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WHY, HOW, WHAT FOR? MOTIVATIONS, ACTIONS AND EXPECTATIONS IN HABITUAL ENTREPRENEURSHIP.

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ABSTRACT

This research examines habitual entrepreneurship as undertaken by those currently creating a new firm and those who recently had. The suggestion is that habitual entrepreneurs have different motivations for firm creation, take different actions during the process, and have different expectations for outcomes, as compared to novices. Data drawn from a random sample of over 1100, nascent and new firms, in part, support this view. It was found that habitual entrepreneurs are motivated to grow their firm as large as possible, actively define market opportunities during firm gestation, and have circumspect expectations as to the difficulty of business survival.

INTRODUCTION

The process of venture creation is a central theme in entrepreneurship research (Gartner, 1988). Studying why and how this happens will enhance our understanding of entrepreneurship. One way of achieving this is to contrast the motivations and actions of those successful in starting a business with those who are not. The major goal in this type of research is to determine why variations in venture creation outcomes exist. This paper draws on theories of human capital to propose one possible explanation for these differences as the experience brought to a nascent venture by those who participate in it.

Prior research has examined the characteristics and behaviours of first-time or novice entrepreneurs, as compared with those who have repeat experience in entrepreneurship, or habitual entrepreneurs (Ucbasaran, Westhead, & Wright, 2006a). This study seeks to extend this literature and make an original contribution by empirically examining the relationships between entrepreneurial experience and the motivations and expectations of those currently in the process of starting a business, or nascent entrepreneurs, compared with those who have recently and successfully created a new business. Moreover, we seek to highlight differences in the actions taken by novice and habitual entrepreneurs in the creation of a new venture. We consider this a tentative first step to answering the question: Is habitual entrepreneurship different?

IS HABITUAL ENTREPRENEURSHIP DIFFERENT?

Over twenty years ago MacMillan (1986) suggested that if we want to “*really learn about entrepreneurship*” then we should study habitual entrepreneurs. This provocation was partly in reaction to much work which had, until then, examined the act of entrepreneurship by considering entrepreneurship a binary outcome – business success or business failure, and attributing these to characteristics of the individual (Gartner, 1988). Around the same time Gartner (1988) suggested that progress in entrepreneurship was best served by moving from trait based theorising to behaviours and actions in venture creation. MacMillan’s (1986: 242) conclusion was that research which “*studies only (sic) ‘one-shot’ entrepreneurs tends inevitably to focus on the entrepreneurs themselves and the obstacles they encounter rather than focussing on the development of a comprehensive theory*”.

Since then much work has focused on habitual entrepreneurs (Ucbasaran, Alsos, Westhead, & Wright, 2008), and heeding Gartner (1988) examined behaviours and actions, or process (Ucbasaran, Westhead, & Wright, 2001). If we are interested in whether habitual entrepreneurship is different, we are really interested in whether the process is different. In order to effectively assess process differences, it is useful to look at more than one point. Thus, examining *why* entrepreneurs are motivated to act, *how* they act, and *what* they expect of their action, gives us three points across the process.

Of course, some start-up attempts undertaken by first time venture founders will be successful; conversely some attempts by experienced founders will be unsuccessful. But, by comparing the motivations behind novice nascent ventures with those underlying experienced and successful young firms we might come to understand why venture creation is attempted.

As we might define it, expertise is something that describes successful performance, or an outcome of behaviour, rather than a category of person. There is no guarantee that extended experience converts to expert performance. However, even in unsuccessful endeavours entrepreneurs may learn from their experience (McGrath, 1999). Thus, examining the differences in the actions and activities undertaken by experienced founders of nascent ventures during their gestation, with those who have never attempted, we may impute how elements of this process might best happen, or approach that which suggests expertise.

Finally, contrasting what novice and experienced entrepreneurs might expect as an outcome of their entrepreneurial behaviour compared with the attempts of others is valuable. Clearly those that attempt a business start-up or engage in a new venture would expect to be successful. However, differences attributable to entrepreneurial experience may exist within the confidence with which they hold this expectation as regards their own business and in turn the businesses of others.

Why are habitual entrepreneurs motivated to create new firms?

The often cited *raison d'être* for entrepreneurial action is the discovery and pursuit of opportunity (Shane & Venkataraman, 2000). This type of motivation to act is based on the pull of entrepreneurship as the medium by which opportunity may be best exploited. However, this is not the only way by which someone might come to act entrepreneurially. An alternative view is based around the motivational push toward entrepreneurship that stems from the necessity to behave this way (Schjoedt & Shaver, 2007). In this case it is not the pursuit of opportunity that motivates, but, it is the lack, or discounting of alternatives.

While pull motivations like opportunity based entrepreneurship might be deemed a choice, this luxury of choice does not readily accord with the push motivation that drives necessity based entrepreneurship. For one matter, experienced entrepreneurs, it would seem should not go, again, into the process blind. Having had experience of entrepreneurship, they are armed with knowledge of what to expect, thus are more likely to make an active choice of participation than to have one forced upon them. In addition, starting a business can often be a capital intensive process, though there are views that a surfeit of resources is not a necessary component of successful entrepreneurship (Baker & Nelson, 2005). The endowment afforded by successful entrepreneurship may well be an abundance of resources; this again would seem to preclude the forced action of necessity entrepreneurship. In fact this would also be true of those who come to entrepreneurship, as resource rich, via whatever means. Schjoedt & Shaver (2007) show that on the whole necessity motivated entrepreneurship is rare. It is expected that necessity motivated entrepreneurship is even rarer in the case of habitual entrepreneurs. Considering this the following hypothesis is proposed:

Hypothesis 1a: Novice entrepreneurs are more likely to have been motivated to firm creation out of necessity than habitual entrepreneurs.

Bhave (1994) details two distinct ways with which to come at the process of entrepreneurship. The first is the textbook version, where someone would decide upon their course of action, in this case starting a business; they would then take steps to make this happen. Given that they have just decided to start 'a' business, the search then commences for 'which' business that will be. Thus the business decision comes before the business idea. This may be referred to as an 'externally stimulated' (Bhave, 1994) or externally motivated process. The second way Bhave (1994) contributes is: where upon creating, or discovering a business idea, the motivation then exists for the decision to create a business in order to enact this idea. This process is the inverse of the former, and is idea driven or idea motivated, Bhave (1994) calls this 'internally stimulated'. These are vastly different motivations for firm start-up.

