

Schools of Thought: The Case of Entrepreneurship

~ Ph. D. Professor **Sorin-George Toma** (*University of Bucharest, Faculty of Business and Administration, Romania*)

E-mail: tomagsorin62@yahoo.com

~ Ph. D. Professor **Paul Marinescu** (*University of Bucharest, Faculty of Business and Administration, Romania*)

E-mail: paulmarinescu1@gmail.com

~ Ph. D. Professor **Andreea Săseanu** (*The Bucharest University of Economic Studies, Romania*)

E-mail: saseanu@yahoo.com

Abstract: *The level of interest in entrepreneurship among policy makers, researchers, academics and businessmen has significantly raised in the last decades. During its evolution, the concept of entrepreneurship has been embedded in many various schools of thought on entrepreneurship. As entrepreneurship is interdisciplinary, it puts together knowledge and combines concepts from different fields of study and schools of thought. The aims of the paper are to briefly define the concept of school of thought and to exemplify its use in the field of entrepreneurship. The paper is based on a quantitative research method. It shows that the existence of the schools of thought on entrepreneurship proved to be beneficial for the development of entrepreneurship.*

Keywords: schools of thought on entrepreneurship, entrepreneurship, macro view, micro view

JEL Classification: L26

1. Introduction

The level of interest in entrepreneurship among policy makers, researchers, academics and businessmen has significantly raised in the last decades. The reason of this growth resides in the fact that entrepreneurship has become one of the key drivers of the global economy (Dana, 2004). This is why the conceptualization of entrepreneurship has gained appreciable prominence in the literature in recent years (Sørensen et al., 2007; Moroz and Hindle, 2011).

The academic field of entrepreneurship research has grown at an exponential rate and now supports a multitude of conferences and scientific journals all over the world (Bruyat and Julien, 2000; Shane and Venkataraman, 2000; Shane, 2007; Aldrich, 2012). As a result, several thousands of books, articles and reports about entrepreneurship are published yearly (Chandra, 2018).

During its evolution, the concept of entrepreneurship has been embedded in many various schools of thought on entrepreneurship. As entrepreneurship is interdisciplinary, it puts together knowledge and combines concepts from different fields of study and schools of thought. The so-called 'schools-of-thought' approach splits entrepreneurship into particular processes and activities (Frederick et al., 2016).

The aims of the paper are to briefly define the concept of school of thought and to exemplify its use in the field of entrepreneurship. The paper is based on a quantitative research method.

The paper is structured in three sections. The next section presents the literature review. The third section deals with the main schools of thought on entrepreneurship. The paper ends with conclusions.

2. Literature review

There is a multitude of theoretical approaches regarding the concept of school of thought. A school of thought is defined as:

- "a socially constructed and informal community of researchers building on each other's ideas and sharing similar interests and who consequentially share patterns of citation in their work" (Upham et al., 2010, pp. 557-558)

- "an entity that comprises both a system of thought and its member practitioners" (Negru, 2013, p. 983).

- "a body of belief, literature or theory that is accepted as authoritative by a group of scholars or writers" (Frederick et al., 2016, p. 15).

- "any idea that a group strongly believes in, be it through practicing this idea in their everyday life or through fighting for its adoption" (Business Dictionary, 2018, p. 1).

- "a set of ideas or opinions that a group of people share about a matter" (Cambridge Dictionary, 2018, p. 1).

- "a set of ideas that are held by a group of people, also a doctrine by which to live by" (The Law Dictionary, 2018, p. 1).

The above mentioned definitions allow the pinpointing of several features of a school of thought. First, a school of thought comprises a community of people (e.g., scholars, researchers). Second, its member share similar opinions, beliefs, ideas and interests. Third, a school of thought has to differentiate from other schools and to express coherence. Fourth, a school of thought is by itself a knowledge generator.

3. Schools of thought on entrepreneurship

There are numerous approaches to entrepreneurship in the literature that belong to different schools of thought (Table no. 1). It is said that “a school-of-thought approach divides entrepreneurship into specific activities, either macro or micro in viewpoint, but

both address the conceptual nature of entrepreneurship” (Kuratko, 2017, p. 8). The macro view of entrepreneurship presents the external factors that are mostly beyond the control of the entrepreneur whereas the micro view focuses on the factors that are specific to the entrepreneur’s ability to control, direct or adjust their influence (Kuratko et al., 2015).

