

UNDERSTANDING CONTEXT IN THE NEW VENTURE
CREATION (/GROWTH) PROCESS – A SYSTEMIC
REVIEW OF LITERATURE IN SOFTWARE BUSINESS

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Background

- Part of my Ph.D. process
- Work still in progress, near finished results

Background

- **Problem: Current entrepreneurship research treats all industries similar**
 - Studies done in a specific industry do not take into consideration the industry characteristics
- **Problems with ignoring context**
 - Software vs. biotech and patents
 - Measuring growth in software business
 - Differences in software product and service businesses
- **Many research proposals have highlighted the importance of environment and context in the research of the new venture creation processes (e.g. Gartner 1985, Busenitz, West, Shepherd, Nelson, Chandler & Zacharakis 2003, Park 2005).**

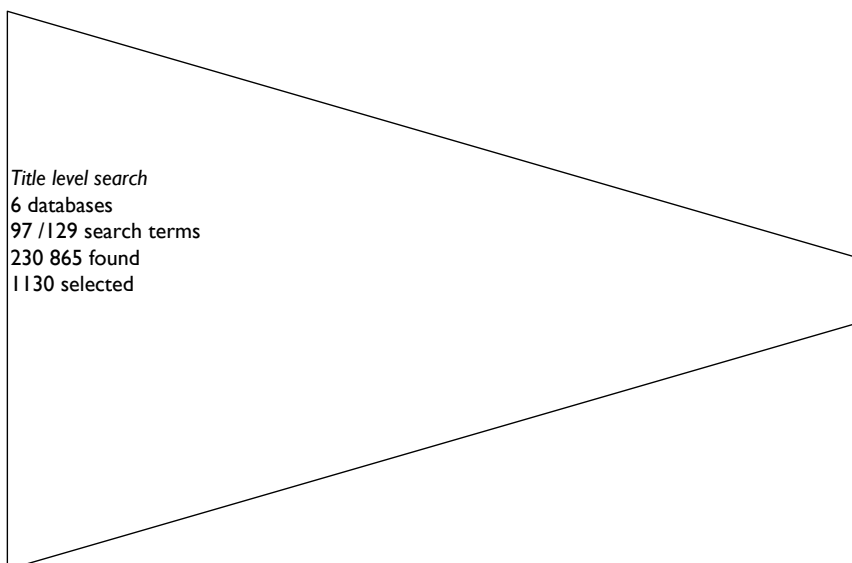
Background

- **Focus of this paper is on understanding how much (and how) industry context has been taken in consideration in current opportunity creation studies done in the software industry**
- **Opportunities seen as a way to growth**

Method

- Kitchenham (2004) “*Procedures for Performing Systematic Reviews*”
 - Provides a **rigorous** guideline for review
- Three levels of study
 - **First:** Keyword / title search on major databases (ACM, ABI, EBSCO, Elsevir, Emerald, IEEE).
Examples of keywords include: new software venture, software entrepreneurship, software marketing, software industry, high tech economics, ICT market, IT sector...

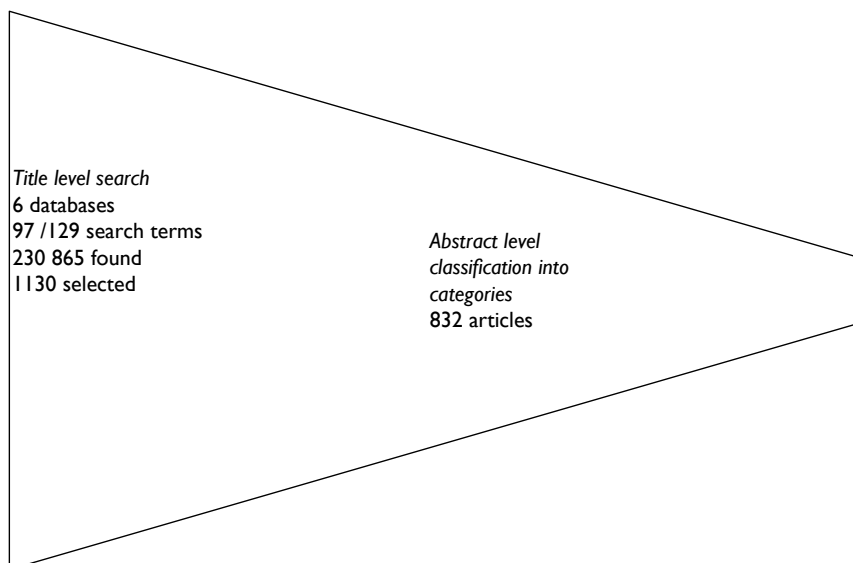
Review process



Review process

- Three levels of study
 - **Second:** Abstract level search was done by going through the abstracts (and papers if necessary) and categorizing them into *entrepreneurship* and *software business* categories
 - Some papers were focused only on one or the other category; in these cases only the relevant category was defined