When we consider serial habitual entrepreneurship in relation to Bhave's model, on the face value it might be construed that those who've started a business previously have already committed to the entrepreneurship decision, and therefore may only follow the prescribed or pre-decided externally motivated route. We would argue, however, that each venture motivation should be, and would be, considered on its own merits, thus enabling both motivations. In fact, Wright, Robbie and Ennew (1997) show that motivations can, and do, change between the firms a serial entrepreneur creates. Further, it would seem that coupled with the multiplying effect that prior knowledge (Shane, 2000) has on the discovery of opportunities, and that business ownership itself opens up further potential, and hereto unseen opportunity (Ronstadt, 1988). In fact, habitual entrepreneurs even in the absence of conscious action would, in theory, come across more opportunity, via passive search (Ardichvili, Cardozo, & Ray, 2003) and hence have an increased chance that 'idea' driven motivations be the trigger for re-engaging in the entrepreneurship process. Stated thus:

Hypothesis 1b: Habitual entrepreneurs are more likely to have been motivated by an internally stimulated process than novice entrepreneurs.

The vast majority of new businesses are relatively mundane, (Aldrich, 1999) low impact, low growth, imitative ventures (Low & Abrahamson, 1997) in mature industries (Davidsson, 2008). If we consider this alongside the acknowledged importance of growth aspirations (Wiklund, Davidsson, & Delmar, 2003), or motivations, it might be expected that a low growth, more manageable firm size be the dominant logic. Certainly, for novice entrepreneurs this may hold true, given as Sarasvathy (2008: 127) suggests, “*for the one time entrepreneur, the firm is an end in itself*”. However, the evidence is that this does not hold for experienced entrepreneurs. In this case, Rosa (1998) suggests that habitual entrepreneurship and growth are intertwined, and that starting subsequent ventures are of themselves growth strategies. So too, Wiklund and Shepherd (2003) found that although moderated by resources and opportunities, growth aspirations were positively associated with experience. Thus we would expect:

Hypothesis 1c: Novice entrepreneurs are more likely to have growth motivations for their firms which are anchored to a ‘manageable size’ than habitual entrepreneurs.

How are habitual entrepreneur’s actions different to novices?

There is good reason to believe that the actions taken, or processes followed by more experienced entrepreneurs during firm gestation would be different to that of someone who has never attempted it before (Westhead, Ucbasaran, & Wright, 2005a). For instance, human capital effects such as experiential learning might facilitate the short-cutting of some processes; so complete re-learning of what to do during start-up should not be required each time a firm is created, or alternatively learning might enhance opportunity discovery (Corbett, 2007). Alsos and Kolvereid (1998) found that experienced entrepreneurs had a different gestation process than novices; with serial founders seemingly under greater time pressure and completing more gestation activities than novices. Also, that while no more likely to get up and running than novices, it seems serial founders were more likely to cease trying to pursue a venture. This type of decisive action, where early losses are cut, is one that Sarasvathy (2001) suggests is typical of, and distinct to, expert entrepreneurs. Given that firm gestation is a complex process, we focus on two actions which are of particular importance to the creation of a firm: information collection and opportunity definition. These are also areas which have pertinent theory and empirical evidence upon which we may draw. Thus, we explore these further in order to discern differences between the actions of habitual and novice entrepreneurs.

As regards to information search there have sometimes been mixed findings in prior research, with theorising disconnected from the empirical evidence (Cooper, Folta, & Woo, 1995), and in some cases inconclusive. Two opposing arguments might suggest that experienced entrepreneurs either search for more, or for less information. Contrary to expectation, Cooper, and colleagues (1995) found that novice entrepreneurs sought more information than habitual entrepreneurs. They attributed this finding to the overconfidence of habitual entrepreneurs. Alternatively, Westhead and colleagues (Westhead et al., 2005a) despite theorising that habitual entrepreneurs would use less source of information than novices, too found the opposite; that in fact they used significantly more information. When it comes to searching for information, Alsos and Kolvereid (Alsos & Kolvereid, 1998) found that although serial entrepreneurs were slightly more likely to have conducted market research than novices, this difference was not significant.

Information seeking behaviours allow entrepreneurs to identify the profit opportunities; for instance, entrepreneurial alertness is viewed as a heightened ability to process information especially regarding business opportunities (Kirzner, 1979). Though information processing ability, and understanding increases with experience (Levin, Louviere, Schepanski, & Norman, 1983; Ucbasaran, 2004), more experienced entrepreneurs are theorised to not actively search for information as much as novice entrepreneurs (Cooper et al., 1995). This may be attributed to cognitive information processing theories that suggest those with increased experience can do more with less information, given their rich cognitive prototypes, pattern matching (Baron & Ensley, 2006), and the use of heuristics (Astebro & Elhedhli, 2006). Recent research also suggests that inexperienced entrepreneurs think differently to experienced ones, for instance they are more likely to rely on analytical or information intense strategies such as systematic searches (Gustavsson, 2006). These findings point to experienced entrepreneurs requiring less information, while novices need more, thus it is from this that we draw our hypothesis:

Hypothesis 2a: Novice entrepreneurs are more likely than habitual entrepreneurs to have started searching for information as part of firm gestation.

Prior knowledge has been suggested as a necessity for successful opportunity recognition (Shane, 2000). Of course this prior knowledge might be gained through multiplex activities: current employment, education, interaction with social connections. However Ronstadt (1988) argues that it is the specific act of business creation that facilitates the detection of opportunities that would not have otherwise been detected. Coupled with fact the that

habitual entrepreneurs have been found to have more “creative and innovative mindsets” conducive to opportunity recognition than those who were starting their first business (Westhead, Ucbasaran, & Wright, 2005b: 72). This is a view that has been empirically confirmed, Ucbasaran and colleagues (2006a) found that novices identified fewer opportunities than serial habitual entrepreneurs. We also expect, that the enhanced understanding of information, gained through the experience of habitual entrepreneurs should translate into ‘opportunity definition’ (Ucbasaran, 2004) being enacted. Thus, we suggest the following hypothesis:

Hypothesis 2b: Habitual entrepreneurs are more likely than novice entrepreneurs to have begun defining market opportunities as part of firm gestation.

What do habitual entrepreneurs expect?

Entrepreneurs have been shown to be biased towards overconfidence (Forbes, 2005), or optimism (Cooper, Woo, & Dunkelberg, 1988). For example, Forbes (2005) identified that firm founders were more susceptible to overconfidence bias than non-founders. Cooper and colleagues (1988) found that when asked one third of entrepreneurs gave their own venture a one hundred percent chance of success. However, overconfidence is tempered by the age of the entrepreneur (Forbes, 2005), so too does it vary with the nature of habitual entrepreneurship, especially if failure forms part of that experience (Ucbasaran, Westhead, & Wright, 2006b). It has been suggested that biases like this, may also be due to post-facto rationalisation or hindsight bias, which in turn might lead to overestimating subsequent chances of success for repeat entrepreneurs (Cassar & Craig, Forthcoming). So, when considered in relation to future expectations any examination of the entrepreneurs’ perception of their ventures chances for long term success compared to other ventures must consider these biases. Thus, general findings on overconfidence, coupled with hindsight biases, lead to the suggestion that habitual entrepreneurs would predict a higher chance of success for their ventures as compared to novices. This is hypothesised as follows:

Hypothesis 3a: Habitual entrepreneurs would expect their firm to have a higher chance of survival than novice entrepreneurs would judge for their own firms.

