 1988; Bruner, 1990; Weick, 1995). From this perspective, the capacity for narrative action is a form of cognitive "knowledge," or "interpretive scheme" (Bartunek, 1984), that shapes a real-time "storied life" (Ochberg, 1994) through a "self-narrative" that creates the expectation of a future (Gergen, 1994), thus enabling us to make sense of our experience (Weick, 1995).

Real-time entrepreneurial narrative-like actions are, therefore, functional in individuals' intentions to create an entrepreneurial venture either through the playing out of the "formative capacity" of a self-narrative (Johansson, 2004) or the "story-making" function of real-time storytelling (Johansson, 2004). In the former case, researchers have looked at how entrepreneurial action coheres with self-stories and have explained the strategic running of a business in terms of the playing out of cultural narratives, such as the narrative of entrepreneurial growth (Weick and Browning, 1986; Hamilton, 2002; Johansson, 2004). In the latter case, some researchers have explored how the real-time grafting of company stories onto existing discourse positions can offer identity positions in the founding and formation of a venture (Pitt, 1998; Berglund and Johansson, 2003; Berglund, 2006). Others have examined how company stories can be relationally rewritten through different identity and discourse positions in the pursuit of strategic tasks, such as building company legitimacy (O'Connor, 2004). The co-construction of entrepreneurial company stories is, thus, the focal narrative-like action in self-making narrative research concerned with the emergence of entrepreneurial ventures. As Gartner (2007) points out, "The

narrative of entrepreneurship is the generation of hypotheses about how the world might be: how the world might look and act" (p. 624). As the emerging venture comes into being, entrepreneurs act relative to the fiction of the company story (Gartner et al, 1992) and use the story as part of the process of strategic adaptation, business persuasion (Clark and Salaman, 1998; Downing, 1998; O'Connor, 2004), and the relational construction of venture identity.

While the self-narrative approach emphasizes continuity in the self-identifying function of practical narrativity, the story-making approach facilitates the description of changing company stories through strategic and relational problems (Connor, 2004). However, even when a chronology of narrative-like events marks the becoming of a practical outcome (O'Connor, 2004), these events are identified through the comparison of identity and discourse positions rather than through the becoming of those positions. How then do we explain the "actuality of becoming" (Steyaert, 2004) in the entrepreneurial process from a narrative perspective? How do we develop a narrative "prosaics" (Steyaert, 2004; Boutaiba, 2004) or "genealogy" (Hjorth, 2004) of the entrepreneur's "creative advance into novelty" (Whitehead, 1929, quoted in Steyaert, 1997: 21)? Can we fill the "hole" in the "donut" of our understanding of real-time entrepreneurial sense-making through the "narrative structure" of relational "narrative and dramatic processes" (Downing, 2005)?

Hjorth's (2007) work on entrepreneurial "little narratives" is of significance here because he contextualizes the becomingness of narrative-like actions within the structure of entrepreneurial intention. He acknowledges the "tactical" function of narrative in the "desire to become the other." Hjorth is specifically concerned with narrative-like actions that deploy "the skill of convincing through little narratives lightning fires/ desire to create focus and share purpose" (2007: 713). He explains how an entrepreneur can use the narrative expectation of a hypothetical plot to lure a stakeholder into a process of "subjectification" (Deleuze and Guattari, 1987: 130) or self-identification with a plan of action. These local and everyday "little narratives" carry a transformative force. The drama of entrepreneurial becoming and the genesis of opportunities in the field can, therefore, be described and explained through a "genealogic storytelling" (Hjorth, 2004) of these "transformative events" (Hjorth, 2007).

Hjorth shares with the real-time story approach the understanding that a self can emerge through a narrative-like manipulation of the meaning of the present in its relationship with a future. The real-time story approach, however, systematizes the analytical significance of this understanding by designating the self-meaning discontinuity as the unit of narrative analysis for "transformative events." Hjorth's scenario of narrative subjectification can, therefore, be reframed as the entrepreneur's intentional construction of a transformative "company story" meaning discontinuity between the stakeholder's existing self-meaning position and a narrative-like vision of a future. In designating self-meaning discontinuities as the unit of narrative analysis, it is possible to contextualize and distinguish forms of practical narrativity in the broader real-time story of self-becoming. This is because a self-meaning discontinuity is the mechanism for reproducing and transforming all sense-making actions, whether they are narrative-like or non-narrative, intentional or circumstantial. The real-time story

of TRoT illustrates this approach by contextualizing not only the real-time function of entrepreneurial company stories but also the real-time functions of an entrepreneurial narrative-world, entrepreneurial autobiographical anecdotes, and entrepreneurial narrative self-identities in the narrative-like becoming of an entrepreneurial venture and its associated entrepreneurial lives.

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About the Authors

In 2008, Paul Selden successfully submitted his doctoral thesis, which develops a fine-grained cognitive constructivist approach to entrepreneurial problem-solving. Since then he has worked as a research associate at the University of Sheffield, and focused on extending his doctoral research into the areas of entrepreneurial narrative and action-context relationships.

Moving out of corporate public relations, Denise Fletcher became a research fellow on a number of projects in the East Midlands relating to small firms in the textile/clothing, automotive components and construction industries. Ever since, she has been fascinated by the commitment and sense of responsibility that owner-managers demonstrate for their small business ventures. Now Research Director for University of Sheffield Management School's Centre for Economic and Enterprise Development (CREED), Denise has published extensively on topics relating to small business, entrepreneurship and family business to examine how entrepreneurship is relationally produced and mobilised within Western culture and society (http://www.shef.ac.uk/

creed/). She edited the book 'Understanding the Small Family Business, London: Routledge (2002) and, in running a small business with her partner, she understands well how small business work is highly absorptive, not only demanding maximum commitment but also defining the context for family life. Denise has worked extensively with other small businesses to examine how family, entrepreneurial and strategic processes interrelate especially through inter-generational transition. She is also Vice President of Practice for the Institute of Small Business and Entrepreneurship, Director of MA Management Research for the University of Sheffield Management school and is Principal Investigator for Energy2b (http://www.shef.ac.uk/energy2b/).

Tangibility, Momentum, and Emergence in *The Republic of Tea*[1]

Benyamin B. Lichtenstein and Beth Kurjanowicz

Abstract

Examining the day-to-day organizing of entrepreneurs is critical for understanding how new businesses emerge and why some don't. Using complexity science, and Gartner's "tangibility" of entrepreneurial actions, we examine the temporal dynamics of emergence in *The Republic of Tea*. Our analysis provides support for our primary claim, that the more tangible an entrepreneur's organizing behavior, the more momentum will be generated, and the stronger the outcomes of emergence. We also discuss some interpersonal dynamics that contributed to the ebb and flow of organizing in *The Republic of Tea*.

Introduction

In this era of strategic entrepreneurship, multi-billion dollar "entrepreneurial" acquisitions, and international venture capital networks, it is easy to forget the main activity of entrepreneurs: the organizing of new (and usually small) companies. To make an analogy to the classic essay "Even Dwarves Started Small" (Aldrich & Auster 1986), the origin of even the most high-flying, fastest growing companies is just a vision that gets worked out step by step, move by move (Katz & Gartner, 1988). Even the largest organizations emerge and grow through a process of *organizing,* becoming more and more tangible as the founders engage with potential advisors, suppliers, customers, and so on (Gartner, 1985). We know something about how these interactions unfold over time (Lichtenstein, Carter, Dooley & Gartner, 2007) and how they lead to new

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business creation (Brush, Manolova & Edelman, 2008), but the drivers of organizing and the ways in which organizing leads to emergence, are still somewhat of a mystery.

One reason we know so little about the dynamics of organizing is because there are so few rich data sets that track the thoughts and actions of entrepreneurs while they are starting a new business. Such data is extremely hard to come by, especially since it is impossible to know at the outset whether the idea will actually become a start-up. If only there was a dataset that presented the entire organizing process of a nascent business and resulted in a successful startup. With such data, we could distinguish each "organizing move" by the founders and thus discover what really drives the emergence of a business.

Surprisingly there is such a data set—the complete communications between the founders of The Republic of Tea (Ziegler, Rosenzweig & Ziegler, 1992). We use this dataset to explore how the organizing moves of these nascent entrepreneurs led to the emergence of the company. We show how the key to organizational emergence is tangibility, i.e., moves that are more concrete, often going beyond the founders themselves (Gartner, 1993). More broadly, we use these findings to discuss how emergence can and should be central to the field of entrepreneurship as a whole.

Organizing as Emergence

Entrepreneurship as Organizing

At the heart of new venture creation is the process of organizing: an ongoing series of interactions and events aimed at turning an idea into a tangible venture (Gartner, 1985). Organizing involves "planning and coordination of resources, people, ideas, market mechanisms, as well as the establishment of routines, structures, and systems" (Gartner & Brush, 2007) all of which formalize the entrepreneur's intention to create his/her business (Bird, 1992). Given the uncertain and "equivocal" nature of nascent ventures (Katz & Gartner, 1988), the more tangible an entrepreneur's actions, the more likely others will perceive that he/she is starting a legitimate organization (Gartner, Bird & Starr, 1992). Thus, a good place to explore the dynamics of entrepreneurial organizing is through the tangibility of actions that lead to organizational emergence (Gartner, 2003).

Recent in-depth studies have explored the organizing dynamics of nascent entrepreneurs. Data from the "Panel Study of Entrepreneurial Dynamics" (Gartner, Shaver, Carter & Reynolds, 2004) include 28 tangible organizing behaviors that most entrepreneurs tend to enact in organizing their ventures (Gartner & Carter, 2003). Some studies using this data have argued that organizational emergence is generated through legitimizing behaviors (i.e., decisions and actions that lead others to believe in the tangibility of the firm) (Delmar & Shane, 2003; 2004). In contrast, a study of the temporal dynamics of these nascent entrepreneurs showed that successful emergence was the result of pacing, timing, and momentum in organizing (Lichtenstein et al., 2007), not due to the content of the behaviors themselves. These studies do agree that emergence is generated through concrete behaviors and actions and to a lesser extent through formal business planning, far more so than describing potential goals or mulling over business concepts.

A similar result was shown at a very micro level by tracking one entrepreneur's week-to-week decisions and actions—her *organizing moves*—as she started a health-oriented business (Lichtenstein, Dooley & Lumpkin, 2006). This analysis revealed an "emergence event" that was clearly associated with increased tangibility: changes in *tactical* behaviors were followed by changes in strategic *decisions*, which were then followed by changes in the entrepreneur's perceived *goals*. In other words, it was the behavioral and tangible (tactical) moves that were at the core of emergence in this case. We build on this finding, through a temporal analysis of organizing at The Republic of Tea (TRoT) based on the insights from complexity science.

From Organizing to Emergence via Complexity Science

Complexity science provides a powerful method for explaining the process of emergence, especially in entrepreneurship (McKelvey, 2004; Lichtenstein et al., 2007). According to complexity science, organizing is a dynamic system in which the agents—the founders and other closely involved individuals—are interdependent and heterogeneous. When these agents are in a *dis-equilibrium* situation—as is the case for any entrepreneurial start-up team—and when their interactions involve rich content—as one would expect in a nascent venture—certain interactions can become *amplified,* taking on more meaning and influence in the system as a whole, and feeding back to increase the dynamic dis-equilibrium of the system. As the non-linearity of these feedback loops grows, the system reaches a threshold, a decision point, a juncture when local actions begin to overlap, thereby generating system-wide patterns and processes. If the conditions are right, these non-linearities will lead to a complete re-organization of the system—the *emergence* of a new "unit of analysis" that capitalizes on the opportunity that was the goal of this organizing effort. The new structure, system, or entity that emerges (if all goes well!) can provide more *capacity* for organizing as long as the agents in the system provide *stabilizing feedback* that "institutionalizes" the venture in the broader system (see Lichtenstein & Plowman, 2009).

According to this model, emergence is the result of an organizing process—a process that begins with *opportunity tension* (Lichtenstein, 2010) and continues through tangible interactions within and across the system over time. As argued above, it is the tangibility of these interactions that is crucial: the more agents strive to "realize"—literally make real—their goals through concrete organizing moves, the higher the likelihood that something new will actually emerge. We summarize this view through a proposition that reflects our primary research question in the paper:

The higher the "tangibility" of organizing over time, the more likely that the organizing will lead to emergence.

A Continuum of Outcomes for Emergence

What is the outcome of emergence, or asked in a smarter way, when emergence happens, what are the possible outcomes? A general answer is given by Mihata (1997):

> The concept of emergence…refer[s] to the process by which patterns or global-level structures arise from interactive local-level processes. This "structure" or "pattern" cannot be understood or predicted from the behavior or properties of the component units alone…In the doctrine of emergence, the combination of elements with one another brings with it something that was not there before.(p. 31)

In entrepreneurship, the outcome of "organizational emergence" represents more than the creation of a structure or pattern; emergence leads to a new quality of being (Gartner, 1993). A good example is the fundamental shift from entrepreneurial organizing to a company that is up and running, i.e., from "emerging" to "existing" organizations:

> The differences between emerging and existing organizations are not differences in degree across certain dimensions, but quantum differences between the two types… The process of change from the emerging organization to the existing organization is not the "growth" of certain variables, but an entirely new reconstitution, a "gestalt." (Gartner et al., 1992, pp. 15, 17)

The reconstitution of the system, the coming-into-being of a new level of order, the creation of a distinct entity defines this gestalt. Note that the emergence of a system through a gestalt shift is *not the same* as Mihata's emergence of "global-level structures" or patterns of interaction. Global-level structures refer to increased order *within* the system, whereas the emergence of a new entity refers to increased order across an entire system (i.e., the creation of the new system as a whole). This difference, though subtle, is important: it suggests that emergence does not produce unitary outcomes; instead, the outcomes of emergence are better described as a continuum (Goldstein, 2000). Specifically, we suggest that there are three "degrees" of emergence in entrepreneurship. After introducing these three degrees of emergence, we use them as the basis of our second research question.

First-Degree Emergence: Creation of Internal Order. At a minimum, emergence is defined as the creation of structural order or system-wide properties that are unpredictable even if one has a complete knowledge about the system's components (Bedau, 1997). First degree emergence refers to new structures or proper-ties in a system which in some way increases the capacity of that system to accomplish its goals (Kim, 1992; Schröder, 1998). A simple example would be the emergence of an organizational routine or repeatable process within a firm.

Second-Degree Emergence: Creation of a New Unit of Order. The second degree of emergence reflects the coming-into-being of a coherent entity—an agent—that is qualitatively different from the components that make it up (Crutchfield, 1994). More than the emergence of properties *within* a system, second second-degree emergence generates a semi-autonomous entity that exists at a "higher" level of analysis than its components, even though it is constituted solely by those components and their interactions (Salthe, 1989; Schröder, 1998). A simple example would be the

emergence of a new unit (department) or the emergence of a new product, each of which are somewhat autonomous and extend the reach of the system.

Third-Degree Emergence: Creation of a New Level with Supervenience. The strongest degree of emergence occurs when the emergent entity exerts a degree of influence upon its components. The technical term for this intervening process is "supervenience." Morgan (1923), who is credited with this term, viewed evolution as a creative process in which higher-order processes "supervened," i.e., acted on, lower-level processes. Embedded in this idea is the concept of "downward causation," which occurs when higher-level processes causally influence their lower-level constituents (Blitz, 1992). Sperry's (1986) theory of "macro-determinism" expresses this idea in a strong way:

> [T]he fate of the parts from that time onward, once a new whole is formed, are thereafter governed by entirely new macro-properties and laws that previously *did not exist*, because they are properties of the new configuration. (267)

Thus, this new configuration is not only an emergent entity, but its existence literally changes the components that make it up. A simple example would be the creation of an autonomous firm, whose formal presence (legitimacy) influences the plans and behaviors of its founders, its customers, and its business environment.

Emergence as a Continuum. These three degrees of emergence are not as distinct as our definitions have suggested; instead, the outcomes of emergence are best seen as a continuum, from the first degree emergence of internal structures, to the second-degree emergence of a separate entity, to the third-degree emergence of an entirely new system that directly influences its components. Further, these three degrees can be placed on a scale of increasing inclusivity and explanatory power, as shown and described in Figure 1.

FIGURE 1: Three Degrees of Emergence
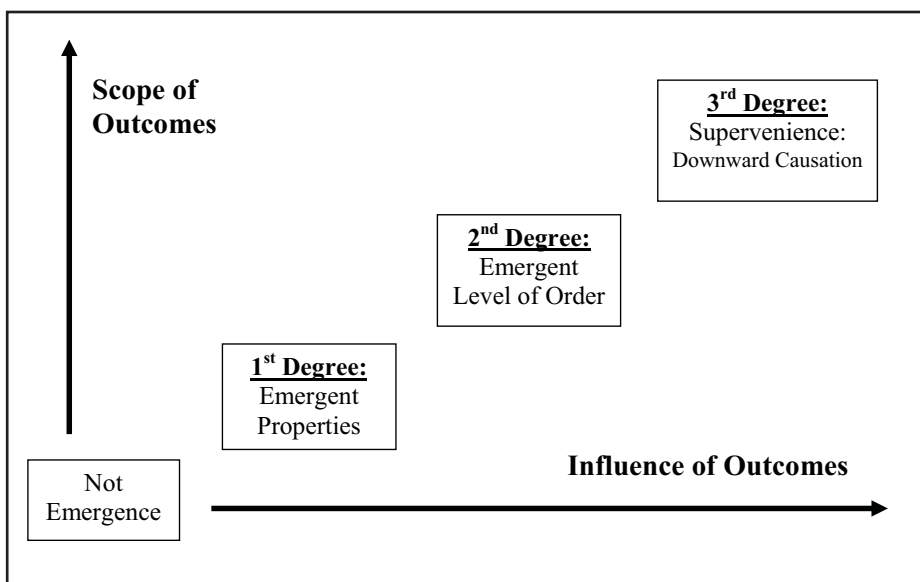
Why does some organizing produce first degree emergence, while other organizing dynamics lead to second or third-degree emergence? One answer comes from complexity science studies that have found a link between the level of opportunity tension in entrepreneurial organizing and the degree of emergence that results (Lichtenstein et al., 2007). The macro-mechanisms of this link have been explored in studies of "dynamic creation" within Austrian economics (Chiles, Tuggle, McMullen, Bierman & Greening, 2010), and in organizational applications of dis-equilibrium thermo-dynamics (Meyer et al., 2005). As a complement, the present study is one of the first to explore the micro-mechanisms of organizing that lead to different degrees of emergence. Lichtenstein et al. (2007) showed that the higher the level of opportunity tension, the higher the likelihood of emergence. We extend those findings to suggest that higher levels of opportunity will generate more tangible organizing behaviors, which in turn will produce higher degrees of emergence. We develop this claim through the following proposition, which is the basis for our second primary research question:

The higher the "tangibility" of organizing over time, the higher the degree of emergence that will be generated.

We now explore these research questions—reflected in our proposition—using the unique dataset of The Republic of Tea.

Research Methods

The Republic of Tea—Introduction

In 1992, the business media lauded the founding of The Republic of Tea (TRoT), a national distributor of premier teas and tea-making items. In addition to selling the "highest quality tea on earth," the company initiated a distinctive branding approach, educating Americans about "Tea Mind" by encouraging consumers to slow down and take life "sip by sip, rather than gulp by gulp" (Mitchell, 1992). What started as an informal conversation between strangers in an airplane emerged over a 21-month period into a small, innovative business that by 1994 had sales of over $4 million. The three entrepreneurs later published a best-selling business book titled *The Republic of Tea* (Ziegler, et al., 1994), in which they reproduced their hundreds of cross-country fax transmissions detailing the conception and realization of the business. These fax transmissions were their nearly exclusive mode of communicating; as such, they reveal the internal dynamics of the organization's emergence and are the basis for our analysis.

Identifying Organizing Moves in *The Republic of Tea*

These data represented decisions and actions— the tangible "moves" (Pentland, 1992) the entrepreneurs made as they organized their business. Each organizing move is a tangible, "mentionable event" (Pentland, 1992, p. 259) that was coded from the interview transcripts. Like the organizing moves analyzed by Lichtenstein, Dooley, and Lumpkin (2006), each move represents a moment of organizing through which the entrepreneur tries to make the concept more real, more tangible and more viable.

To identify these data, the second author read through the entire book, then outlined each fax individually to ensure that all possible moves would be included. Next, she examined every transcript (fax transmission) phrase by phrase and paragraph by paragraph, looking for all of the distinguishable ideas, plans, or actions that were enacted by the two founders. Each of these was defined as an organizing move and was summarized and listed in a table. The first author re-examined large sections of the data and the coding, making his own additions and alterations, each of which were agreed upon by both authors.

At that point, the two authors worked together to code this set of *organizing moves* into three categories: *Ideation*, *Planning*, and *Tangibility*. Ideation incorporates all of the values, visions, and conceptual ideas that were expressed by one or both founders These include core values for the business, initial ideas for products, and the qualities they wanted to represent in the market. Planning incorporates more tangible tasks of industry research, market definition, and specific decisions regarding products, marketing, or strategic entry that have implications for further organizing. Tangibility refers to actions that reach beyond the two entrepreneurs: meetings with potential suppliers and distributors, conversations with potential mentors and competitors, purchases of sample products or industry research reports, meetings with lawyers, and so on. A segment of our coding is provided in Table 1. The total data set encompasses more than 375 unique moves across 138 faxes during the 38-week startup process (not including the year of no organizing).

After doing a final round of validity checks, we aggregated each category by weeks to generate a week-by-week account of the organizing process of TRoT. This method is based on Van de Ven & Poole's (1990) coding framework for analyzing startup ventures and draws from the approach of Lichtenstein, et al. (2006). In addition to charting the raw count of organizing moves, we analyzed the momentum of each category of organizing by calculating the week-to-week percentage of increase for each of the three types. Then, to make the shifts in momentum more evident, we visually graphed the cumulative percentage of change, week to week, across the entire organizing process. These data transforms give us a better view into the temporal dynamics of the organizing processes (Dooley & Van de Ven, 1999). Next, we provide an overview of these phases of organizing and relate them to the emergent outcomes for each category.

TABLE 1: Organizing Moves and Tangibility Coding
## [One segment of Excel spread-sheet. Full data available from first author.]

Founder	Date	Ideation	Planning	Tangibility	Organizing Move—summary
Progress	Sept. 3, 1991	1			Progress recognizes the challenge that the public may not be ready to brew loose tea
Progress	Sept. 3, 1991		1		Recognizes the entire plan is built on the assumption that customers will embrace loose tea products as opposed to bags
Progress	Sept. 3, 1991	1			Still convinced bulk is better and that brewing loose tea is all about slowing down
Progress	Sept. 3, 1991	1			How much can we expect to change our customers? (p. 234)
Progress	Sept. 18, 1991			1	"I spent time with tea brokers, tasters, blenders, packers, and growers." (p. 235)
Progress	Sept. 18, 1991			1	"I met with a couple of real Ministers - Sri Lanka & India (p. 235)
Progress	Sept. 18, 1991			1	Met with Samuel Twining (p. 235)
Progress	Sept. 18, 1991		1		"I made it my mission to let my potential future suppliers and contacts know that the time was right for tea in America." (p 236)
Progress	Sept. 18, 1991		1		"...more than 80% of all the tea now sold in Britain is in bags. ...tea brewed loose in pots was becoming a lost art." (p. 237)
Progress	Sept. 18, 1991		1		Understand why Lipton and CS could NOT provide highest quality because tea is blended; for consistency; tea makers find less high quality tea that is available year by year (p. 237)
Progress	Sept. 18, 1991		1		I recognized the opportunity to market "unblended teas"— teas from a single estate(p. 237)
Progress	Sept. 18, 1991	1			I was convinced that my own knowledge, expertise, and confidence would attract the confidence and capital of others. (p. 238)
Progress	Oct. 13th, 1991			1	"Before my trek to Britain, I had managed to redesign my agency job to focus on only one primary client, leaving the remainder of my time for tea." (p. 238)

Results: Tangibility of Organizing at The Republic of Tea

Three Phases of Organizing

Entrepreneurial organizing at TRoT is best seen in three distinct phases. Phase 1 begins after the "chance" meeting of Bill Rosenzweig (Minister of Progress) and Mel Ziegler (Minister of Leaves) with their first fax transmission on April 7, 1990. These two founders set a dizzying pace of organizing for two months through the middle of June, 1990. Then, from June 17, 1990, through July 27, 1991, there are no transmissions at all, reflecting a complete cessation of organizing for more than a year—Phase 2 organizing. Then, Phase 3 organizing commences at the end of July 1991, and continues through December 17, 1991, with the completion of their formal business plan. TRoT became incorporated a month later, and their first sale occurred in May 1992. A visual chart of the raw number of weekly organizing moves in Phases 1, 2, and 3 is presented in Figure 2. Next, we explore in some detail the organizing dynamics within each phase.

FIGURE 2. Total Moves Per Week across All Three Phases of Organizing
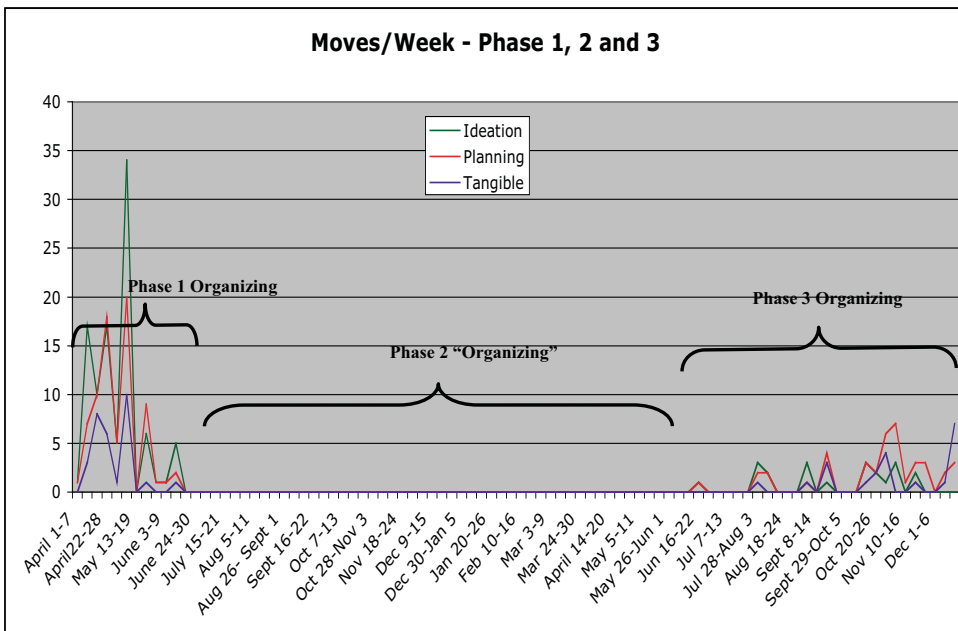
Dynamics of Organizing—Phase 1

Phase 1 organizing for TRoT began with the first fax transmittal from Bill Rosenweig to Mel Ziegler. Building upon their initial airplane conversation, the faxes sent during the first two months touched upon core characteristics and an overall definition of their new business idea. The two founders identified some unique qualities and characteristics that they thought would set their business concept apart from the competition. In each fax, the founders bounced ideas about packaging, merchandising, and positioning off each other, incorporating visuals created by Mel's wife, who gained the title Minister of Enchantment. By the end of Phase 1 they had written the first draft of the business plan; in it the founders attempted to qualify the competitive potential of the concept in the rapidly growing market of high-end teas. The ideas exchanged between Bill and Mel were mostly visionary during Phase 1, creating a free-flowing atmosphere of creative thinking with frequent concept modifications.

Tangibility and Momentum (or the lack thereof!) in Phase 1

The time series data show a distinct pattern of organizing in Phase 1 (the first two months), which is illustrated in Figure 3. Following a tremendous initial burst of organizing energy, there are fewer and fewer increases in Ideation, Planning, and Tangibility over this 12-week period. Specifically, after a huge peak of organizing moves within the first month and a half (see week 6 in Figure 3, May 6-12 in Figure 2), the number of moves in each category decreases rapidly, becoming zero by the middle of June. Essentially, after a near explosion of initial effort, the whole concept fizzles out: all organizing stops after just two months of intense thinking, visioning, and planning.

An intriguing and important pattern in Phase 1 is illustrated in Figure 4, which tracks the cumulative percentage of tangible vs. planning vs. ideation moves. These data tell a very clear story: the vast majority of moves in this phase are Ideation, representing the founders' visions, values, and beliefs that would guide their organizing. Although the Minister of Progress did some planning and did accomplish a small number of tangible moves, the system is overwhelmingly ideational with very little concrete progress.

FIGURE 3: Lack of Momentum in Phase 1 Organizing
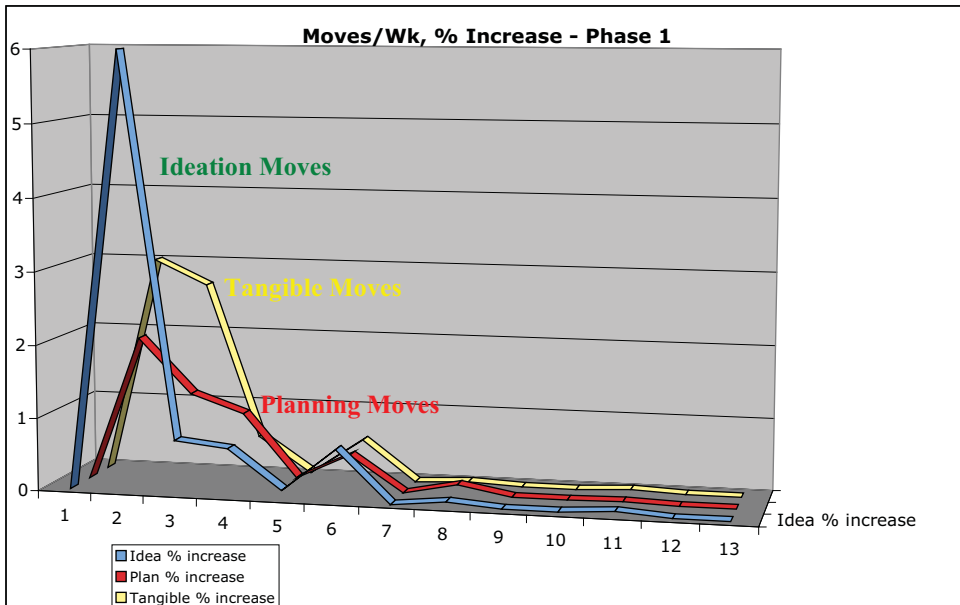
Chart measures the weekly increase in organizing moves, as a percentage, for Ideation, Planning, and Tangibility. Note the dramatic increase in organizing in weeks 1, 2, and 3 followed by a steady slowing of increase through week 7 after which virtually no new organizing seems to accrue.

FIGURE 4: Tangibility in Organizing, Phase 1
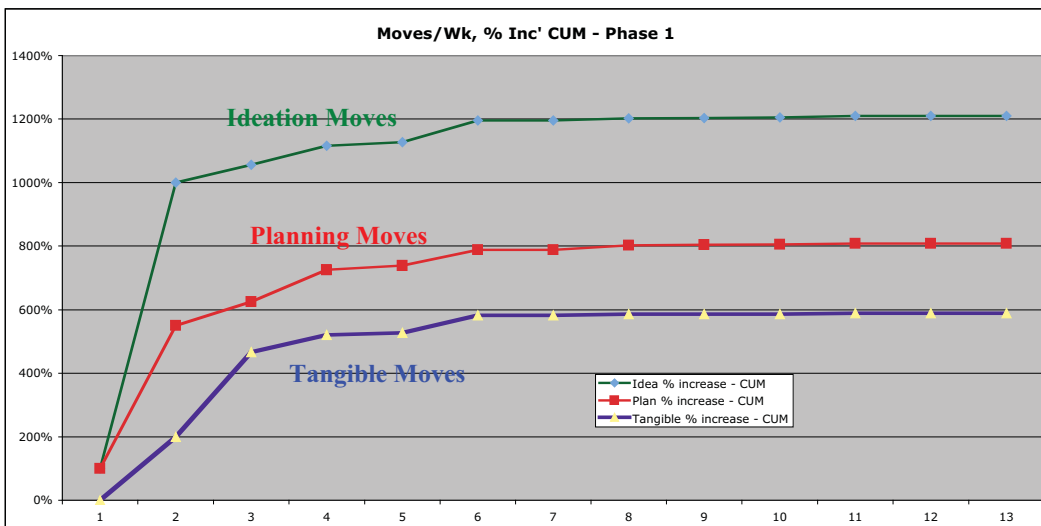
Charts the cumulative percentage increase in the number of moves per week for Ideation, Planning, and Tangibility. Note the very rapid onset of organizing in the first four weeks followed by a virtual standstill in cumulative organizing from week 6-13.

Emergence Outcomes in Phase 1

As suggested by our research propositions, the lack of tangibility in this early phase of organizing generates very few emergent outcomes. Essentially, ideas on their own did not build momentum, nor did they lead to much emergence. This phase shows the emergence of only a minimum of internal structures, formal plans, or tangible agreements with potential business collaborators (suppliers, distributors, etc.).

At the same time, nearly 80 percent of the total length of transcripts occurs in these first two months, amounting to the majority of all of their interactions being centered on company values, product ideas, and market research. Phase 1 organizing does include the two primary drafts of the business plan, which remains relatively stable through to the creation of the company. Likewise, the initial packaging concept—selling the tea in high-quality round containers—was developed in the first week (!) and remains a defining feature of the company's product and image.

We identified several examples that reflect first-degree emergence (the creation of structures or properties within the organizing system) including the business plan, the packaging concept, and the catalogue idea. So, there is some emergence here along with a set of values and ideas that form the basis for the later phase of organizing. In a way, this finding offers moderate confirmation for our second research question: the low tangibility of organizing moves in Phase 1 results in only first degree emergence. Our analysis does not reveal second-degree nor third third-degree emergence in this phase, which makes sense given the low tangibility during the first months of the effort.

Dynamics of Organizing—Phase 2

Phase 2 defines the period in which Bill and Mel do not transmit any faxes at all. Some casual efforts are reported in a letter by Bill, who pursued some marketing ideas, including advertising designs and logo options, and who undertook a good deal of personal development, which we summarize in the discussion below. On the surface, however, we found zero organizing at all between June 17, 1990, and the resumption of communication on July 27, 1991.