Table no. 1. Schools of thought on entrepreneurship: an overview

No.	Authors	Name of the school of thought	Key ideas
1.	Cunningham, J. B., Lischeron, J. (1991)	I. Assessing personal qualities	
		The “Great Person” School of Entrepreneurship	The entrepreneur possesses some traits and instincts he is born with.
		The Psychological Characteristics school of Entrepreneurship	The entrepreneur has specific values, attitudes, and needs which drive him.
		II. Recognizing opportunities	
		The Classical School of Entrepreneurship	Innovation lies at the heart of the entrepreneurial behaviour.
		III. Acting and managing	
		The Management School of Entrepreneurship	The entrepreneur is an individual who owns, organizes, and manages an economic venture.
		The Leadership School of Entrepreneurship	Entrepreneurs are leaders of people.
IV. Reassessing and adapting			
		The Intrapreneurship School of Entrepreneurship	The entrepreneurial skills are seen as useful in complex organizations.

2.	Grebel, T. (2004)	The French School: R. Cantillon, F. Quesnay, N. Baudeau, A.-R. J. Turgot, J.-B. Say	The undertaker has the willingness to deal with uncertainty as he produces or buys goods at a certain price and sells them for an uncertain price.
		The British Classical School: A. Smith, D. Ricardo, J. S. Mill, T. R. Malthus, A. Marshall, J. Bentham	The undertaker, decision-maker or projector, is an economic agent that puts his capital at stake.
		The German Classics and the German Historic School: J. H. von Thünen, H. K. von Mangoldt, G. Hufeland, F. Hermann, A. Riedel, W. G. F. Roscher, B. Hildebrand, K. Knies, G. Schmoller	The undertaker increases his own risk by reducing uncertainty for other risk-averse economic agents.
		The Austrian School: C. Menger, E. von Böhm-Bawerk, F. F. von Wieser, L. E. von Mises, J. A. Schumpeter, F. Knight, I. M. Kirzner	Uncertainty represents an economic feature that affects all economic actors. The entrepreneur causes creative destruction.
3.	Peverelli, P. J., Song, J. (2012)	Economic approach	The entrepreneur is the person who coordinates various factors of production.
		Trait approach	In order to become a successful entrepreneur a person needs to possess a set of particular traits.
		Social identity approach	The entrepreneurial identity is constituted through the interaction among three actors: the individual, the society and the culture.
4.	Kuratko, D. F. (2017)	I. Macro view	
		Environmental School of Thought	This school analyses the external factors (e.g., institutions) that influence a potential entrepreneur's lifestyle.
		Financial/Capital School of Thought	This school deals with the capital-seeking process and expresses the financial management standpoint.
		Displacement School of Thought	This school presents the negative side of group phenomena (e.g., political and/or cultural displacement).
		II. Micro view	

	Entrepreneurial Trait Thought (People School)	School of	This school identifies and studies traits common (e.g., creativity) to successful entrepreneurs.
	Venture Opportunity Thought	School of	This school analyses the opportunity facet of venture development.
	Strategic Formulation Thought	School of	This school focuses on the planning process in the development of successful ventures.

These schools of thought express different views on entrepreneurship. In spite of the differences among these schools, they ease the understanding of entrepreneurship, an interdisciplinary domain. Also, the multiple perspectives provided by these schools illustrate the richness of ideas that are to be found in the field of entrepreneurship.

Conclusions

The emergence and development of entrepreneurship as a discipline and a field of study led to the establishment and expansion

of the schools of thought on entrepreneurship. On the other hand, these schools of thought have continuously enriched the entrepreneurial domain.

The paper contributes to the development of the literature related to entrepreneurship. First, it provides the theoretical foundation of the concept of school of thought by emphasizing some of its main features. Also, it shows that the existence of the schools of thought on entrepreneurship proved to be beneficial for the development of entrepreneurship.

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