Review process



Review process

Entrepreneurship categories	Software business categories
1: New venture creation	1: Software business (specific business aspects of software discussed)
2: Entrepreneurship / Small business management / Innovation	2: Software engineering, Software as the research industry
3: Organization / Strategic / Business management	3: IT or ICT use, High tech as the research industry
4: Economics	4: Knowledge intensive businesses / Technology sector

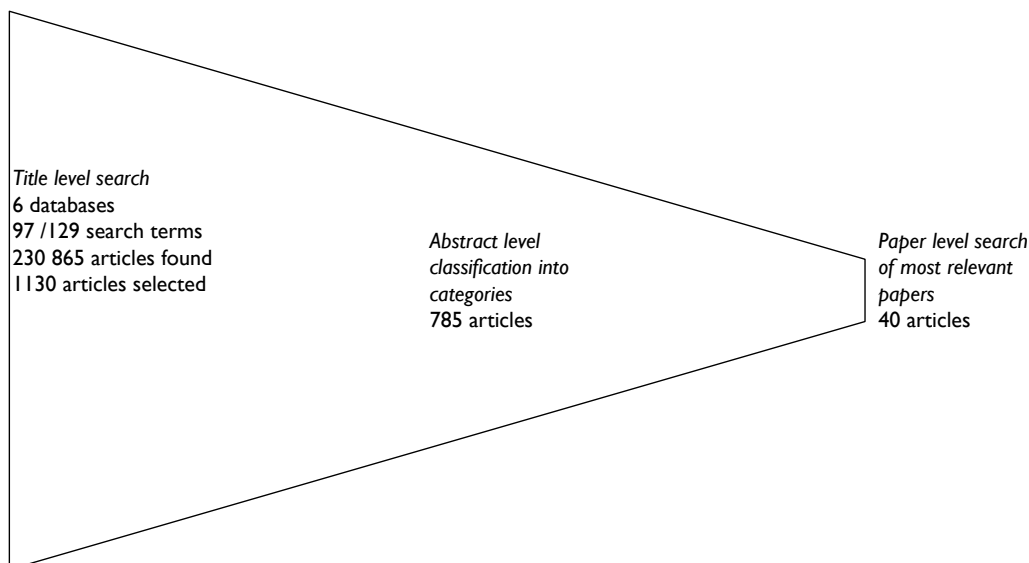
Results

Entrepreneurship categories	Software business categories
1: New venture creation 25	1: Software business (specific business aspects of software discussed) 101
2: Entrepreneurship / Small business management / Innovation 138	2: Software engineering, Software as the research industry 293
3: Organization / Strategic / Business management 343	3: IT or ICT use, High tech as the research industry 401
4: Economics 217	4: Knowledge intensive businesses / Technology sector 37

Review process

- Three levels of study
 - **Third:** Paper level study will go through the papers in detail to understand to what level we have considered industrial context in opportunity creation studies.

Review process



Results

Entrepreneurship categories		Software business categories	
Venture creation AND Software business	3	Software business AND Venture creation	3
Venture creation AND Software	5	Software business AND Entrepreneurship	5
Venture creation AND ICT / high tech	14	Software business AND Org / bus	52
Venture creation AND Knowledge / tech	1	Software business AND Economics	22
Entrepreneurship AND Software business	5	Software AND Venture creation	5
Entrepreneurship AND Software	27	Software AND Entrepreneurship	27
Entrepreneurship AND ICT / high tech	87	Software AND Org / bus	139
Entrepreneurship AND Knowledge / tech	4	Software AND Economics	70
...		...	

Results

Entrepreneurship categories		Software business categories	
Venture creation AND Software business	3	Software business AND Venture creation	3
Venture creation AND Software	5	Software business AND Entrepreneurship	5
Venture creation AND ICT / high tech	14	Software business AND Org / bus	52
Venture creation AND Knowledge / tech	1	Software business AND Economics	22
Entrepreneurship AND Software business	5	Software AND Venture creation	5
Entrepreneurship AND Software	27	Software AND Entrepreneurship	27
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Entrepreneurship AND Knowledge / tech	4	Software AND Economics	70
...		...	

- Also 33 articles categorized as interesting
 - Various reasons, mainly because they were relevant considering the Ph.D.

Preliminary results

- Most entrepreneurship research done in the software industry today does not consider the contextual factors

Limitations

- Focus was only on one industrial context
 - Regional, time and other contextual factors were ignored
 - Focused only on the software industry
- Only one reviewer
- Impact factors, quotations, publication forums etc. were not considered

Notes along the way

- Lack of dialogue between scholars
- Low number of contextually rich studies published in top journals
 - Most published in ACM periodicals
- Lots of technical lessons learned about how to do a literature review.

Thank you!

- Questions?
- Comments?

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