Dynamics of Organizing—Phase 3

Phase 3 creates a platform for the launch of TRoT. The founders build upon their initial concepts, pursue more tangible planning, and concretely expand their network by a large margin. The substance of their communication is both more dynamic and more practical, largely due to Bill's knowledge and engagement with people in the tea industry. Bill openly shares the business concept with outside tea merchants, wholesalers, and distributors, thus expanding the tangible elements of organizing well beyond the confines of the partnership. He also spends time formalizing the business side of the venture, including the financial, legal, and structural elements of the company that are expressed in the final business plan. Although there are fewer

fax communications per week in this phase (see below), the outcomes are far more tangible, leading to the emergence of the company.

Tangibility and Momentum in Phase 3

In contrast to the early organizing in Phase 1, the final six months of effort involve far less "talking about it" and far more action. This is easy to see by the length of the transcripts themselves: these six months are encompassed in 60 pages of text (10 pages/month), whereas in Phase 1 the transcripts encompassed ten times that amount (about 100 pages per month) In other words, rather than writing about it, discussing it, and visioning it, the Minister of Progress in Phase 3 is spending far more time *doing it – pursuing tangible organizing* through meeting key people in the tea industry, expressing and refining the idea, developing a formal business plan, negotiating with a potential funder, and so on.

This shift in behavior is clearly expressed in Figure 5, which presents the cumulative percentage increase in organizing through this phase. After an initial increase in Ideation, Planning, and Tangibility, note the dramatic increase in Tangibility organizing during weeks 7-9 (corresponding to September 1-21, 1991), which continues to increase rapidly through the end of the year. In a similar way but with less variance, Planning increases consistently throughout the six months of Phase 3 organizing. These two increases pave the way for significant momentum to build in the organizing. In contrast, Ideation increases by only half of the amount of the other two; moreover, there are virtually no added Ideation moves in nearly one-third of the weeks in Phase 3. The expansion of tangibility and planning lead to a clear momentum in the business; this is perhaps supported by a lack of growth in Ideation.

This visual analysis is clarified in Figure 6, which is a "trend-line analysis" of the total moves per week in Phase 3. A trend line is a statistical technique that essentially finds the directionality of points in a data set. Formally, the trend is a regression line that reflects the best single line that captures the overall direction of the data. The key here is "directionality"—more than a simple average, a trend line helps uncover the "momentum" of the data. Usually, this is used to forecast where future data points may be. In our case, the trend line is a way to quantify the underlying tendency of the organizing process.

Typically, regression analysis is linear; therefore the trend line would be a straight line that explains the directionality of the data in its simplest form. However, trend lines can be curved as well: a squared term $[x^2]$ in the equation leads to a U-shaped line (single curve); a cubed term $[x^3]$ generates an S-curve (two curves), and so on. In algebra, each curve represents an additional "dimension" to the analysis; the total number of curves refers to the number of dimensions in what is called a "polynomial trend line analysis." Given our overall assumption that these data represent a dynamic system with a very high degree of dimensionality (Dooley & Van de Ven, 1999), the ideal would be a very high dimensionality for the trend line. However, the most

complex dimensionality that Microsoft Excel calculates is six dimensions, resulting in a "sixth-order polynomial trend line" for each type of organizing.

This analysis, presented in Figure 6, reveals some intriguing dynamics. In particular, there appears to be a strong increase in momentum in Planning from early September through early November and then again at the very end of the process. Likewise, but more dramatically, we see a buildup of momentum in Tangibility through the month of October, which explodes into the middle of December: the trend line increases literally off the chart in the last two weeks of the data. Overall, these findings strongly suggest that Phase 3 organizing was much more concrete due to significant increases in Planning and in Tangibility. This is demonstrated in the trend to more Tangibility as the project moves forward and an amplification of planning moves and in developing external relationships. These increases, shown dramatically through the trend line analysis, result in a host of emergent outcomes, which we describe next.

FIGURE 5: Tangibility in Organizing, Phase 3
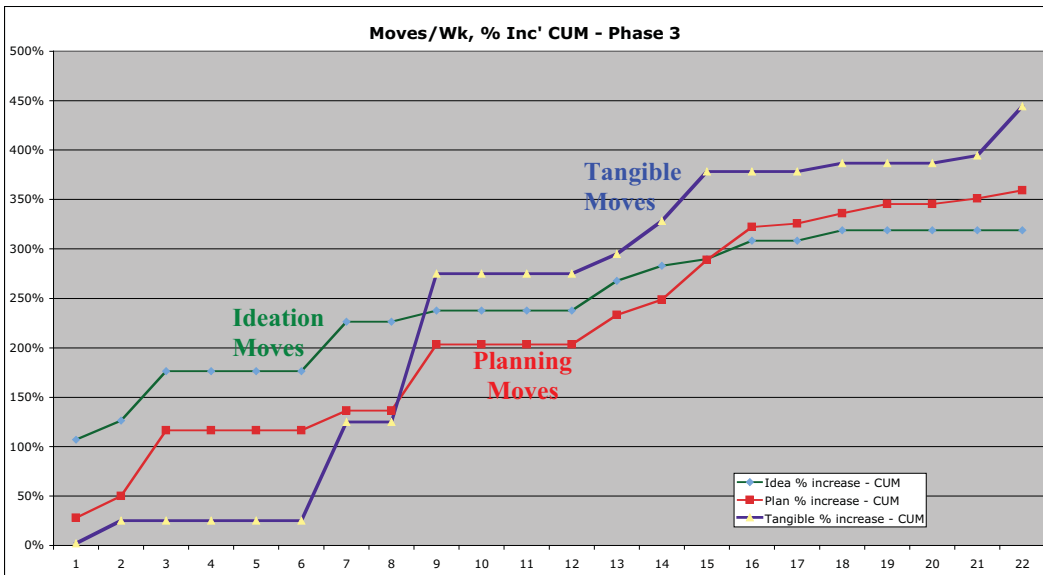
Charts the cumulative percentage increase in the number of moves per week for Ideation, Planning, and Tangibility. Note the dramatic increase in Tangibility in weeks 6-9 and the increases in Planning in weeks 2-3 and 8-9; these contrast with the relative lack of increasing in Ideation, especially during week 8-9 through to the emergence of the company.

FIGURE 6: Trendline Analysis for Phase 3 Organizing Moves
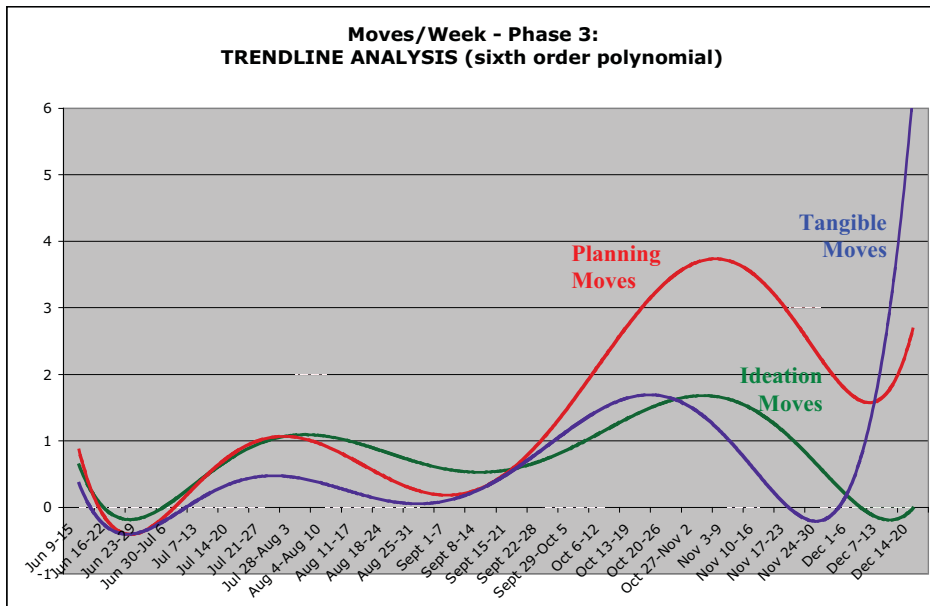
Emergence Outcomes in Phase 1

As one would expect, the high level of Tangibility and Planning matched with a strong momentum in both of those organizing efforts yield numerous emergent outcomes. We review some examples of first degree, second degree, and third third-degree emergence with an eye to our secondary research question that links higher levels of Tangibility with higher degrees of emergence.

First-Degree Emergence: System Properties. Through the organizing interactions between the Minister of Progress and the Minister of Leaves, a number of properties and structures emerged within the system. As revealed in the business plan (December 19, 1991— in Appendix 1), several processes were created to help guide and structure their future organizing efforts, including a product plan, a product launch sales plan, a unique packaging and distribution strategy, and a pro-forma income statement as well as a set of short-term and long-term goals, all of which help to focus their efforts. We would claim that these are emergent outcomes, i.e. they are not due to formal analytic planning but arising through the ongoing series of interactions between all of the agents in the system. In addition, as we explain below, more formal roles and responsibilities emerged that also facilitated the organizing process emerged. Other examples could be offered; suffice it to say that the high levels of Tangibility and momentum yielded a wide array of first first-degree emergences.

Second-Degree Emergence: New Unit of Order. One unexpected outcome of organizing was the emergence of a catalogue of products for brewing and enjoying tea. Although the catalogue was but one of many ideas explored in the process, the founders returned to it over and over again, using it as a forum to consider product

concepts, extensions, and specific markets to whom the catalogue might be directed. The catalogue started as an amalgam of drawings, visions, and lists of possible contents—as a context or "placeholder" for possible ideas. As these ideas became more real, through decisions and actions being taken by the founders, the catalogue emerged as a distinct "entity," representing a somewhat autonomous business model with its own qualities and characteristics that were distinct from the business as a whole. For example the catalogue included a rather broad product mix, it relied on its own distribution process, and it generated a complementary revenue stream, while at the same time becoming a unique platform for marketing and product sales. This is the clearest of several examples that show how the increased momentum yielded second second-degree emergence outcomes.

Third Degree of Emergence: Supervenience. According to Mel Ziegler, TRoT's formal incorporation and first product shipment in early 1992 resulted in "the birth of a business." He clearly expressed how this emergent entity was autonomous from its founders by recognizing that customers saw the business as a distinct unit of action that interacted with them: "The Republic of Tea is no longer a dialogue among the four of us anymore. It is a dialogue between itself and customers" (Ziegler et al., 1992, p. 293). In addition to this emergent level of order, the birth of TRoT resulted in supervenient effects—downward causation from the entity to its components, which altered those components in tangible ways. For example, the firm-level actions, like purchasing and shipping tea through their local supplier and marketing/selling the products through high-end distribution channels, created constraints for the system that shaped future behavior. For example, formalizing relationships with suppliers and vendors, initiating routines for order taking and product fulfillment, and so on. Overall, the added level of emergence and its supervenient qualities became highly successful: TRoT's initial sales revenues were double their expectations, reaching 200 percent of their *pro-forma* projections in each of the first three years of business, resulting in a 30 percent annual growth rate for the company. Further, TRoT quickly became a recognized market leader in the premium tea segment (Penson, 1994). This shows how increased momentum in Tangibility led to the strongest form of emergence, leading to significant tangible outcomes as well.

In sum, the creation of TRoT within the premium tea industry market provides examples of all three types of emergence: first-degree emergence of structural properties, second-degree emergence of new levels of order, and third-degree emergence of new levels of order with supervenient effects. Each successive level had an increasing impact on the business, its customers, and its environment, giving some supportive evidence to the proposition from complexity science shown in Figure 1. These outcomes were a relatively direct result of the high levels of Tangibility and the high levels of momentum in the Phase 3 of organizing the business, as we had suggested in our research questions.

Discussion: Interaction Dynamics

Phase 1 Organizing of TRoT was mainly a visionary process that moved from concept to concept rather than from concept to action. Admittedly, since the initial relationship between the founders (i.e., their airplane conversation), was only six hours long, it makes sense that these early interactions allowed the founders to share their personal beliefs about life and the business. At the same time, the founders made some assumptions about their personal/business roles in the nascent venture. At the start of their communication, Mel, assuming a mentoring role to Bill's lack of experience, enthusiastically responds to the ideation process with his newfound partner. As the junior partner, Bill may have perceived that these ideation moves allowed him to feel almost equal to his counterpart. Early on, Mel recognized Bill's lack of direct action, but instead of sharing this with Bill, he decided to let the business "speak for itself."

However, after Mel realized that Bill was not taking direct action in the business, Mel decides to push Bill in the "practicality" department by becoming more vocal and involved: whereas in the first five weeks, Mel had sent an average of two faxes each week, week 6 showed a 400% increase in Mel's involvement—he sent eight separate communications, which was more than in any other week throughout the entire 21 months. We see this as a forced shift in the dynamics of their interaction, reversing the initial expectations and behaviors of both of them. That is, Mel had already signaled his interest in letting Bill lead rather than getting involved in the more tangible planning. In contrast, by enacting so much direct organizing, Mel altered the dynamics of their interactions—a move that was risky and challenging.

Unfortunately, Mel's intervention ended up backfiring. Bill's lack of confidence started to express itself even more, as a consequence Mel backed off, but then became even less engaged than before. Bill reacted by reverting to focusing mainly on conceptual moves: the end of Phase 1 shows a spike in Ideation. Worse, Bill's overall efforts decrease substantially from that point; he seems to lose the motivation and drive to organize. This shows up most clearly in his decision to take on a full-time job and turn his attention back to providing financial stability for his family.

Although there is no apparent progress in organizing during the Phase 2 hiatus, Bill's notes reveal that he enacted a great deal of personal and professional development. Having realized that he unconsciously set himself up to simply carry out Mel's directions, he consciously develops a new intention: "I needed to 'own' [the business] if I was going to lead it" (p. 223). He also identified that the major barrier to his organizing was a lack of product knowledge. This prompted him to find a local tea expert with whom he spent many hours doing "tea tastings," learning how to differentiate between all kinds of qualities and types of tea. Thus, throughout Phase 2, Bill's knowledge of the tea market grew, as did his confidence in his ability to capitalize on the original business concept. Furthermore, Bill noticed that even after a year off, he was still thinking a lot about the business: "I still had a strong desire to pursue tea." Seeing that Mel's mentoring would continue to be invaluable, Bill reconnected with his partner in July of 1991.

This time—in Phase 3—Bill's increased knowledge of the tea industry is amplified by his renewed commitment to organizing the business. Even more importantly, these qualities were grounded in his recognition that *he* would have to lead the effort, not Mel. This transformation from follower to leader was fundamental to the success of the business and may have been the key driver for the increase in tangible organizing that followed. The more Bill took the lead, the more he recognized the results he could achieve. Likewise, the positive results of his tangible organizing generate an increasing momentum for the business, and this momentum amplified Bill's internal confidence, generating a positive feedback loop. Complexity science shows that this amplification process becomes the catalyst for the creation of a new venture (Goldstein, 1994; Dooley, 1997; Lichtenstein, 2000).

Conclusion

Complexity science provides a unique set of tools for exploring the temporal dynamics of organizational emergence, which we have utilized in our analysis of *The Republic of Tea.* Drawing on Gartner's approach to organizing and complexity's understanding of emergence, we focused on the role of tangible organizing behaviors in generating emergent outcomes. We parsed the entrepreneurs' transcripts into *organizing moves,* then coded each move as either Ideation (the least tangible), Planning (more tangible), or Tangible (the most tangible). By aggregating the sum of these moves week by week, we transformed the qualitative data into a quantitative time series, which we used to highlight the ebbs and flows of entrepreneurial action (i.e., the temporal process of organizing).

We found that the first phase of organizing involved mainly intangible moves: visions, values, and beliefs about the business; these did not generate much momentum and led to very little emergence. In contrast, the third phase saw a surprising decrease in the raw amount of Ideation, and a very large increase in the raw number of planning and tangible moves; together, these generated a significant amount of momentum in Phase 3. The result of this momentum was the emergence of first-degree internal structures and processes, the second second-degree emergence of a complementary business model through the catalogue, and the third-degree emergence of an incorporated company. The company grew well beyond the founders' expectations, a result that is highly correlated to these increases in tangible organizing moves, momentum, and emergent outcomes. Overall, we think these findings lend support to our propositions linking tangibility to emergence and our claim that greater tangibility will generate greater degrees of emergence, findings which are unique in the field.

We recognize several limitations to our study. First, the analysis relies on coding qualitative text in two different ways (i.e., identifying distinct moves, and coding each move into one of three categories). Although there is a good deal of subjectivity in this coding, having multiple coders and being able to resolve every difference leads to much higher reliability and validity in our analysis. Likewise, another limitation is that the content that was not included in the transcripts may be as important as what was; of course, this limitation is present in virtually all qualitative analyses. Third, our

visual time series analysis relies on a series of transformations of these coded data, transformations that could be accomplished in ways that highlight other dynamics beyond the issues we found important. Our hope is that by including five different charts we offer an analysis that, though potentially flawed in one or two ways, presents an accurate picture overall. Finally, of course, TRoT is only one case; we must take care in extending our conclusions much beyond this unique context. Yet, this case gives us access to very in-depth data, which is critical for understanding subtle phenomenon like emergence (Yin, 1989; McKelvey, 2004).

Taking these limitations into account, we offer a number of implications for scholarship and practice. First, this study highlights the value of focusing on *emergence* as both a process and an outcome of entrepreneurial organizing. As shown in our theory, our methods, and our analysis, a good deal is known about the mechanisms underlying emergence as well as about the range of outcomes that are generated through these mechanisms. Emergence is no longer a black box; this paper and others lend credibility to the claim that emergence is and should be a central theme within entrepreneurship.

Second, complexity science provides a host of tools—both theoretical and analytical— that provide insight into the dis-equilibrium process of organizing and other temporal dynamics of emergence. Further, the application of visual time series analysis to dynamic systems is a useful way to reveal and help explain the underlying mechanisms that might lead to emergent outcomes. The tools we use are complementary to the simulation-based methods recommended by McKelvey (2004) and Davis, Eisenhardt and Bingham (2007), emphasizing the broad value of complexity science for management and entrepreneurship.

Third, the inherent practicality of complexity science leads to clear recommendations for practicing entrepreneurs. Primarily, although not all organizing can be tangible, our study suggests that the more grounded and concrete an entrepreneur's actions are, the better. As Mel revealed in one of his notes, "Starting a business is not an idea. It is *getting things done*" (p. 122). Entrepreneurs who focus a lot of time on getting the vision right or cogitating over the correct design or the ideal business model are likely to get lost in ideation. Our study shows that this can diminish momentum and limit the likelihood of emergence. Instead, ideas and plans should be a complement to tangible action; behavior should lead and cognition and explanation should follow. Although this suggestion has been invoked by others (e.g., Sarasvathy, 2001), our study confirms the importance of tangibility in generating emergence.

Finally, our study offers a call to our field, which is equally expressed by all of the papers in this special issue. Amidst the strategy-oriented thinking of an increasing number of scholars in entrepreneurship and in light of the diffusion of entrepreneurial ideas across the academy, our approach gives hope to the prospect that there is one area in which the field of entrepreneurship can make a distinct contribution: namely, in understanding the dynamics of emergence. Our study identifies some of these dynamics, including the theory that opportunity tension drives organizing and the findings that tangibility and momentum are drivers of emergence. Just as emergence provides a unique and important area of inquiry for entrepreneurship, so too does

entrepreneurship offer a powerful and effective empirical context to study emergence. Together, these two disciplines have a synergy that can improve our understanding of both for the tangible benefit of academic research and entrepreneurial practice.

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Skillful Dreaming:
Testing a General Model of Entrepreneurial Process with a Specific Narrative of Venture Creation

Kevin Hindle

Abstract

This study develops and tests a comprehensive model of entrepreneurial process (MEP) that harmonizes key elements of models now competing for researchers' attention as contending theoretical frameworks. After consideration of potential methodological problems involved in utilizing specific narrative as evidence for generic process, the text of *The Republic of Tea* is employed, using content analysis, as an evidential base for a critical examination of the harmonized MEP. The narrative provides substantial support for the emphases that the MEP places on *evaluation* (the investigation of opportunity resulting in a viable business model) and *commitment* as key components of entrepreneurial process.

Like you, I love to dream, but when it gets time to do, I recognize the wisdom of doing in such a way as gets the dream done. The operative word here is to proceed skillfully.
—Mel Ziegler (Ziegler, et al. 1994, p. 108)

Nobody invents the business for the entrepreneur that's his job.
—Mel Ziegler (Ziegler, et al. 1994, p. 175)

Introduction

In this paper I introduce, test and discuss the utility of what I claim to be a harmonized general model of entrepreneurial process (MEP).

The paper is organised in four main sections. Sections one and two are devoted to genesis and description, respectively. In the third section, the efficacy of the model is tested using as evidence the detailed data of the entrepreneurial process—a startup of a new venture in this case—recorded in the book, *The Republic of Tea* (Ziegler et al. 1994). Finally, since the evidence turns out to support the model, I discuss

both the methodological utility of using specific narratives of unique processes as tests of general processual models, and the potential utility of this MEP to researchers and entrepreneurs. Due to the space constraints of a journal article as a vehicle of communication, I am required to be much briefer than I would like to be about the genesis of the model: its evolution, the evidence for it and its rationale. Much of the the predicate work is presented in Moroz and Hindle (2010 forthcoming), a paper originally presented at the Academy of Management Conference, Montreal 2010. That paper examines and critiques the 32 entrepreneurial process models now resident in the literature and calls for their harmonization. This paper is, in a very large sense, the response to that call. Brevity in treating antecedents allows adequate description of the model's components and relationships, a comprehensive test of the model via the evidence of the founding of The Republic of Tea, and a brief discussion of its utility.

Genesis: evolution and justification of the harmonized model of entrepreneurial process

The genesis of this model of entrepreneurial process can be summarized under six headings:

1. my interest in a core philosophical question;
2. a failed attempt to answer the question through modeling "entrepreneurial capacity";
3. conditional subscription to the Shanian perspective on entrepreneurship as a process;
4. intrigue at the disappearance of evaluation from most discussions of entrepreneurial process;
5. long empirical involvement in the field;
6. detailed examination of the literature and extant models of entrepreneurial process.

A core philosophical question

To determine whether entrepreneurship as a practical phenomenon and academic discipline is genuinely different from any other well-studied phenomenon/discipline (I am thinking particularly of management), the key question is this: What is both generic and distinct about entrepreneurship as a process? In other words, no matter how diverse they may seem in their circumstantial particularities, what *always* happens in every set of activities classifiable as an "entrepreneurial" process that *never* happens in any other type of process? Unless what we call "entrepreneurship" involves a process that has at its core something simultaneously generic and distinct, we are either talking about an eclectic set of processes that have no mutual coherence or a coherently connected set of activities that could just as well be classified with another label.

A failed attempt to answer the question

After many years of wrestling with this question, I thought I had come up with a good answer in a paper entitled, "Formalizing the Concept of Entrepreneurial Capacity" (Hindle 2007). That study developed a definition of the concept of "entrepreneurial capacity" and formalized it in two models explaining how value is created in the innovation process.

I argued (Hindle 2007, 9) that:

> Entrepreneurial capacity is the ability of individual or grouped human actors (entrepreneurial protagonists) to evaluate the economic potential latent in a selected item of new knowledge, and to design ways to transform that potential into realizable economic value for intended stakeholders.

Fortunately for me, Professor Saras Sarasvathy (in personal discourse in 2009) took the trouble to criticize that paper in great detail and convince me that my arguments in it verged on being circular, in the same way she believes most Austrian approaches to describing the phenomenon of entrepreneurship are circular because their premises contain their conclusions. She was willing to accept that I was on to something in placing the task of evaluation at the heart of a view of entrepreneurship that held hope of reconciling the distinctions between the potentially conflicting perceptions of entrepreneurial process of *causation* (Shane and Venkataraman 2000; Shane 2003), *effectuation* (Sarasvathy 2001; 2008) and *bricolage* (Baker and Nelson 2005). I later mapped out a study (which eventually became this paper) and gave it the working title "First Among Equals: The Central Role of Evaluation in Entrepreneurial Process." Professor Sarasvathy liked the title and what it implied: that evaluation of opportunity—however it was done, causally, effectually through bricolage or through some combination of these "competing" logical approaches—was a universal task required of entrepreneurs but that the capacity to evaluate was not the only capacity required to fully embrace the complexity involved in entrepreneurial process.

Conditional subscription aspects of the Shanian perspective

Shane (2003, p.4) defines entrepreneurship as follows—attaching two references to his and Venkataraman's work to show the pedigree of the definition:

> Entrepreneurship is an activity that involves the discovery, evaluation and exploitation of opportunities to introduce new goods and services, ways of organizing, markets, processes, and raw materials through organizing efforts that previously had not existed (Venkataraman 1997; Shane and Venkataraman 2000).

I retain faith in the utility of this definition's emphasis on four dimensions of opportunity (Shane and Venkataraman 2000) — existence, discovery, evaluation and exploitation — and many of the arguments developed in Shane's (2003) attempt to set out a general theory of entrepreneurship. In particular, I subscribe to his definition of an entrepreneurial opportunity as:

> …a situation in which a person can create a new means-end framework for recombining resources that the entrepreneur *believes* [Shane's emphasis] will yield a profit (Shane 2003, p. 18).

I have three principal points of demurral with Shane's depiction of entrepreneurial process. First, I do think that cognition can be a plural activity. Accordingly, I do not need to insist as Shane does (even subtitling his 2003 book T*he Individual-Opportunity Nexus*) that only a single individual can be at the heart of an entrepreneurial process. In my view, a team—not only an individual—can discover, evaluate and exploit an opportunity. Second, I do not feel the need to insist, as Shane does, that all opportunities have an objective existence. I do go as far as to say that whether opportunities exist independently of the observer or are socially constructed by the observer, their existence can be treated as an exogenous precondition to the trinity of remaining activities that constitute the entrepreneurial process as classified by Shane and Venkataraman (2000): discovery, evaluation and exploitation. Third, I insist on making an overt statement (rather than relying on an implicit one) that entrepreneurial process is significantly dependent upon contextual circumstances. In another paper (Hindle 2010) I have developed a diagnostic regime for assessing the influence of community factors on entrepreneurial process. Here I simply state the definition that informs my approach to developing a harmonized model of entrepreneurial process:

Entrepreneurship is the process of evaluating, committing to and achieving, under contextual constraints, the creation of new value from new knowledge for the benefit of defined stakeholders.

The double emphasis on the adjective 'new' is highly deliberate. Entrepreneurship is fundamentally about novelty. Based on active evaluation of whether something new is potentially valuable, an entrepreneurial process progresses to wealth and welfare *creation*—not redistribution. To take pre-existing value from one place or person and merely transfer it is not entrepreneurial. Entrepreneurship demands the creation of *additional* value, something that was nonexistent before the process began, not simply substitution of ownership or control of existing value. So, despite my demurrers, and my commitment to build a model capable of embracing effectuation and bricolage, the model of entrepreneurial process developed and tested in this paper is quite "Shanian" in many respects. Based on the preceding definition, it can be summarized, in advance of more detailed exposition, as follows. The true caliber of a discovered opportunity can be assessed by creating (through a process of evaluation) a new means-end framework (Shane's term). This can also be called—and I do so—"a business model," which Downing (2005, p. 186) has succinctly defined as a "set of expectations about how the business will be successful in its environment." For a fuller

account of the sense in which "business model" is used by both Downing and myself, see Bettis and Prahalad's (1995) concept of what they call the "dominant logic." As an alternative to "business model", I would accept any number of terms as a description of this output of the evaluating sub-process. ("Business design" might be a good term because it would be less redolent of purely causal logic in the nostrils of scholars who favored effectuation or bricolage approaches to explaining the phenomenon of entrepreneurship.)

The next more or less distinct phase of entrepreneurial process involves psychological commitment to exploiting the business model. This is required before the final sub-process/phase of exploitation can be conducted using sound management principles. Shane himself (Shane 2003, p. 11, Figure 1.1) diagrams what he labels his "model of entrepreneurial process", but the model does not directly mention evaluation and is really more a graphic depiction of the contents of his book than a formally constructed theoretical framework destined for operationalization as a research device.

Intrigue at the disappearance of evaluation

Shane and Venkataraman's (2000) extensive analysis of a large body of literature led them to classify four principal, essential sub-components of the phenomenon of entrepreneurial opportunity: existence; discovery; evaluation and exploitation. A full discussion of all the ramifications of the theoretical, investigative and pedagogical issues entailed by consideration of the "opportunity perspective" (including the heated epistemological, ontological and philosophical controversies it stimulates) is clearly beyond the scope of this paper. However, I must at least give brief mention to one contentious philosophical debate centered on the association between the existence and the discovery of opportunity: Is the existence of opportunity an objective reality or are all opportunities socially constructed? If the latter is the case, then the distinction between the existence of opportunity and its discovery melts into a continuum (which in extreme social constructionist theories also includes removal of the discrete status of evaluation). Given the constraints of this of this paper, there is presently no space to argue the reasons for my views on this issue. There is only space to state them in stark, summary form.

EXISTENCE. As I have previously indicated, whether an entrepreneurial opportunity is considered by general theorists to exist objectively (like some nugget in the ground awaiting discovery by a purposive miner) or whether it is "socially constructed" is moot from the perspectives of both the practical strategy of any given entrepreneur in a real-world situation, and the theory building endeavors of the theorist seeking to understand and model the essence of an ability "to do entrepreneurship." For modeling purposes, the *existence* dimension of opportunity can be treated as an exogenously determined variable. It is in a different category from discovery, evaluation and exploitation. These three are endogenously controllable within the organizational setting containing the entrepreneurial protagonists (for example, a newly formed firm or the team acting to license new technology from an institutional setting).

DISCOVERY OR EVALUATION? Notwithstanding the work of Fiet (1996, 2002, 2007), discovery of opportunity (in the Shane and Venkataraman perspective), while an essential predicate to an entrepreneurship or innovation process, is a managerial rather than an entrepreneurial skill and can often be done by someone other than the entrepreneur. Effectively, even if the entrepreneur herself does the discovery, this act is not the true essence of entrepreneurship. Evaluation is the core entrepreneurial skill.

EXPLOITATION. The act of exploitation could feasibly be performed by people other than members of the entrepreneurial team. A really good evaluation (call it a new means-end framework, a business model, a business design, a bicollaged recombination schema, an effectual blend of existing resources, an improvisational riff, or any number of other terms) demonstrates its merit because it articulates exactly what needs to be done to achieve specified results. The evaluator/planner/effectuator/bricollager/improviser could die, yet the business model they had articulated after their evaluation of an opportunity could live and be carried into effect by successors to the original entrepreneur. The specific skill of evaluation is the most distinctive, the primary, entrepreneurial skill. Because it can be applied in a wide range of cases, it can be thought of as *a specific skill to do general things*. However, many scholars, epitomized by Davidsson (2004), start with Shane and Venkataraman's definition of entrepreneurship research and then promptly modify it or flout it, depending on one's point of view. They do this by consciously or unconsciously eliminating *evaluation* from any detailed consideration.[1] They concentrate on discussion and appraisal of discovery and implementation. Shane himself does it. The word *evaluation* does not appear in his diagrammed model of entrepreneurial process (Shane 2003, p. 11) and in his book he moves from discovery (chapter three) to exploitation (chapters four and five). Evaluation mysteriously disappears. It might be argued that discovery subsumes evaluation or the distinction involves a mere semantic quibble. In contrast, I would argue that in determining the essence of what entrepreneurs do, in their capacity as entrepreneurs, evaluation is both fundamental and distinctive and is, therefore, the most important of the four components of entrepreneurial opportunity. So, at the heart of what might now be called entrepreneurial capacity is the ability to evaluate an opportunity, not the ability to discover it or exploit it.

Long empirical involvement in the field

My focus on the crucial importance of evaluation to each and every entrepreneurial process stems from 25 years of involvement in entrepreneurial processes as a protagonist, a consultant, an investor and a researcher. In particular I reflect on the trajectory between 1983 and 2009 of 48 new ventures for which I wrote all or most of the business plan and worked in close association with the founding entrepreneur or entrepreneurs during the early stages of the venture and whose subsequent histories

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[1]Another leading scholar to do exactly this was Zoltan Acs in a keynote address to the AGSE *4th International Entrepreneurship and Research Exchange, in Brisbane,* February 2007.

I know intimately. Reflection on the common elements distinguishing success from failure in those cases points to a trinity of factors:

1. the quality of the evaluation of the initial opportunity, embodied as a distintive business model;
2. the depth of psychological (and often physical) commitment of the new venturer (or venturers);
3. the quality of the management applied to realize the potential inherent in the business model.

Detailed examination of the literature and extant models of entrepreneurial process

Four landmarks in the entrepreneurial process literature. The literature of entrepreneurial process is a diverse and jagged terrain but it contains four landmark works: Gartner (1985), Steyaert (2007), Sarasvathy (2001), and Shane (2003). Gartner's (1985) paper, "A Conceptual Framework for Describing the Phenomenon of New Venture Creation" and Steyaert's (2007) paper, "Entrepreneuring" as a Conceptual Attractor? A Review of Process Theories in 20 years of Entrepreneurship Studies," may be regarded as the bookends that contain the earliest and (nearly) the latest, historically arranged works devoted to or strongly featuring entrepreneurial process and spanning more than 20 years of scholarship. Gartner's piece, establishing process as one of four possible and desirable perspectives from which to study entrepreneurship, is widely acclaimed as seminal work. Steyaert's piece provides a critical review of the entrepreneurial process literature for the next 21 years. Shane's 2003 book, "A General Theory of Entrepreneurship: The Individual-Opportunity Nexus" epitomizes what Sarsvarthy (2001, 2008) would regard as the causal logic approaches to entrepreneurial process and Sarasvathy's 2008 book, "Effectuation: Elements of Entrepreneurial Expertise", epitomizes what Shane (2003, p. 39) regards as "non-optimizing decision making". Archer, Baker and Mauer (2009) recently presented a very interesting conference paper entitled "Towards an Alternative Theory of Entrepreneurial Success: Integrating Bricolage, Effectuation and Improvisation", which deserves be published for the insights it gives into the distinctions and similarities of the three major strands of "non-optimizing" approaches to understanding entrepreneurial behaviour and process.