However, overconfidence is a twin-edged sword. While it may lead to unrealistic expectations, it at the same time might well be necessary for risky action, like entrepreneurship (Busenitz & Barney, 1997). When it comes to making judgements about how difficult business survival would be, we expect there to be differential effects between novices and habitual entrepreneurs. All habitual entrepreneurs, whether their past experiences were successes or failures, have direct knowledge upon which to draw their future judgements. Thus we anticipate that their expectations to be more realistic given this direct experience of business creation. On the other hand, novices have no such direct experience with which to calibrate their judgements. Considering the pervasive nature of overconfidence across those who have experience of business creation, and those who are about to try we expect the inexperience of novices leads to their underestimation of the difficulty of entrepreneurial success, as compared to habitual entrepreneurs judgement. Stated thus:

Hypothesis 3b: Novice entrepreneurs are more to likely to expect business survival is easier than habitual entrepreneurs.

METHODS

Research Design, Sample and Survey Instrument

Data was drawn from a screened random sample of over 1100 Australian nascent and newly started business ventures. This data was collected over the period from July 2007 to March 2008 as part of the Comprehensive Australian Study of Entrepreneurial Emergence¹ (or CAUSEE) project (Davidsson, Steffens, Gordon, & Reynolds, 2008). The data collection was via telephone, and conducted using a computer aided telephone interviewing system, with participants contacted through a random digit dialling mechanism. The sampling frame was nationwide and targeted emerging and newly established firms as the nominal unit of analysis (Davidsson & Wiklund, 2001). Ultimately, the CAUSEE project will consist of a longitudinal panel study conducted over four years, sourcing information from annually administered telephone surveys. Importantly, this methodology allows for the capture and tracking of nascent venture creation as it happens. However, the data analysed in this paper represents the first of these four years, and thus, is essentially cross-sectional in nature.

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In order to establish the participant's eligibility, at interview, a staged qualification system was used. This consisted of a short screener based around three questions assessing: independent business start-up, corporate venturing, and established business ownership. In a similar fashion to American sister studies (Reynolds, 2007; Reynolds & Curtin, 2008), the respondent must answer 'yes' to at least one of these screener questions in order to continue in the process. They also had to confirm that they were or would be owners of this business or start-up. For nascent firms they also had to establish that they were indeed active in the process of start-up by having already undertaken some verifiable action, but were not yet profitable. Young firms, on the other hand, were taken to be those who had started trading in the market since 2004.

Of the some 30105 adults that completed this screener survey, 2068 met all the criteria for inclusion in the study, and 625 nascent and 561 young firms went on to complete the full interview. This represents a total response rate of 57.4%. The full length survey encompassed a large number of areas of inquiry: assessing firm characteristics, the gestation process, firm resources and resource strategies, finance and internationalisation amongst others. For the purposes of this research however we constrain our examination, to those sections which capture information about prior entrepreneurial experience, motivations, actions and expectations. Instrument validity was established by using pre-existing, validated, measurement scales, where possible, and subject to extensive pre-testing prior to delivery in the field.

Independent Variables

Habitual entrepreneurship is the independent in this research. By that we mean that there must have been some past personal experience of entrepreneurship by the participant, in order for them to be considered habitual. This variable was assessed using the following interview question: *"Before starting this business / How many other businesses, if any, have you and your partner helped to start as an owner or part-owner, either together or individually?"* For this examination of habitual entrepreneurship, we have taken the most dilute definition of the concept. Thus, if the respondent had stated that they had any prior experience of business ownership (i.e. one prior business was sufficient) then they were classified as serial, habitual entrepreneurs. It is worthwhile noting that in this operationalisation, there were no criteria that this prior experience had been successful or not. Nor was there a higher level threshold set, of multiple prior businesses in order to qualify.

While more stark operationalisations of 'habitual' (e.g. setting a threshold of three successful prior businesses (Ucbasaran et al., 2006a)) may have served well for isolating variance and highlighting group differences, this initial examination of habitual differences we focus on a gross comparison of sub-groups, and the statistical power of larger group sizes. This choice was reasoned on the fact that should hypotheses proved confirmed in this case, or relationships suggested, more considered theorising and analysis may be undertaken in future research. Another reason for this choice is that the time of analysis we have no information whether the prior serial entrepreneurial activity had been successful or not. It might be the case that a participants prior experience may consist of a string of failures, or successes attained due to factors outside their control (Ucbasaran et al., 2006a) or luck (Davidsson, 2008); this would be likely to confound our results. In subsequent waves of data collection we will have access to more precise information on prior business successes versus prior failures, and some information about the success, and or performance of their current venture, this will allow us to draw less "arbitrarily chosen" (Davidsson, 2008: 160) groups.

Dependent Variables

Motivation was operationalised using three variables: internally stimulated versus externally stimulated decision process; opportunity versus necessity entrepreneurship; and motivation towards firm growth. Internally stimulated or idea driven motivations were assessed using the following interview question *"Which came first for you, the business idea or your decision to start a business -- or did they occur together?"* Opportunity-Necessity entrepreneurship is designed to encompass the pull or push motivations toward entrepreneurship and was measured via the following interview question: *"What is truer for you: Are you involved in this business to take advantage of a business opportunity or because you have no better choices for work?"* As for growth motivation we examined the aspirations for firm size by asking *"Which of the following two statements best describes your preference for the future size of this business: I want this new business to be as large as possible, or I want a size I can manage myself or with a few key employees?"* All three of these variables were operationalised as dichotomous variables.

As for actions, we consider only nascent firms as they progress through the start-up process. In this case we have no direct comparison information available for the up and running young firms. As part of the interview a number of gestation activities are measured as being initiated or not (i.e. presence or absence). These activities cover things such as: planning, product development, establishing the firm legal form, acquiring resources. In this case

relationships with habitual entrepreneurship had been hypothesised for two of these many gestation activities: information collection, opportunity definition. Information collection was measured as the respondent having sought information about either their potential customers, or their future competitors; while opportunity definition required the attempt to identify specific market opportunities.

Expectation measures of predicted venture success and estimated venture survival were both based around judgement scales in which the respondent gave a numeric rating in the range from 1 to 100. The expectation of predicted venture success, referred to their own venture, was measured using the following question: “*On a scale of zero to one hundred, what is the likelihood that this business will be operating / still be operating five years from now, regardless of who owns and operates the firm?*” As an alternative to this measure we considered the judgement on how difficult the participant expects firm survival to be, when generalised to all firms. To assess this expectation we used this question: “*In this research we are talking to hundreds of early stage start-ups / young businesses. If we take one hundred of them at random, how many do you think will still be operating five years from now, regardless of who own and operate them?*”

Control Variables

In order to isolate any variance due to firm type or firm characteristics, we included a *services* variable which was drawn from the interview question: “*So, would you say this new business will mainly sell products or mainly sell services?*” In addition we included the sector in which the firms traded using a six category aggregation which highlighted the retail, health, manufacturing, construction, and business consulting sectors as dummy variables. We used firm team structure to represent social capital variation. In the interview participants were asked: “*Will the new business be owned only by yourself, only by yourself and your spouse/de facto, or by yourself and some other people or businesses?*” In this case, the spousal partnership or other multi-owner arrangement was considered a *team*.

As our hypothesised relationships were drawn on theories of human capital, it was essential to account for heterogeneity in this area by using a number of control variables. In this instance we used *university education* (i.e. whether the firm owner or someone in the ownership team possesses a degree qualification), *industry experience*, and *management experience*. With industry experience representing the number of years experience within the industry that the business competes, while management experience accounted for the number of years general management, supervision or administration.

For the hypotheses relating to gestation actions (information collection, and opportunity definition), consideration was given to the length of time that the business had already been in the start-up process. This is an important control variable as it follows that the longer it has been since starting, the more likely the nascent firm is to have already taken these actions. Thus, we calculated the *time in active gestation*, as the time, in months, from the earliest gestation activity until the time of the interview.

Analysis Methods

Hierarchical multivariate logistic and linear regressions, analysis of variance, and Chi-square tests were the main statistical techniques used to describe the relationships between dependent and independent variables, and test the proposed hypotheses. The three different groups of dependent variables, motivations, actions, expectations called for different analyses. For motivation, both independent and dependent variables were categorical in nature: thus we examined cross-tabulations of the groups of data, and tested for differences using Chi-square. For actions, too, we analysed the using Chi-square group’s difference tests in the first instance. Then, hypotheses were tested by introducing control variables, which could potentially influence the dependent variable, into a logistic regression model. A subsequent regression model then added the habitual entrepreneurship predictor variable (nominally in causal order), and we noted the change in model predictive performance. This allowed the second model to control for all the independent variables in the prior model; thus isolating and measuring, the effect of this particular predictor variable, and testing this influence for statistical significance. Finally, to test expectations, we used analysis of variance to examine overall group differences, and then in similar fashion to the analysis of action variables we used regression, but this time hierarchical linear regression was employed. The use of the hierarchical regression techniques allowed the analysis to focus on the theorised associations drawn earlier. We also use comparisons between results for nascent firms and young firms to draw conclusions regarding success in the establishment of a new firm.

Limitations

This research has some recognised limitations. Currently, only one wave of data collection is available to analyse, hence the study is essentially a cross-sectional research design at the moment. Despite their limitations in drawing causal inferences, cross-sectional studies are common in empirical entrepreneurship research (Chandler & Lyon, 2001). By controlling for possible influencing covariates, the internal validity of this research was increased;

however it was recognised that this might have an adverse effect on external validity. Therefore the conclusions of this study should be treated with caution, in any attempt to generalise, especially with regards to causality.

RESULTS

Prevalence of Habitual Entrepreneurship: General Results

Of the 1186 firms in the sample, for just under half (49.1%) this start-up or new firm was their first (see Table 1), the rest had someone in the team who had done this before. There were significantly ($p < 0.0001$) more novice young firms (55.4%) in our sample than novice nascent firms (43.4%). Some firms were started sequentially by their founders; others currently had another firm or start-up in addition to the firm reported here. This type of concurrent ownership is more commonly called portfolio entrepreneurship, and while this too is an important dimension of habitual entrepreneurship, it is not the focus of this paper. Nor, is this type as abundant in our sample, with just over a quarter (28.2%) involved in a parallel firm. We found portfolio ownership among nascent firms (33.4%) was more prevalent ($p < 0.0001$) than in young firms (22.5%).

Table 1: Prevalence of habitual entrepreneurship: serial and portfolio.

		Habitual		Concurrent		Total
		Novice	Serial	Single	Portfolio	
Nascent Firm	n	271	354	416	206	625
(n=625)	%	43.4	56.6	66.2	33.4	52.7
Young Firm	n	311	250	435	126	561
(n=561)	%	55.4	44.6	77.5	22.5	47.3
Total	n	582	604	851	335	1186
(n=1186)	%	49.1	50.9	71.8	28.2	100
	χ^2	17.253***		17.586***		

Note: *** $p <$

0.001; All significance tests are two-tailed

Some differences between novice and habitual founders were found when it comes to firm characteristics, human and social capital factors (see Table 2). On the whole, firms created by university educated founders were in the slight minority (45.1%), with nascent firms (47.0%) having a higher rate of representation than young firms (43.0%). Though, most nascent habitual entrepreneurs were university educated (52.8%), and significantly more likely ($p = 0.001$) than the novice nascent (39.5%) to have a degree holding team member. When it comes to ownership, novices tended to be solo ventures (37.8%), while those with prior experience (57.5%) favoured a team structure. This habitual-team, novice-solo tendency was true for both start-ups ($p < 0.0001$) and young firms ($p < 0.0001$). Most firms in our sample were based around providing a service to customers (60.6%), rather than selling a product, particularly young firms (69.2%). Novices (66.3%) were more likely ($p < 0.0001$) to favour a service based business than habitual owners (55.2%). Results also showed there was no particular bias ($p < 0.460$) between the sectoral distribution of business where first-timers or the experienced founders pursued their start-up ventures or operated their new firms.

Nascent firms ($M = 17.89$) tended ($F = 6.729$, $p = 0.010$) to be attempted by founders with more management experience than those of young firms ($M = 14.91$). Not surprisingly, experienced entrepreneurs possessed significantly more ($F = 94.290$, $p < 0.0001$) general management ($M = 21.77$) experience than novices ($M = 10.99$). The same was true for specific experience within their industries ($M = 11.69$); novices had clocked up less ($F = 30.666$, $p < 0.0001$) time than the habitual ($M = 18.09$). When it comes to the start-up process, novices ($M = 48.10$) had spent less time ($F = 7.039$, $p = 0.008$) in active gestation than habitual entrepreneurs ($M = 64.70$), although it is important to note that this is not a measure of how far along this process they had progressed.