Extant models of entrepreneurial process. The data in Table 1, below, are distilled from Moroz and Hindle (2010 forthcoming). They performed a systematic literature review that catalogued and categorized models of entrepreneurial process (MEP) that could be found in relevant literature published up until June 2009. That work should be regarded as the prequel to this paper: it results in the call for the production of a harmonized model of entrepreneurial process and this study is the response. To qualify as a full scale MEP, (and thus, potentially, find a place in Table 1) a model had to embrace the totality of a process, conceived by the author as extending from some kind of nascent idea to some kind of postulate or regime about how to implement

a more fully developed idea in practice. Thus, highly influential and well-structured models of just part of the full process—for instance Gaglio's (1996) excellent model of the opportunity recognition phase of entrepreneurial process—were not included. This process resulted in the classification of the MEP models contained in the 32 works listed in the Appendix to this paper. Some models include diagrams as well as words; some exist only as words. All models came from refereed research journals or scholarly books based on research. Thus, what might be labelled "educational" or "textbook" alleged models of entrepreneurial process that did not cite either a conceptual or empirical foundation did not qualify for inclusion. Works were classified using the four categories offered in Phan (2002) as: stage models, quantification sequences, static frameworks or process dynamic models. These categories form the rows in Table 1. The table's other column headings comprise:

- key model components (conceptually, the key ingredients of process according to the author);
- variables (both dependent and independent—items that offer the possibility of operationalization and measurement if the model were to be used as the theoretical basis of empirical research);
- nature of the study (empirical or conceptual or both);
- level of generality;
- level of analysis (who is/can be the progenitor of the entrepreneurial process).

Table 1. Existing Models of Entrepreneurial Process - Key Findings

Model Category from Plan (2002)	Key Model Components	Variables	Nature of Study	Level of Generality	Actor Focus
Stage Model* 12 Qualification Sequence 1 Static Frame-works*** 11 Process Dynamic**** 8 Total 32	Numerous and diverse Little uniformity	Numerous and diverse with some notable overlap and patterns of convergence	Conceptual 21 Empirical 10 Both 3 Qualitative 10 Quantitative 3	Specific to context 1 Broadly specific 11 General but mixed 1 General 15 General and distinct 4	Individual 25 Group/team 3 Organization 21 Meso environment 7 Macro environment 2 Multiple (more than 2) 16

*   These models divide process into a priori, often overlapping, major tasks or phases that are focused on representing temporal linearity.

**   These models offer an historical sequence based approach to the new venture creation process.

***   These models consist of a limited set of variables connected by speculative causal links that generalize the overall process of venture creation without examining the precise relationship of a sequence of activities.

****   These models can be used to examine how and why variations in context and process shape outcomes; often interpretive, temporal and change oriented. (Phan, 2002).

Space limitations here dictate that consideration of a high degree of detail on each of the models, comparisons between them and ratings of their relative quality and utility as theoretical artifacts must be reserved to another paper (Moroz and Hindle 2010). Table 1 represents the tip of the MEP literature review and model classification iceburg.

The table shows the high frequency of stage model and static framework designs. Key model components (consisting of themes, actions, or events) showed little uniformity within and across categories. This is partially explained by the different focuses, philosophical predispositions, methods of model development, scope of evidence cited, and levels of generality employed by authors in producing their work. Input/output variables and associated constructs were numerous and diverse. As far as generalizability is concerned, some entrepreneurial process models are clearly proscribed by their relevance to only tightly defined contexts. Others are, in effect, overly general: they are so broad-brush and sketchy that they could never have feasible relevance in terms of research measurement or practical application. Thus only 9 of the 25 models qualify as both widely applicable and potentially useful as frameworks capable of guiding both research and practice. Of these nine, four MEP models (by Gartner (1985), Shane (2003), Sarasvathy (2001, 2008), and Bruyat and Juliene (2000)) were found by Moroz and Hindle (2010 forthcoming) to be, potentially at least, both feasibly adaptable from their general formulation to specific cases and operationalizable for research purposes and therefore of potentially highest value to both theory and practice. For the purposes of this paper, in terms of breadth of acceptance and volume of citation, two models, Shane (2003) and Sarasvathy (2006) may be said, between them, to embrace and represent many of the elements variously found in other models. Together, they can be argued to represent the state of the art.

What is wrong with the state of the MEP art?

In addition to many substantial virtues, several technical faults can be identified with both the Shane and the Sarasvathy MEP (in terms both of operationalizability for research purposes and representation of clear reality for purposes of acting as guidelines for practitioners). This paper has no scope to discuss these technical issues, which form the subject of a subsequent focused study (Hindle and Senderovitz 2010). However, the truly crucial problem with the state of the MEP art, as far as it is represented reductively by the two models, is more philosophical than technical and can be stated very simply. It is that there are at least two conflicting models, not one harmonized MEP. Their authors pay fairly thin-lipped service to the school of thought represented by the opposite point of view—the distinction between what Sarasvathy (2001) calls "causal and effectual" logics (a point expanded in the discussion section of the paper). However, the two world-views, and their implications for philosophical and practical definition and understanding of entrepreneurial process, are not reconciled in either model. The state of the MEP art would be significantly enhanced by the development of a single, comprehensive model of entrepreneurial process capable of

embracing both world views and approaches to entrepreneurship without dismissing either or giving primacy to either. I now proceed to that development.

FIGURE 1. The harmonized conceptual model of entrepreneurial process
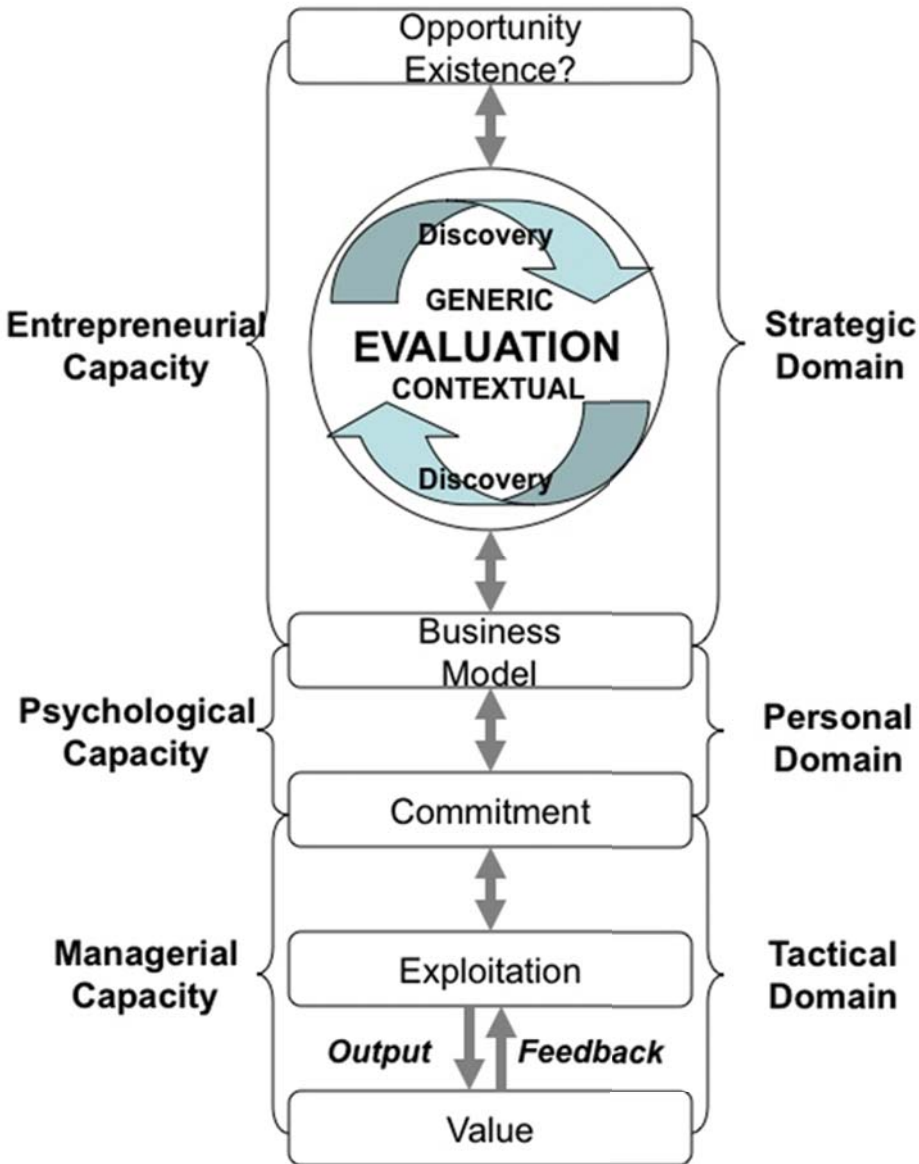
Description: the harmonized conceptual model of entrepreneurial process

Predicate assumptions and positioning

The model provides a detailed conceptualization of the ramifications of defining entrepreneurship as the process of evaluating, committing to and achieving, under contextual constraints, the creation of new value from new knowledge for the benefit of defined stakeholders.

For purposes of simplification, the assumed initial context for this model of entrepreneurial process is a for-profit environment populated by profit seekers. In fact, I believe that the developed process model is as applicable to social entrepreneurship as to the for-profit case (one need only redefine the measurement of the concept of value away from net present value expressed in dollars to some assessable measure of social benefit). However, for simplicity's sake, I confine the argument to the for-profit environment, in the first instance. This MEP is conceived through the eyes of a single entrepreneurial protagonist—by which I mean a purposive human actor, willingly engaged in the entrepreneurial process, in search of a way to create new value (make an eventual profit) from a potential opportunity—or a team of entrepreneurial protagonists. I do not use the term *firm* or the term *new venture* or the term *organization* because, following Shane and Venkataraman (2000), Eckhardt and Shane (2003) and Shane (2003), I do not presume that organizational formation is the only way to achieve value in an entrepreneurial process. I am quite happy to defer to those who, following Davidsson (2004), prefer to talk of a "business idea" rather than an "opportunity"—the words are acceptable synonyms. In summary, what is about to be presented is a generic, micro model of entrepreneurial process viewed from the perspective of human actors whose horizons are focused on new value creation beneficial to their personal agendas, i.e., they are "the defined stakeholders" of the definition.

Overview: from the questioning of opportunity existence to the achievement of value

In summary, the model conceptualizes the entrepreneurial process as a set of activities that takes purposive actors (entrepreneurial protagonists) from a starting (or "initial input") point of questioning whether an opportunity (from which defined stakeholders can create value for themselves or other defined stakeholders) exists, to an end (or "interim output") point where measurable value is actually achieved. Of course, there is no assumption that this process will inevitably result in positive value. Protagonists will attempt to create new value for defined stakeholders. The process as observed *a posteriori* may actually fail to achieve its aspirations. To get from input to output, the process embraces three distinctive but inter-related categories, or domains of activity: the strategic, the personal and the tactical. Each domain demands that the entrepreneurial protagonist or protagonists utilize a distinctive capacity,—that they

focus and apply to an associated key activity in order to produce a focal outcome. In the strategic domain, the distinctive core is entrepreneurial capacity, the key activity is evaluation and the focal outcome is the development of an opportunity into a business model. In the personal domain, the distinctive core is psychological capacity, the key activities involve a range of psychologically driven behaviors and the focal outcome is commitment. In the tactical domain, the distinctive core is managerial capacity, the key behaviors involve a range of circumstantially appropriate managerial exploitation activities and the focal outcome is the achievement of value (whether it be the desired and positive new value or undesired, negative value will only be demonstrable *a posteriori*: after the proposed entrepreneurial process has run its course).

The strategic domain: where, via entrepreneurial capacity, evaluation produces a business model

In the strategic domain the most important activity (sub-process) is evaluation, which is traditionally defined as the systematic determination of merit, worth, and significance of something or someone using criteria against a set of standards. The issue of what criteria and standards are appropriate is expanded upon elsewhere (Hindle 2007). Here suffice it to say that the model stresses that one ought not to associate the generic concept of "evaluation"—which includes any regime whatsoever for assessment of merit, worth and significance using any criteria whatsoever via any set of standards whatsoever—with some specific concept or philosophy of evaluation. Mitchell et al. (2007), for instance, associate the term *evaluation* with a particular kind of formal evaluation that assumes a given endpoint and they employ very particular kinds of economic assumptions and techniques to assess the viability of achieving that end. They distinguish this entirely from certain kinds of heuristic assessment regimes made by certain entrepreneurs. In the conception embodied in this paper, both assessment regimes are simply different forms of evaluation. From the generic perspective of evaluation, I also view the application of either causist or effectual logic (Sarasvathy 2001, 2008) or bricolage logic (Baker and Nelson 2005) or any other approach for getting from opportunity to a business model as different evaluation techniques. In contrast, Sarasvathy herself might be more prone to associate the term evaluation exclusively with causist logic.

In my model of entrepreneurial process, (figure 1), the graphic presentation of arrows rotating within a circle containing the words *generic*, *contextual* and *discovery* (twice) is designed to indicate that the evaluation process (however performed, in conformance with whatever logical system may be employed by the protagonists), is iterative. In every iteration or "turn of the wheel", evaluation is the sub-process and discovery is the provisional outcome. Some evaluation procedures are generic. They occur in every entrepreneurial process whether the logic being implied is causal or effectual (Sarasvathy 2001, 2008), whether the actors are consciously aware of their evaluating activities and thinking processes or not, and whether they use heuristics or formal systems (Mitchell et al. 2007). Further, these evaluation procedures occur whether the scope of the opportunity under scrutiny is large or small, involves new

venture creation or takes place within existing settings (Shane and Venkataraman 2000) and whether it is Kirznerian or Schumpeterian (Shane 2003). Some evaluation procedures are contextual and occur only in particular cases: they are entirely dependent on unique circumstances. Dana (2002) demonstrated that opportunity identification is culturally influenced. Julien (2007) and Hindle (2010) have produced diagnostic regimes for assessing the impact of community factors upon entrepreneurial process. By way of simple illustration of the importance of context to the evaluation process one need only consider the obvious fact that an opportunity based on the viability of a particular invention in the field of nano-technology will involve many contextually necessary evaluative activities. Many of these will not be required when considering whether or not to open a third sandwich bar to service a large office block.

The result of the combined generic and contextual evaluation activities, after any given iterative cycle, will produce an interim business model. The result after all cycles that the protagonists wish to perform is a final business model. By "final" I do not mean to imply "immutable for all time", only that the entrepreneurial protagonists, for the time being, are satisfied that they have designed a recipe for new value creation that is sufficiently well-articulated to be potentially exploitable. Elsewhere, I have defined business model as "a well-articulated plan for turning effort into profit using identified resources and stakeholders" (Hindle 2004a, p. 275). However, the conception of "business model" in the current MEP argument can be broader and more flexible, comporting with Downing's (2005, p.186) previously stated definition of a business model as a "set of expectations about how the business will be successful in its environment"; or the wide-ranging articulation of Shane's (2003) concept of a new means-ends framework, or Chesborough's (2006, p. xiii) view that a business model is "… the way that you create value and capture a portion of that value for yourself …."

Ideally, after several iterations of the evaluation process in the strategic domain, it might be hoped that the business model thus produced might deserve the adjective "well-articulated". However, for the sake of generality, the process model being postulated requires only that the result of the evaluation process, however hazy or illogical or implausible it may seem to outsiders, qualifies as a business model if the entrepreneurial protagonists conducting the entrepreneurial process are satisfied that it answers the fundamental question: does an opportunity exist that we can potentially exploit? In other words, at this level of generality, "business model" can be defined as an answer to the opportunity existence question wherein the protagonists have satisfied themselves that they have created a design for how to proceed to implementation of the opportunity. The prosaics of the situation are: there is an opportunity because, *if we did this*, new value *could* be created. In other words, the protagonists will have reached the point of believing they have created … a new means-end framework for recombining resources that the entrepreneur *believes [Shane's emphasis]* will yield a profit (Shane 2003, p. 18).

Prosaically, this business model, resulting from evaluation, is the portrait of how "we" (the entrepreneurial protagonists) or some other defined set of stakeholders, *could* create value from an evaluated opportunity. Once that portrait, that business

model, exists in any format—from a formal well-articulated statement on crisp, white paper, to a loosely-conceived set of notions in the head(s) of the protagonist(s)—acceptable to the protagonist(s), the entrepreneurial process model being posited here argues that, conceptually, it is time to move from the strategic domain to the personal domain where commitment occurs and beyond it to the managerial domain where implementation (exploitation) occurs. It is one thing to develop a (strategic) view of how a thing (in this case, the creation of new value) might be done. Two other acts are required before the thing is actually done. First, the protagonists must commit to doing it. Second, they must act on that commitment: they (or someone else) must manage the sub-process of implementation.

The personal domain: where, through psychological capacity, the entrepreneur achieves commitment

This is a person-centerd process model. The pivotal concept, decisive in determining whether a business model (representing an evaluated opportunity) may go forward to the implementation stage is the commitment of the entrepreneurial protagonist, individual or team. A short definition of commitment for the purposes at hand is "the pledged willingness of defined actors to undertake obligations and their consequences." Personal commitment is the act or quality of voluntarily taking on or fulfilling obligations. What makes personal commitment "personal" is the voluntary aspect.

Foote (1951) introduced the concept of commitment to examine how active individuals initiate and sustain lines of activity. Psychologists Burke and Reitzes (1991) developed an identity-theory approach to commitment emphasizing that commitment is one of the ways in which individuals infuse roles and social structure with self-motivated behaviors, thereby linking the self to social structure. Among other things, Burke and Reitzes evaluated the work of Becker (1960), Stryker (1968), and Kanter (1968; 1972), who tended to focus on commitment as a tie between an individual and either (1) a line of activity—which can of course include pursuing an opportunity via an entrepreneurial process, (2) particular role partners, or (3) an organization. They argued that an approach based on identity theory or affect-control theory (each of which uses a cybernetic model of identity processes) suggests that commitment connects an individual to an identity. In this view, commitment does not link a person to consistent lines of activity, other role partners, or organizations, but to a stable set of self-meanings. There are many other theories of commitment, most derived from the parent field of psychology. The most important and very recent work specifically devoted to entrepreneurial commitment is Fayolle, Basso and Tornikoski (2010). In developing my harmonized model of entrepreneurial process I use previous scholarship to argue two key things about the importance of commitment to entrepreneurial process. First, it is not necessary to rely on the intuitively obvious proposition that without commitment by the entrepreneurial protagonists, an entrepreneurial process will not proceed. There is a deep body of scholarship providing theoretical and empirical evidence regarding how commitment

is enacted with respect to activities, and this can be applied to the case of pursuit of an entrepreneurial opportunity and so provide support for the veracity of the model of entrepreneurial process being developed here. Second, though the act of commitment is essential to the entrepreneurial process, it is not unique to it.

The tactical domain: where, through managerial capacity, skillful exploitation determines the achievement of value

It is not sufficient to commit to pursuit of an opportunity via the evaluation embodied in a business model: one has to proceed to exploitation, the fourth of Shane and Venkataraman's (2000) four dimensions of opportunity, which involves the managerial skills necessary to actually implement the business model. To provide guidance and wisdom in this tactical domain the practitioner and the researcher have available the entire pantheon of the vast literature of management—quite apart from a substantial body of entrepreneurship literature that has focused upon a wide range of issues devoted to opportunity exploitation.

So, the model of entrepreneurial process illustrated in figure 1 argues that exploitation of an opportunity involves moving from commitment to pursue the opportunity (as embodied in the evaluated business model) to the actual achievement of value. The dual direction arrows between exploitation and value (and thence to all other components of the model) indicate that the process will encompass feedback, via monitoring. Once actual value (positive or negative, adequate or inadequate), which may differ from the new value postulated in the business model, is achieved, the entrepreneurial protagonists can consider the efficacy of the exploitation regime they have chosen and implemented and begin a process of re-assessment (working back through the model). The entrepreneurial process can thus either replicate itself or transform into a process of managing a now-established system (whether that be as a newly developed venture or through some other system of value creation postulated in the business model).

The conceptualisation of the generic model of entrepreneurial process is thus complete.

Removing a potential conceptual misunderstanding: one process involves three capacities

Just as the full process of practising as medical doctor or a lawyer involves more than the skills that uniquely define medical capacity or legal capacity, so the full process of entrepreneurship involves more than the skills that uniquely define entrepreneurial capacity. I have argued that the area that uniquely warrants the title "entrepreneurial capacity" is the strategic domain of the process. I maintain that entrepreneurial capacity is the ability to design an efficacious transformation, via evaluation, from querying the efficacy of an opportunity to answering that question in the form of a business model. This set of activities is unique to the entrepreneurial process. Entrepreneurs turn opportunities into business models. However, just as doctors and lawyers must

perform a range of non-unique activities to practice medicine or law (for instance, communicate with people, manage their time and their business enterprises) so the protagonist of an entrepreneurial process must perform a range of activities and have or acquire relevant skills that are classifiable under the headings of personal capacity (the ability to make the necessary commitment) and managerial capacity (the ability to implement the business model once commitment has been made). I argue that, just as the process of practicing medicine involves both capacity specific to medicine in combination with other capacities not specific to medicine, the process of practicing entrepreneurship involves both entrepreneurial capacity (the novelty-assessment and future-oriented skill of opportunity evaluation resulting in design of a business model) and other capacities (here, the psychological capacity to make a personal commitment and the managerial capacity to implement a business model).

Distinguishing conceptual linearity from practical "jerkiness"

A key word in understanding the distinction between the reality and theory of entrepreneurial process is not "iterative" but "jerky."

I am at pains to point out that I am not naively positing that entrepreneurship, in practice, is a simplistic, linear sequential process. I hope the reader of the argument will keep clearly in mind (and realize I am also aware of) the distinction between the intellectually delineated argument of the sub-components of the depicted process model—which looks very "linear" in a diagram such as figure 1, above—and my acute awareness of the very un-linear—messy and jerky—unfolding of each and every entrepreneurial process in practice. In real time and in the hands of real people, the components abstracted and depicted in the model occur in very jerky trajectories and interactions. There may be, for instance, early on in the evaluation process, an attempt to test market a prototype offering (a bit of exploitation) before committing to further evaluation, let alone further exploitation. In practice an actual entrepreneur "jerks around" the evaluation-commitment-exploitation trinity. However, I argue that an analyst and theoretician of the entrepreneurial process, while recognizing the reality of jerkiness, is forced to seek clarity in conceptual depiction.

With this caveat the model stands. It is this model of entrepreneurial process, illustrated in figure 1, that I wish to test and challenge via the evidence of entrepreneurial process contained in *The Republic of Tea*. Before proceeding to the challenge it is necessary to consider some methodological issues that arise when one employs narrative as evidence for a process model. This task is performed in the next section.

Testing: scrutiny using the Republic of Tea narrative

Why the TRoT narrative provides a good test of the harmonized MEP

The design of the harmonized general MEP enables it to be easily submitted to the scrutiny of Karl Popper's famous mandate that any theory (and in this paper I use the words *theory* and *model* interchangeably) worthy of the name ought to be fabricated

in such a way that it is capable of falsification. Any test of the model/theory derived from any data set can be based on two words: "did they?" For instance, did they (the instigator or instigators of the entrepreneurial process) evaluate, did they produce a business model, did they commit to it, etc.? The study presented in this paper is, fundamentally, a test of the first MEP claim—that the MEP presented here is an accurate conceptual representation of the key activities and relationships involved in any actual or conceivable real-world entrepreneurial process—based on the evidence contained in *The Republic of Tea* (Zeigler et al. 1994).

While no amount of confirmatory evidence ever proves any theory, just one clear-cut case of an entrepreneurial process (say, the story of the formation of a new enterprise such as the well-documented birth of the Republic of Tea venture) that could not be logically reconciled with the MEP would be sufficient to puncture its claims for general applicability. If the particular entrepreneurial process described in *The Republic of Tea* is not factually and logically compatible with the harmonized MEP, it will fall to the ground as a general model of entrepreneurial process or stand in need of substantial modification. The TRoT narrative is a very good candidate for being an ideal case with which, potentially, to falsify and destroy the theory/model. First, the model was developed in complete ignorance of the existence of TRoT narrative. Bill Gartner handed the TRoT case to me, out of the blue, after the MEP had been fabricated. So, there can be no charge of specially selecting evidence that may have been particularly favourable to the model to be tested. To the contrary, an initial, superficial reading of some of the textual evidence in the epilogue section of the TRoT narrative seems to be inimicable to the very idea that *any* general model of entrepreneurial process could ever be relevant because the protagonists in that case believed that all entrepreneurial processes are *sui generis* phenomena and are thus opposed to the very essence of what I, in developing the MEP, am trying to achieve: a harmonizing approach to understanding entrepreneurial process. *Prima facie*, the principal author of the TRoT narrative, Mel Ziegler, seems to be saying that every entrepreneurial process is a unique sequence of events. Furthermore, *prima facie*, it might seem to a scholar of entrepreneurship that he is not very "harmonized" in his views. He seems to be saying that effectuation (Sarasvathy 2001; 2006) is far more important than causality (Shane 2003) in the entrepreneurial process when he writes (Ziegler et al. 1994, p. 291):

> There is no formula for starting a business. It is as unique as the individuals who undertake it. Starting TRoT was an exercise in allowing things to happen.

For my proposed harmonized model of entrepreneurial process—or that of anyone who believes in the strong importance of causal logic as part of the entrepreneurial process –this superficially sounds awfully like a death knell.

The knell seems to ring louder when one considers the very nature of the evidence about to be used to test the theory. The fact that the testing evidence comes from *a narrative* constitutes a particularly potent and hostile form of acid to use in an

"acid test" of *a process* theory (any process theory). Chris Steyaert is a scholar who has written about entrepreneurial process (Steyaert 2007) as well as linguistic and narrative techniques as tools of entrepreneurship research (Steyaert 2004, p. 17). He has this to say:

> The little narrative as well as the genealogical approach[2] can be related to prosaics[3], as they oppose systems as much as they are opposed to being systems themselves.

So, here am I faced with an author of a narrative who seems to be saying that there is no such thing as generic entrepreneurial process and a scholarly authority on both entrepreneurial process and narrative techniques in entrepreneurial research who seems to be saying that narrative techniques are about undermining systems approaches to entrepreneurship, not supporting them. And I am going to use that author's narrative as a test of my process model of entrepreneurship (surely, it might be thought, a "systems approach" if ever there was one) in the hope of being taken seriously by that scholarly authority (among many others, I hope) and the world of practitioners.

So, on two grounds, the TRoT narrative certainly qualifies as a hard testing ground of the generic MEP I have developed.

Technical structure and categorical content of the narrative

Exclusive of acknowledgements and introductory remarks, The Republic of Tea is structured in three sections and employs (not counting the illustrations—I call them "drawing tableaux"—of proposed package designs and marketing materials illustrated by Patricia Ziegler[4]) three distinct categories of writing.

The first category of written material comprising the narrative is the fax. I make the assumption that the faxes presented in the book are honest in the sense that they are unedited reproductions of the actual texts of real-time faxes that were transmitted

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[2] Genealogy, in the context of the philosophy of knowledge, is one of several theories associated with Michel Foucault. It is the deconstructivist argument that truth is, more often than not, discovered by chance and supported not by the force of disinterested research and pure logic but by the force of power controlled by vested interests. The discussion section of the paper will return to the genealogical argument in the context of the importance for entrepreneurship scholarship of the ability to span the boundaries between contending research paradigms.

[3] Steyart's article, The Prosaics of Entrepreneurship, (Steyaert 2004) will be discussed more than once in this study. It argues the virtues of research that gets down to the mundanity, the everydayness, of entrepreneurial events as they unsystematically occur.

[4] I do not ignore the important textual contributions of Paticia Ziegler's drawings. To the contrary, I merely state that since, they are the most obvious examples of the importance of evaluation to entre-preneurial process, I set myself a harder test of the MEP by downplaying rather than up-grading their importance. Every drawing is an evaluation of a product or product development opportunity and an input to an emerging business model.

between the principles—Mel Ziegler (The Minister of Leaves), Patricia Ziegler (The Minister of Enchantment) and Bill Rosenzweig (The Minister of Progress)—on the dates indicated on the faxes. We are not told whether the faxes in the book are a complete set for the time span indicated or a selection from a larger set of electronically transmitted communications. They range in length from several pages to one word (Ziegler et al. 1994, p. 200).

The second category of written material I have labelled "commentaries" and subdivided into those written by Mel and those by Bill. These are *post-facto* additions to the narrative and include amplifications of the situation on a given date; explanations of events between dates; and reconstructions of the state-of-mind of a protagonist in a given situation on a given date (usually in reaction to one or more faxes offered by one of the other protagonists).

The third category of written material I have labelled "Zen offerings". They are short attempts by Mel to provide what might be described by the old mawkish cliché as attempts at "pearls of wisdom." Here is an example, chosen by the random process of riffling thorough the book pages from the back at high speed until one of these Zen offerings struck my eye.

> All things have their own inner truth, no matter how "imperfect" they may seem. If a sip of tea causes me, no matter how briefly, to be transported outside myself, I arrive into perfection itself. And I have known a cup of tea to do just the thing. The best of many good praises that can be sung for tea is that it inspires Tea Mind. (Ziegler et al. 1994, p.79)

The fourth category of written material involves two appendices (a business plan and excerpts from the company's first catalogue).

For purposes of the analysis I am conducting, I adopt the conventions of documentary evidence classification employed by the professional historian. Accordingly, I regard the faxes that passed between the principals, as well as the two appendices, as primary historical documents; I regard the commentaries interspersed between the faxes as secondary historical documents. Finally, I regard the Zen offerings as irrelevant to the principal purpose of this article (using the text as evidence to test the tenets of a process model). Yet, since the motives and stance of authors with regard to the texts they create is always an important issue, I believe that the Zen offerings obtain any importance they may possess for my stated purposes in this article because of the cumulative evidence they provide of Mel Ziegler's possibly mixed motives in writing *The Republic of Tea*. The Zen offerings are ostensibly designed to reflect Mel's deeply-felt commitment to the fundamental product that is at the heart of the business opportunity. They are all, in an obvious sense, homilies to both the fundamental virtues of tea and the philosophical awareness that can come in association with the acts of preparing and drinking it. They therefore clearly do not constitute a body of textual material that focuses on "the story of the creation of a business, as told through

the personal letters of its founders" (this, by the way, is the second half of the full title of the book—published on its cover and frontispiece).

However, as I read the book, even with my overt commitment to focus most intensely on the material that does form "the story of the creation of a business," the Zen offerings emerge as something more than decrative irrelevancies. They indicate to me that in writing this book, Mel's agenda may not have accorded first priority to "the story of the creation of a business." At the time of offering his manuscript to a publisher, Mel Ziegler was known and respected as a business creator (he founded the enormously successful *Banana Republic* venture) and it was in this capacity that he would, objectively, have been more interesting to a publisher wanting to create a saleable book aimed at a definable and substantial audience, than in his capacity as an amateur philosopher. It is overtly clear that writing the book was conceived from the beginning as a task at least as important as the founding of a business (Ziegler et al. 1994, p. 33). It is also abundantly clear throughout the text that Ziegler is at least as interested in disseminating his general philosophy of life as he is in developing a particular potential business or mentoring a particular business partner, Bill Rosenzweig. So, I am never unaware, throughout my reading of this book, of the uneasy possibility that Mel may have been writing this book first to make money from a book (rather than from the business that is its alleged subject) and second to purvey his philosophies of life, and was only interested in the chronicle of "the story of the creation of a business" as a third-order issue. Fortunately, my personal misgivings concerning Mel Ziegler's motives in co-authoring the book are as irrelevant as his Zen offerings to the book's value as "the story of the creation of a business." So, except to list their number, I won't mention the Zen offerings again.

Section one of the book, "The First Sip," (Ziegler et al. 1994, pp. 7-220) covers April 7, 1990 to July 16, 1990. It includes:

- 111 faxes
- 9 commentaries by Mel Ziegler
- 15 commentaries by Bill Rosenzweig
- 7 Zen offerings
- 18 drawing tableaux

Section two of the book, "One Year Later," (Ziegler et al. 1994, pp. 223-288) spans the period of July 16, 1991 to December 17, 1991. It includes:

- 30 faxes
- 1 commentary by Mel Ziegler
- 6 commentaries by Bill Rosenzweig
- 7 Zen offerings
- 12 drawing tableaux

Section three of the book, "Epilogue: The Birth of a Business," (Ziegler et al. 1994, pp. 289-294) is a dateless anticipation of the possible future direction of the start-up venture. It includes:

• one commentary by Mel Ziegler
• one Zen offering.

Appendix One (Ziegler et al. 1994, pp. 295-308) is the text of the business plan and proforma projections dated December 19, 1991. Appendix Two (Ziegler et al. 2007, pp. 309-314) contains excerpts from the company's first catalogue. The book concludes with a final Zen offering and a "charter"."

The core message of part one's faxes: the art of skillful dreaming

The vast majority (98) of the 111 primary documents—the faxes—in part one of the book are focused principally on evaluation of the opportunity. For instance, in fax 9 (Ziegler et al. 1994, pp. 29-30) Bill writes, *inter alia*:

> In the middle of the night last night I woke up with ideas about the structure of our organization. I roughed them out on the attached sheet … I realized that we need to write a "product charter" that guides our product development process … I look forward to brainstorming with you.

In fax 10, (Ziegler et al. 1994, pp. 32-33) Mel is totally absorbed in evaluation as evidenced by phrases such as:

> DOES ANYBODY MAKE ANY MONEY IN THE TEA BUSINESS?!?! [Author's use of upper case and punctuated emphases]… we should have a publishing venture … a retail venture … and other merchandise …

Fax 13 (from Bill) is nothing but a list of items that need dispassionate evaluation by a skilled third party (Ziegler et al. 1994, pp. 38-40). Fax 19 is a detailed set of evaluations on big picture and small picture issues. It overtly contains a set of THOUGHTS ON BUSINESS MODELS [Bill Rosenzweig's capitalization and emphases]. Fax 21 (Ziegler et al. 1994, pp. 53-54) is a particularly telling communication. It is from Mel to Bill. Despite all Mel's calm, soothsaying, Zen-or-whatever philosophising about tea, life and all things bright and beautiful, fax 21 reveals the core, calculating businessman hard at work on the act of evaluating an opportunity and evolving a viable business model.

> Confidentiality agreements don't stand up too well in this situation— particularly when you're dealing with a market leader. I want to

compete and take them on … I think we have the smarts to put
together something that will beg to be put on the shelf.

In fax 49 (Ziegler et al. 1994, pp. 105-107) begins:

Been thinking a great deal the past two days about plans [original
author's emphasis] and I've roughed out this thinking.