Table 2: Control variable cross-tabulations; descriptive statistics and partial correlations.

Control Variables		University Education ^a		Team ^a		Service ^a		Sector ^a											
		Retail		Health		Manufacturing		Construction		Business Consulting		Other							
		n	%	n	%	n	%	n	%	n	%	n	%	n	%				
Nascent Firm (n=625)	Novice (n=271)	107	39.5	101	37.3	157	57.9	55	20.3	41	15.1	20	7.4	17	6.3	31	11.4	107	39.5
	Habitual (n=354)	187	52.8	206	58.2	174	49.3	66	18.6	42	11.9	36	10.2	31	8.8	35	9.9	144	40.7
		X²	10.967**	26.886***		4.597*												4.419	
Young Firm (n=561)	Novice (n=311)	138	44.4	119	38.3	229	73.6	41	13.2	34	10.9	15	4.8	43	13.8	55	17.7	123	39.5
	Habitual (n=250)	103	41.2	141	56.4	159	63.6	32	12.8	24	9.6	15	6	38	15.2	42	16.8	99	39.6
		X²	0.589	18.333***		6.542*												0.857	
Total (n=1186)	Novice (n=582)	245	42.1	220	37.8	386	66.3	96	16.5	75	12.9	35	6	60	10.3	86	14.8	230	39.5
	Habitual (n=604)	290	48.0	347	57.5	333	55.2	98	16.2	66	10.9	51	8.4	69	11.4	77	12.7	243	40.2
		X²	4.191*	45.865***		15.291***												4.647	

Variable	Descriptive Statistics			Variables													
	N	Mean	SD	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1 Young Firm ^a	1186	0.47	0.50	1													
2 Serial Venture ^a	1186	0.51	0.50	-0.12**	1												
3 University Education ^a	1186	0.45	0.50	-0.04	0.06*	1											
4 Team ^a	1186	0.48	0.50	-0.03	0.20**	0.23**	1										
5 Service ^a	1185	0.61	0.49	0.16**	-0.11**	0.01	-0.15**	1									
6 Gestation Time ^{bc}	592	1.44	0.57	n.a.	0.03	-0.01	-0.07	-0.01	1								
7 Industry Experience ^b	939	1.08	0.44	0.03	0.19**	0.13**	0.30**	-0.01	0.09	1							
8 Management Experience ^b	1037	1.08	0.44	-0.06	0.29**	0.16**	0.31**	-0.14**	0.02	0.42**	1						
9 Internally Stimulated Motive	1186	0.42	0.49	-0.14**	0.04	0.07*	0.05	-0.08**	0.04	-0.05	0.02	1					
10 Necessity Entrepreneurship	1186	0.11	0.31	0.07*	-0.06	-0.11**	-0.07*	0.05	-0.04	-0.05	-0.04	-0.11**	1				
11 Growth Motivation	1186	0.21	0.41	-0.11**	0.15**	0.07*	0.12**	-0.13**	-0.08	0.06	0.06	0.08**	-0.07*	1			
12 Information Collection ^c	625	0.91	0.29	n.a.	0.05	0.03	0.04	-0.06	-0.01	0.01	0.05	0.01	-0.07	0.01	1		
13 Opportunity Definition ^c	625	0.65	0.48	n.a.	0.12**	0.14**	0.12**	-0.11**	0.02	0.08	0.17**	0.10*	-0.10**	0.11**	0.23**	1	
14 Predicted Venture Success	1182	81.07	22.12	-0.02	0.10**	0.05	0.12**	-0.02	0.10*	0.08*	0.06*	-0.04	-0.11**	0.13**	0.04	0.15**	1
15 Estimated Venture Survival	1171	39.04	20.50	0.07*	-0.15**	-0.16**	0.00	0.07*	0.03	-0.03	-0.11**	-0.09**	0.07*	-0.09**	-0.07	-0.12**	0.11**

Notes: † p < 0.1; * p < 0.05; ** p < 0.01; *** p < 0.001; ^a Binary Variable (0 = No, 1 = Yes); ^b Log transformed variable; ^c Nascent firm variable only; All significance tests were two-tailed.

The second part of Table 2 details descriptive statistics, and Pearson correlation coefficients for the independent, control and dependant variables used to test the proposed hypotheses. An outline of the results of these tests follows in the remainder of this section.

Habitual Motivations

Table 3 summarises the results for the analysis of entrepreneurial motivations testing proposed associations between habitual entrepreneurship and idea driven motivation, necessity entrepreneurship, and the motivation for venture growth (Hypotheses 1a, 1b, & 1c).

Table 3: Cross-tabulation for motivations by firm status and entrepreneurial experience.

Independent Variables ^b		Internally Stimulated		Necessity		Growth Motivation ^a	
		Motive ^a		Entrepreneurship ^a			
		n	%	n	%	n	%
Nascent Firm (n=625)	Novice (n=271)	139	51.3	30	11.1	50	18.5
	Habitual (n=354)	163	46.0	25	7.1	107	30.2
		χ^2				11.316 ^{***}	
Young Firm (n=561)	Novice (n=311)	94	30.2	43	13.8	36	11.6
	Habitual (n=250)	102	40.8	30	12.0	56	22.4
		χ^2		0.408		11.844 ^{***}	
Total (n=1186)	Novice (n=582)	233	40.0	73	12.5	86	14.8
	Habitual (n=604)	265	43.9	55	9.1	163	27.0
		χ^2		3.637 [†]		26.641 ^{***}	

Notes: [†] $p < 0.1$; * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; ^a Binary Variable (0 = No, 1 = Yes); ^b One tailed significance test used for directional hypotheses.

Overall, an internally stimulated (42%) or a purely idea driven venture motivation was less prevalent than the typically quoted process that starts with an initial decision to engage in entrepreneurial behaviour (or an externally motivated decision). Nascent firms (48.3%) however were significantly more likely ($\chi^2(1,1186) = 21.736, p < 0.0001$) to be motivated by the 'idea' than young firms (34.9%). As hypothesised, the total rate of internally stimulated motivation was slightly higher in the habitual (43.9%), as compared to the inexperienced (40.0%), however this difference was not significant ($p = 0.100$). Despite of the absence of an overall effect, differential effects were exhibited between nascent and young firms. For young firms, those with prior experience (40.8%) were, as suggested, more likely ($p = 0.006$) to be motivated by internal processes than novices. However the opposite was true for nascent firms, where novices were more likely to cite internal motivation than those with prior experience. This result however was not statistically significant ($p = 0.888^2$).

The total rate of necessity entrepreneurship was quite low (10.8%), although it was slightly higher ($\chi^2(1,1186) = 5.449, p = 0.024$) among young firms (13.0%) as compared to nascent firms (8.8%). This may indicate that starting a new firm out of necessity proves no hindrance to the ventures success in starting-up. Start-up attempts or young firms created by novices (12.5%) were more likely ($\chi^2(1,1186) = 3.637, p = 0.035$) to be motivated out of necessity than those attempted or established by experienced (9.1%) founders. While the overall results for necessity entrepreneurship could be considered statistically significant, there is a poor statistical power given due to the low prevalence ($N = 129$) of necessity entrepreneurship cases in the sample and the further dilution into firm status and habitual entrepreneurship factors for tests. A further examination using separate tests dependant on firm status was congruent with the overall picture; though in the case of nascent firms ($p = 0.054$) only marginally significant and in the case of young firms ($p = 0.305$) non-significant.

Although the large majority of nascent (74.9%) and newly created firms (83.6%) indicated that they preferred a manageable business size, those firms started by founders with previous business experience were more likely ($p < 0.0001$) motivated to grow the business as large as possible, as compared to novice ventures. As with nascent firms, the results suggest a higher rate of motivation to high growth at start-up than in the early stages of the newly created venture ($\chi^2(1,1186) = 13.555, p < 0.0001$). Reinforcing the overall relationship, both nascent firms and young firms under the management of experienced entrepreneurs were significantly (Nascent: $p = 0.001$; Young Firm: $p < 0.00$) more likely to be high growth motivated than those of novice nascent and young firms.

² Note: In this case with an incorrectly exhibited directional hypothesis, and tested using a one-sided test, we calculate significance as $1-p$.

Habitual Actions

At the time of data collection, the vast majority of nascent firms, whether first timers (78.2%) or experienced (80.5%), had already started discussions with their potential customers, most others planned to, although a very small number saw this as irrelevant (4.6%). So too, had most nascent firms collected information about their competitors, although not as many as had discussions with customers (65.6%). Novice firms (59.8%) were less likely ($\chi^2(1,625) = 7.185, p = 0.028$) to have started investigating their competitive environment than experienced firms (70.1%). Of those who had not collected competitor information, more than twice as many did not have any plans to do so in the future (23.0%) compared to those who did (11.4%). In total, some nine out of ten (90.6%) nascent firms had collected information about their customers or competitors, as part of their start up activity, although there was no significant difference ($\chi^2(1,625) = 1.487, p = 0.269$) between novice (88.9%) and habitual (91.8%) information collection. The rate of opportunity definition was lower than information collection. Approximately two thirds (65.0%) of firms had already defined market opportunities, with serial venture starters (70.1%) more likely ($\chi^2(1,625) = 9.316, p = 0.003$) to have done so than novices (58.3%). Of those who had not yet started to define market opportunities, most planned to (23.4%), rather than not (11.7%).

Table 4 summarises the results of the hierarchical logistic regression analysis used to test the two hypotheses proposing associations between habitual entrepreneurship and some of the gestation activities (Hypothesis 2a & 2b) undertaken by nascent ventures. While the results of the chi-square analysis above directly examine independent-dependent variable relationships, the regression analysis takes into account other potential explanatory covariates, and controls for their effect, thus allowing a stricter test of the hypotheses.

Table 4: Hierarchical logistic regression analyses for nascent entrepreneurial firm actions (information collection and opportunity definition) testing habitual entrepreneurship.

Independent Variables	Information Collection (n=435)				Opportunity Definition (n=435)			
	Model I		Model II		Model I		Model II	
	B	(S.E.)	B	(S.E.)	B	(S.E.)	B	(S.E.)
Constant	2.681**	(0.880)	2.598**	(0.886)	0.295	(0.507)	0.222	(0.510)
<i>Controls</i>								
University Education ^a	-0.292	(0.385)	-0.314	(0.387)	0.436 [†]	(0.227)	0.428 [†]	(0.228)
Team ^a	0.101	(0.417)	0.049	(0.424)	0.209	(0.243)	0.185	(0.246)
Service ^a	-0.265	(0.456)	-0.234	(0.459)	-0.523 [†]	(0.276)	-0.506 [†]	(0.278)
Sector - Retail ^a	0.530	(0.708)	0.568	(0.714)	-0.330	(0.366)	-0.331	(0.367)
Sector - Health ^a	-0.089	(0.518)	-0.019	(0.523)	-0.661*	(0.320)	-0.648*	(0.321)
Sector - Manufacturing ^a	0.389	(0.797)	0.395	(0.797)	-1.014*	(0.412)	-1.015*	(0.415)
Sector - Construction ^a	-0.385	(0.620)	-0.350	(0.626)	-0.668	(0.412)	-0.673	(0.415)
Sector - Business Consulting ^a	0.510	(0.666)	0.630	(0.675)	0.165	(0.376)	0.221	(0.381)
Gestation Time ^b	-0.167	(0.342)	-0.142	(0.352)	-0.003	(0.197)	-0.002	(0.198)
Industry Experience ^b	-0.236	(0.483)	-0.367	(0.501)	-0.085	(0.274)	-0.151	(0.279)
Management Experience ^b	0.439	(0.437)	0.198	(0.457)	0.761**	(0.266)	0.638*	(0.273)
<i>Habitual Entrepreneurship</i>								
Serial Venture ^{ac}			0.789 ^d	(0.402)			0.454*	(0.230)
Model X²	5.590		9.524		37.205***		41.094***	
ΔX^2			3.934*				3.888*	
-2 log likelihood	233.01		229.078		515.165		511.277	
Overall predictive accuracy	92.2%		92.2%		70.3%		71.0%	
Cox & Snell R²	0.013		0.022		0.082		0.090	
Nagelkerke R²	0.030		0.051		0.114		0.125	

Notes: [†] $p < 0.1$; ^{*} $p < 0.05$; ^{**} $p < 0.01$; ^{***} $p < 0.001$; ^a Binary Variable (0 = No, 1 = Yes); ^b Log transformed variable; ^c One tailed significance test used for directional hypothesis, all others were two-tailed tests; ^d Significant effect in opposite direction to hypothesis.

As regards to information collection (see Table 4) the both the control (Model I) and test (Model II) models appear to be poorly described due to saturation. This was likely due to the lack of variance in the dependant variable, information collection ($M = 0.91$; $SD = 0.29$). So, despite the high overall predictive accuracy (92.2%) both regression equations (Model I: $p = 0.899$; Model II: $p = 0.658$) were not statistically significant, and the overall variance explained was low. However the inclusion of the habitual entrepreneurship variable in the second model did result in a significant increase in the

explained variance ($p = 0.049$). This result however did not support the proposed hypothesis, despite being statistically significant, the sign of the coefficient was opposite to that conjectured ($p = 0.975$). Thus, we find no evidence to support Hypothesis 2a.