The rest of the fax is a prototype business model/business plan. I could continue at
great length demonstrating that the dominant theme and content of the vast majority
of the faxes in part one of the book is evaluation. I will break off now with just one
further but very poignant demonstration of the fact. In fax 50 (Ziegler et al. 1994,
pp. 107-108), from Mel to Bill , Mel is at his most extreme level of philosophical
wistfulness, *viz*:

I was in the living room, watching the sunrise, savouring the
Keemum-Oolong's magic as its calm energy began to flow through
my creaking morning body … When you come up here I want
you to sit outside in a rocking chair alongside me and watch the
freighters come and go on San Francisco Bay. There is something
about the way they move that tells everything there is to know about
the movement of life … Watching these freighters, you can see the
movement of time in space.

Well, ahem. I've seen a few smoke-stacked freighters in my time and the one thing
they did *not* do was cause me to reflect philosophically on life, the cosmos, existence
and the meaning and purpose of it all. So, I guess, we need a cliché here: something
like "when it comes to philosophical meanderings—to each his own." What I find
fascinating about this fax, and emblematic of the vast majority of all part one's faxes,
is the stunning transition it contains. It would be hard to conceive of anything less
businesslike than the misty mumblings contained in the previous passage. This is Mel
at his most wistful (or some might say mawkishly tedious) as a philosophical rambler.
Yet within a sentence, he is "on message" concerning the business and the message is
all about evaluation-centred entrepreneurial process, almost exactly as posited in the
MEP (see figure 1, above). Without pause from his philosophical reverie, he goes on
to write:

I had an almost simultaneous dual response to the ten-product intro
idea. On the one hand, disappointment ("Can ten items be enough to
make the point?"), and on the other delight ("what a great selection;
what a smart, pragmatic, do-able plan"). Like you, I love to dream,
but when it gets time to do, I recognize the wisdom of doing in such
a way as gets the dream done. The operative word here is to proceed

skillfully. [Ziegler's emphasis—he goes on to detail an evaluation of a 'Plan A' and a 'Plan B']. (Ziegler et al. 1994, pp. 107-108).

This is a no-nonsense, succinct statement of exactly what is argued about the primacy of evaluation in my articulation of the entrepreneurial process model. I refer the reader back to figure 1 (page 8, above) and repeat the words summarising the nexus between evaluation, business model and the rest of the entrepreneurial process (page 9, above).

> Prosaically, the business model, resulting from evaluation, is the portrait of how "we" (the entrepreneurial protagonists) or some other defined set of stakeholders, could create value from an evaluated opportunity. Once that portrait, that business model, exists in any format—from a formal well-articulated statement on crisp, white paper, to a loosely-conceived set of notions in the head(s) of the protagonist(s)—acceptable to the protagonist(s), the entrepreneurial process model being posited here argues that, conceptually, it is time to move from the strategic domain to the personal domain where commitment occurs and beyond it to the managerial domain where exploitation (implementation) occurs.

I contend that Ziegler and I are effectively saying the same thing. As a scholar, seeking as clinical and precise and 'neutral' a statement as is possible, I have said it prosaically. As a practitioner who is also a man given to pondering the grand scheme of the world, Ziegler has said it more poetically. The overwhelming evidence of the Republic of Tea narrative, as contained in the primary documents—the faxes of part one—is that the first and foremost skill required to get from vaguely conceived opportunity (here the possibility of creating some sort of business from some sort of new approach to marketing one of the world's oldest commodities) is evaluation. That is why I think of the skill and task of evaluation as "the first among equals" in the multi-faceted array of skills and tasks that, in some combination, come to comprise any given entrepreneurial process. Though all the elements/tasks/skills posited in the MEP are important to a fully wrought entrepreneurial process, evaluation is of primary conceptual importance because it is the ability to evaluate what needs to be done to create new value in the form of a business model (Shane would say 'new means-ends framework') that is the uniquely entrepreneurial capacity. The psychological skills and processes needed for commitment to an entrepreneurial venture are, in general conceptual terms, the same as those needed to form commitment to any other activity. Beyond commitment, once the business model (what needs to be done) is established and given appropriate contextual positioning (particular industry, geography, technology setting etc) the managerial skills required for opportunity exploitation in a new venture are, in general conceptual terms, the same as those in an established venture. Certainly, the full entrepreneurial process cannot happen without these conceptually non-unique components: commitment and management.

In this practical sense, they are of equal importance to the skills involved in evaluation. However, the evaluation of an opportunity to the stage of its articulation as a business model is, I argue, unique to entrepreneurial process. It is the thing that answers my big philosophical question: in entrepreneurial process what is both generic (always happens in every case) and distinct (only happens in an entrepreneurial as distinct from a managerial process)? That is the question.

And the answer is: evaluation.

This is what gives evaluation its special status as "first among equals.". As summarized in the first section of this paper and illustrated in figure 1, it is the core activity of the strategic domain of entrepreneurial process. The evidence in the case of the foundation of the Republic of Tea is overwhelmingly supportive of this perspective. The majority, by volume, emphasis and impact, of *The Republic of Tea* is a demonstration of the quintessential importance of evaluation as the primary skill in the entrepreneurial process.

The ability to perform this skill, which results in the production of a business model that shows how "to get the dream done" (Ziegler et al. 1994, p. 108) I have classified in the model as "entrepreneurial capacity." The evidence contained in *The Republic of Tea* narrative has provided a delightfully improved definition of the concept of entrepreneurial capacity than the one (Hindle 2007, p. 9) that Saras Sarasvathy regards as "circular." The allegedly circular definition was: "Entrepreneurial capacity is the ability of individual or grouped human actors—entrepreneurial protagonists—to evaluate the economic potential latent in a selected item of new knowledge, and to design ways to transform that potential into realizable economic value for intended stakeholders." The alternatively expressed definition, derived from Ziegler in *The Republic of Tea*, is: "Entrepreneurial capacity is the art of skillful dreaming."

The commentaries of part one: evaluation, commitment and mentoring

While evaluation is the dominant theme of the faxes of part one of the book, it is not the only theme. Early in the entrepreneurial process, Bill recognized the importance of a key component of the entrepreneurial process: commitment. In fax 31 (Ziegler et al. 1994, pp. 76-78) he wrote:

> Commitment is the underlying component to all of this. Commitment implies mutual trust and attention—from person to person, or person to company, and vice versa. It is clear to me that I am ready to commit to a major venture in my business life. The past two years have been spent doing some very worthwhile (and educational) *projects*, but they have lacked the longer-term potential and rewards of a *business* [Bill's emphases]. Each day I am feeling more confident about the business potential of our idea.

However, it is in the commentaries of part one that commitment as an issue receives fuller and more overt treatment than it does in the faxes. This happens in conjunction

Themic overview.

Table 2. Themes of the commentaries in part one, *The Republic of Tea*

Commentary	Page(s)	Principal Theme(s)
Mel 1	7 to 12	Introduction and overview
Bill 1	14	Evaluation
Mel 2	51	Evaluation
Bill 2	54 to 55	Mentoring
Bill 3	87	The relationship between evaluation and commitment
Bill 4	103 to 104	Evaluation, importance of spouse
Bill 5	114 to 115	Evaluation, mentoring
Mel 3	121 to 122	The relationship between evaluation and value
Bill 6	126	Evaluation
Bill 7	127	The relationship between evaluation and commitment
Bill 8	144	Evaluation
Mel 4	165 to 167	Commitment, action/exploitation, mentoring
Mel 5	168	Commitment, risk
Mel 6	170	Commitment
Bill 9	171	Evaluation, mentoring
Mel 7	173 to 175	Evaluation, commitment, mentoring
Bill 10	175 to 176	Evaluation
Bill 11	179 to 180	Commitment
Mel 8	187	Commitment, exploitation
Mel 9	202	Commitment
Bill 12	203	Evaluation, commitment, exploitation
Bill 13	206 to 207	Commitment, mentoring
Bill 14	216 to 217	Commitment

with and in relation to the two other themes that dominate part one's commentaries: evaluation (again) and mentoring. I now summarize the principal themes contained in those commentaries. Establishing a couple of citation conventions will make this section of the paper flow more smoothly. First, all references in this section are to the book under investigation: (Ziegler et al. 1994). Second, the commentaries are referred to by author (Mel or Bill) and by number. Third, the page number or range is expressed in brackets. So, for example, Mel 3 (121-122) means 'Mel Ziegler's third commentary found in the book on pages 121 and 122'.

As table 2 demonstrates, the commentaries of part one of *The Republic of Tea* are fundamentally a tale that demonstrates the ongoing importance accorded to the evaluation process but contextualised now with respect to the issue of commitment on the part of Bill Rosenzweig. A uniting theme of the commentaries is the fact that Mel Ziegler *did* understand the difference between a coach and a mentor and Bill Rosenzweig did not. In educational theory a coach is directive: your coach shows you how to do something and drills you in efficacious practices. In contrast, a mentor's role is not to show you how something is done but to get you to discover this for yourself. Bill is frustrated: he wants Mel to "show him how," or "give a lead" or "point the way"—to be a coach. Mel resists the temptation. He is adamant that unless Bill can find his own path to personal commitment to the venture, there can be no venture.

For my purposes the evidence contained in these commentaries is powerfully supportive of the model of entrepreneurial process (figure 1 and part one of this paper, above). The MEP argues that the pivotal concept, decisive in determining whether a business model (representing an evaluated opportunity) may go forward to exploitation/implementation (and thus the achievement of new value for defined stakeholders) is the commitment of the entrepreneurial protagonist, individual or team. The evidence from TRoT's entrepreneurial process, as a new venture, entirely supports that proposition and fully comports with the tenets of the model as posited in both the personal domain and the tactical domain. The next subsection provides selected amplifications of this general conclusion.

Selected amplifications of part one's commentaries.

Bill 3 (57) is a commentary that illustrates a nexus: the importance of the quality of the business model for the production of commitment.

> I kept analyzing the business (just as I did as a consultant) instead of doing anything about it. The analysis had an unexpected result: I started questioning my commitment to this project. I began to sense the potential for failure. My inability to move forward confidently probably had to do with fear of discovering my own limitations. I still didn't have a clear enough sense about the business to know if it would succeed or fail (in sharp contrast to Mel and Patricia's confident assertions that it would be a success). I was starting to feel uneasy about changing my life in order to go into the tea business— the great unknown.

Bill 4 (104) shows yet again that evaluation is the key strategic activity:

> I had become an obsessed researchaholic; spending hours and hours a day and my passionate energy to figure out how to do this tea business.

Mel 3 (121) provides what I think of as a "pocket battleship" commentary: it packs a lot of armament into a small space:

> I am a man who himself once started a business on $1,500 in three weeks and got lucky. Therefore, I tend to place a greater value on ideas in the form of action than action in the form of idea. That experience of founding my own undercapitalized, highly impractical business taught me an indelible lesson, not the sort one might hear in the hallowed halls of business schools. Life is not an idea. Starting a business is not an idea. It is getting things done. This was the most valuable thing I had to say. But Bill was not ready to hear it yet. And I decided a better messenger to tell him was the business itself, not me.

He goes on to say, in Mel 4 (165-167 *passim*), some things that superficially seem to diminish the importance of evaluation and elevate the importance of raw action.

> I found myself yearning for Bill to stop typing faxes and start starting the company. While starting a company is a different exercise for every company, and there is no prescribed way to do it, writing about starting a company does not get a company started. Taking action, not talk about taking action, is the one absolute requirement to start a business. You check your instincts, you check your information, you check the known risks against the anticipated rewards as best you can in an uncertain world, and you plunge. You take action.

The first thing to note is that in this "action-oriented" passage, one could legitimately substitute the word *evaluate* for the word *check*. Note that its importance is evident in a threefold repetition. The second point to note is that the excerpt comes from a commentary that is, in many ways, a compact précis of the *whole* model of entrepreneurial process, which is all about the full trajectory from unevaluated idea, via evaluation, and then commitment, to the creation of value through physical exploitation: i.e., action. The commentaries here (Mel 3 and Mel 4) also illustrate how a truncated entrepreneurial process sometimes works; that luck is a variable deserving of great respect; and that the tactical dimension—the place where exploitation of the evaluated opportunity comes to fruition through (managerial) action—is vital. The very word "tactical" is related to "tactile" and has the sense of "hands on", the sense of action. You can design what needs to be done strategically; you can make a commitment in principle, but, until you act to manage the exploitation of the opportunity, the entrepreneurial process is incomplete. It would be a totally wrong reading of Mel's approach to entrepreneurial process to infer that he glorifies thoughtless action over carefully performed evaluation. Mel is not saying here that a scanty evaluation process (such as applied in his previous business) is *better* than a detailed one or that action alone is sufficient to entrepreneurial process. What he is saying is that, no matter how good (or bad) the evaluation and the explicit or implicit business model that results, only the *addition* of committed exploitation—the meaning of the "action" he argues for—adds up to a full entrepreneurial process. In Mel 4 (167), Mel classifies Bill as:

> …suffering a self-inflicted case of analysis paralysis…All he had to do to get started was to come up with a deal proposal, negotiate it with me and Patricia, propose how he wanted to finance it, put the lawyers to work drafting documents, and find a few investors willing to throw a little money at him and the idea[5]. I could have spelled all this out, but then, if I had to spell it out…

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[5]By this stage "the idea" was a reasonably well-articulated business model.

And so we get back to Bill's not yet understanding the difference between a mentor and a coach: Mel 7 (175).

> He needed to figure out for himself "what" to do. To succeed he would have to stake his all on The Republic of Tea. He had to get over the compulsion of turning to someone outside himself to tell him "what" that business should be. Nobody invents the business for the entrepreneur that's his job.

With this phrase, "inventing the business," Mel, returns to the primary importance of evaluation. "'Inventing the business" is a great summary of what I called (above, in distinguishing the practical from the analytical articulation of the MEP) the "jerky" process of refining a raw opportunity into a viable business model through a process of evaluation. At the same time he stresses the central importance of evaluation, Mel also emphasizes the vital necessity of both commitment and action. An "invented" business remains a mere idea (albeit an implementable idea) until commitment to implementation is made and action to exploit the evaluated and committed-to opportunity is taken.

At the end of part one of the book, Bill had not yet fully "invented" (evaluated) the business, nor committed to it, nor instituted any managerial action beyond a few half-hearted initiatives squeezed into the free time permitted by his "day job" as a consultant. Consequently, entirely consistent with the arguments of the proposed model of entrepreneurial process, the evolution of the venture was in limbo.

Summary analysis of part two, part three and the appendices. The unavoidable spatial limitations imposed on a journal article have led me to choose to give, above, a far more detailed account of part one of *The Republic of Tea* than will be accorded to the other components of the narrative in this section of the study. In summary, the faxes and commentaries of part two of the book basically tell the story of how Bill, having accepted that he would have to make the necessary commitment as a deeply personally-derived decision (he could not lean on Mel or anyone else to make the decision for him) refined the business model to the point where commitment to it was possible for him. He writes (237-238):

> I'd finally gained the confidence I needed to jump into the tea business. The difference now was that I was willing to jump in without counting on others to help me swim. I realized that it was completely up to me to create a plan and implement it—and it would have to be a plan that satisfied me first, then the others. I had arrived at the point where I was willing to trust myself completely with the idea for the Republic of Tea. This meant I was also ready to invest in myself, which included putting my own money squarely behind my efforts. I was now ready to go forward without the assurances of others. My confidence level had reached a critical point, I was now convinced,

that my own knowledge, expertise and confidence would attract the
confidence and capital of others… I finally became committed.

The book effectively ends at the point of Bill's commitment. The epilogue (part
three) is a wave in the direction of the future. The narrative does not proceed to what
the MEP (see figure 1, above) classifies as the tactical domain. There is no telling of the
exploitation/implementation story. But as far as the narrative does go, it provides an
evidence base that is strongly and directly supportive of the model of entrepreneurial
process presented in this paper. From the initial hazy awareness of an opportunity to
the formation of commitment, what the model posits is what the founders of TRoT
actually did. This is a substantial claim, not least because, in a throwaway line in
the epilogue, Mel Ziegler superficially seems to deny the possibility of there being
anything generic about entrepreneurial process. He writes (Ziegler et al. 1994, p. 291):

> There is no formula for starting a business. It is unique as the
> individuals who undertake it. Starting TRoT was an exercise in
> allowing things to happen.

Well, here I beg to differ somewhat from Mel Ziegler's rather casual summation
of the process that he and his co-venturers have just chronicled in a narrative of nearly
300 pages. First, there is a vast difference between a restrictive, narrowly conceived
conception of a "formula"—some kind of naïve, restrictive panacea—and a research-
based conceptual model of a process whose scope allows for the flexible embrace of
a wide range of different circumstances, activities, human actors, human values, and
resources of all kinds. Second, it is disingenuous of Mel to call all of the conscious and
deliberate actions chronicled in the book right up to the point of his throwaway line "an
exercise in allowing things to happen." That is just too cavalier a phrase to withstand
serious scrutiny. Mel ought not to confuse his specific and pedagogically correct
behavior as a mentor (allowing Bill to come to his own decisions rather than coaching
him to emulate things that Mel might have taught him) with the misclassification of
a very purposive process as some kind of amorphous "happening." It turns out, in the
very next line of text, that what Mel is really saying is that he didn't want to force the
pace of the entrepreneurial process unduly. That is a very different thing than seeming
to say that there are no generically classifiable aspects of entrepreneurial process. The
quotation continues:

> Yes, the business could have started sooner; yes; I could have taken
> a more active role; yes I could have saved Bill a lot of 'wasted' effort
> by helping to straighten out some of his loopier ideas; yes, yes, yes,
> to every possibility that was floated. But the underlying truth, the
> ultimate reality, is that had we *forced* anything, that very forcing
> would be part of the business itself, and latent though it might be, it
> would surely one day be the beginning of the undoing of the business.

So, I contend, the narrative of TRoT *does* comport—and with great precision—with the arguments of the generic model of entrepreneurial process presented in this paper. The model itself posits that each example of entrepreneurial process will be different from every other, both by virtue of the contextual differences (Hindle 2010) that distinguish them (every process is a mixture of generic and specific ingredients) and the fact that the generic components of entrepreneurial process (including the methods by which evaluation is performed and the paths by which individuals come to commitment) are *not* restricted to precise, invariable, oversimplified 'formulae' but are broad, flexible concepts. So, insofar as the entrepreneurial process model posits some universal features of the process—most pointedly the primacy and strategic importance of evaluation and the pivotally personal nature of commitment—the evidence of *The Republic of Tea* lends powerful support to the model.

Discussion

Methodological issues and choices

Some people may see either philosophical problems or methodological problems or both with using language-based techniques—including narrative—as evidence for theories involving "systems." I see neither. I have argued that *The Republic of Tea* provides evidential support for the model of entrepreneurial process. However, I am aware that others may consider that my approach to "testing" the model involves some problematic issues. They all hinge on the potential incompatibility of what might be called "language-based" approaches to research (of which narrative is one) and what might be called "system-positing or model-building" approaches to research.

As indicated earlier in this paper, it is intriguing and efficient to focus these issues with reference to the work of Chris Steyaert who is simultaneously a scholar deeply interested in language-based methodology in entrepreneurship and one who seeks to shift the focus of entrepreneurship research toward a stronger commitment to the study of entrepreneurial process. A quotation from Steyaert—the methodologist—(2004, p. 19) seems to indicate that he sees a fundamental incompatibility between what might be called "established paradigm" and "new paradigm" methods for investigating entrepreneurial process:

> Life has to be lived. With that simple "saying," we undermine any idea that would pretend that events could be captured in plain predictions, complete deterministic schemes or pre-existing patterns. There is an openness that resists all forms of system building and embraces a world becoming. If entrepreneurship is, according to a prosaic premise, to surrender itself to floating around in the flux of becoming, it will have to turn to the so-called philosophers of becoming…that can allow us to conceive of entrepreneurship as a becoming, never again enclosing it in a reductionist scheme or system.

This seeming reluctance to contemplate the kind of methodological eclecticism in entrepreneurship process research recommended by Hindle (2004b) sits somewhat awkwardly with Steyaert—the analyst of entrepreneurial process theories—(Steyaert 2007, p. 272) who writes:

> …we must emphasize that great imaginative effort is needed as processual theories are not in a dominant position in current research, even if they are often called vital (Fletcher 2006, Zahra, 2007).

Hindle (2004b) has argued for a "canonical development approach" (CDA) to the choice of methods in entrepreneurship research. The CDA involves three core tenets:

1. the *question* (not an *a priori* philosophical choice) should be the central focus and primary driver of both philosophical and methodological choice in any empirical inquiry;
2. therefore, an eclectic philosophical approach to epistemology, ontology, axiology and logic of enquiry is permissible;
3. with respect to any question, methods should be chosen for their presumed efficacy, not their paradigm purity.

Paul Feyerabend (1975/1979, pp. 307-308) has a similar view:

> Let us free society from the strangling hold of an ideologically petrified science just as our ancestors freed us from the strangling hold of the One True Religion! The way towards this aim is clear. A science that insists on possessing the only correct method and the only acceptable results is ideology.

In my view, the narratives of the everyday, prosaic living of entrepreneurs trying to practice entrepreneurship are both an excellent (though not the only) source for deriving a good generic understanding of what constitutes the process of entrepreneurship and an excellent (though not the only) source of evidence for testing any models or arguments about the nature of process that scholars may present. Accordingly, the rationale for the methodology chosen for this study can be simply stated. The question at issue was to find a test of a conceptual model using the evidence of lived experience. Philosophically, I am unfazed by any alleged incompatibility between process modeling and narrative techniques as investigative and evidentiary tools. Accordingly, I performed a content analysis on the entire book—*The Republic of Tea*— and each of its textual subcomponents according to the methodological prescriptions set out in Krippendorf (2004), Kimberly (2002), and Colorado State University (2008). The quest for validity in developing and applying coding regimes and classifications involved independent triangulation via the help of two post-graduate students.

Do we need a harmonized general model of entrepreneurial process?

Steyaert (2007, pp.470-471) summarizes much of his critical review of entrepreneurial process theory with a dichotomy between the "creative process view" (elsewhere epitomized by Shane and causal logic) and the "allocation or discovery" view (elsewhere epitiomized by Sarasvathy and effectual logic).

> The creative process view … engenders a fundamental rupture with mainstream approaches that conceive of entrepreneurship as being located in a stable world, that work with a logic of causation and that, consequently, emphasize entrepreneurial activities as a kind of allocation or discovery. Following Sarasvathy (2001, pp. 261–262), 'researchers have thus far explained entrepreneurship not as the creation of artifacts by imaginative actors fashioning purpose and meaning out of contingent endowments and endeavors but as the inevitable outcome of mindless 'forces', stochastic processes, or environmental selection'. Contrasting the creative process view with the allocative and discovery view, which coincide in large part with the developmental and the evolutionary model in my overview, Sarasvathy (2003) grounds the creative process view in pragmatism. While that anchorage is legitimate, this paper has documented that a creative process view can be related to and enriched by many more perspectives.

My view is that a truly enriched perspective will not be satisfied with an unresolved processual dichotomy between "creative process" or "effectual logic" views on the one hand and so-called "allocative and discovery" and "causist logic" views on the other. The dichotomy needs resolution. A truly embracing theory of entrepreneurial process should be able to encompass both perspectives, not simply contrast them. That is what I have tried to do in developing the harmonized MEP and testing it. In the work that introduced her theory of effectuation to the world, Sarasvathy (2001 *passim*) several times concedes that causist and effectual logic may often co-exist in an entrepreneurial process. Shane (2003, p. 39) concedes the value of effectuation as articualated by Sarasvathy although he regards it as just a particular label for a more general phenomenon: "making non-optimizing decisions." So, even Shane and Sarasvathy, the prime representatives of causal and effectual logics as contenders for superior status in understanding the entrepreneurial process pay lip service to the fact that actual entrepreneurs will always use some mixture of both approaches when evaluating, committing to and exploiting entrepreneurial opportunities in any given entrepreneurial process. Thin-lipped service it may be, but the concession is there. Citing Fletcher (2006) and Zahra (2007), Steyaert (2007, p. 272) hints at a need for the most wide-ranging possible approach to both conceiving and researching entrepreneurial process:

> …we must emphasize that great imaginative effort is needed as
> processual theories are not in a dominant position in current research,
> even if they are often called vital (Fletcher 2006, Zahra, 2007).

I believe that scholars simply cannot have "processual theories" without some concession to the need for generalisation. If you want processual theories you cannot get them if you insist, like the Rumanian playwright Eugene Ionesco, that there is no physics but only "pataphysics"(the science of the particular, the argument that every example of everything has no commonality, that absolutely everything is unique). At the broadest level of research philosophy and methodology in our field, entrepreneurship, I hope that this study indicates the high degree of compatibility and complementarity that can be achieved between language-based methods—usually associated with interpretivist and post-modernist research paradigms—and approaches to model building—usually associated with more positivist-oriented research paradigms. A quantitative test of the MEP, involving the operationalization of the components of the model via relatively shallow questions suitable for delivery to a random sample of entrepreneurs could scarcely hope to plumb the depths of insight contained in the rich data base that is contained in the text of *The Republic of Tea*. Moreover, a large-survey approach would almost certainly be condemned to *ex-post* application, with all of the well-known problems that route entails for validity and reliability. As long ago as 1995, Palich and Bagby stressed the need for contemporaneous rather than *post facto* measurement of entrepreneurial processes. The virtue of a narrative, conceived and written about a process by actors in the process independently of the modeling activities employed by a scholar modeling the process, is that it captures contemporeity in a kind of aspic, just as the fossil record "lives" for the trained paleontologist. For those who come to it for the first time, *The Republic of Tea* is a contemporary account of a living business (even though the action is well in the past). A questionnaire, inevitably involving correspondents in the *reconstruction* of rationality, can never claim this contemporary color, depth, urgency and authenticity. On the other side of the coin, a reading *The Republic of Tea* informed by a research-based view of the patterns informing many other entrepreneurial processes is potentially valuable as an informed perspective on the text.

I hope the study reported here will stimulate entrepreneurship scholars to think along the lines that maybe the testing of many of the theories current in the field could be performed by detailed examination of one or a few really rich, really deep, contemporary narratives and that this approach might be as likely to be as productive of insight as a more traditional, survey-based assessment. Hopefully too, the example may also work in the other direction: helping scholars (Steyaert 2004) who are deeply aware of the value of the deep insights provided by unique narratives to reflect that uniqueness in the individual case and attempts at systematic classification are not scientific enemies but scientific friends. No single rainbow trout loses its individual status and position in the stream—or its instantaneous, irrepeatable flash of radiance in an instant of sun glazed riffle or its claim to being difficult to catch—because it is classified, in the Linnaean system, as *Oncorhynchus mykiss*, in common with all other fish of that species. Individual entrepreneurs—albeit "floating around in the flux of

becoming" (Steyaert 2004, p.19)—do not live and operate in vacuums and do share many facets of behavior in common with many other entrepreneurs. They *are* part of complex systems. Starting with von Bertalanfy (1930) systems theory has developed as a discipline emphasizing the importance of mutual relationships in all natural and human affairs. A relatively recent statement of the state of the art of the systems theory view of the world is Hanson, B.G. (1995) *General Systems Theory: Beginning with Wholes*. In a very influential heavily-cited paper in our field, William Bygrave (1989) took "a philosophical look at entrepreneurship research methodologies." It started with the statement that "entrepreneurship begins with a disjointed, discontinuous, non-linear (and usually unique event) that cannot be studied successfully with methods developed for examining smooth, continuous, linear (and often repeatable) processes." He identified as an important aspect of scientific research that "physicists examine nature by remorselessly isolating the parts from the whole"; it was reductionist in nature. Entrepreneurship research on the other hand, he argued, requires a non-reductionist approach.

> And I am certain that we cannot separate entrepreneurs from their actions. After all in a start-up company, the entrepreneur and the company are one and the same…We should avoid reductionism in entrepreneurship research. Instead we should look at the whole. (Bygrave, 1989)

In this passage Bygrave is urging the virtues of close attention to the richness of lived experience that Steyaert (2004) so rightly values and *The Republic of Tea* so brilliantly evidences. But the context is holism: there is a whole not just a part. The Republic of Tea narrative, taken as a whole, is unique. But a good many parts of it are demonstrative of a good many parts of other stories of lived entrepreneurial experience and the virtue of a good generic model of entrepreneurial process is that it does not shrink understanding through brutal reductionism but liberates understanding through meaningful recognition of genuinely existent patterns.

Some scholars and theorists will never accept this view. For instance, genealogy, one of several theories associated with Michel Foucault, was mentioned in the introduction to this paper. Genealogy, as a philosophy of knowledge, is the deconstructivist argument that truth is, more often than not, discovered by chance and supported not by the force of disinterested research and pure logic but by the force of power controlled by vested interests. Accordingly, all general claims about truth are alleged to be unreliable and highly suspect. Foucaultian genealogy accordingly rejects the notions of uniformity and regularity in grand phenomena such as all human history and, by extension, lesser phenomena such as the history of entrepreneurial behavior. Foucaltian genealogy emphasizes the irregularity and inconstancy of truth and rejects the proposition that history or any other human process progresses in a linear order.

I am just as much opposed to the teleological fiction of linear order in human affairs as is Foucault or anyone else, post-modernist or otherwise, who espouses the virtue of seeking deep knowledge from individually lived experience, but I refuse to

discount the value of genuine, dispassionate attempts to discover patterns of behavior where they might exist and to model them if possible. I contend that the study of *The Republic of Tea* as the test of a model of entrepreneurial process refutes the genealogical argument as much as it demonstrates the weaknesses of naive positivism and demonstrates instead that entrepreneurship scholarship can benefit significantly from the open-minded use of unique narrative as evidence of generic pattern.

The model of entrepreneurial process offered here has withstood its first hard test. It can now claim to be a framework of understanding that embraces many seemingly contending views of entrepreneurial process—most notably the hitherto seemingly irreconcilable claims of causation and effectuation as generic models of entrepreneurial process. As a predicate to this paper, in a critical review of the literature, Moroz and Hindle (2010) called for the development of a comprehensive, harmonized model of entrepreneurial process capable of embracing the best, removing the worst and supplying what is missing among the plethora of models that now constitute seemingly irreconcilably fragmented arguments about the generic aspects of entrepreneurial process. The model developed and tested in this study answers that call.

Acknowledgements

Appendix

Works Containing Purportedly Comprehensive Models of Entrepreneurial Process

F1: Works evaluated as potentially convergent upon what is "generic and distinct" to the entrepreneurial process

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F2: Works considered but not found to be convergent upon what is generic and distinct to the entrepreneurial process

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Sites and Enactments:
A Nominalist Approach to Opportunities

Steffen Korsgaard and Helle Neergaard

Abstract

This paper develops a framework for researching entrepreneurial opportunities. We argue that opportunities can best be understood as dynamic and fluid effects of entrepreneurial processes that are enacted differently across different sites. On this basis, we develop a framework for studying entrepreneurial opportunities that is suited to track those opportunities across enactments and sites. The framework is demonstrated through an analysis of the genesis of the company *The Republic of Tea*, as portrayed in the book of the same name.

Introduction

Since the introduction of the nexus perspective, the opportunity concept has moved to the center of entrepreneurial research (Shane & Venkataraman, 2000; Eckhardt & Shane, 2003; Shane, 2003). While few question the relevance of the opportunity concept, there has been a lively discussion about the nature of opportunities—a discussion that appears only to continue and broaden (McMullen, Plummer & Acs, 2007). In the nexus perspective, which draws heavily on Austrian economics, opportunity designates an objective element in the entrepreneurial process. The presence of an objective element means that the success or failure of an entrepreneurial venture is not determined by the entrepreneur's ideas and effort alone. There has to be some potential need or gap in the market in order for the venture to succeed (Shane, 2003). Following this line of thinking, the opportunity exists prior to the entrepreneurial process, and for the process to commence, the opportunity must be discovered by an alert individual. Therefore, this view is often referred to as "the discovery view" of opportunity (Alvarez, 2005; Sarasvathy, Venkataraman, Dew & Velamuri, 2002).

The discovery view has been criticized from various angles. Some of these angles are summed up in the "creation view" of opportunities (Alvarez, 2005; Sarasvathy et al., 2002). The common characteristic of the creation view is that opportunities are not seen as having a prior existence. When a given product has become a success, it is only natural to assume that a market has been found and that the opportunity was actually always there. However, the success of the product depends on individuals' actions and creativity along with the context of these actions. Alvarez (2005) argues that under conditions of uncertainty, opportunities are created and refined through a process of continual trial and error. Nevertheless, what turns out to be the opportunity cannot be known or anticipated in advance. This notion has strong similarities with Sarasvathy's (2001) theory of effectuation. In effectual processes, ends are not fixed and present in advance but are continually redefined depending on strategic partnerships and available resources. Here, the opportunity is created as the residual of a dynamic and interactional process (Sarasvathy et al., 2002).

Furthermore, writers of a social constructionist temper have argued that both opportunities and individuals are constructed or evolve in entrepreneurial processes (Sarason et al., 2006; Piihl, 2005; Fletcher, 2006). This translates into strong critiques of the discovery view. These critiques center on the notion that the discovery view is incapable of adequately describing the struggles, interactions, and negotiations of the entrepreneurial process (Fletcher, 2006; Piihl, 2005). By taking the prior existence of opportunities for granted, the struggles disappear behind simplified and reifying theoretical terms (Piihl, 2005).

According to Fletcher (2006), this problem can only be addressed through a refinement of the theoretical concept of opportunity and the development of more sophisticated frameworks and methods for researching entrepreneurial opportunities. This paper seeks to address these two issues by proposing a nominalist framework. Nominalism entails a specific view of opportunities as a set of (possibly different) practices that take place at different locations in time and space. The concepts of "site" and "enactment" are, therefore, introduced to aid the research. The advantages of this approach are illustrated using the story of The Republic of Tea (TRoT) as told in the book of the same name.

The paper commences by unfolding the nominalist perspective. This section sets the scene through a discussion of what opportunities are and are not. The next section moves to a presentation of sites and enactments as a means for understanding how opportunities are continually reinterpreted by those involved in creating and acting upon them. The following section describes how we propose to go about analyzing *TRoT*. This is followed by the actual case analysis. The final section discusses the potential of the nominalist framework for scholars engaging in the concept of opportunities as well as narrative analysis of entrepreneurial activity.

A nominalist approach to opportunities

Social constructionists argue that taking the prior existence of opportunities for granted, as proposed by the discovery view, shrouds some of the struggles and interactions of entrepreneurial processes. On the other hand, some argue that the

creation view and some social constructionist perspectives assume that once an opportunity is constructed, it attains a definite and stable form. This might also constitute a problematic taken-for-granted in terms of exploring the continued dynamics that unfold even after, for example, the formation of a business. A nominalist perspective on opportunities questions such "taken-for-granteds." In a nominalist view, "a name" is assigned to a series of processes (Foucault, 1998), thereby avoiding any reification or essentiality of the opportunity. This shifts the focus in opportunity research from the opportunity as "a thing" to opportunity as "a process." Opportunity thus becomes a name attributed to series of practices, which appear to the researcher and/or other relevant actors as somehow linked together.

One serious implication of this idea is that opportunities are not definite. An opportunity is multiple (Law, 2004). So when examining an entrepreneurial opportunity, we should not expect this to be one and the same thing at all times and in all places. To paraphrase Foucault, an opportunity is a multiplicity of practices[1] that come into play in various strategies (Foucault, 1998, p. 100). The task of the researcher then is to reconstruct the distribution of discursive, material, bodily, and other elements across time and space. Such a reconstruction will yield a, thicker, more detailed, and capturing (albeit incomplete) description of the entrepreneurial processes.

Hence, "practices" are being investigated. Foucault defines practices as "places where what is said and what is done, rules imposed and reasons given, the planned and the taken-for-granted meet and interconnect" (Foucault, 2002, p. 225). The reason practices are so important to study is that what comes to count as true, factual, existing, and taken for granted is produced in these practices (Law, 2004, Latour, 1987). Discourses and other forms of practice continually and systematically form the objects that they refer to and speak of (Foucault, 2005). Therefore, reality, as it appears to individuals, is constructed through the practices in which the individuals partake. The nominalist researcher, by force of the methodological approach, is not mislead by what has been produced as true or false, factual or fictional. That an opportunity appears to have always existed post hoc and, therefore, can be taken for granted (see Shane, 2000 for an example of how this way of thinking works) must not seduce the researcher to assume that this is in fact the case. Instead, focus needs to be shifted to the processes and negotiations leading to the establishment of the opportunity as a factual and real entity. This of course renders impossible the idea that opportunities exist prior to the actions involving them (e.g., discovery). For the same reason, opportunities cannot be assumed to take on any definite form or stability. Given that opportunities exist only in practices, they can never be more stable than the practices in which they are enacted.

However, if an opportunity has neither a prior nor a stable existence, then why hold on to the concept? Basically, individuals hold on to an opportunity for the same reason that it was introduced in the nexus perspective (Shane & Venkataraman, 2000; Korsgaard, 2007). Opportunity is useful as a tool for making sense of entrepreneurial processes because it designates an exteriority to the inside of the entrepreneur's

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[1]In the actual passage from "The Will to Knowledge," Foucault is referring only to discursive practices. In this paper, however, we include other forms of practice, as did Foucault in some of his later works.

mind and the company or companies started in the entrepreneurial processes. The opportunity designates that which links the processes together across the ideas, firms, actors, technologies, firms, etc., involved in the processes (Piihl, 2005). This is exactly why an opportunity is multiple: more than one less than many (Law, 2004). It is not a definite single thing but is fragmented and different across time and space.

Sites and enactment

The object of study is practices that vary over time and space. However, different and novel conceptual tools are needed to close in on the specific practices that we are looking for. The previous discussion made clear that opportunities vary across time and space and that, as a result, opportunities may well be different depending on when and where you look. Hence, introducing the concepts of "site" and "enactment" establishes concepts that may help in answering the simple questions: "what are we looking for," "who is doing it," and "where should we look?"

Enactments

For this paper's purpose, the term enactment, as presented by Law (2004), is preferred to the more often used term, "construction," as known from various forms of constructionism (Burr, 2003; Fletcher, 2006) because "construction" seems to lend itself to the idea that something is being constructed, like a building. During construction, the result is still unknown; however, once constructed, the result is there and has a definite form, and if we want to change it, then we need an entirely new reconstruction process.

Enactment, on the other hand, signifies a continued process of constructing and reconstructing. Enactment is perceived as a reality-producing practice, and as Law (2004) puts it, "enactment and practice never stops, and realities depend on their continued crafting" (p.56).

Another question worth asking, which emerges when answering the "what are we looking for" question, is "who is doing the enacting?" Which actors are involved in the enactments processes? The answer to this question depends on the specific context of interest; however, some overall comments are worth making. As the opportunity part of the nexus (as introduced by Shane and Venkataraman) is not a definite entity, it should not be assumed that the other part of the nexus, namely the individual, is definite or exists prior to the entrepreneurial processes. In fact the individual, or the subject, is the result of practices as well—a name attributed to specific processes (Foucault, 1998). Enactment is the continuing practice of producing reality, but it is not simply human beings who participate in this production. It happens (at least mostly) in "a combination of people, techniques, texts, architectural arrangements and natural phenomena which are themselves being enacted and re-enacted" (Law, 2004, p. 56). A nominalist researcher thus needs to take into account the actions of both human actors and non-human actors.

Enactment, however, is not a completely free activity, in which everything is equally likely to become real. Enactments draw on and relate to what Law (2004) calls

"hinterlands." In order to be upheld and legitimate, an enactment must relate to other enactments, either by contributing to or drawing on them. In science, an enactment must draw on previously established enactments to gain legitimacy and be upheld (Latour, 1987). This is in essence the hinterland. It comprises the established rules to which all have to adhere in order to be acknowledged in a particular context/situation. In principle, anything can be said and thought, but the trick is to have it accepted as true, real, and sensible, which is what science is all about. This requires a coherence and consistency with other statements, beliefs, and actions. Thus, to some extent, the hinterland limits the "freedom" to enact.

Sites

The spatial has entered entrepreneurship in various forms, perhaps, most prominently in the literature on clusters, industrial districts, and innovative milieus. This literature emphasizes that spatial dimensions affect opportunity exploitation and may even constitute a source of opportunity in and of itself. Although not limited to a strictly geographical conceptualization of space, there is obviously a very strong material and objective tendency in the talk of (geographical) regions and proximities. Recently other writers have engaged in exploring spatial concepts (Anderson, 2000; Hjorth, 2004; Hjorth, 2005), focusing on the (socially) constructed nature of space. Shared across these conceptualizations of space is the understanding that entrepreneurship happens in a place and that this place intervenes in the process: the space is not purely a container for the activities. The concept of site developed in this paper lies closer to Hjorth's (2004) spatial concept when he uses space as a metaphor for "that period of time when a possibility to actualize (often materialize) an imagined creation is practised in concrete social relations" (Hjorth, 2004, p. 418).

Although, as Hjorth points out, space and time are inseparable. The concept of site seeks to establish a characteristic of enactment; namely that it is localized. Enactment occurs at specific times *and* locations. The site(s) of an opportunity thus refers to the place(s) individuals need to go to find it. The sites themselves are equally enacted and contextual. A site is performed in practice, too. For example, the internet or a webpage is not a site unless somebody is enacting it.

The importance of sites is demonstrated in other studies (de Laet & Mol, 2000; Mol, 2002). A given opportunity will most likely be enacted differently at different sites. An opportunity exists in a number of locations, and each location has its own particular enactment of that opportunity. The enactments, in turn, produce their own version of the opportunity (Law, 2004), leading to a multiple opportunity (Mol, 2002). So, sites are not necessarily in what we might otherwise call geographical space like regions are; sites can be both "real" and "virtual." An internet page and a television show are equally valid sites for opportunity enactment as a retail store or factory floor.

To sum up, the researcher's task is to follow entrepreneurial processes across sites and enactments, thereby reconstructing the distribution of different practices in time and space. The framework of sites and enactments assists in this reconstruction by helping to answer the questions "what are we looking for," "who is doing it," and "where do we look?"

Method

The concepts of site and enactment provide some assistance in the research process, but there are still unresolved issues of how to use these in research practice. What kinds of data are needed, and how might they be collected and analyzed, if the multiplicity of opportunity is to be investigated?

The studies by so-called actor network theorists, such as Mol, Latour, and Law, have made extensive use of ethnographic approaches, where practices are watched closely as they unfold. Such approaches have proven to be immensely effective in examining the workings of modern science, technology, and medicine (see Latour & Woolgar, 1986 for a brilliant and groundbreaking example of this). However, while the advantages of these approaches can be seen readily, they are also very demanding in terms of time and resources. Further, they tend to require presence. In relation to entrepreneurship, there are further problems. An ethnographic investigation of entrepreneurial processes would have to identify these almost before they begin, and would constantly suffer the risk that the processes would end abruptly, as most entrepreneurial processes are quite short-lived.

Foucault and the many forms of discourse analyses that his writings have inspired typically seek to reconstruct the processes in retrospect using different forms of text. The texts take the form of documents, reports, and other written artifacts (Foucault, 2005) or of interviews with relevant people involved in the processes. This approach has advantages in terms of presence, time, and costs. Its drawbacks, however, relate to issues of document and interviewee availablity as well as to the fact that writings and interviewees tell only parts of the "whole" story. In relation to entrepreneurship, it has been suggested that narrative analysis has significant advantages, as entrepreneurs in general are more than happy to tell stories of themselves and their businesses (McKenzie, 2007). Furthermore, narrative analysis is already focused on process, as development and progression are embodied in the nature of narratives.

In this paper, we have chosen to employ the concepts of site and enactment in an analysis of The Republic of Tea (TRoT). TRoT is an enterprise that sells tea, but it does more than that: it tells a story. Actually, it tells multiple stories. We were first introduced to TRoT in a workshop with Bill Gartner and later acquired the book of the same name. The data of this analysis is the book *The Republic of Tea* (Ziegler et al., 1992). The book consists primarily of the fax correspondence between the two founders in the period leading to the birth of the tea company TRoT. It tells of the struggles and joys of the two founders, who refer to themselves as the Ministers of Progress and Leaves. As such, the book is a unique collection of data. The fax correspondence is accompanied by later commentary by the founders as well as drafts of business plans and drawings by one of the founder's wife, which appear to have played a significant role in TRoT's development. Naturally, we have no way of knowing what is neglected or omitted in the book. Nevertheless, it lends itself beautifully to our analysis. It explicitly purports a different "behind-the-scenes" look at the birth of a company. As such, it also serves as an antedote to the narrow depiction of entrepreneurial processes we might find in the discovery view of opportunities.

Using the data provided by the book, it is possible to tell any number of different stories of TRoT. It establishes different series of enactments and sites and thus provides insights into the irreducible complexity of TRoT as an opportunity.

The Republic of Tea: A summary of the story

The story begins with the random meeting of Mel and Bill as they are both going to the airport to catch the same flight. In the car and on the plane, they strike up an enthusiastic conversation about tea and the prospects of selling tea in America.

> By the time we landed, we were wholesaling, mail-ordering, and selling tea in 150 retail stores in the best locations in America, we were the premier merchants of green tea in the West…Our secret and subversive agenda was to bring Americans to an awareness of "Tea Mind," in which we would all come to appreciate the perfection, the harmony, the natural serenity, and the true aesthetic in every moment and in every natural thing. (Ziegler et al., 1992, p. 11)

Following the meeting, the two men continue to talk and fax each other about the idea of starting a company called The Republic of Tea . Over the next two-and-half months (and 200 pages of faxes), they eagerly discuss the philosophy, products, marketing, visual presentation, organizing, and business model of the prospective company. Bill does a great deal of market research, talking to a long list of people involved in the tea business.

Much of the conversation between Mel, Bill, and others involved in the business revolve around the question of what they are really selling. Obviously tea leaves are an essential part of this, but both Bill and Mel see tea as more than simply a product. It is something more, and this something more is what the business is *really* about. An example of this is an enthusiastic fax sent by Mel in which he suggests the following:

> Our enchanting wives have rendered us the greatest service of all. They have told us what the business is really about. It is about caffeine. The world does not need another herbal tea. What the world needs is a sensible alternative to coffee…Our focus *should be* flavoured teas. These are: healthier than coffee… (Ziegler et al., 1992, p. 117)

Bill, however, is less enthusiastic about this idea. He responds that this would be "a dangerous point of front-line for our company" (Ziegler et al., 1992, p. 119). This conversational ping pong between Mel and Bill continues for quite a while, but apart from talking to people and researching, Bill takes no action to actually start the company. One reason for this is that Bill is unsure about the distribution of roles, especially in terms of Mel's involvement. Will Mel take part in running the company; will he invest; and will he lend his name and reputation to the venture? All of these questions are left unanswered for Bill. As comments to the faxes indicate, Mel is well

aware of this, yet he gives only vague insinuations of his position in these matters. Mel's friend, Bruce Katz, becomes involved, and he starts asking hard practical questions about their ideas, which provides some development for the process, but this does not solve the big problem for Bill.

Frustrated by the lack of progress and longing to take action, Bill decides to contact the local arts center in his home town and suggests starting a small tea stand there. Mel is disappointed with this development (which he refers to as a lemonade stand) and instead suggests a co-venture with the global tea conglomerate Lipton. Bill contacts Lipton, and much to his surprise, he actually gets a meeting with a top executive at Lipton. Mel, however, does not want to participate in the meeting and Bill does not follow up the contact with Lipton. The differences leave Bill exasperated, and he sends an unusually harsh fax to Mel in which he voices his frustration. Despite Mel's effort to reassure Bill, their collaboration comes to a halt. Bill takes a job in a design company, and despite his intention to start TRoT with a new partner as part of his work at the design company, nothing happens in the following year. A year later, the fax communication between Mel and Bill commences again. Bill finds himself unable to let go of the TRoT idea.

> Yet even after a year of not doing much about The Republic, the idea was still very much alive in me. I grew discontented and unfulfilled producing marketing projects for other companies and began to spend more of my mental energy figuring out how to get into the tea business. (Ziegler et al., 1992, p. 223)

So, Bill starts researching again, only this time with a different focus. Now, he focuses on getting to know tea as a product. He learns how to taste and evaluate tea, studies how it is grown, and even goes on a study trip to London (on which Mel accompanies him). He rearranges his business to focus on a single customer, leaving him more time to explore TRoT. Coming back from London, he finds out that he has lost his only client and he is now left without a job. This proves to be a helpful incentive for Bill to continue with TRoT. Together with Mel and Patricia he sketches a new plan for TRoT as a series of retail stores.

Bruce Katz re-enters the frame and expresses an interest in investing in the company. The negotiations with Bruce lead Bill to involve an attorney to help set up the company. Bruce, however, does not want to invest in retail stores and insists that TRoT be a wholesale mail-order company. The others agree, and in December 1992, 20 months after the first fax, TRoT is founded. At this point the book ends, but TRoT goes on to be a highly successful company.

Unfolding the opportunity

The previous summary of the book *The Republic of Tea* is highly selective and only hints at the dynamics and complexity of the conversational exchanges leading to the founding of the company. Yet, it is enough to indicate that throughout the book, the

opportunity involved in the process of creating TRoT is enacted differently across multiple sites. Indeed each individual fax message may be considered a site, while the collected faxes of the Minister of Leaves might be termed the Ministry of Leaves, as indeed the Minister of Progress himself does (see p. 145). Breaking the book up into sites in this way demonstrates how a great number of (possible) enactments of TRoT are in play and that these enactments are very different. A number of these (all briefly sketched in the summary above) are presented in Table 1.

Table 1

"The Republic of Tea"	Enactment	Site(s)	Later Developments
A conversation on plane (pages 7-11)	In the account of the Minister of Leaves he met the Minister of Progress in a car on the way to the airport. Both had attended a conference, and were leaving early.	A flight to San Francisco	The conversation becomes the starting point for the personal communication between the two Ministers to-be, which eventually end up in the starting of the company
	They struck up a conversation. The conversation was so interesting that the two rearranged the seats on their plane, so they might continue. "We were in a highly charged no-man's-land, outside space and time, where the source of an Idea was revealing itself to us in its yet unborn state. Time and space reappeared seven hours later when we looked up and saw that the plane, on the ground in San Francisco, was empty" (p. 7)	A no-man's-land out of space and time	
	In the conversation the Ministers to be, explore the possibility of starting a tea business, incorporating a specific philosophy of life (or vice versa): "By the time we landed, we were wholesaling, mail-ordering, and selling tea in 150 retail stores in the best locations in America, we were the premier merchants of Tea in America [...] we were helping people to discover their own paths to longevity with herbal teas, and we were unleashing a new way of life in America." (p. 11)	Linked to a great number of possible sites such a retail stores, mail-order catalogs.	

	(p. 7) In the conversation the Ministers to be, explore the possibility of starting a tea business, incorporating a specific philosophy of life (or vice versa): "By the time we landed, we were wholesaling, mail-ordering, and selling tea in 150 retail stores in the best locations in America, we were the premier merchants of Tea in America […] we were helping people to discover their own paths to longevity with herbal teas, and we were unleashing a new way of life in America." (p. 11)		
As a alternative to coffee (pages 117-119)	At an occasion where the Ministers and their families have gotten together, the wives have seemingly prompted an idea in the Ministry of Leaves: "Our enchanting wives have rendered us the greatest service of all. They have told us what the business is really about. It is about caffeine. The world does not need another herbal tea. What the world needs is a sensible alternative to coffee. An alternative that reduces caffeine by 75% and at the same time provides a new flavourful taste in a hot beverage".	The Ministry of Leaves. Linked to conversation(s) where the wives imprint the idea in the Minister of Leaves.	The issue of tea versus coffee is in play in many enactments and sites of "The Republic of Tea" (see e.g. the introduction page 3). Most places however somewhat underplayed. Indeed the Minister of Progress does not support this enactments fully, and seems to effectively kill it, in the response to the fax from the Minister of Leaves: "It sounds like caffeine could become a major issue of product positioning, but I'd like to think about this long and hard. I still find it a dangerous point of front-line definition for our company. […] It would be very dangerous to promote tea as an alternative to coffee. It's one of those things that people must discover."

| A stand in a local culture centre (pages 185-187) | The Minister of Progress at some point presents the idea of starting the republic as a small stand at the local arts center: "I wanted you to know that I'm thinking about creating a little tea stand in the Sedona Arts Center. [...] My goal is to show them that tea will be a wonderful way to: a) raise money for the Arts Center in a steady way; b) draw more attention to the Arts Center in uptown Sedona; c) get more visitors to tour the exhibits." (p. 185) "I envision some kind of a roadside tea hut that sits in the front land of the Sedona Arts Center (SAC), just off the main road where 1000s of visitors walk and drive every week" (p. 185) | The Ministry of Progress. Links to the site of the Sedona Arts Center. | The Minister of Leaves does not think well of this idea and describes it in a reflection in the book as absurd (p. 187). Although he does not relate this directly to the Minister of Progress he makes no secret of it in the following correspondence. The idea is seemingly not pursued further. |
| A chain of retail stores | The idea of "The Republic of Tea" as a chain of retail stores is presented in the opening pages of the book (see above), but only fully developed later. The idea (re)appears during a trip to London: "One day while walking down Fulham Road [...] the idea for our own retail store vividly materialized. We had been inspired by the successful Whittard's chain of tea shops with their fine and broad selection. We three recognized the importance of creating a "context" for enjoying fine tea in America. We wanted to sell tea and create a new tea experience, and the most dramatic way to do this was clearly in a retail environment" (p. 241). For a while this enactment co-exists with "The Republic of Tea" as a mail-order company. | The Ministries of Progress and Leaves. Links to potential sites of retail stores across America. | Although perhaps both founders are inclined towards the idea it is later given up. As stated by the Minister of Progress: "I realize that the store is fun (and perhaps easier to do at first) but if we look at the cost of the store as a marketing expense designed ultimately to support and promote a wholesale brand business, there are much better ways to apply that capital in the start up. In a way, I think I saw the store as the physical that could easily establish the lifestyle context (look, feel, environment) for the business, but a single store (or a couple of stores) is so limited in its reach that it won't do much more than create publicity for a while. Bottom line, stores today rarely make money." (p. 273) |

As a mail-order company (Dispersed throughout the book, but see pages 255-258 in particular)	That "The Republic of Tea" should be a mail-order company is an idea presented throughout the book. On pages 255 to 258 a detailed description of the potential layout and content of the first catalogue is presented including detailed sketches of how the pages might look.	The Ministries of Progress and Leaves. Links to future mail-order catalogs from the company	"The Republic of Tea" eventually is launched as a mail-order catalog and wholesale tea purveyor.
As a philosophy of life (Dispersed throughout the book).	Throughout the book there are numerous discussions on what the philosophy behind "The Republic of Tea" is. Describing all these different discussions in itself is a big task. However it does seem that most of them take their starting point in the idea/philosophy/slogan: "Living life sip by sip, not gulp by gulp" (e.g. p. 69)	The Ministries of Progress and Leaves. Links to future t-shirts, tea cups etc.	Living life sip by sip and other similar ideas/ philosophies/slogans seem to have become an integral part of "The Republic of Tea".

There are two things to note about the enactments in the book. First, as they are only presented in text form, we only have access to the discursive parts of the enactments. If there are material, bodily, or other elements incorporated in the enactments, these are only related discursively in the book. As stated above, most of what is in the book are dead-ends; most of the enactments are never much more than discursive. They are mostly only spoken of, but they are only minimally incorporated in other forms of practice. As an example, there is talk of making TRoTa chain of retail stores, but the talk is never translated into the practice of actually building stores, while the talk of mail-order catalogs is in fact later actualized in the practices of designing, printing, and mailing catalogs.

Where might we find the opportunity in this story? In a discovery view we would have to assume that 1) the opportunity somehow exists prior to discovery, 2) the opportunity remains the same throughout the process, and 3) that what goes on in the book is first and foremost a process of evaluation. It is quite possible to analyze the story/stories told in the book in this way. It does, however, render three out of six of the enactments in Table 1, indifferent for the analysis. It also enforces linearity onto the stories in that they must progress towards a goal that is given in advance, namely the Schumpeterian combination of high quality tea and a whole-sale mail-order-catalog-based marketing strategy. The discovery view would argue that the opportunity pre-exists in the form of a potential new combination that may be sold for a profit (Shane, 2003). It simply needs to be discovered and evaluated. By this line of thinking, the book must tell a story of the discovery and evaluation of the opportunity.

Against this kind of analysis, we might argue that the many enactments matter, they each represent a relevant part of the story, and all of them contribute in making

TRoT what it is. Secondly, the form(s) that TRoT takes on later are not given in advance. Each of the enactments in the book represents a path that could have been taken. Whether or not it would have been successful cannot be determined. Whether there was an opportunity (as understood in the discovery view) or not can never be determined except post hoc (Korsgaard, 2007).

Should we instead adhere to the creation view, a significant advantage is obtained. The different enactments in the book are all relevant in so far as they constitute a trial-and-error process (Alvarez, 2005). This process results in the creation of TRoT as a wholesale mail-order tea purveyor. A more complex story is thus told of the genesis of TRoT. The problem, however, with this approach is that once created, the opportunity attains a stability and unity, that we must be vary of. This would reduce the complexity of our story/stories of TRoT. Furthermore, we cannot assume that the opportunities remain the same in the future.

Discussion

The nominalist perspective of opportunities attempts to incorporate complexity into the description and analysis of entrepreneurial processes. Complexity is thus introduced in relation to a number of issues, including the temporal and spatial dynamics, the multiplicity of voices in play, and the dynamic creation of identities and subjectivities in entrepreneurial activity. Furthermore, the nominalist view supports a narrative exposition of entrepreneurial processes.

The temporal and spatial dynamics are emphasized in the nominalist view. Spatial dimensions are multiplied as an opportunity flows across different sites. As is clearly seen in the case of TRoT, the opportunity is enacted in a great number of sites, including physical, textual, and imaginary sites, which influence the enactment of the opportunity. The textual sites of the business plans featured in the book enact the opportunity in a much more "down-to-earth" form than the ethereal musings of the ministry of ideas. Following the opportunity flowing across these different sites thus becomes a kind of multi-sited ethnography (Marcus, 1995) in which each site is considered on its own terms, and every type of site is considered to be potentially important (Steyaert & Katz, 2004).

Furthermore, in this type of study, the temporal dynamics may unfold in a more complex way than in the discovery view. While the issue of time is essential in entrepreneurship research (Bird & West, 1997), frameworks that allow for more complex temporal dynamics are much rarer than the linear time progression of the discovery view of opportunities. The framework of sites and enactments allows researchers to study parallel, circular temporal dynamics, as indeed we see them unfold in the case of TRoT. We see these dynamics in Mel and Bill's faxes and comments through which they continually return to the site of the initial conversation on the plane and rekindle the immediate enthusiasm, while searching for the "true" meaning of the this inspired moment.

Across enactments and sites, a multiplicity of voices are heard. While the discovery view clearly privileges the voice of the alert entrepreneur, there are no such privileges

given in the nominalist framework. As pointed out by Fletcher and Watson (2007), both loud and quiet voices are crucial for the creation and recreation of organizational identities. A fuller appreciation of the multiple voices may thus improve our understanding of entrepreneurial processes.

Finally, the enactments not only give different identities to the opportunity but also demonstrate the continuous formation of identity and subjectivity in the entrepreneurial activity (Down, 2006). Across the different enactments, both Bill and Mel struggle to establish their entrepreneurial (or non-entrepreneurial) identity. It is also clear that this effort is highly interactive and social in that both of them actively pursue feedback and recognition from the other in terms of the identities that they are trying to establish: Bill as the driven entrepreneur and Mel as what may be described as an ethereal mentor.

As a result of the increased complexity offered by the nominalist framework, it is possible to unfold more layers of entrepreneurial processes if they are thought of in terms of sites and enactments. A discovery view seems to unfold only a minority of the enactments and sites that we come across. Many folds are kept folded in if we look for *the* opportunity, *the* discovery, *the* evaluation, and *the* exploitation.

In terms of the ongoing debate concerning the nature of entrepreneurial opportunities, the nominalist framework offers an approach in which internality—in the form of individual identities—and externality—in the form of an opportunity—are produced in a series of enactment in different sites. In such a view, the opportunity is an effect of the entrepreneurial activity rather than a precursor to it. While such a view stands in opposition to the dominant view of entrepreneurship and opportunities, as an analytical tool, it offers a number of advantages. Firstly, it makes no prior assumptions concerning the individuals involved in the process. No voices are privileged over others, and no specific assumptions are made concerning entrepreneurs' identities and characteristics. Secondly, it does not rely on assumed entities (the entrepreneur and the opportunity) to explain the outcome of the process. Relying on such entities when explaining the process becomes a problem when these entities can only be identified post hoc (Singh, 2001).

As such, the nominalist framework will surely generate more complex and perhaps messy accounts of entrepreneurial processes. However, as pointed out by Law (2004), if the world is messy, we need messy methods to understand it, instead of reducing complexity in the (vain?) hope of finding generalizable correlations.

The complex descriptions that result from the nominalist framework have a strong narrative component. The sites and enactments are similar to the scenes of a play or a movie. Indeed, an enactment embodies the most fundamental narrative component—that of something/somebody doing something to something/somebody (Czarniawska, 2004). That is, in an enactment, an object is brought into existence as an object of knowledge, action, perception, etc. by those who partake in the enactment. As such, sites and enactments can be used at a very basic level to gain an overview of what happens in the process, the twists and turns of the process, the plot. Therefore, a nominalist account is by definition a genesis-story: a story about how the enterprising individuals and the opportunity came to be the way they are (Foucault, 2005).

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Rhythmanalyzing the Emergence of
The Republic of Tea

Karen Verduyn

Abstract

The chapter analyzes the process of the emergence and creation of 'The Republic of Tea' (TRoT) as an ongoing, dynamic process. The notion of rhythm as conceptualized and proposed by French philosopher Henri Lefebvre (1901 – 1991) is adopted for understanding the actions and events associated with the process of emergence and creation of TRoT in the temporalities in which they unfold. This is applied to the sequence of events and actions as described in the book *The Republic of Tea. The Story of the Creation of a Business, as Told Through the Personal Letters of Its Founders* (1994).

Introduction

The book *The Republic of Tea: The Story of the Creation of a Business, as Told Through the Personal Letters of Its Founders* relates of a sequence of events and actions over a duration of around twenty months. These events eventually result in the setting up of "The Republic of Tea" (TRoT), a company exclusively devoted to tea. The narrative begins when the "idea is born," on a sunny April morning in 1990. The book mainly consists of the faxes and letters that Mel Ziegler and Bill Rosenzweig (mostly) and Patricia Ziegler (to a lesser extent) have sent to each other during this period. The first fax is one sent by Bill Rosenzweig to Mel Ziegler dated April 7, 1990. The last one—also sent by Bill Rosenzweig to Mel Ziegler—is dated December 17, 1991. The company eventually was created on January 22, 1992.

In the book, numerous mentions of time and tempo are made: "fleeing the race-to-nowhere that had been my life, I tasted the joys of existence in a new way—sip by sip rather than gulp by gulp." (p. 3); "we were in a highly charged no man's land, outside space and time, where The Source of an Idea was revealing itself to us in its as yet unborn state." (p. 7); and "the life of tea is the life of the moment. We have only Now" (p. 16). The idea that manifested itself to Mel and Bill during their flight to San Francisco is in fact larded with references to time and pace. What's more, the initial

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idea *is* about slowing down, escaping from a life that "moved very rapidly" and was more of a "race to nowhere." Whereas the fast life is compared to coffee, the slower life—the life of moments—is the life of tea.

Mel Ziegler writes:

> I was in no hurry. When I started BR[1] I hurried, and I found out afterward that it would have been a lot more entertaining, and probably no less profitable in the long run, had I not hurried. At that point in my life hurrying made me feel I was getting more done, but the fact is I was more likely just making more work for myself. What is it about business that makes one forget that no matter how fast or slow one goes, no matter how straight or meandering the path, all business people end up in the same place, even if one gravestone happens to be bigger than another? (p. 51)

Given that this is the philosophy behind their idea, it is perhaps rather striking that Mel gets impatient with Bill at some point: "I found myself yearning for Bill to stop typing faxes and start starting the company.… Taking action, not talk about taking action, is the one absolute requirement to start a business" (p. 165). From the book, we learn that the emergence and creation of TRoT got off to a "flying start," slowing down in June and July of 1990, even coming to a complete stop after July 16, 1990, only to start again one year later, on July 16, 1991. In this paper, efforts are made to understand this apparent slowness in the creation of TRoT.

Carter et al. (1996) have contended that when it takes longer than a year for a venture to eventually emerge, it is unlikely that it ever will. Likewise, entrepreneurship research has emphasized the importance of speed in venture creation (Carter et al., 1996; Capelleras & Greene, 2008). This paper aims to contribute to a richer and deeper understanding of the temporal events (Capelleras & Greene, 2008, p. 318) associated with the emergence of a new venture. The book gives us a glimpse into what can very well have been the "everyday events" (Steyaert, 2004) associated with the creation of TRoT—an ongoing and dynamic process. "Rhythmanalysis" (Lefebvre, 2004) is proposed in this paper as a means to analyze the daily efforts—as portrayed through the book—connected with the setting up of TRoT. Lefebvre's rhythmanalysis will be introduced in the third section. But firstly, the extant literature on speed and time in relation to entrepreneurship will be presented and discussed. Section four will illustrate how the ideas of rhythm interact with the book. Lastly, these observations will be related to the extant knowledge on speed and timing in relation to entrepreneurship.

Speed, Time and Entrepreneurship

Time is crucial in understanding entrepreneurial behavior (Jaques, 1997); "temporal dynamics are at the very heart of entrepreneurship" (Bird & West, 1997,

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[1]BR stands for "Banana Republic," a former business of Mel and Patricia Ziegler.

p. 6). Time is "a valuable, if scarce, resource" (Capelleras & Greene, 2008, p. 317) in setting up a new venture. Capellera & Greene also argue that "prior research has emphasized the practical importance of speed in venture creation" but that "little is known about what factors influence the speed of venture creation" (p. 317). They define venture creation speed as "the time taken from the inception of the idea to the beginning of actual trading" (p. 318). In their study, Capelleras & Greene show that there is a positive relationship between prior entrepreneurial experience and speed, but that "business planning retards venture creation" (p. 317).

Since matters of time and timing are very much a matter of an (implicit) perspective on time (Bird & West, 1997), it is important to see what time perspective is in use. Capelleras & Greene (2008) affirm that their approach to time is a social constructionist one. According to Bird & West (1997), there is on the one hand a traditional perspective, one that is "grounded in western logic; where time is linear and scarce, faster is better, and the future is held to be more important than the past" (p. 5). They argue that there are also "alternative conceptualizations of time that offer compelling ways of understanding entrepreneurship" (p. 5), such as the social constructionist one that Capelleras & Greene (2008) claim has been in use in their investigation of factors that influence the speed of venture creation.

There seem to be two dominant views of time when it comes to the entrepreneurship phenomenon: 1) time as enacted, as socially constructed (and therefore controllable, as discussed in Fischer et al., 1997 and Capelleras & Greene, 2008) and 2) time as an (individual) orientation towards (or: outlook on, or: sense of) time (as in Das & Teng, 1997 and Bluedorn & Martin, 2008-- an *individual* temporal perspective. What all these studies seem to have in common is an implicit assumption that acceleration (speed) is a good thing, important even (Slevin & Covin, 1997). The TRoT book, however, invites an approach to time and timing that does not assume that speed (or even growth) is necessarily a good thing (indeed, the book is all about "slowing down"). Furthermore, as stated previously, I aim to develop an understanding of the process of creation and emergence of TRoT at the level of the everyday acts and events as portrayed though the book. This is why I propose to adopt Lefebvre's rhythmanalysis. His approach will be introduced and explained in the next section.

Rhythmanalysis

French philosopher Henri Lefebvre (1901 – 1991) has "rethought" several themes through the concept of rhythm; "Lefebvre uses rhythm as a mode of analysis […] to examine and re-examine a range of topics" (Elden in Lefebvre, 2004, p. xii). Lefebvre's rhythmanalysis is useful in two ways as far as understanding something 'in its everydayness' is concerned: "*le quotidian* means the mundane, the everyday, but also the repetitive, what happens every day" (Elden in Lefebvre, 2004, p. ix). Rhythm as conceptualized and proposed by Lefebvre is about understanding actions and events in the temporalities in which they unfold. Lefebvre's rhythmanalysis is however not about analysing flows of events as they happen chronologically (first this event, then the next) and not as them being a sequence of events having some pre-conceived or

retrospective goal as result (a teleological progression). An analysis such as Lefebvre proposes means that events should not even necessarily be understood as connected, as "one event leads up to the next" and not as a unitary, cohesive stream of events. Rather, there are always multiple rhythms to be discerned, each moving at their own pace, and time (as well as history) should sooner be understood in terms of moments or instants (Lefebvre has also referred to rhythmanalysis as the "theory of moments") rather than "durée" (duration)[2]. According to Lefebvre, it is in moments (a "niche in time") that the course of things (the rhythm) changes: "For Lefebvre, moments are significant times when existing orthodoxies are open to challenge, when things have the potential to be overturned or radically altered, moments of crisis in the original sense of the term" (Elden in Lefebvre (2004), p. x).