In addition to information collection, Table 4 summarises results for opportunity definition. The initial control model (Model I) explains a significant amount of the variance in opportunity definition ($p < 0.0001$), and correctly predicts more than two thirds of cases. The model suggests that those nascent ventures with access to more management experience ($p = 0.004$) and team members with a university level education ($p = 0.054$) were more likely to have started defining market opportunities, while serviced based firms ($p = 0.058$), and those in the health ($p = 0.039$) or manufacturing ($p = 0.014$) sectors were less likely. With the habitual entrepreneurship variable included in the regression equation for the test model (Model II) a further significant relationship resulted ($p < 0.0001$) which explained an increased amount of the variance in opportunity definition ($p = 0.049$). While this difference might be small it was significant, with the nascent ventures started by habitual entrepreneurs more likely ($p = 0.024$) to have begun defining opportunities than novice nascent ventures. Thus we may reject the null hypothesis, finding support for the suggestion that habitual entrepreneurs are more likely to take swifter action to define opportunities than novices.

Habitual Expectations

In Table 5 we present the results for the hierarchical regression analysis used to test the two hypotheses relating to expectations or future judgements of both nascent and young firms (Hypotheses 3a & 3b). Firstly, we examined the relationships across both nascent and young firms simultaneously. Thus, it is worth noting the differences between the two judgements made about firm expectations. On average the prediction for venture success was uniformly high, with firms giving themselves an eighty percent chance of surviving five years from now. On the other hand, when asked about the chances for firm survival in general, they report a much lower level of confidence. Here, we find that only about forty percent of firms in operation now were expected to still be so in five years time. Further, using analysis of variance, we found support for the theorised assertions as regard to expectations, at this gross level. Novices ($M = 79.30$) were more likely ($F = 15.502, p < 0.0001$) to have a slightly lower expectation of venture survival than experienced business founders ($M = 83.85$), while habitual venture founders ($M = 34.31$) suggested the venturing process was more difficult ($F = 43.136, p < 0.0001$), than novices ($M = 41.47$) who reported higher levels of judged venture survival across all firms. Comparing nascent and young firms we find no significant difference ($F = 0.725, p = 0.395$), in the expectation for firm success between the groups, however young firms ($M = 40.61$) were slightly more optimistic ($F = 6.158, p = 0.013$) about the survivability of businesses than nascent firms ($M = 37.64$).

A finer examination was then conducted (see Table 5), splitting the sample into nascent and young firm classes for analyses, as we had previously in the analysis of motivations, and also by including a number of control variables in a regression model. The first half of Table 5 reports the results for the test of firm expectations for future success. In the case of nascent firms, the overall regression models were not significant (Model I: $p = 0.221$; Model II: $p = 0.269$) and explained little of the variance in expectations. The only significant predictor found was for the construction sector control variable ($p = 0.046$) where firms gave themselves a higher chance of survival. While the direction of the relationship between entrepreneurial experience and predicted venture success was as predicted ($p = 0.280$), the absence of a statistically significant effect does not provide adequate support for our hypothesis.

When it comes to young firms however, we do find some support for the assertions we had made. For the control model in the young firm analysis (Model I) we found that team based ventures ($p = 0.012$), and to a lesser extent, those who had more experience within their industry ($p = 0.086$), and owners who were university educated ($p = 0.072$) would expect higher levels of success for their firms. While those in the business consulting sector ($p = 0.070$) or with more management experience ($p = 0.095$) were likely to predict their own survival with such confidence. Together these variables explained a small but significant amount of the variance in venture survival expectation ($p = 0.013$). In addition, the entry of the habitual entrepreneurship variable (Model II: $p = 0.005$) into the regression sufficiently explained a further 1.1 percent of variance ($p = 0.036$) over the control model. As indicated by the regression coefficients, a significant positive relationship exists between prior entrepreneurship experience and predicted venture success ($p = 0.018$). While this result provides evidence in favour of the hypothesis that habitual entrepreneurship is positively associated with expected firm survival, coupled with the non-significant result for nascent firms, only partial support exists for Hypothesis 3a.

Table 5: Hierarchical linear regression analyses for entrepreneurial expectations (predicted venture success and survival rate) testing habitual entrepreneurship.

Independent Variables	Predicted Venture Success				Estimated Venture Survival Rate											
	Nascent Firm (n=457)		Young Firm (n=371)		Nascent Firm (n=456)		Young Firm (n=365)									
	Model I	Model II	Model I	Model II	Model I	Model II	Model I	Model II								
	B	(S.E.)	B	(S.E.)	B	(S.E.)	B	(S.E.)								
Constant	77.869***	(3.409)	77.646***	(3.433)	78.741***	(5.013)	77.335***	(5.033)	43.494***	(3.569)	44.132***	(3.584)	44.467***	(4.148)	46.081***	(4.132)
<i>Controls</i>																
University Education ^a	0.056	(1.894)	0.014	(1.897)	4.775 [†]	(2.645)	5.253*	(2.642)	-4.349*	(1.984)	-4.194*	(1.983)	-6.694**	(2.196)	-7.269***	(2.178)
Team ^a	2.151	(2.041)	2.036	(2.052)	6.914*	(2.730)	6.618*	(2.721)	3.224	(2.130)	3.539 [†]	(2.135)	4.016 [†]	(2.268)	4.320 [†]	(2.243)
Service ^a	-2.337	(2.227)	-2.295	(2.230)	-2.323	(3.438)	-1.908	(3.428)	1.760	(2.329)	1.631	(2.327)	1.759	(2.839)	1.312	(2.809)
I Sector - Retail ^a	-1.865	(2.915)	-1.791	(2.919)	-6.054	(4.783)	-5.646	(4.764)	1.798	(3.050)	1.583	(3.047)	-5.482	(3.965)	-5.940	(3.921)
Sector - Health ^a	1.861	(2.806)	1.919	(2.810)	-3.825	(4.516)	-4.119	(4.496)	0.826	(2.956)	0.620	(2.953)	-1.084	(3.739)	-0.818	(3.696)
Sector - Manufacturing ^a	1.725	(3.508)	1.745	(3.510)	-6.313	(5.654)	-6.183	(5.628)	2.492	(3.670)	2.432	(3.664)	5.553	(4.662)	5.328	(4.607)
Sector - Construction ^a	7.200*	(3.600)	7.205*	(3.602)	-0.650	(3.740)	-0.254	(3.727)	0.020	(3.763)	0.015	(3.756)	7.129*	(3.098)	6.574*	(3.067)
Sector - Business Consulting ^a	3.150	(2.888)	3.284	(2.899)	-6.372 [†]	(3.502)	-6.190 [†]	(3.486)	-2.933	(3.023)	-3.326	(3.027)	-3.897	(2.910)	-4.220	(2.877)
Industry Experience ^b	2.582	(2.258)	2.449	(2.271)	5.858 [†]	(3.400)	5.753 [†]	(3.385)	-0.176	(2.372)	0.192	(2.378)	2.259	(2.810)	2.428	(2.777)
Management Experience ^b	0.807	(2.261)	0.503	(2.322)	-5.493 [†]	(3.285)	-7.087*	(3.356)	-6.478**	(2.368)	-5.573*	(2.429)	-6.451*	(2.726)	-4.410	(2.773)
<i>Habitual Entrepreneurship</i>																
II Serial Venture ^{ac}			1.154	(1.977)			5.364*	(2.546)			-3.348 [†]	(2.068)			-6.514**	(2.104)
R²	0.029		0.029		0.060*		0.071**		0.041*		0.047*		0.107***		0.131***	
F	1.313		1.223		2.292		2.507		1.925		1.994		4.256		4.835	
Adjusted R²	0.007		0.005		0.034		0.043		0.020		0.023		0.082		0.104	
ΔR²			0.001				0.011*				0.006				0.024**	
ΔF			0.341				4.438				2.621				9.586	