Lefebvre discerns between two types of repetition: linear and cyclical. These are in fact inseparable, for intertwined, but in analysing rhythm they should nevertheless be distinguished and separated. Cyclical repetition is about cyclic returns, about rotation, so to speak. An example is the day, forever starting with dawn. Or a monthly cycle, or a year etc. The linear type of repetition is consecutive, it is about the reproduction of the same *kind* of phenomenon, the same *kind* of activity. It is the repetition of time in the everyday that creates the repetitive organization of a daily routine.

Lefebvre's preferred mode of rhythm is a non-linear one. It is however (as has also been contended by Bird & West in 1997, see previous section) the linear rhythm that has become dominant in Western societies, since here "everyday life is modelled on abstract, quantitative time, the time of watches and clocks" (Lefebvre, p. 73). In association with clocks and timetables, time is visualized, spatialized and bounded, linear and sequential (Hosking, 2007). The time of the clock "was introduced bit by bit in the West after the invention of watches, in the course of their entry into social practice. This homogeneous […] time has emerged victorious since it supplied *the measure of the time of work*." (Lefebvre, p. 73).

The time of work, according to Lefebvre, is "subordinating to the organization of work in space other aspects of the everyday: the hours of sleep and waking, meal-times and the hours of private life" (p. 73). The time of work is an *imposed* time, creating (hourly, daily) demands, such as schedules, resulting in the repetitive organization of daily routine. Linear work rhythms are about progress (Burrell, 1994), where what is new is better than what is old, making progress goal-oriented, or *purposeful*. In work time there is a high rate of activity, schedules are fixed, calendars are dominant and time has exchange value ("if you give me a little time", in other words, "if you do this for me", "then I will do that for you", perhaps by means of another currency, for instance money).

Opposed to the imposed time of work is appropriated time (or: differential time) which is about temporalities that allow for different rhythms, the rhythms that break free from abstract repetition (Ivanchikova, 2006) which makes appropriated time about emancipation of time (emancipated from the dominant—mechanical—time).

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[2] In this respect, Lefebvre challenges Bergson (Elden in Lefebvre [2004], p. x).

The differentiated rhythm is actually a more natural one, where the everyday rhythmic structure comes closer to the body's needs and the cosmic cycles. The natural rhythm is a flexible one. It is not about productivity and busyness, but sooner involves "idleness", "futile" actions; it is a relatively slow rhythm. Rather than being an imposed rhythm, this rhythm is about spontaneity, about creativity, about pleasure (Ivanchikova, 2006).

Differentiated, natural time is the time of the individual, not imposed by societal demands, where time is something to be used at free will. Natural time is slower, because things take the time they take and just happen as they do. Efficiency or the schedule do not determine the end of the moment. There is a far lower rate of activity in the natural rhythm. Therefore, from the point of view of the linear rhythm, the natural rhythm would be immature, irresponsible even (Ivanchikova, 2006). However, it is in natural rhythm, that time becomes "the locus of possibility for the emergence of the new" (Ivanchikova, 2006, p. 157).

The difference between work time and natural time is illustrated by means of Table 1.

In the next section I will show how these ideas work out when looking at the daily efforts associated with the emergence of TRoT, as related in *The Republic of Tea*.

Table 1: Work Time Vs. Natural Time

Work time	Natural time
Imposed rhythm	Differentiated (emancipated) rhythm
(Societal) demands determine rhythmic structure	Time and rhythm are individual
Abstract, homogeneous time	Lived time
Schedules	Flexibility
Repetitive (routine)	Cyclical
"Progress," every movement has an aim or purpose	"Idleness," (seemingly) futile actions
Fast	Slow
The "fixed"	The "possible"
Time has exchange value	Time is resource
Separate from "leisure," or private time	Work time and private time integrated

Rhythmanalyzing the Emergence of The Republic of Tea

The first fax is one sent by Bill (Rosenzweig) to Mel (Ziegler), on April 7, 1990. What follows immediately after is a frantic repetition in the exchanging of new ideas, musings, thoughts and plans (Bill's). This period of frantic exchange lasts until April 30, when Bill and his family visit Mel (May 15). After this visit comes a renewed period of frantic fax exchange (May 7–12) until Mel takes a break (May 12–18). From May 20 until May 28, there is a less frantic exchange of faxes, particularly from Mel's side. During this period, Bill tries to formulate a plan for the partnership with Mel and Patricia while Mel is taking more leaves. Between May 28 and June 9, Mel and Patricia visit Bill. After June 9, the "interaction quieted and cooled" (p. 216), until "several weeks later my family and I moved to Mill Valley, California, and I began my new job in San Francisco as president of Clement Mok Designs" (Bill, p. 22). There is one more fax exchange, on July 16, 1990. One year later, on July 16, 1991, Bill sends Mel another fax. And then another on July 30, 1991. A period of renewed activity has commenced.

Even though the book narrates of the creation of The Republic of Tea as a *mutual* process instigated for the largest part by Bill Rosenzweig and Mel Ziegler, apparently there is simultaneous, or synchronic, recounting going on. For one, Bill and Mel evidently have their own flows of action, of which we only see so much as is related in their faxes and reflections. One could say that Bill's and Mel's rhythms connect—or interact—*from time to time*, mostly through their fax machines. There is more rhythm to Bill and to Mel than we learn about in the book. As well, notwithstanding that it is the interaction of Bill's and Mel's rhythms that is most prominent in the book, there are other rhythms as well. For one, this concerns the other people involved and mentioned in the book, such as Patricia Ziegler, Sam Rosenzweig, Zio Ziegler and Bruce Katz, although from the book, their rhythms seem to interact less frequently than Bill's and Mel's do. As well, TRoT has its own rhythm:

> Let's get things in the biggest perspective. There's you, there's me, there's Patricia, and there's TroT. We are *not* TRoT, TRoT is not us. TRoT has come to life, and it is its own entity, a living energy separate from us. It speaks for itself. It knows what it needs to realize itself. Our job here is to get out of the way and allow 'it' to be. If we can learn to listen to it, it will make perfectly clear what we are to do. (Mel's fax to Bill, May 6, 1990, p. 124)

There are numerous other flows that are not explicitly narrated of in the book, such as the somewhat ephemeral stream that has "brought" the idea to Bill and Mel (and provided them with "an inexplicable energy"). All these flows, or rhythms, move at their own pace: there is for example a difference in the number of faxes sent by either one (Bill sent 87 faxes during the entire process, Mel 53) that implies that there is more action (and thus a higher rate of activity) from Bill's side. But is this so? Why then does Mel complain about Bill's lack of tempo? And why is there a gap of one whole year ("arrhythm" in Lefebvre's terms)? Given that Bill is all about progress (Bill's

self-assigned title is "Minister of Progress"), why is there actually no progress made? It seems that from the book we can at least clearly discern between three rhythms: Mel's, Bill's, and TRoT's.

Mel

Mel's rhythm is an emancipated one:

> It was not in my then Tea Mind to actively involve myself getting another business started. I had stashed enough money in the bank to buy myself the time to smell the flowers for a few years, to reflect and read and write and raise my child. As much as I liked Bill and loved the idea of being in the tea business, I could see no reason to torture myself by going round and round in the mind-thick unreality maze necessitated by lawyers, accountants, and investors. (Mel, in an afterthought, p. 51)

Mel is free, his actions are his own choice:

> I was three thousand miles away from my two-year-old son, attending a conference on business and social responsibility. I kept looking at his photo during breaks in the sessions until, finally, I could not bear being away from him a moment longer. I called the airline and booked myself out on the next flight home. (Mel, p. 7)

He lives a natural, slow rhythm: "I think I'll sign off now and go brew a pot of something to calm me down" (Mel to Bill, April 13, 1990, p. 33) and

> I was in the living room, watching the sunrise, savoring the Keemun - Oolong's magic as its calm energy began to flow through my creaky morning body […]. When you come up here I want you to sit outside on the front porch in a rocking chair alongside me and watch the freighters come and go on San Francisco Bay. There is something about the way they move that tells everything there is to know about the movement of life. Unless you look very closely and do not turn away, you cannot see them move at all. If they are coming from the east, heading to the Golden Gate, they first appear on the horizon between the Bay Bridge and a ridge of Mt. Tamalpais. Then they crawl, passing Alcatraz and San Francisco, until they finally disappear behind the Sausalito hills. Watching these freighters, you can see the movement of time in space. (Mel to Bill, April 29, 1990, p. 107)

Mel explains why 'idleness' (or: 'not-doing' as he calls it) is so important for him and how it can be accomplished:

> Observing your odyssey brings me back to that "moment" when I myself became, truly, The Minister of Leaves. Many years before, I had been reading Lao Tzu, when suddenly he ambushed me with this stunning thought: "Practice not-doing and everything will fall into place." I hadn't the slightest idea what it was, but something about those words rang deeply true. Imagine: Doing nothing. And everything falling into place.… And so I set out with great determination to "do nothing." (Mel to Bill, October 13, 1991, p. 239)

According to Mel, not-doing, or idleness, makes things fall into place.

For Mel, work time and private time are (or: should be) integrated. According to Mel, there is a "socially condoned hypocrisy" associated with being in business (p. 270). This socially condoned hypocrisy, according to Mel, invokes a hierarchy, namely that "being in business" is elevated to "a station higher than being human" (p. 270). By this Mel means that "in our culture" (p. 270) a dichotomy exists between being and acting as a businessman and being and acting as "just a man." In terms of Lefebvre, this is similar to the dichotomy between work time and leisure time. Being (hu)man is associated with being decent, being warm, loving and generous, while being a businessman is compared to being "a wolf so I can get the better of you" (p. 270) and the "logic mind" (p. 271). For Mel, there is no difference between the one or the other: "in being a businessman, I find no license to do or be things I could not do or be as a man".

Bill

> Starting any business, no matter how modest or exploratory, requires capital. Like many startup ideas, this one was beginning as a 'bootstrap' where cash expenditures are kept minimal and time is 'managed' away from a regular job. I was doing this research on my own nickel and time, but was still in the position of having to work for a living. I needed to buy more time to follow this idea—not only to learn more, but to also discover if it was right for me. (Bill, p. 175)

Bill badly wants TRoT to materialize:

> "It seemed Bill Rosenzweig was ready to put it all on the line. He wanted The Republic of Tea started. He wanted it started so badly, in fact, that he had appointed himself The Minister of Progress to be sure it was done." (Mel, January 14, 1992).

However, something is holding Bill back, so that it appears that he is not making any *real* progress. What is holding Bill back? Could it be his background, his experience as a consultant (as suggested by Mel on pp. 166-167)? Or could it be his concerns and hesitations (will his wife understand? will he be able to do this?)? Could it be his constant

turning to others, for commitment, for approval, for funding? Or could it be his need to provide an income and thus to continue submitting himself to the rhythm of labor?

Bill's contemplations about whether to take a job or go on working on the concept for The Republic of Tea are recurrent:

> At the moment I am being pulled. And unfortunately for me, I guess, and for many, its root is monetary. I am pulled by opportunities that exist today for me that provide an income. These opportunities are real and tangible, although they lack many of the qualities that are important to me. I am pulled by the excitement and potential of our new endeavor. I believe in it. Yet it is unproven. It offers unknown potential and unknown failure. (Bill to Mel, May 7, 1990, p. 133)

Finally, in June 1990, Bill decides to start working for Clement Mok Designs (and thus succumbs to the rhythm of labor once more). And while Bill is working for Clement Mok Designs, no progress is made with TRoT:

> A year had passed since my last letter to Leaves. I had spent a busy eleven months with Clement Mok Designs, developing marketing programs and materials for clients. Although Clement and I hoped to get the tea company going during this time, our casual efforts amounted to nothing. Neither of us had the time or the energy to make it a priority given our other responsibilities running the design firm. (p. 223)

Through Lefebvre's rhythmanalysis we can attempt to understand why this was the case. The rhythm associated with labor is the mechanical, linear rhythm. And this type of rhythm is all about repetition, the reproduction of the same kind of activity and the "busy-ness of a goal-oriented movement" (Ivanchikova, 2006, p. 161). Even though it is goal-oriented, it is the rhythm of repetition and imposition, not of the emergence of the new.

Associated with Bill's need for an income is a reluctance to be idle, a fear for his actions to be futile. Bill's fear that his efforts are pointless or futile is mentioned more than once: "beyond these sorts of questions lurked an even stranger and unsettling concern for me" (p. 104), and "I arrive at these thoughts because when I look around my office I see the remnants of paths less traveled: projects I thought I would be working on at this points" (p. 111). For Bill, progress simply *has* to be made. And that is why Bill is concocting plan after plan, scheme after scheme, asking Mel's approval for suggestion after suggestion.

As well, according to Lefebvre, experience, or background, is actually a dangerous thing: experience is what helps create the daily routine, creating a dichotomy between the security of the old versus the unknown of the new. The security of the old favors a routine-like happening of events, as in things just going as they go. Maintaining a daily routine means to go along with the flow of things just going as they go. Breaking with

the daily routine means to intervene in it, to create something different, something new. In *The Republic of Tea*, there is mention of a dichotomy between "the plan" and "the flow" (Bill, July 16, 1991, p. 227), where the plan represents the intervention in the flow. The security of the old and the unknown of the new can actually produce a third dimension: the joy of the opportunity, the possible, which is what seems to happen to Bill. Nevertheless, the moment when Bill decides that he will actually jump right in after all, he needs to be aided a little, to be pushed:

> Fate has given me a healthy shove off the board and into the pool. Before my trek to Britain, I had managed to redesign my agency job to focus on only one primary client, leaving the remainder of my time for tea. On my return I learned that a management coup at my sole client's firm has led to the installation of a new president, a new cabinet, and a new agency. And no job for me. In a strange way I know this is the final push I needed. (Bill, October 13, 1991, p. 238)

Analogous to Table 1, the difference between Bill's (initial) and Mel's rhythms can be summarized as in Table 2.

Mel's rhythm is the emancipated one; Mel is free, living a natural and slow rhythm. Bill, on the other hand, is not free; he seems to live an imposed rhythm. Something is holding Bill back; (perceived) demands determine Bill's rhythmic structure. Whether these are Bill's monetary concerns, hesitations, or his constant looking for the approval and commitment of others, they call for an emancipatory move, for breaking with the ongoing flow of his routine. Where does this leave TRoT?

TRoT

TRoT has a life, a rhythm, of its own: "Think of The Republic of Tea as having always been here. You and I and the customers did not create it. It has always been here. It's just that we've only recently found it" (Mel, April 13, 1990, p. 21). The very idea of TRoT just "happens," comes to Bill and Mel *in a moment* (indeed, a "niche in time," Lefebvre, 2004):

> We were in a highly charged no-man's-land, outside space and time, where The Source of an Idea was revealing itself to us in its as yet unborn state. Time and space reappeared seven hours later, when we looked up and saw that the plane, on the ground in San Francisco, was empty. (Mel, p. 7)

From then on, TRoT's rhythm seems to manifest from time to time, and it keeps doing so through moments:

> "A friend is visiting me here in Sedona. We worked a good bit yesterday and then went for an absolutely amazing hike down the

Table 2: Bill's Rhythm Vs. Mel's Rhythm

Bill "Minister of Progress"	Mel "Minister of Leaves"
Imposed rhythm	Emanicipated rhythm
Abstract, homogeneous time (Bill: "Dear Leaves, when is the right time to start a business?" - October 22, 1991, p. 253)[3].	Lived time ("I wanted a direct experience of life" - p. 174).
Writes plans and "progress reports"	Literally leaves ("I decided to take off for a week at a meditiation retreat to clear my mind" - p. 170).
For Bill, every act, every movement seems to have to have an aim or purpose ("progress has to be made").	Mel loves "idleness", (seemingly) futile actions.
Make things happen	Let things happen
Higher rate of activity	Slower rhythm
Time has exchange value (Bill exchanges his time for money in order to provide an income).	Time is resource, to be used at free will.
For Bill, TRoT time is private (leisure) time, separate from work time, which provides monetary funding.	Work time and private time integrated.

> canyon to the creek. We hiked along the creek for a couple of miles, relishing the freshness of the air and water and the rustling of the wind. It was a cleansing and invigorating experience. On the walk it occurred to me that an important part of TRoT is serenity (tea). Our land must be designed to provide easy access to this state of mind.… (Mel, April 18 1990, p. 50)

There is another, perhaps more striking, recounting of such a moment:

> After an hour of nonstop, sweat-provoking cycling we reached West Point Inn, a historic cabin hidden in the rustic backcountry that now serves as a rest stop for bikers and cyclists. We almost fell off our bikes from exhaustion and made our way up the steep walkway that leads to the old wooden porch and entry. I was dizzy from the ride when

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[3]Mel's answer: "Dear Progress, never and always."

we hobbled in. The inn was empty and quiet. Soon a man appeared, wearing an apron. He approached us and kindly offered us not a glass of water, not a Coke, but a CUP of TEA! He brewed it from scratch, boiling the water, and serving us in china cups and saucers. Mel and I went for the tea. The others for a lemonade. Then he offered us a "Peanut Tea Cake." (I don't think I've ever been offered tea and a tea cake before, anywhere.) Here we were, overheated and exhausted, drinking a hot cup of peppermint tea in the middle of nowhere. I was stunned. I can't explain much more except to say that I took this mini tea ceremony on the mountaintop as some kind of confirmation that we were on the right track. (Bill, in an afterthought, p. 144).

These moments intervene on the flows of Mel and Bill interacting. As stated previously, these interactions also show repetition, a repetition in the exchanging of (new) ideas, musings, thoughts and plans (these latter ones predominantly from Bill's side). This repetition, these exchanges, are Mel's and Bill's. TRoT "itself" seems to just pop up from time to time. According to Mel: "A good business wants to be, Progress. A good entrepreneur allows it." (April 12, 1990, p. 17). Throughout the book it becomes clear that TRoT seems to have to "ride" on Bill's rhythm. And even though Bill is obviously gripped by TRoT ("I couldn't stop thinking, talking, or drinking tea. I was exhilarated by the idea of forming The Republic of Tea and was motivated by some inexplicable energy to make it happen. Basically I didn't sleep. Everything became tea for me" (Bill, 12 April 1990, p. 15)), he is also held back by the demands that make his rhythm an imposed one, as has been argued previously. According to Mel, "a business creates itself when the circumstances are ready for it. And if the people it needs to create it are not ready, or up to the task, it will wait" (p. 51). And so TRoT waits. As asserted by Ivanchikova, it is in natural rhythm that time becomes "the locus of possibility for the emergence of the new" (Ivanchikova, 2006, p. 157). This particular idea seems to have indeed needed an emancipatory move to turn into an actual venture. This move concerns the emancipation of Bill's rhythm, but also an emancipation from the repetition of the exchanges between Bill and Mel, even though "The Minister of Leaves waited for the tea business to snatch Bill away from the computer to get itself started" (Mel, afterthought, p. 122) and Mel tells Bill to "get out of the way and let this business tell you what it is" (May 9, 1990, p. 146). TRoT was only "ready to be born" (Mel, p. 291) when Bill started allowing things to happen, as with the natural rhythm.

Discussion

In this paper the notion of rhythm as conceptualized and proposed by Henri Lefebvre has been adopted for understanding the daily efforts associated with the process of emergence and creation of TRoT in the temporalities in which they unfold. Extant knowledge on time and timing in relation to entrepreneurship emphasizes the importance of understanding the temporal dynamics of entrepreneurial action

(Bird & West, 1997; Jaques, 1997; Capelleras & Greene, 2008). Likewise, extant knowledge stipulates the importance of speed in new venture creation (Carter et al., 1996; Capelleras & Greene, 2008). Apart from conceptualizations of time as linear and "given" ("clock time," (Bird & West, 1997)), there are other conceptualizations of time, such as time as socially constructed. In this view, time is not pre-given, but enacted, created during human interaction, and thus to be seen as (co-)created and multiple. This is also the case with Lefebvre: when applying rhythmanalysis to the emergence of TRoT, we indeed see multiple rhythms, each moving at their own pace. But what's more, when we look closely and carefully (Mel: "the opportunities in tea were screaming at anyone who could be quiet enough to sip and listen" (p. 51)), we see that the new venture also has its own rhythm. So, whereas Capelleras & Greene (2008) state that "very many entrepreneurial opportunities are time-sensitive, so that faster decision speeds may enable entrepreneurs to exploit opportunities before they varnish or become considerably less attractive" (p. 317-318), with TRoT, we see that "The Republic of Tea came to life when it was ready to be born" (p. 291). Conceiving of a new firm as having its own rhythm sheds a totally different light on the opportunity creation versus opportunity discovery debate in the entrepreneurship literature (as in Alvarez & Barney, 2007). With Lefebvre's rhythmanalysis opportunities are not to be seen as to be waiting impatiently to be 'discovered', or to have to be created within the time frame of one year (as has been asserted by Carter et al., 1996). Rather, opportunities are to be seen as creating themselves, albeit only when they get the chance to interact with other rhythms. And these should be rhythms that give them the space to grow. Until that happens, Mel asserts, opportunities patiently wait: "A business creates itself when the circumstances are ready for it. And if the people it needs to create it are not yet ready, or up to the task, it will wait." (Mel, in an afterthought, on p. 51). So, speed is important in venture creation—or is it?

Conclusion

> There is no formula for starting a business. It is an exercise as unique as the individuals who undertake it. Starting TRoT was an exercise in allowing things to happen. Yes, the business could have started sooner; yes, I could have taken a more active role; yes, I could have saved Bill a lot of "wasted" effort by helping to straighten out some of his loopier ideas; yes, yes, yes, to every possibility that was floated. But the underlying truth, the ultimate reality, is that had we *forced* anything, that very forcing would today be part of the business itself, and latent though it might be, it would surely one day be the beginning of the undoing of the business. What is put together by force will sooner or later come apart, if not by force then merely by itself. In conceiving and brainstorming and imagining TRoT, none of us ultimately wanted to force something that did not want to be—concepts, structures, relationships. Difficult as it was for us at times, we learned to listen to it. That is our proudest achievement (Mel, in an afterthought, p. 291-292).

In this paper, efforts have been made to analyze the daily efforts (actual acts and events) associated with the coming about of The Republic of Tea, as relayed in *The Republic of Tea*. When looking at these acts and events through Lefebvre's rhythmanalysis we see activities as they occur, as they are happening (or, in this case, have been happening), without presupposing that they should lead up to something, or should have been better off when they had been conceived in another manner (such as presupposing that they should have happened sooner or faster). Rhythmanalysis analyzes events just as they are. This is the manner in which I have wanted to add to the existing knowledge on time, speed and entrepreneurship. With Lefebvre's rhythmanalysis we can see that the setting up of a new venture is not one homogeneous flow of action, we can discern the multiple rhythms, and we can see that the incumbent firm also has its (own) rhythm. The TRoT story seems to teach us that what is more important is an emancipation of the rhythm of routine. And that a business is not created, but that it creates itself, by interacting with other rhythms. And that it does so in its own good time.…

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A Narrative Analysis of Idea Initiation in
The Republic of Tea

Bruce T. Teague

Abstract

This article employs narrative analysis of *The Republic of Tea* to explore the issues surrounding idea initiation. Idea initiation refers to the recognition on the part of potential entrepreneur(s) that an as-yet undiscovered or uncreated business opportunity may exist within a defined product or service domain space. Dialogic/performance analysis is paired with visual analysis to explore how an idea survives prior to the existence of any extrinsic rewards. The article concludes by discussing the importance of personal life spillover, emergent role definitions, intrinsic motivation, and effective communication as each affects idea initiation in *The Republic of Tea*.

Introduction

> If scholars talk about opportunity in certain ways, it is likely that
> our language will constrain our ability to consider other possible
> meanings that might be used by others, particularly those individuals
> who engage in the phenomenon of opportunity: entrepreneurs.
> What do they talk about when they talk about opportunity?
> —Bill Gartner, Nancy M. Carter, and Gerald E. Hills (2003)

Opportunity is central to the study of entrepreneurship; this seems clear enough. Important scholarly contributions have asked, "What is an entrepreneurial opportunity?" (McMullen, Plummer, & Acs, 2007). Is opportunity discovered or created (Avarez & Barney, 2005)? Is opportunity sought out with intent, or can it be stumbled upon accidentally (Shah & Tripsas, 2007)? Is opportunity a function of prior knowledge and experience (Shane, 2000)? And, as per the quote that introduces this article, "Does the language we, as scholars, choose shape the description that entrepreneurs provide us of opportunity as discovered or enacted? (Gartner, Carter,

& Hills, 2003)[1]. Additionally, Shane and Venkataraman (2000), in attempting to establish boundaries to the field, stated, "The field [of entrepreneurship] involves the study of sources of opportunities; the processes of discovery, evaluation, and exploitation of opportunities; and the set of individuals who discover, evaluate and exploit them" (p. 218).

Among the myriad of issues emerging from this broad interest in opportunity as central within the study of entrepreneurship, there has been a natural tendency on the part of some scholars to inquire into or speculate upon the cognitive processes which lead to the creation of new business (e.g., Baron, 2006; Gaglio & Katz, 2001; Sarasvathy, 2001; Casson & Wadeson, 2007; Shah & Tripsas, 2007; Shepherd, McMullen, & Jennings, 2007). For instance, Sarasvathy (2001) posited effectuation processes as an alternative to traditional causal-style reasoning by entrepreneurs creating new businesses. Casson and Wadeson (2007) suggest a sequential process for modeling discovery of opportunities in which entrepreneurs first identify one or more fields within which to focus their search. After identifying a subset of the opportunity universe, as it were, the entrepreneur then begins appraising "potential projects" based upon observable characteristics[2]. Gartner et. al. (2003) used the PSED dataset to inquire into the cognitive primacy of the desire to start a business versus the recognition of a business opportunity. Shane (2000) explored the relationship between cognitive priors and opportunity recognition using opportunities generated from a single technological innovation. And Shah and Tripsas (2007) clarified the role of intrinsically motivated problem solving in leading user-innovators through the early creation process prior to the seeds of business start-up even being planted.

Clearly, we are interested in how entrepreneurs think about business start-up, which means we should also be interested in what they say about the business start-up process (Gartner et al., 2003)—especially to each other when start-up involves multiple entrepreneurs. More specifically, how do they think about the business start-up experience as they are undergoing it? Few if any studies have been able to examine the decision-making process as it occurred in real-time—not as recollected by participants in some future retelling. We should be interested in what we can learn from the dialogue of emergence.

To be clear, studies based upon the recollections of key start-up participants (e.g., Shah & Tripsas, 2007; Baker & Nelson, 2005) have allowed valuable insights to the process of entrepreneurial opportunity development; however, they do not facilitate the nuanced study of opportunity at the conversational exchange level of analysis. Even the notable work of Shane (2000) provides its best insights at the level of analysis of the opportunity. Therefore, the question for the current article is: What can we

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[1]These are only a few out of many exceptional examples that could have been chosen to illustrate this point.

[2]Casson and Wadeson (2007) argue that new business opportunities are best modeled as potential projects.

learn by examining real-time dialogue constructed between individuals who embark on the creation of a business together?

By conducting a narrative analysis of the conversations that occurred between partners during the early conception of The Republic of Tea, I hope to generate insights into the following issues:

How were cognitive processes enacted during the idea initiation phase of this business start-up?

How are causation and/or effectuation processes used/selected in the creation or discovery of a business opportunity?

What unique challenges face a business start-up when a team of individuals attempt to start a business together?

The challenges facing scholars interested in studying the dialogue of emergence consist of timing, presence, and preservation. The dialogue exists in the moment it is uttered and if not captured at that exact time, can only be estimated through recollection and thus is subject to increasing recollection bias with time. Therefore, the scholar, or another similarly interested individual, must be present at the time of the dialogue throughout the complete process, not intermittently. This almost requires an aware participant in the start-up with an interest in preserving the dialogue as it occurs. And finally, it requires that action be taken to preserve the dialogue in its original form. By default, this combination of necessary conditions makes adequate data for narrative analysis incredibly rare.

For this reason, the data presented in *The Republic of Tea* lends itself to the kind of fascination for entrepreneurship scholars that a paleontologist might find in a rare fossil record. In this text, we are not limited to the recollections about how a business began, but rather are privy to the actual communication exchanges that took place. Such hard records are not subject to the same limitations of human memory as are recollections of past years' events. Thus, when I first received the call for the inaugural issue of *ENTER*, and after reading *The Republic of Tea* for the first time, I recognized this as a wonderful opportunity to explore issues surrounding idea initiation, which I will differentiate from opportunity recognition next.

Opportunity recognition has been well defined within the literature with significant attention given to the individual/opportunity nexus view, which focuses on the discovery and exploitation of business opportunities (Kirzner, 1973; Shane & Venkataraman, 2000; Shane, 2003). Alvarez (2005) has further distinguished creation opportunities from discovery opportunities on the basis of assumptions about subjectivity/objectivity of opportunity, risk versus uncertainty/ambiguity bearing on the part of the entrepreneur, and creation versus recognition of the opportunity.

As conceived in this article, "idea initiation" temporally precedes opportunity-related action on the part of the entrepreneur(s) regardless of whether it results in a discovery or creation-related business opportunity. It is important to recognize from the outset that I view idea initiation as an independent event in some definable subset of the universe comprising all entrepreneurial start-ups. As such, it is consistent with the first stage of the Casson and Wadeson (2007) model, which they call "discovery." [3]

Therefore, idea initiation, for the purposes of this article, refers to the recognition on the part of potential entrepreneur(s) that an as yet undiscovered or uncreated business opportunity may exist within a defined product or service domain. Intellectually, idea initiation finds closer kinship with the term "entrepreneurial potentialities" than with opportunities. Potentialities differ from opportunities in that because they "are not yet actual, measuring them objectively and prospectively at the level of an individual entrepreneur poses daunting challenges" (Shane, Locke, & Christopherson, 2003, p. 261). With the term idea initiation, I extend this notion to include an agreement on the part of potential entrepreneurs to search a broadly defined business space with the intent of specifying a potentiality to the point of actual opportunity. As such, this term conveys a sense of commitment and action on the part of actors.

Before tying this concept to the data provided in *The Republic of Tea*, I should be careful to also differentiate idea initiation from early stages of opportunity creation. In creation theory, "opportunities are created through a series of decisions to exploit a potential opportunity" (Alvarez, 2005, p. 7). Idea initiation, as conceived here, occurs prior to any decision to exploit the potential opportunity. It occurs during the socially emergent process in which the agreement centers on two issues: 1) the agreement (individually or collectively) to search for a business opportunity; and 2) agreement on a subset of all potential product or service categories in which the search shall take place.

As such, whatever we may learn about idea initiation is expected to complement and extend that which is already known about opportunity identification by generating understandings about how social actors come together to search for a business opportunity.

Idea initiation, by virtue of its occurrence at the very instant in which the desire to seek a business occurs, would be difficult to explore through traditional or paradigmatic methods. By the time an individual can identify themselves for further study, they have already gone through idea initiation. As such, narrative analysis and the data contained within *The Republic of Tea* represent a unique and rare chance to explore this issue. I will expand on the appropriateness of narrative techniques for exploring this question further below; however, it is worth noting that *The Republic of Tea*, as a narrative document, benefits us in that it is written predominantly from the performative rather than reflective style. By performative I mean that most of the dialogue is performed for the recipient of the exchange, to which we are privy because: a) the majority of communication between the two central actors occurred via an exchange of faxes; and b) Mel Zeigler kept copies of these faxes which are then presented to us in largely unedited form.

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[3] Though the term "discovery" suited the context of the formal model Casson and Wadeson (2007) offered in their article, the use of that term in the current research context would add more confusion than clarity to the purpose and contribution at hand. Furthermore, from the perspective of narrative analysis of action and intent on the part of the entrepreneurial start-up team, idea initiation seems to more accurately capture the process that is observed throughout the time period that bounds this study.

Performative dialogue is created with an awareness of the influence chosen words may have on the recipient, but are not subject to the memory fallibilities to which reflective dialogue (occurring after the event based upon the recollections of the speaker) may be prone. As such, we are free to ask questions about how different aspects of the idea for creating The Republic of Tea (TRoT) emerged, as opposed to asking how an actor remembers them emerging. My question of interest is one of exploring the emergence of an idea more so than the reflective experience of the actors. (It should be noted that small sections of the book are written in the reflective form. These segments, including the preface, serve to establish context and to move the story forward, as well as to grant some insight to the contradiction between thought and action on the part of key actors. These segments, being reflective, must be considered with an explicit awareness of the additional biases to which such *ex post* additions might be subject (Graves, 2006; Reissman, 2008).)

As I use the data provided in this text to explore idea initiation, I do not limit my query solely to the moment in which agreement and search space are defined. Rather, I analyze dialogue throughout the time period in which the idea emerges and takes a form that might conceivably lend itself to a creation process. Within this window, I explore the emergence and communication of role identities, power relationships, and social relationships that define, and in some cases perhaps inhibit the beginning of formal opportunity creation.

I am making several assumptions as I pursue this analysis. First, I am accepting that the faxes presented in the text of the book are largely unedited with the exception of minor removal of otherwise superfluous or explicitly personal material. As such, I assume that I am reading the dialogue as it took place, accurately recorded. Second, I am assuming that the faxes represent the significant majority of communications between the two central actors (Mel Zeigler and Bill Rosenzweig), though we know some conversations did take place by phone. Third, I am assuming that Patricia Zeigler's visual contributions to the dialogue are her independent contributions and may be interpreted as representing her unique contribution to early business exploration. Fourth, I am assuming that communications occurring between actors within this text were created for purposes of the immediate discussion taking place, and not with an explicit intent to present themselves to a later book audience. (This assumption is more critical than it might appear in that Mel Zeigler explicitly suggests this book as an offshoot of TRoT development at a very early stage.) Fifth, and finally, I am assuming that idea initiation often involves multiple individuals. Thus by understanding these early socially emergent dynamics, we can better inform scholarly pursuits relevant to a meaningful proportion of eventual start-ups (i.e., the general nature of events taking place in *The Republic of Tea* is not unique to this one start-up).

In the next section, I will discuss the use of narrative methods using *The Republic of Tea* as data. Within this discussion I will consider narrative analysis as a group of analytic methods and identify two specific techniques employed in this analysis. I will then set the stage for analysis of *The Republic of Tea* by presenting a brief overview of key actors, including important facts that contextualize the text data presented later. Once the stage has been set, so to speak, I will then begin my analysis of the text

within the time frame immediately relevant to my notion of idea initiation. Finally, I will conclude with a discussion in which I present a set of general conclusions while also considering the findings as they might be useful to scholars, educators, and professionals interested in entrepreneurial venture.

Narrative Analysis of The Republic of Tea

Narrative analysis refers to the systematic study of narrative data; narrative data refers to the empirical materials or objects for scrutiny (Reissman, 2008, p. 6). Narrative analysis is distinguished by an explicit focus on sequences of action (Riessman, 2008). Abbot (1992) extends this point by specifying that those engaged in narrative analysis focus on "particular actors, in particular social places, at particular social times." In other words, "narrative analysts interrogate intention of language—*how and why* incidents are storied, not simply content to which language refers." (Riessman, 2008, p. 11).

According to Yuval-Davis (2006), the narrative is directly linked to the process of individual narrative creation. Graves (2006) expands this notion in his discussion of the relationship between social and collective identities and the personal identity, with the former providing a basis for the construction of the latter. Therefore, the construction of a collective or social identity is very much related to one's construction of self-identity. Within narrative discourse individuals revise and edit the remembered past to square it with our present idenities (Reissman, 2008, p. 8).

These last two points raise a concern with incautious use of narrative methods in that people have incentives to portray themselves in a positive light, which may lead to the storyteller attempting to mislead the reader or audience. However, on the positive side of the argument, Mishler (1996) suggests that the case-based approach restores agency and consciousness to actors being investigated. He continues this line of reasoning to argue that case-based methods are no less scientific than traditional variable centered statistical approaches.

Though the careful use of narrative analysis can lend insight to otherwise marginalized problems, it must be further recognized that it is not a singular method, *per se*, but a collection of methods. Riessman (2008) distinguishes four general approaches to narrative analysis: thematic analysis; structural analysis; dialogic/ performance analysis; and visual analysis.

Thematic analysis, the most common approach, is distinguished by an exclusive focus on content. According to Reissman, primary attention is placed on what is said, as opposed to how, to whom, or for what purpose. Data are interpreted in light of themes developed by the investigator. It is accepted that these themes are influenced by both prior and emergent theory, the purpose of the investigation, and the data themselves.

Structural analysis looks at how a narrative is constructed to achieve the aims of the narrator (Reissman, 2008, p. 77). It focuses on how a speaker attempts to persuade a listener that a sequence of events really happened. In this form of analysis, attention shifts from what has been told to the actual telling of the story. The advantage of

structural analysis is that it adds insights beyond what can be learned from referential insights alone. There are many ways in which a story might be told. In this approach, investigators attempt to understand how one particular set of choices was made by the storyteller.

In "dialogic/performance analysis" the investigator makes selective use of elements of both thematic and structural analysis, while also adding other dimensions (Reissman, 2008, p.105). The role of the researcher is to interrogate how an exchange between speakers is interactively produced and performed. She cautions, however, that more than either thematic or structural analysis, dialogic/performance analysis requires close reading of contexts in which the story is generated (p. 105). This approach to analyzing narration focuses on questions such as who an utterance may be directed to, when, and for what purposes. This approach builds on Goffman's (1963, 1969, 1981) development of symbolic interaction theory. "It accepts that we are continually composing impressions of ourselves, projecting a definition of who we are, and making claims about ourselves and the world that we test and negotiate with others" (Reissman, 2008, p. 106).

Finally, visual analysis recognizes that verbal discourse is only one avenue through which human communication takes place. Aesthetic representations often are used to communicate, as well. In visual analysis, these aesthetic representations are used as the data for analytic purposes (Reissman, 2008, p. 141). We might ask how and why the image was created; we might investigate the intended meaning; or, we might ask what alternative meanings could be interpreted from the image.

One of the fascinating elements of *The Republic of Tea* as data is that it lends itself to any or all of these analytic approaches. In the current paper, I make use of both dialogic/performance analysis and, to a lesser degree, visual analysis. This combination of techniques allows me to extend the analysis beyond the exchange between Mel Zeigler and Bill Rosenzweig, to include Patricia Zeigler. This is important to the current investigation as she is clearly one-third of the initiating team beginning immediately after the taxi ride/plane flight during which Mel and Bill first became acquainted.

Setting the Stage for The Republic of Tea

In this section, I will briefly set the stage for the analysis of *The Republic of Tea*. This will answer basic questions such as: Who are the key characters? What do we know about them? This overview is intended only to provide a basic introduction to the narrative participants and to identify a few basic facts that might be important to understanding later interpretations of dialogue presented. These facts include their age, prior experience, financial situation, and family obligations. I do not pretend that this represents an exhaustive list of attributes which might be important to understanding the data, but rather present this information so that readers of this article who have not also read *The Republic of Tea* might better participate in the remainder of the article.

There are three individuals who play primary roles during the idea initiation stage. There are also four other individuals who have direct or indirect influence on

the story as it is presented. The primary actors are Mel Zeigler, Patricia Zeigler, and Bill Rosenzweig. The secondary actors are Bruce Katz, Faye Rosenzweig, Zio Ziegler, and Sam Rosenzweig. Relevant information is included for each of the three primary actors who contribute to the narrative data. In parentheses I have included their title within *The Republic of Tea*.

Mel Zeigler (aka Minister of Leaves):

Mel co-founded Banana Republic and sold his stake in that company prior to initiating the current venture. His age is estimated as mid-forties at time of narrative. Presumably, he is at least modestly wealthy due to selling his ownership stake in Banana Republic. References to his home, lifestyle, etc. support this assumption. Additionally, he and his wife, Patricia, have a young son, Zio.

Patricia Zeigler (aka Minister of Enchantment):

Patricia also co-founded Banana Republic and sold her ownership stake in the company prior to her reincarnation as The Minister of Enchantment. Like Mel, her age is estimated as early to mid-forties at time of narrative. Similarly, she is presumed to be comfortably wealthy due to selling her ownership stake in Banana Republic. Again, references to her home, lifestyle, etc. support this assumption. Finally, she has a son, Zio, with Mel.

Bill Rosenzweig (aka Minister of Progress):

Bill is approximately thirty at beginning of the narrative. When he first meets Mel, he is Vice President of Nakamichi. Unlike Mel and Patricia, the information provided does not lead us to conclude that he is wealthy. Furthermore, he appears to be the sole financial provider for his family, including his wife (Faye) and son (Sam).

Idea Initiation for The Republic of Tea

The story of The Republic of Tea begins on April 7, 1990 with the initial meeting of Mel Zeigler and Bill Rosenzweig. These two actors facilitate the majority of the direct fax exchanges, and find themselves at the center of the later emerging social network of relationships between themselves and other friends and family members throughout the development of this project. Their initial meeting took place at the end of the Social Venture Network conference when they shared a car to the airport. In the book's preface, Mel Zeigler reflectively describes the meeting:

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[4]My coding procedure for all narrative dialogue begins with the first name of the narrator, identifies the source—a date indicates a fax exchanged on that date—and the page number in the book from which the narrative was taken. All dialogue is presented in italics to differentiate it from my own commentary.

(Mel, Preface, p.7)[4]

> *We struck up a conversation in the car to the airport, a conversation that became so quickly intense that it obliterated everything else around us as we negotiated through check-in procedures and boarded the aircraft. We immediately rearranged our seats so that we could sit together. Strangers on a plane speeding at 35,000 feet across America, we found ourselves in the grip of an energy that was clearly overtaking us." … "The Source of an Idea was revealing itself to us in its as yet unborn state. Time and space reappeared seven hours later when we looked up and saw that the plane, on the ground in San Francisco, was empty. By then it was apparent The Idea had been born—in us.*

Though an opportunity—per commonly accepted and earlier defined usages in the extant literature—had not yet been discovered or created, by the end of this flight it appears that an implicit agreement had been reached to jointly search for an opportunity within a broad space defined generally by tea. Thus, without a known business opportunity, these two individuals had already negotiated an area within which they would attempt to find an opportunity. An industry in which neither had prior experience, except as a somewhat dissatisfied customer, emerged collectively as the focus of their future entrepreneurial energies.

The early expectations on the part of Mel that influence some of the later narration is established again reflectively in the preface.

(Mel, Preface, p. 11)

> *By the time we landed, we were wholesaling, mail-ordering, and selling tea in 150 retail stores in the best locations in America. We were the premier merchants of green tea in the West, we were appealing to the public to throw away their tea bags in favor of loose tea, we were introducing people to notes they never thought possible in black tea, we were helping people to discover their own paths to longevity with herbal teas, and we were unleashing a new way of life in America. Our secret and subversive agenda was to bring Americans to an awareness of "Tea Mind," in which we would all come to appreciate the perfection, harmony, the natural serenity, and the true aesthetic in every moment and natural thing.*

Though they have not yet explored tea as an actual business, they have nonetheless envisioned a vast empire of great social importance. They are not simply intending to procure and sell a better quality of tea, they intend to change the mindset of Americans: to increase the appreciation of the moment. At minimum we may appreciate that Mel had already established expectations through which success would be defined not

simply by net profit, but by an ability to touch people and change lives for the better. Mel further confirms this interpretation:

(Mel, Preface, p. 11)

> *When we parted ways at the airport, Bill, I later realized, had the upside-down impression that I was recruiting him for a job. It was one of the rare mistakes he's made in the nearly two years since I've known him. The fact is, I was recruiting him for a cause, and it was not my cause, but the cause of tea."*

Beginning with the first exchange of faxes (on April 7th, 1990) we witness the initial negotiation of personal roles within the socially contrived entity, and we witness the early emergence of expressed power within the relationship.

(Bill, April 7, 1990, p. 13)

> *If you have to boil it down into a single phrase, what is the philosophy behind The Republic of Tea?*

Response: (Mel, April 7, 1990, p. 13)

> *To show, through the metaphor of tea, the lightness of taking life sip by sip rather than gulp by gulp.*
>
> *What would you say is the business behind the philosophy?*

In this very short initial exchange, three key points may be observed. First, they have a name for the business though they have not actually identified a business opportunity. Thus, they are driven by that which they would like to do (an intrinsic motivation), as opposed to a perceived and previously unattended opportunity for entrepreneurial profit (an extrinsic motivation). Second, roles within The Republic are already being negotiated. Bill explicitly defers to Mel with respect to defining the philosophy (or vision) of the business. Mel, on the other hand, explicitly defers to Bill in developing the actual business to execute the philosophy. Finally, this exchange appears to signal the beginning of a perception on the part of both actors that Mel implicitly owns the idea of The Republic of Tea. This notion is further confirmed shortly following the faxes on April 7.

(Bill, April 12, 1990, pp. 14-15)

> *Leaves, you are clearly the "voice" of The Republic.*

> *On to practical matters. Needless to say, I'm all fired up. I just got back from the health food store, where I purchased a variety of beverages to taste and discover. I want to become familiar with everything that's on the market—how it's made, presented, and distributed.*
>
> *You tune the voice and I'll look for the ground to put our feet on.*

Beyond the additional confirmation that Bill is deferring to Mel as "the voice of The Republic," this fax sheds light on two other aspects of this early idea initiation at TRoT: First, we begin to see that Bill's natural inclination is to initiate the business idea following the business school style, using market analysis to identify an available niche or position. Perhaps more importantly, this statement indicates that though the men have committed to idea initiation in a business somehow related to tea, they know almost nothing about the business.

As the story continues to develop it becomes obvious that Mel and Bill have very different mental models about translating idea initiation into opportunity creation. Mel's approach tends to assume that there is sufficient market out there that success is simply a matter of coming up with a concept that is sufficiently desirable to attract a portion of the existing and potential market base. This concept must be coupled with an adequate product in order to establish a viable business enterprise.

Bill, on the other hand, tends to exhibit greater concern with defining the specifics of a working business and a known niche in which they can defend a predictable entrepreneurial profit.

In spite of this early role definition, there is an emerging misunderstanding about what roles each might play if the idea makes the transition to opportunity. Bill appears to believe that Mel intends to participate in running a new business enterprise.

(Bill, April 12, 1990, p. 18)

> *There are many paradoxes about becoming a merchant in our consumer-laden society (at a time when I think we have too many merchants). This is why it made so much sense to me when you said on the plane "if I were ever to go back into business, the only thing I could sell is tea."*

It is easy to understand how Bill might perceive this earlier statement to be an indication of intent to run the business. However, on the same day, Mel communicates his intended role (and that of his wife Patricia) via an analogy to filmmaking:

(Mel, April 12, 1990, p. 16)

> *Think of what we are doing as a production that we are going to call The Republic of Tea, written by The Minister of Leaves (Mel), designed by the Minister of Enchantment (Patricia), produced and directed by The Minister of Progress, and starring its customers.*

There are clues in this statement that Mel's image of his role may have been well-formed from the beginning, but inadequately communicated to Bill. On the one hand, Mel's metaphor places he and his wife in design roles, but clearly indicates production and direction (i.e., running the business) are Bill's responsibilities. However, the phrases "what we are doing" and "we are going to call", could easily be read as indicating partnership in the venture.

(Bill, April 12, 1990, p. 15)

"You tune the voice and I'll look for the ground to put our feet on."

Two terms stand out in this phrasing: First, "You tune the voice" appears to indicate that Bill is deferring to Mel in directing the early definition of this business. Second, "I'll look for the ground to put *our* feet on." The use of the term "our" indicates Bill's impression that this is a shared business venture.

In spite of this, Mel does appear to have clarified, at least for himself, the role he intends to play if TRoT becomes a business.

(Mel, April 12, 1990, p. 16) At this stage, Mel makes a clear statement of his priorities and motivation:

> *Our task is to find a product and create a style of marketing that lures people who are living crazed coffee-style lives and then transports them through our metaphor of The Republic of Tea to a new place of calm and contentment. Tea Mind! That's what this project is all about for me.*

(Mel, April 13, 1990, p. 23)

> *Merchandising Possibilities Are Endless.*
>
> *The packaging is our greatest propaganda tool. What we do with it should enhance the effect of the tea through suggestion. The last thing we would want is for people to swill tea as they do coffee. If our graphics and our words are a true expression of our own inner experience of tea, the customer will feel for herself that the tea is a door to the ineffable quality of Big Silence.*

Mel's mind seems to work predominantly via the use of contrasts. On page 24 (top), he again draws on contrast in looking at the artistic psychology of Western artists (American and Europeans) with that of oriental (more specifically, Chinese) artists.

Separately, we begin to see how personal interests spillover to shape the idea initiation process in the business sphere of individual's lives. For example, in the

personal sphere of his life, Mel has developed an interest in Taoist philosophy: On page 24 he explicitly references Chuang Tzu, whose Taoist philosophies are developed in a book by the same name. Beginning on the bottom of page 24 and continuing to the top of 25, Mel begins playing with a conception of TRoT as Chuang Tzu's "time before history". Mel explains this reference to Bill as follows:

> *Incidentally, the reason Chuang Tzu called this the "time before history" is because it was an era that came and went without leaving a trace of itself. Since nothing went "wrong," nobody had any reason to write anything down. It was lived, not recorded. That is until Messrs. Progress and Leaves appeared to tell everybody it still exists, and has all along in The Republic of Tea.*

In this statement, beyond the spillover from personal life interests to business idea initiation, Mel conveys a personal ambition for TRoT to have a philosophical influence on all people who enter its realm.

(Mel, April 13, 1990, p. 25)

On page 25, Mel extends his role into that of Bill's Minister of Progress domain just enough to present an organizational structure for the business, in which each product segment is its own "ministry." The point of interest in these quotes is actually the tone chosen: it is directive in nature.

> *Items are sold by ministries: There's a Minister of Cups, a Minister of Pots, a Minister of Gardens, etc.*

> *Information about the effects of various teas comes from The Minister of Health…* (Side note: this position still exists for this purpose.)

Though Mel may not want to actively run a business, his language is not chosen to be read as a suggestion for business structure, but rather as a directive. In so doing, Mel once again communicates implicit leadership of this venture in this manner.

(Bill, April 13, 1990, p. 27)

On April 13th (p. 27) we first experience Bill's philosophical bases and motives as they influence his contributions to this idea initiation phase.

> *Tea Time in itself is a powerful idea. In The Republic of Tea we quietly keep pace with our inner clocks. Americans have never caught on to the tradition of the siesta, the prolonged break, the afternoon tea. Our culture is all about fifteen-minute coffee breaks. Grab it and go.*

> *In The Republic of Tea the aesthetic of simplicity prevails. Things are neat, economical. We believe in "The Moment That Never Ends," so we build things to last. Quality exudes from every item we craft.*

In contrast to the explicit influence of Taoism on Mel's thought processes related to TRoT, it appears that Bill is philosophically influenced by Henry David Thoreau—his focus on simplification in life and on economy. These are key tenets from Walden. This influence could be limited to Thoreau, or could be more broadly linked to an interest in the early American Trancendentalist movement begun most centrally by Thoreau's mentor, Ralph Waldo Emerson. There is insufficient data from which to do more than speculate as to origins in Bill's case.

(Patricia, April 15, 1990, pp. 28-31)

As early as April 15th, we are exposed to the emerging role of the Minister of Enchantment (Patricia). At this time, we develop a better notion of her role and growing interest in the business. Though her explicit role (Minister of Enchantment) is one of creating the visual representation of the organization and its various user interfaces (such as product packaging), she uses this medium to shape and define the emerging business. Our first specific example of this is when she uses her drawings to suggest tube style packaging (still a visual hallmark of The Republic of Tea on shelves today). Additionally, she begins to translate her packaging ideas into specific product formulations and names (e.g., Monkeying Around Tea, Cat Napping Tea, Pregnancy Tea, Patience Tea, etc).

Patricia's inclination for visual communication facilitates two minor observations. First, she tends to fax only handwritten and drawn pages. This is in contrast to the typed memo format adopted by Mel and Bill. Also, she uses her visual medium to grant her "ministry" a certain degree of legitimacy: she has developed a logo for her ministry (page 31 of *The Republic of Tea).*

(Bill, April 15, 1990, pp.34-35)

Also on this date, we discover one of the few instances in which we must apply visual analysis to content submitted to the narrative by Bill. His early mock-up of an organizational chart for The Republic of Tea yields significant insight into his perceived role and the confusion that it might cause in actualizing a business start-up. In this initial organizational chart, Bill visually communicates his perception of himself as an immediate subordinate of Mel Zeigler (i.e., Bill's box is located directly below that of Mel Zeigler with a vertical line connecting the two).

(Bill, April 15, 1990, p. 29)

Bill's identity in the idea initiation process is beginning to emerge as a responsibility for translating the vision into a marketing strategy. In his first attempt, he suggests

translating the children's teas niche to "Little People's Teas." This represents one of his early attempts to stretch the reach of his participation into the vision development activities. Mel's response (pp. 32-33) is interesting:

> *…I think LITTLE PEOPLE'S TEAS isn't a bad name for the line. Or maybe, CHILDREN OF THE REPUBLIC.*

In this quote, Mel both evaluates and offers approval of Bill's idea, but then also proceeds to offer a renaming. As such, he uses language again to reinforce his dominant position in the emergent power relationship that forms the foundation for this idea initiation. (Note: at this time, one might argue that TRoT is moving towards potentiality and into the idea creation phase. I would suggest that this transition actually occurs a bit further along in the narrative (around April 18th, 1990, though the business does not actually start-up until December of 1991). Clearly the relationship between this concept of idea initiation and that of opportunity creation has been defined earlier in this article in such a manner that one would expect a gradual rather than punctuated transition between these phases. We do, however, begin to witness disparity in the readiness on the part of Mel and Bill for transitioning to a more active opportunity creation stage of development.

By April 15th (page 33) Mel seems to be developing frustrations with the fact that Bill has not launched the business yet.

> *Can't imagine what prompted this thought, but DOES ANYBODY MAKE ANY MONEY IN THE TEA BUSINESS?!?!* (Caps and exclamation marks are those of Mel.)

> *England is a great resource. There may even be a company there for us to buy to quick-start the project.*

Yet, at the same time, Mel is starting to communicate far-reaching ideas (like buying a radio station, or writing the book that we (the collective of authors) are using as data—first suggested on page 33. This causes me to ponder whether Mel may be unintentionally intimidating Bill with the financial extremes and demands of his ideas. It is fairly clear that only Mel & Patricia have the financial wherewithal to actually entertain the idea of buying an L.A. radio station. Is this mere pondering? Is this a subtle reminder of who has the capital in this venture?

This tone continues (Mel, April 15, 1990, p. 33)

> *We're not in the tea business, Progress, we're in the phenomenon business.*

Is Mel simply unaware of how overwhelming his ideas may be to someone with substantially less resources? (Continuing on page 33)

> *…we should have a publishing venture (what goes better with tea than books), a retail venture, including teahouses, tea, tea accessories, and other merchandise including but not limited to tea clothing sold in THE REPUBLIC OF TEA's exclusive shops, as well as tea furnishings and a line of accoutrements for one's personal tea garden also sold exclusively in exclusive shops named LIFE AS TEA.*

(Bill, April 16, 1990, p. 36)

In this fax, Bill provides clear support for my conjecture (above) that Mel's suggestions were becoming intimidating:

> *(Leaves, you're clearly a man of great abili-tea, but I must admit, I felt a bit intimidated reading your high-flying ideas.)* (Parentheses per original text.)

Concerned that he might shake Mel's confidence in him, Bill (page 36) softens this statement by following it immediately with, "Oh, what the heck, this is a "no-limits" business, right?"

(Bill, April 16, 1990, pp. 38-40)

Bill, perhaps as a psychological defense response to the overwhelming financial and scale expectations of his partner, reasserts his inclination to reduce uncertainty (or ambiguity) by gathering additional data. In this fax, he appoints the other side of his brain the "Minister of Research".

In this note, Bill clearly: a) starts systematically studying the tea business; b) starts systematically examining product positions and profitability; and c) could be trying to convince himself that the gamble can pay off before he gets too deep (self musing).

(Patricia, April 16, 1990, p. 40) In this image, Patricia begins extending her participation in the business definition process.

> *Fruit juice in baby bottles is very hard on young teeth due to the natural sugars in fruit juice. We would be doing kids a favor if we could get their moms to switch to our children's teas.*
>
> *Let's promote the Teas around the teeth issue.*

Much like Mel & Bill, Patricia appears to be shaping her business interests based upon salient input (or social role spillover) from her everyday life. Mel and Patricia have a younger child—thus causing Patricia to be more attuned to this issue. Extending this observation, one might wonder if Zio (son of Mel and Patricia) may have just had a dental appointment in which a cavity or cavities was discovered and treated? Did the

dentist or hygienist expound on the dangers of sweetened beverages earlier in the day? Regardless of the speculative cause, it appears safe to conclude that issues of children's teeth were salient to Patricia at the time of these drawings.

(Bill, April 16, 1990, p. 42) On the evening of April 16th, Bill submits (to Mel) some of his own ideas for the business. They include "TEAS WITH A PURPOSE" and "TEA CEREMONIES NEIGHBORHOOD STYLE".

Mel's (April 17, 1990, p. 43) response reasserts his ownership of the vision and vision-creating role in *TRoT*.

> *I am going to advise the TDA (Tea & Drug Administration) to put Oriental Lemon on the restrict-use list. If it continues to spawn any more ideas like Tuppertea, I fear for our children.*

I cannot help but notice that under the guise of friendly cajoling, this message seems intended to communicate to Bill that big ideas are Mel's territory.

(Bill page 44) Mel's rebuke does not go unnoticed by Bill (April 17, 1990, p. 44):

> *So, Leaves, you didn't like the Tuppertea idea, huh? I have to admit it is astray from our previous directions, but what I'm getting at is promoting the idea of bringing back a new kind of tea ceremony for the 1990s. I think it is in harmony with your original idea about sip by sipping rather than gulp by gulping.*

At this point in the narrative analysis, we are in position to observe the dialectic perceptions of tea in life on the part of Mel and Bill. Mel views tea as a solitary experience in which the individual comes to know themselves and experience a private sense of peace (i.e., tea mind). For Bill, tea is a social experience. Tea brings people together and overcomes the separation he observes in American society as television and computers increasingly isolate people from one another (specific evidence of this last observation may be found on page 27 of TRoT).

Bill goes on to describe his information gathering activities, including conversations with tea industry experts who appears to only perceive limited niche opportunities available in the industry moving forward. This small niche player definition does not fit Mel's growing vision of TRoT as an empire within the industry. On page 46 (April 17, 1990), Mel rebels against Bill's approach to information acquisition and strategic business development (perhaps we might view this as a battle between inductive and deductive approaches). In response to the information Bill shares from a strong tea industry source, Mel writes:

> *Tell Mr. McMellville that the big tea boys don't even know what they're selling, and on top of that, they're selling it mostly to old ladies. Maybe I'll be made to drink my words someday, but as far as I'm concerned, the tea*

> *business has been dormant for about a couple thousand years and TRoT has now appeared to revive it.*

I cannot help but notice that Mel again chooses the language of rebuke in responding to Bill's information oriented approach to moving the business idea forward. Mel has bought into a vision and the belief that a market opportunity exists. His instinct seems to be one of avoiding information that might communicate TRoT is less original than he believes it to be.

Though the narrative data continues throughout the initiation of actual business and just beyond, I perceive us to be reaching the end of what might safely be defined as "idea initiation" with respect to The Republic of Tea. Though the specific date at which this transition occurs might be argued—some favoring earlier, some later—information saturation for purposes of my exploration into this topic is sufficient to allow conclusions to emerge. Thus, in the remaining section of the paper, I will confine myself to a discussion of the analysis presented.

Discussion

This article set out to explore three questions. The first, is that of how cognitive processes were enacted during the idea initiation phase of this business start-up. The second related to the use of causation versus effectuation reasoning processes during the idea initiation phase. And finally, I was interested in better understanding some of the unique challenges that may face a business start-up when a team of individuals attempt to start a business together. I will address each question in order and then conclude with some implications for future research in entrepreneurship.

Gartner, et. al. (2003) asked how entrepreneurs would talk about opportunity if they were not primed by scholars to frame answers in the language of discovery or enactment. Interestingly, in the case of The Republic of Tea, we get two different answers to this question. For Mel Ziegler, TRoT (and much of entrepreneurship) is about creating a psychological experience that is so desirable in contrast to the shortcomings of the real world that people (a market) would clamor to experience it for themselves. Tea (and tea related products) is simply a conduit to experiencing the fantasy. As such, the product(s) become necessary but not sufficient contributions to idea initiation. Thus, his language throughout the narration is almost exclusively that of creation (i.e., closer to enactment than to discovery). However, Bill Rosenzweig's language biases heavily towards "discovery" of opportunity. Finally, Patricia Zeigler is more difficult to confidently define, due to her primary reliance on visual communication, but it appears that she views the process through both lenses. Her visuals and labels would indicate a perception of creating a new experience to sell, yet many of her market segment suggestions (particularly that of children's teas) appear to take on the language of discovery.

I find it interesting that three individuals who agree to start searching for a business opportunity together, when left to their own devices, alternatively employ the language of competing theoretical perspectives. For the partners in The Republic

of Tea, the problems that arise out of this difference in language show up in the form of conflict about how to search for/create this opportunity. Clearly, for Mel Ziegler (and possibly Patricia) creation processes seem to rest upon the logic of effectuation. Consistent with Sarasvathy's (2001) conjectures, Mel communicates a belief in his ability to create a market by bringing together sufficient stakeholders who will buy into his idea. In fact, he repeatedly emphasizes his belief that they are selling an idea much more than they are selling a product. Within his communicated notion, the product really is only a means to an end. The product, if of poor quality, could undermine their ability to succeed as a business, but the product itself is not what they are selling.

On the other hand, Bill Rosenzweig emphasizes careful and analytic search processes in seeking "the ground to put our feet on." Unlike Mel (and possibly Patricia), Bill relies heavily on market research and industry analysis and interviews. His approach is one of systematic searching for information.

This difference may simply reflect personal differences in dealing with risk and uncertainty (using the terms per Knight's (1921) definitions). It is difficult to ignore the correlation between approach to search and other variables, though. For instance, Mel and Patricia have already started a successful entrepreneurial venture; Bill has not. This may imbue them with greater confidence (rational, or not) in their ability to "create" a business opportunity.

Additionally, Sarasvathy (2001) suggests that effectuators will consider opportunity based upon affordable loss rather than expected returns. Mel and Patricia posses sufficient resources to view The Republic of Tea from the effectuator's perspective; Bill (it appears) does not. Thus, when a team of entrepreneurs chooses to look for a business opportunity together, the emergent expectations for the business may cause certain principles of effectuation to be luxuries only part of the start-up team can afford. It seems as though the cognitive processes governed by traditional causation thinking and effectuation thinking become part of the emergent negotiated interactive space during idea initiation of a business.

Another question raised is that of effectuation and causation as psychological comfort zones trained by individual experience. Mel and Patricia (it appears—though the data in *The Republic of Tea* is insufficient to fully confirm this) may be more comfortable with effectuation processes because that is what allowed them to build a grand business (Banana Republic) from a very small initial investment sum (one could also probably build a story about the similar use of bricolage processes). Bill, on the other hand, was coming from a traditional business school training and an executive position with a large, well-established corporation. Thus, causation style approaches may have simply been most frequently used and rewarded. As such, each member of the start-up team may have simply chosen the cognitive process to which they attributed prior success in solving business problems. This needs further investigation, but if correct it would have significant implications for the types of experiences we need to create for business students if we are to facilitate the use of both sets of cognitive tools with equal ease.

In the cases of all three protagonists, idea initiation and definition of the business opportunity search space emerged and were influenced by personal interest, not a

recognized market opportunity, or even a known niche. The tea industry was long-standing and populated with a wide variety of purveyors. Even specialty teas, the emergent niche of interest for The Republic of Tea, were well established and rapidly growing. This is consistent with the discovery stage of the model proposed by Casson and Wadeson (2007). They suggest that entrepreneurs will initially select one or more fields within which to focus their search. Once this has been accomplished, the entrepreneur(s) are expected to begin appraising specific projects within that chosen field based upon visible characteristics. Though the search for a business opportunity as described in *The Republic of Tea* is consistent with Casson and Wadeson's speculations, the entrepreneurs actually add a step to Casson and Wadeson's discovery step in practice. After selecting their initial field (tea and businesses associated with the enjoyment of tea drinking), Mel, Bill, and Patricia further refine their search space by defining a subset of their initial field (the subset being high end teas and the market for quality tea-drinking experiences). It would appear that Casson and Wadeson may be correct in suggesting a "cognitive set-theory" approach to partitioning entrepreneurial search spaces. However, this also may be an iterative process for entrepreneurs, in practice, iterating until the defined search field "feels" sufficiently searchable.

If we continue to explore idea initiation as it occurred at The Republic of Tea, we notice that Mel and Bill (initially—Patricia's participation began after idea initiation) chose an idea that they intrinsically wanted to develop, with the belief that an opportunity could be created/discovered within that conceptual search zone. This may be a reasonable approach to market entry in many (especially fragmented) consumer industries.

The role of intrinsic motivations discovered through the narrative analysis of this text suggests an answer to the question, "how does an idea survive in the absence of identifiable entrepreneurial profits (i.e., extrinsic reward)?" If the potential entrepreneurs find their pursuit intrinsically gratifying, we can then explain the otherwise irrational investment of significant time and monetary resources in the absence of an extrinsic cash flow to reward this allocation.

This is consistent with the findings of Shah and Tripsas (2007) in their study of user based innovation and entrepreneurship. They suggest that end-users "are distinct from other types of entrepreneurs in that they have personal experience with a product or service and derive a benefit through use in addition to financial benefit from commercialization (p. 124)." Though similar, clear differences emerge in the story of The Republic of Tea, as well. For instance, Mel and Bill begin with an explicit agreement to search for a business opportunity involving a product (tea) to which they each ascribe tangible as well as social connotations to the user experience. Thus, unlike the user-entrepreneurs in the Shah and Tripsas study, Mel, Bill, and Patricia are not "accidental entrepreneurs" who started out by simply trying to solve a problem of intrinsic interest. Nonetheless, the importance of intrinsic benefits associated with this business is communicated throughout the narrative analysis.

It may be that the importance of intrinsic versus extrinsic motivators should be a point of further study for scholars interested in questions surrounding why individuals choose to start businesses in the first place. This observation of the role played by

intrinsic versus extrinsic incentives during the idea initiation phase is reminiscent of Herzberg's Two-Factor Theory (Herzberg, 1959). In order to transition from idea initiation to opportunity creation, sufficient revenue to pay expenses and to offset the entrepreneur's personal income requirements might be viewed as a minimum condition for entrepreneurship (the equivalent of Herzberg's "hygiene factors"); however, intrinsic rewards such as innate passion, shared experience, and fascination with an idea provide the motivation to pursue idea initiation (the equivalent of Herzberg's "motivators").

Relatedly, the observed spillover from the personal sphere to the entrepreneurial sphere further reinforces this interpretation of the role played by intrinsic motivators. It may also suggest further refinement to the Casson and Wadeson (2007) model, in that entrepreneurial search appears to draw upon both directed and undirected (spillover effect) search processes. In the cases of all three focal actors, issues salient in their personal lives appear to guide their beliefs about the definition of their business idea to a greater degree than do market analysis and rational strategic analysis.

Mel's interest in Taoist philosophy shapes his vision of the role that tea might eventually play in changing people's lives. It also guides his conception of tea as an individual experience in which the individual comes into greater harmony with life.

Bill, on the other hand, is shaped by life in an artistic community (Sedona, AZ) and the salient perception that Americans are becoming more and more socially disconnected. This causes him to view the tea experience as social, bringing people back together to experience one another at a more serene pace.

Patricia's life as a mother to a young son seems to place issues of children's beverages and health on the front burner. We can only speculate as to the experience that made children's teas as "teeth healthy" beverages an issue for her. Perhaps it was a bad dental check-up for her son. Maybe it was a dentist complaining about how many children unnecessarily suffer cavities due to sugary beverages. We cannot determine the source from the narrative. However, we can conclude that dental issues in children in some way became salient to her and shaped her desire to explicitly position a segment of TRoT products to meet that need.

In each case, the personal sphere spills over into the entrepreneurial sphere to shape perceptions of where to search for an eventual opportunity.