Notes: [†] $p < 0.1$; * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; ^a Binary Variable (0 = No, 1 = Yes); ^b Log transformed variable; ^c One tailed significance test used for directional hypothesis, all others were two-tailed tests.

The second part of Table 5 reports the results for the test of expectations of the viability of all firms over a period of five years. Here we expected that novice entrepreneurs would underestimate the difficulty in sustaining a new business as compared to those who have had experience of this previously. Considering nascent firms firstly, we found that a significant amount ($p = 0.040$) of the variation in the survivability judgement could be explained by the control model (Model I). In particular, the university educated ($p = 0.029$), and those with more management experience ($p = 0.006$) were more likely to pronounce the difficult task of firm survival. With prior venture experience included in the test model (Model II: $p = 0.027$), a slight increase in model fit was achieved. While this increase was not statistically significant ($p = 0.106$), a test of the directional hypothesis showed that venture experience ($p = 0.053$) was in fact associated with marginally significant expectations of lower levels of firm survival, as had been hypothesised. When it came to young firms the relationship was far more pronounced. The control model in this case (Model I) was highly statistically significant ($p < 0.0001$) explaining over 10% of the variance in survival rate judgements. Again, those with management experience ($p = 0.018$) and a university education ($p = 0.002$) were more circumspect in their expectations; while team firms ($p = 0.077$) and those in the construction sector ($p = 0.022$) less so. Even when these control variables were accounted for, inclusion of habitual entrepreneurship in the regression produced a considerable improvement in model prediction ($p = 0.002$). Accordingly, the strength of effect the serial venturing variable has on the estimated firm survival rate was found to be large, and negative ($p = 0.001$) as theorised. Thus these data provide support for Hypothesis 3b.

A summary of the findings for all analyses is presented in Table 6 below.

Table 6: Summary of findings.

Hyp	Independent Variable	Dependent Variables	Expected Sign	Actual Sign	Significant Relationship	Hypothesis Supported
1a		Internally Stimulated Motive	+	+	Marginal ^a	No
1b		Motivations Necessity Entrepreneurship	-	-	Marginal ^b	No
1c		Growth Motivation	+	+	Yes	Yes
2a	Habitual Entrepreneurship	Actions Information Collection	-	+	Yes ^c	No
2b		Opportunity Definition	+	+	Yes	Yes
3a		Expectations Predicted Venture Success	+	+	Yes ^d	Partial
3b		Estimated Venture Survival	-	-	Yes ^e	Yes

Notes: ^a significant differential difference for young firms; ^b overall significant difference, marginally significant nascent firm difference and no significant difference for young firms; ^c Significant effect in opposite direction to hypothesis; ^d significant differential difference for young firms; ^e marginally significant difference for nascent firms, highly significant difference for young firms

DISCUSSION

This research presented an initial exploration in the comparison between novice and habitual entrepreneurship. We posed the question: Is habitual entrepreneurship different? In part we may answer, yes. A series of seven hypotheses, informed by the literature relating to motivations, actions, and expectation sought to illustrate these differences. Evidence was found in support of three of the seven hypotheses. Firstly, it was clear that growth motivations form a significant draw toward habitual entrepreneurial participation. Secondly, it was also found that acting in order to clearly define market opportunities during venture gestation was a hallmark of habitual entrepreneurship. Thirdly, experience gained through habitual entrepreneurship accords more circumspect judgements of the difficulty involved in venture survival.

Why do habitual entrepreneurs keep coming back? The findings of this research suggest that the motivation to consider repeat entrepreneurship may be a desire for growth, and the pursuit of opportunity. How do habitual entrepreneurs behave differently? It seems that they act to define market opportunities as a matter of priority. What effect does entrepreneurial experience have on future expectations? Clearly a sense of realism is drawn over the difficulties that might be faced. The answers to these questions have implications for entrepreneurship research, policy, and practice.

As regard to entrepreneurship research: Although we might conclude that habitual entrepreneurial action is different to that of novices, it is not universally so. The pursuit of opportunity is a motivation that is shared by novice and experienced entrepreneur alike. While idea driven motivations might not delineate a distinction during nascency, it does seem to be a factor which contributes the success of young firms. This finding warrants further exploration. So too does the influence experience has upon information search behaviours. This question might be best advanced by experimental research, as within group variability is a likely confounding influence.

Future research, should make use of a more considered sub-group in defining habitual entrepreneurship, and where possible longitudinal designs. The benefits of this are twofold: firstly, within group variance would be designed away and it is likely that between group effects become more distinct; secondly, longitudinal information would assist in the more accurate assignment of causality, and not rely on inter-group comparisons as is the case here. It is suggested that the result of this research might well serve as a basis upon which more informed research questions might be drawn.

As regard to policy and practice: It is hoped that the findings of this research provide useful information by describing the successful motivations and realistic expectations of experienced entrepreneurs as they consider venture creation. Further, this might be useful in informing practitioners considering entrepreneurship for the first time. Finally, given the distinct actions taken during the process of venture creation vary with experience, this serves to illustrate that selected characteristics of successful entrepreneurial action are in fact a learned behaviour which serves to explain variations in outcomes.

CONCLUSION

It is our conclusion is that habitual entrepreneurs exhibit partially different motivations for firm creation, favour some distinct action during the business creation process, and have different expectations for outcomes, as compared to novices. Habitual entrepreneurs are motivated to grow their firm as large as possible, actively define market opportunities during firm gestation, and have circumspect expectations as to the difficulty of business survival.

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