Finally, I would observe the importance of role specification within the social and business relationships. Mel's language is often chosen to convey the dominant position in shaping the idea of The Republic of Tea. However, he wants Bill to start the actual business should idea transition to opportunity.

Throughout the early narrative, we observe the problems caused by this conflict in role definitions. Bill even visually depicts himself as subordinate to Mel on the preliminary organizational chart. In retaining control of the idea, Mel may have made it difficult for Bill to create a business that would meet his own intrinsic and extrinsic needs. Additionally, this role differentiation allowed Mel to envision The Republic of Tea in such a manner that it overwhelmed Bill's capacity for uncertainty/ambiguity, which per Alvarez (2005) is a necessary assumption in opportunity creation.

Could this have been a significant cause of the slow transition from opportunity to business?

There are several observations of relevance to scholars, educators, and entrepreneurs that come from the current analysis. First, it appears that the idea initiation represents a meaningful step along at least one possible path to entrepreneurial start-up. I believe we need to explore this issue much further.

Second, it would appear that we may need to place more emphasis on the awareness of personal motivations, role needs, and communication techniques. All of the actors discussed in this analysis were effective users of language. However, failing to close the communication loop (i.e., determine whether the recipient actually received the intended message) caused potentially preventable issues that may have slowed the emergence of this business. This is also an area where the systematic and rigorous examination of the language entrepreneurs use, unprimed by entrepreneurship scholars, may continue to offer insights and refinements to existing theory.

Finally, the analysis presented in this article convinces me that questions surrounding the problems and challenges surrounding start-up team interaction as it influences the defining of an opportunity search space, early business expectations, and the selection between effectual and causal based search strategies hold great promise to further enhance our understanding of idea initiation and opportunity discovery/creation/enactment.

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Many Words About Tea…

Helene Ahl and Barbara Czarniawska

Abstract

In this conversation about the book *The Republic of Tea*, we discuss cultural connotations of the concept entrepreneur, possibilities of change through individual agency, and also entrepreneurship and marketing in terms of literary theory, and consequences of such a perspective for entrepreneurship research. On the way, we also experiment with a novel way of writing a scientific article.

In November 2007, there was a very unusual call for papers in my mail box. The editor asked for a "riff" or "personal sense-making" of the book *The Republic of Tea*. Such liberty is extraordinary in academic writing. It raised my curiosity so I read the book, which I liked very much—particularly its form. It reminded me of some of my favorite books from my childhood. They were written in the form of personal letters and were more memorable than any research article I have ever read.

So, why not combine the two? Perhaps this form will allow other sorts of thoughts than the regular, condensed, and very formalized journal article permits? Academic writing is, after all, an ongoing conversation, as Anne Huff (1999) pointed out. I sent an invitation to the best conversant I could think of, Barbara Czarniawska, who to my great delight agreed to partake in this experiment.

The following exchange of emails between the two of us is the result. The letters appear in their original order. Comments in between the letters as well as some of the subject headlines reflect retrospective sense-making and were added for clarity while preparing this article for publication in February 2009.

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From: Helene Ahl   2008-01-14 13:53
To: Barbara Czarniawska
Subject: Write together?

Dear Barbara

   Do you remember my paper about the Toy Store from the conference in Barcelona? My article was part of a special issue of *Journal of Business Venturing*, where five other scholars were invited to do their own readings of the same case (Ahl, 2007). Bill Gartner was the editor. Now he intends to start a new journal with a similar business idea—each issue will be devoted to different comments or readings of one and the same text. The call says that contributions should be "a 'riff' (your improvisation, your personal 'sense-making,' your views; that is, the article should reflect you as an author)." The text for the first issue is the book *The Republic of Tea*, which describes how a business was started. The main part of the book consists of fax letters between the founders over a period of several years. One of the cofounders is an experienced entrepreneur and the other is a younger guy, a consultant, who is crazy about tea and believes that he has found a niche in the market. The book is charming and decidedly different.

   My idea is to write a research article that would copy the form of the book; that is, it should consist of a series of e-mails between you and me. It would accidentally copy the book also in the sense of being an exchange between an accomplished scholar and one who is a little newer to the game. And it would be in the spirit of the call, I think.

   What do you say? If you are interested, I will immediately send you my copy of the book.

   Helene

From: Barbara Czarniawska   2008-01-14 13:57
To: Helena Ahl
Subject: Re: Write together?

   Sounds like fun…although I really shouldn't be accepting anything new…

   B.

From: Helene Ahl   2008-01-14 13:58
To: Barbara Czarniawska
Subject: Re: Re: Write together?

   Was this a yes or a no?

   H.

From: Barbara Czarniawska   2008-01-14 14:00
To: Helena Ahl
Subject: Re: Re: Re: Re: Write together?

It was a yes and an admission of a character defect.

B.

Some reading time elapsed before our tea conversation took off. The first few letters concerned the authenticity of the faxes and then the location of The Republic of Tea. To what extent could it be read as a product of a U.S. cultural context with its firm belief in the power of the individual? Or rather, should the faxes be seen as cleverly devised marketing material that skillfully draws upon current and publicly available discourses?

From: Barbara Czarniawska   2008-08-16 10:45
To: Helena Ahl
Subject: The Republic of Tea

Dear Helene,

Thank you very much for lending me your copy of *The Republic of Tea*. I must say that this book surprised me more than a little. I am quite familiar with stories told by entrepreneurs—as presented in research and in mass media—and they usually follow a similar pattern. The entrepreneurs rarely know why they succeeded—the coupling between success in business and a self-knowledge is loose, if any exists, so they reach for the cultural repertoire of stories to aid them. Most often than not, the plot chosen is the "rags to riches"—one that Christopher Booker (2004) counted among the seven basic plots. A typical entrepreneurial variation of the classic plot is that an entrepreneur is not an orphan but has a (poor) mother who tells him to work hard (the women entrepreneurs have a father who fulfills the same helper function).
    Nothing of that here, which makes me suspicious. Are these actual faxes, or is it a cleverly devised textual structure?
    The only familiar element is that of an epiphany (see e.g., the first utterance of the Minister of Leaves). But, well, we all have epiphanies in our lives, although we do not always dramatize them in the same way. Mine was when a doctor told me that I am sensitive to the caffeine in tea and not in coffee. It was then that I understood why I had sleepless nights after having many glasses (I come from a tea-in-glass culture) of strong tea and could immediately fall asleep after a cup of coffee…
    But before I go on, please tell me if you think these faxes are authentic!

Best, Barbara

From: Helene Ahl   2008-08-16 10:55
To: Barbara Czarniawska
Subject: Re: The Republic of Tea

Dear Barbara

As far as I know, the faxes are authentic. There is of course always a possibility that they are not, but does it really matter? No matter how they were produced, I think they are interesting to analyze. Something that speaks for their authenticity is, I believe, the fact that the story does not, as you noted, follow the standard "rags-to-riches" repertoire (see also Smith, 2003; Smith & Anderson, 2004) and that it does not follow a standard plot. The helper—for example, Mel Ziegler—is simultaneously a hero. So other lessons may be had.

Helene

From: Barbara Czarniawska   2008-08-16 11:20
To: Helene Ahl
Subject: The location of the republic

It matters because we must know what we are commenting upon: a literary product or a field material. Let us compromise: let us assume that it is, in fact, a material from the field of entrepreneurship and that the fact that it has been edited and improved from a literary point of view does not diminish its authenticity. So, let's take it as a starting point.

In such case, I believe that the crucial clue to understanding the message of the book lies in its firm embedment in the U.S. context. Where else could one encounter such a definition of "fundamental change" as the one given by Mel Ziegler in "The First Sip": "I define 'fundamental change' as a society where every individual comes to accept every social problem as a problem of his own making, and sees the wisdom of changing himself (into a happier and more passionate human being) as his way of changing the world"(p. 8) I do not mind the logical inconsistency (change defined as a state) or the inevitable "he" of the time (1992). It is, however, not very often that the U.S. credo—that an individual changing him/herself can change the society—has been formulated so clearly. Now I see what Ellen Herman (1995) in her *The Romance of American Psychology* meant when she postulated that sociology has been replaced in the USA by psychology as the key explanation of societal processes. Her historical study showed how the development of psychological expertise during the Second World War and during the subsequent wars in Korea and Vietnam sponsored by the military forces led to making psychology into a science of the people—individually perceived, of course. At the time, the needs to manage one's own soldiers and to engage in a psychological warfare with the enemy were prominent; in time, they have been replaced by the need of the peaceful public to become happy and self-assured. Also, psychology joined forces with economics, the other science that assumes that society

is the aggregate of individual decisions, and together they pushed sociology into the critical margins (unlike in Europe, where the developing welfare states counted mostly on sociological expertise).

Do you agree? You have spent much more time in the USA than I ever did.

B

From: Helene Ahl   2008-08-16 16:30
To: Barbara Czarniawska
Subject: Re: The location of the republic

I had a similar reaction, but my thoughts went elsewhere. It is evident from the book that Mel Ziegler is part of the New Age scene in California of which I was myself an occasional participant during my years in Los Angeles in the 1980s (not to talk about my daily meditation practice starting more than thirty years back). Ideas of changing the world through individual change are prominent there, but it is Eastern in origin, and it works in much more subtle ways than psychology assumes. Psychology, aspiring to be Science with a capital S is actually mostly at odds with New Age thoughts.

The Very Short Version of Eastern philosophy as I know it is as follows: Everything— all humans, all animals, all matter—are but different sorts of manifestations of the same underlying, unmanifest unity. Peace, happiness, and prosperity are the birthright of human beings, as is the ability to experience a unity consciousness of all being One. One should not hurt oneself, so to say. This is referred to as a state of enlightenment (which has nothing to do with being knowledgeable or a rational thinker). However, stress gets in the way, and clouds people's ability to experience unity consciousness, which makes us perceive the pieces that make up the world as being separate and as having conflicting interests. Meditation—and a host of other techniques—is a way to reduce stress and increase the chances of experiencing unity consciousness. A single enlightened guru or two is not enough, however; it takes a critical mass of enlightened people to turn things around at the collective level. This philosophy urges people to develop their ability to experience unity consciousness, but it does not prescribe anything at all about how to order the world, about what course of action to take or not to take, or about which God or Goddess to believe in, for that matter. It is a philosophy of no-action.

This is not exactly what Ellen Herman writes about. I read Herman as discussing how governments consciously used psychology to manipulate people and how psychologists used it to grow a whole profession with considerable power and influence. But then again, a New Age philosophy may have found fertile soil in the U.S. mindset. The way was paved by psychology, so to say, and perhaps one could interpret Mel Ziegler's way of expressing himself as an amalgam of Eastern thoughts and "the U.S. credo"? There are many passages in the book where Ziegler refers to something that I associate with unity consciousness and no-action as I described it above, but he coins it Tea Mind. Take, for example, the following passages:

"But happiness is the primal birthright of the man or woman who does not resist it. The common fallacy about happiness is that you have to do something to attain it" (p. 80).

"Practice not-doing and everything will fall into place" (quoting Lao Tsu p. 239).

"The customer will feel for herself that the tea is a door to the ineffable quality of Big Silence" (p. 23-24).

"Tea has the power to bring us together. It can make us whole within, and whole with others" (p. 124).

"If a sip of tea causes me, no matter how briefly, to be transported outside myself, I arrive into perfection itself" (p.78).

I guess Leaves has a receptive audience in me, but what makes me a little wary is his suggestion that tea drinking is the way to enlightenment. Now, my tea drinking habit is a decade older than my meditation habit, and I know the difference. The only thing distinguishing black tea from coffee (besides taste) is that it takes three or four cups instead of one or two to produce palpitations, and it is just as addictive. When the caffeine wears off after a few hours, you need another cup to avoid drowsiness. Herbal infusions may produce certain medicinal benefits, such as clearing a sore throat or aiding digestion, but enlightenment? I think not. And tea drinking definitely belongs to the field of action; it is not no-action. So, Ziegler has either some very unusual experience from dinking tea (perhaps he experiences it as being so different from coffee that he thinks that this is "it"?), or he just skillfully uses New Age vocabulary to position this tea business of theirs.

Returning to your first question, the letters are probably authentic, but the decision to produce a book from them should, I believe, be seen as a retrospective act intended to position and strengthen the brand as a marketing tool, both internal and external. Seen in this way, it is retrospective (and prospective!) story-telling—much in the same way as IKEA's, apart from the fact that the raw material for this story is of a very unusual kind. The cover of the book indeed alludes to a more traditional storyline: "How a dream becomes a business"; that's what it says on the back.

My conclusion from this is that even if tea drinking will not change the world, there is a repertoire of cultural elements present in the time and place where it is written that makes such a story possible. Using the terminology that I am familiar with, one could say that there is the old emigrant discourse of the self-made man, another discourse of the individual being able to change the world (maybe derived from psychology), and a New Age discourse of enlightenment that the writers, knowingly or unknowingly, draw upon.

H

Looking for some concrete lessons from the book, our discussion continues on the theme of marketing, but in terms of literary theory rather than in terms of marketing theory. Perhaps such terminology could even offer something new to marketing theory?

After having read your letter, I ran to make myself a cup of tea (green with orange and lotus—I get it from UK because for some reason it is not to be found any longer in Sweden). Sorry if I made psychology (my original discipline!) into a culprit; after all, sociology eagerly played the role of the "state religion" in many European countries and so does economics nowadays. But we seem to agree that the idea of changing society by changing oneself finds a lot of acceptance in the USA no matter where it comes from. If so, it makes sense for us to look for insights that can actually be of value to entrepreneurs outside the USA as well.

What struck me is how much Leaves is aware of the importance of "logic of representation'" (Czarniawska, 2001)—although I doubt if he would agree to call it thus. Very early on, he suggests to Progress that they need to create a philosophy to attract consumers and that "this is not exactly the stuff that it is going to take to convince investment bankers" (p.17). What should such a philosophy contain?

Although Mel Zeigler (I call them by their titles or by their actual names when they do so) is enchanted with metaphors, the actual suggestions contain mostly platitudes and rightly so. I drink several types of Yogi tea, but only recently did I discover that each teabag contains a philosophical insight, or rather a platitude. Recently, *Financial Times* asked successful British entrepreneurs to summarize the secret of their success in one sentence. Our colleague, Ann Rippin (2008), made a series of quilts (it is her main mode of expression) illustrating those: "Fix problems as soon as you find them, especially people problems. They almost never get better with age"; "Never underestimate the power of a face-to-face meeting"; and so on. This, to me, is other proof that entrepreneurs do not have to know what made them successful, but an observer can easily see that they were very skillful in using platitudes—those verbal tranquilizers that are much appreciated in our societies.

Presentation is not only about words: the authors are very aware of the importance of packaging and, in general, of pictures. The main line in their philosophy, as I see it, is that they want to sell their customers a utopia and that they want to shape their interactions with customers as a game. Moral stances towards selling utopias and creating games vary, but there is no doubt that both sell well. Escapism is condemned by many but desired by many more. There is, however, a constraint: not all utopias sell equally well, and not all games are perceived as equally attractive.

The authors' presentation techniques (mostly invented by Leaves) contain an impressive interplay of differentiation and identification (I called it elsewhere an "interplay of identity" and "alterity in an image creation," Czarniawska, 2002). Take a look at this exchange between Leaves and Progress:

> Leaves: "New Age, although well-intentioned, is full of a lot of charlatans, and therefore I can't say it's my cup of tea. But the reason people are interested

in things "New Age," let's not forget, is because of a primordial thirst (p. 70, italics in the text).

Progress: [reading Leaves rightly, but giving away the subtlety of Leaves New-Age-As-Not-New-Age approach): I just concluded a quick poll in Sedona and found that an astonishing 98% of the nonretired population is drawn to mysticism and New Age practices. 76% of these people drink 2 cups of tea a day. (p.71)

At the point of crisis, though, it is presentation that is a culprit for the stalemate. So, there can be too much of a good thing! (Sorry, the platitude habit is catching.) Again, it is difficult not to agree, and the book at this point becomes a document of a curious event. Much as the logic of representation is most often loosely coupled to the logic of practice, here it is a case where the logic of representation wins over the logic of practice (Progress and Leaves formulate it as a conflict between "form" and "content").

B

From: Helene Ahl   2008-08-18 10:37
To: Barbara Czarniawska
Subject: Re: Insights offered

I think the quote from Leaves you just used beautifully illustrates my earlier point about him using New Age vocabulary as a marketing tool—skillfully and consciously! Yes, the importance of representation is one of the possible lessons for entrepreneurs, as is the insight that it takes action as well: a business plan does not produce a business. But are not these lessons rather obvious? Or does the point lie in those more detailed observations of yours about *how* to design your presentation; *how* to create a playful utopia in which the customer can choose to believe just for the fun of it? This level of sophistication is probably the novelty of their approach to marketing and positioning. It caters to a likewise sophisticated customer, who gets a giggle from this interplay of differentiation and identification. It would be interesting indeed to find out how their customers read their marketing material and also to see if this way of communicating is a contemporary trend in marketing or an isolated, time- and place-specific phenomenon? I do not think that I see too much of this here in Sweden at the moment. If I look at The Body Shop, for example, they are much more "serious" about the benefits of their products for consumers' skin , for nature, and for society.

H

From marketing, our discussion moved on to the questions of who counts as an entrepreneur and what is it that makes up entrepreneurship? Does it come from being one, talking about it, doing something, or is entrepreneurship perhaps about relating? And again, how does one look upon the individual in this scheme?

From: Barbara Czarniawska   2008-08-18 15:12
To: Helene Ahl
Subject: Who is the entrepreneur?

Well, yes, but do you remember that at the end, when they actually started the business, a woman (yes!) consultant told them to remove those fancy-cute names they had for their teas? I almost sighed aloud with relief.

By the way, have you noticed how Leaves disciplines Progress when the latter transgresses his place (of a youngster being mentored and inspired by a wiser man)? (I do hope that the analogy between them and us you spun at the outset does not apply here.) Progress' ideas are politely rejected and his contacts judged as unenlightened. Rosenzweig's enthusiasm (or is it obstinacy?) makes him jump over it, but Ziegler admits to being increasingly uneasy about their relationship. It is then that he offers an observation with which I wholeheartedly agree, although I am not sure that I do not interpret it in a spirit opposite to Ziegler's. After talking to Rosenzweig on the phone, he notes in his diary "Mel had a vivid picture of the Republic—in its fullest sense—and talked as if the whole thing already existed" (p. 54). This is almost, to the letter, my definition of entrepreneurship (Czarniawska and Wolff, 1991)—only that I used the word "acting," not talking.

Indeed, Progress himself confessed his consultant's burden, which is to multiply analyses while being afraid of undertaking a definite action (after all, this is what entre-prendre means…) He has another common consultant habit; that is, making never-ending lists. List-making is a tranquilizer on a par with platitudes (it gives the illusion that the world has been ordered), and it can be applied to others (like consultants do) and to oneself.

B

From: Helene Ahl   2008-08-18 15:47
To: Barbara Czarniawska
Subject: Re: Who is the entrepreneur?

Oh, so this is why I always write lists of all the things I need to do? A tranquilizer… hmm…but I admit, it does convey a pleasant feeling of order. It also makes it easier to prioritize. I find it extremely rewarding to be able to strike an item off my list, and I never understood the charms of mind-maps. But now I realize—the latter are messier and cannot be shortened as easily! Lists as a simple self-motivating gadget, perhaps? Maybe a theme for the next how-to bestseller?

You may keep the book, by the way—I bought another copy from a used-books Internet shop. It came with a handwritten note from the previous reader:

Entrepreneur
1. makes things happen
2. let's things happen

3. love what you are doing (not idea of it)
4. be secure to focus energy and trust intuition
5. have to be patient
6. be willing to fail, knowing you won't
7. able to move between practical/philosophical world

So at least one reader has used it as a how-to book! Or maybe as a basis for a tranquilizing list…

H

From: Barbara Czarniawska   2008-08-20 13:53
To: Helene Ahl
Subject: Re: Re: Who is the entrepreneur?

I am afraid that bestseller has already been written. (Did you think that I would be able to produce such a profound observation myself? ;-)

But back to our authors: perhaps the most amusing encounter between the two is when Progress sends a statement of his own personal goals and visions (p. 77-78), which could have been taken from any "one-minute-entrepreneur" book. Well, Progress is not the one who coins a vocabulary, although he is full of such all-and-nothing meaning words as "communication" and "commitment" (I am not being sarcastic here—I repeat that successful entrepreneurs do not have to know why they are successful), but he lets out that he is to be "the leader of this company." Leaves puts him in his place, gently correcting his philosophy (tea is about happiness) but also his strategy (business is about making profit, not about saving the world), and their relationship is a business relationship; that is, it is not a relationship "between you and me. When we conduct business together, we create a third entity, the business relationship. Unlike you and me, the business itself is not endowed with a natural, innate happiness" (p. 80-81). This is perhaps the only time when Leaves abandons his idea of the social world as an aggregate of individuals and admits the existence of a another entity—the relationship—but this is needed to equalize his and Progress' position: "What causes a business to thrive is the mutual agreement we make between us that we will both benefit from our business relationship" (p. 81).

Establishing beyond doubt that Progress must be pushed into action, Leaves also drops the notion that the idea is the most important in business, replacing it with the statement that business "is getting things done" (122). As to his inconsistencies, he himself criticizes the exaggerated trust in consistency (p. 118)—and I agree with him. The growing desperation, however, pushes him into peddling obvious untruths, such as "seven words more useful than a million dollars worth of market research: If we'd buy it, it will sell" (p. 164) and "In contemplating a new business, what more could an entrepreneur ask for than uniqueness in product in style?" (p. 166, see Martin et al., 1983 on the paradox of uniqueness). After many truisms and some general babble is offered by both correspondents, Leaves hits a solution—that of switching roles.

Instead of offering philosophical insights, he will demand practicality, which was until that point the domain of Progress.

It did not work because, in my opinion, neither of them was acting as an entrepreneur in 1990: it was a meeting between a consultant and a writer, and they got inundated by a flood of words produced by both of them together. Although Leaves acted accordingly and became silent, it was not enough to push Progress into starting a business.

B

From: Helene Ahl   2008-08-20 20:09
To: Barbara Czarniawska
Subject: Re: Re: Re: Who is the entrepreneur?

I agree with your conclusion that this was a meeting between a consultant and a writer who were both enamored by their products in words and pictures but neither of them committed to action. I actually got a little exasperated by Leaves acting evasively and speaking with two voices. On the one hand, he wanted Progress to take action, but he never *told* him this loud and clear. He explains it by being the wise guru withholding information in order to let Progress discover things by himself when he is ready for it in some Gestalt psychology mode: "Starting a business is not an idea. It is getting things done…But Bill was not ready to hear it yet" (p. 122). Leaves was in fact quite able to help him out by *telling* him exactly what to do: "All he had to do to get started was come up with a deal proposal, negotiate it with me and Patricia, propose how he wanted to finance it, put the lawyers to work drafting documents, and find a few investors willing to throw a little money at him and the idea. I could have spelled all this out, but then, if I had to spell it all out" (p. 167). So, Leaves was putting Progress to test, while Progress was left guessing what Leaves was after—seems like an unnecessary game to me. Leaves explains to the reader on p. 167 that he is waiting for Progress to show some *nerve* (so in his mind there is at least one trait making up an entrepreneur…), but one could just as well interpret this turn of events (or non-events) as Leaves projecting his own non-committal state on Progress: "A vaguely uncomfortable feeling began to set in, and then I suddenly realized: The discomfort was Bill's not mine" (p. 121). Moreover, Progress bought into it. He was afraid to ask Leaves questions that required answers of commitment (p. 55, p. 104), and he also began to question his own capacity (p. 87). So they were both afraid, even if for different reasons, but only one of them admitted it.

H

From: Barbara Czarniawska   2008-08-21 10:13
To: Helene Ahl
Subject: How did it work?

Good point! After all, the story of an entrepreneurship in the book as I read it is the opposite of the message propagated by the authors (or at least one of them). The creation of The Republic of Tea consisted in relating people and actions to one another—in associating, as Latour (1986) would put it—intending not a mental, but a behavioral, phenomenon. The starting point is the meeting of the two men, who start to adapt their actions (letter writing is also an action) to one another. They are well aware of their complementarities: take a look at the first organization chart[1] (p. 34-35) where the Minister of Leaves stands for "imagination, vision, values, voice" and the Minister of Progress stands for "innovation, implementation." Observe that Progress, who drew the chart[1], attempts alliterations but fails somewhat (imagination should go with innovation and implementation). It is clear that it is Leaves who stands for the "voice," or the "lingo" as he calls it, or for inventing a vocabulary, as I would call it. However, this action dyad is not enough: letter writing is not enough to start a business.

Progress constantly talks of what actions need to be taken and then attempts to locate people or sites where they can be found or initiated. Leaves constantly speaks of the "right people," as if their "rightness" was more important than what they do or can do. They do not disagree, though, because the maxim "people are the most important business resource" has become a truism—that is, a statement so true that it has become a platitude. However, they both talk, and while Leaves expects Progress to start acting, Progress procrastinates.

The crucial question is what made Progress act—take a step beyond the fax sending. Ziegler says in his diary: "although entrepreneurs might like to think otherwise, one does not create a business. A business creates itself when the circumstances are ready for it" (p. 51). I have never seen a business that created itself, and I do not believe anybody has. It always requires work from a great many people. But I understand well that this formulation was necessary for Ziegler in order not to contradict himself too bluntly. What he is paraphrasing here is the famous saying of Victor Hugo: "Greater than the thread of mighty armies is an idea whose time has come" (see Czarniawska and Joerges, 1995). As Robert Merton (1985) pointed out, all ideas circulate all the time, at least in some places (not an idea that Ziegler would find attractive); they stop and become translated into actions when indeed their time comes (a phenomenon sometimes called "a spirit of the time"). Ziegler, consequently, redirects it to individuals: either they are ready, or they are not (it is rather clear that he judged Bill Rosenzweig as not yet ready).

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[1]By the way, did you notice that the Minister of Enchantment—the only woman so far—, is not in the organization chart and that on p. 51 in an excerpt of his diary, Mel Ziegler says "When I started BR," although we are told on the cover that it was Mel and Patricia Ziegler who founded Banana Republic?

I am not suggesting, however, that the spirit of the time changed between 1990 and 1991. I believe that the "experience economy" was moving in, and The Republic of Tea surfed on its wave.[2] In a sense, I agree with Ziegler's interpretation that Rosenzweig "was not ready" in a purely psychological sense. He was afraid to cross the barrier between consulting others and acting himself—but who would not? In other words, are Rosenzweig's hesitations of much use to other (potential and actual) entrepreneurs? I think not because, again, it is an insight so true that it is trite: people are afraid of trying out different experiences, and some overcome the fear, while others do not. And, as Rosenzweig himself added, "Of course, losing your only client doesn't hurt either" (p.238)

But the lesson concerning the desirable relationship between representation and practice remains. "The media-blitzed business climate" (p. 224) did not go away together with the 1980s. It is still with us, and there are some tangible victims of it, such as the Swedish-UK wonder-enterprise Boo.com.

As I read it, then, the crucial moments in the "birth of a business" are 1) a right point in time (the emergence of the experience economy), 2) a creation of an appropriate action net (where the investors seem crucial; it is also interesting that the more actions and people Progress connects to what he is doing, the more he is speaking about doing it "without counting on others," (p. 237)), 3) achieving a proper balance between the logic of theory, the logic of representation, and the logic of practice (in spite of Rosenzweig's constant protests that he "needed to learn more about tea" (p. 235), he had acquired so much knowledge about tea that he probably could write a book about it and give courses), and 4) differentiating the product (in an interplay with identifying it): a product that is identifiable (and therefore not unique) but that differs enough to be worth trying.

The book's message, as I see it (is it Leaves' message, or was it really shared?) is that the road to The Republic of Tea was led through a maturing of the psyche of a young entrepreneur, who, under the protection of his guru, abstained from action until he was ready for it. It is a very compelling interpretation. I am convinced, however, by Niklas Luhmann (1995) who showed that while knowledge—which belongs to an observer—can be shared, wisdom belongs only to an actor and, therefore, cannot be shared. In this reasoning, Luhmann actually concurred with Oriental philosophers. A guru can show you a way, but you must walk it. So, finally, one returns to a basic tenet of belief not open to a logical argumentation: either one believes that the world can be changed only by individuals changing themselves or else the world is being constructed—for better and for worse—in a constant social effort.

B

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[2]It is usual to assume that "experience economy" has been coined by B. Joseph Pine II and James H. Gilmore in 1999, and yet, it is fully described in Progress' fax from April 26, 1990, where he refers to a conversation with a sparkling water producer (p. 95) Even more interestingly, Pine and Gilmore begin with coffee drinking as an example!

From: Helene Ahl   2008-08-21 10:37
To: Barbara Czarniawska
Subject: Re: How did it work?

Does it have to be either/or? Individuals changing themselves are also reconstructing themselves, and in this, their relationships to other individuals are also reconstructed, so something social happens anyway. Now, this change may of course be an adaptation to a certain hegemonic social order in which individual change may be for the worse—it does take collective action to make a revolution—but philosophically, I do not see any opposition between the two.

H

From: Barbara Czarniawska   2008-08-21 10:43
To: Helene Ahl
Subject: Re: Re: How did it work?

No need to drag in a hegemonic order or any such monster. What I believe, simply, is that individuals do not change in individual directions (and those who do, do not change the world). They get the idea of change from other people with whom they are or were in relationships already, and at a given place and time (the USA in 1980, for instance), most people will be undertaking similar changes (as different from, for instance, the USA in 1966). Does this reading convince you?

B

From: Helene Ahl   2008-08-21 10:45
To: Barbara Czarniawska
Subject: Re: Re: Re: How did it work?

It does.

H

From: Barbara Czarniawska   2008-08-21 10:52
To: Helene Ahl
Subject: Re: Re: Re: Re: How did it work?

And, one last thing about The Republic of Tea. About ten years later, a very similar enterprise took place in the USA, but its main protagonist was TRoT's main enemy—coffee! From (strong in caffeine but weak in taste) American coffee, the market went to Italian, Brazilian, and all other possible sophisticated coffee drinking traditions. Perhaps you and I can elevate together the status of meatballs in Sweden? ;-)

B

Having concluded how to regard entrepreneurship based on the events and non-events in The Republic of Tea*, our final discussion concerned the consequences of such conclusions for entrepreneurship research.*

From: Helene Ahl   2008-08-24 10:02
To: Barbara Czarniawska
Subject: Where does this take entrepreneurship research?

If, as you wrote earlier, entrepreneurship is defined as acting as if the whole thing already existed and the creation of a business consists of relating people and actions to one another, of associating, with the right timing, an identifiable but sufficiently different product, while maintaining a proper balance between representation and action, where does this take entrepreneurship research? What is left to research? Entrepreneurship research is still a field searching for its theoretical identity, but it seems to me to run into one dead end after another.

The trait approach was already declared dead by Bill Gartner in 1988, even if it keeps coming to life again like Frankenstein's monster. I attempted to kill the "men-and-women-entrepreneurs-are-different" research, which is really a subspecies of the trait approach (Ahl, 2004, 2006), though not with much success. This one is worse than Frankenstein's monster—it has as many lives as the AEsir cult's pig Särimner, which the gods slaughtered and ate every evening but came alive again in the morning only to be consumed again the next night. The role of the women in The Republic of Tea is, as you noted, very traditional.

The only allusion to traits in the book are actually Leaves' call for some nerve and the observation that entrepreneurs must be willing to take some risk, but that it is, as you said, trite. Some overcome fear, and some do not. Moreover, it is task related and time specific, so it does not make sense to measure a person's "risk-taking propensity" as if that would say anything about someone's likelihood to start a business. Progress did overcome his fear, after all. So "who is an entrepreneur" is the wrong question, as Gartner concluded already in 1988.

Then came the idea that entrepreneurship is the recognition of opportunity with the add-on that some people are better at this than others (Shane & Venkataraman, 2000), but researching this requires the conception that there are objective opportunities out there to be discovered, which is metaphysical to me. And thinking that some are better opportunity-recognizers than others makes it still stuck in the trait approach (Singh, 2001).

Various other approaches have been used—for example, the stage approach in which different stages are identified from "idea" to "gestation" to "taking action" and so on, but much research so far has only counted how many people are in each step and what the rate of drop-off is. Then, there are articles on the qualities (among these the gender) of the entrepreneurs at the different stages—back to traits, that is.

Your idea that business creation gets done through associating has been taken up by the network approach, but then again, this consists mostly of counting types

of relationships with types of actors or of identifying "structural holes" in networks (Burt, 1998), but it says nothing about what people actually *do* in such relationships.

If entrepreneurship research began to actually study what people do, there would have to be less survey research and more case studies, with resulting debates about problems of generalizations, which in today's science landscape would not help the field to achieve legitimacy. On the other hand, if the field continues on the current road, surface legitimacy may perhaps be had, but little practicality would result.

Any Solomonic solution in store?

H

From: Barbara Czarniawska   2008-08-24 14:32
To: Helene Ahl
Subject: Re: Where does this take entrepreneurship research?

Wouldn't know about Solomonic, especially as this dilemma faces all of the branches of management and organization theory. Perhaps a good old-fashioned remedy: more comparative studies? For instance, if not for the time difference of 16 years, it would be interesting to compare *The Republic of Tea* to Stephen Clarke's (pen name Paul West) *A Year in the Merde* (2004), an almost true story of an English entrepreneur who agrees to help a French entrepreneur to develop a chain of tearooms in France (under the much disputed name "My Tea Is Rich"). Intended as a satire revealing the corruption and the narrow mindedness of the French, it reveals, to my eyes, the provincialism and the imperialist leanings of its British protagonist. It would be fun if somebody from a truly-tea-country (China, India, Sri Lanka) could comment on those memoirs of the tea entrepreneurs and so on.

On the other hand, comparisons across times are equally interesting, don't you think? For example, I really, really do hope that, were the book written today, Mel Ziegler would not say that his role was to get Bill Rosenzweig pregnant.

B

Our conversation on The Republic of Tea *ended here. So, how did this form of academic conversation compare to a regular research article? It was certainly personal sense-making as the editor asked for. It might have shown a little more of the research process than is common—the informal conversation that often precedes the crafting of a research article is here on paper. It was also interpretation based on theory but without the formal literature review. This saved some space and time, which gave us room to touch on more topics than would normally be allowed. As for the contribution to entrepreneurship research, we leave it to the reader to decide. That is, by the way, also a clear departure from standard procedures.*

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Entrepreneurial Narrative Theory Ethnomethodology & Reflexivity

An Issue About *The Republic of Tea*