QUALITATIVE RESEARCH IN ENTREPRENUERSHIP: CURRENT RESEARCH PRACTICES AND SUGGESTIONS FOR THE FUTURE

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ABSTRACT

We investigate the state-of-science with regard to qualitative research in entrepreneurship. Specifically, we analyze and synthesize qualitative entrepreneurship research published in top-tier journals over the past fifteen years. Findings reveal that while qualitative research has grown in usage, notable biases and omissions remain in the body of research accumulating in the qualitative tradition of entrepreneurship studies.

INTRODUCTION

Entrepreneurship is attracting ever-greater attention in scholarly journals, college classrooms, and public affairs (Bygrave, 2007; Meyer et al., 2014; Nightingale & Coad, 2014). After several decades of scholarly inquiry (Jennings & Brush, 2014), entrepreneurship now comes across as a confident, self-assured and fertile discipline (Carlsson et al., 2013). As Wiklund, Davidsson, Audretsch, and Karlsson (2011) noted, entrepreneurship studies "has emerged as one of the most vital, dynamic, and relevant" fields in management and the broader social sciences. Several factors have contributed to the flourishing of entrepreneurship research, including the fact that scholarship in this area nowadays exhibits far greater methodological diversity than in the past (Neergaard & Ulhoi, 2007; Streb & Gupta, 2011). There are a number of different aspects to the greater methodological diversity in the field, but the one that will be the focus of this article is the greater incursion of qualitative research into entrepreneurship studies.

Until a few years ago, systematic qualitative research was virtually absent in entrepreneurship studies (Bruyat & Julien, 2001; Suddaby, Bruton, & Si, 2015). As numerous others have documented (e.g., Bygrave, 2007; Chandler & Lyon, 2001; McDonald, Gan, Fraser, Oke, & Anderson, 2015), entrepreneurship research is dominated by quantitative methods, with researchers using statistical tests to analyze specific predictions about relations between variables. While the use of such quantitative methods produces considerable knowledge by validating specific propositions, the desire to understand entrepreneurial phenomena in its natural settings led researchers to qualitative methodologies. Researchers who rejected statistical analyses of formal models sought to broaden the methodological repertoire in entrepreneurship studies so as to engage with the dynamics and complexity of entrepreneurship (Neergaard & Ulhoi,

2007). Qualitative research came to be appreciated for its unique suitability to impose conceptual order on fuzzy, dynamic, and complex entrepreneurial activities (Neergaard & Ulhoi, 2007; Suddaby, Bruton, & Si, 2014). For many, some of the most "important questions in entrepreneurship can only be asked through qualitative methods and approaches" (Gartner & Birley, 2002: 387). Because qualitative studies have the potential to provide "deep knowledge" about the phenomena of interest (Gioia, Corley, & Hamilton, 2013), such research is seen as useful in generating novel and original theorizing about entrepreneurship.

In the present study, we pose three broad research questions: (1) what is the current state of the qualitative entrepreneurship research? (2) How are characteristics of qualitative entrepreneurship research changing over time? (3) How do the different aspects of qualitative methodology impact the accumulation of entrepreneurship knowledge? The goal of these questions is to uncover new revelations that will pave the way for more interesting and fruitful qualitative research in entrepreneurship going forward. Qualitative methodologies are relatively new to many entrepreneurship researchers. To our knowledge, few doctoral programs in business schools provide as much training in qualitative research as they do in quantitative techniques. We therefore deliberately 'cast a broad net' over our domain.

Readers of entrepreneurship research will generally agree that empirical studies of entrepreneurial activity are gradually becoming more rigorous. Many researchers have explicitly called for new theories, toolkits, and processes to understand entrepreneurial phenomena (Hindle, 2004; Leitch, Harrison, & Hill, 2010; Streb & Gupta, 2012). To achieve additional understanding across new and evolving topics, it behooves entrepreneurship researchers to remain open to new strategies and techniques. Because qualitative methods are quite increasingly common in other disciplines (e.g., anthropology, sociology) and gaining popularity in management and organizational research (Buchanan & Bryman, 2007), entrepreneurship researchers might learn from this larger and collective experience and avoid mis-directions. In addition, we hope to motivate all entrepreneurship researchers to expand their thinking and research by learning about and possibly adopting qualitative methods.

METHODS

The sample for the present study was drawn from six top-tier journals publishing empirical entrepreneurship research. Specifically, consistent with prior reviews (e.g., Busenitz et al., 2003; Ireland et al., 2005), articles were gathered from three leading general management journals: *Academy of Management Journal* (AMJ), *Strategic Management Journal* (SMJ), and *Journal of Management* (JOM). We also included articles from two high-quality specialty entrepreneurship journals (Stewart & Cotton, 2013): *Journal of Business Venturing* (JBV) and *Entrepreneurship Theory and Practice* (ETP). In addition, we included *Strategic Entrepreneurship Journal* (SEJ) in our list, as it has emerged as a new destination for high-quality entrepreneurship research. All articles published in these six journals during the period of 2001-2014 (inclusive) were scanned manually.

Each article was independently coded by at least two coders. There were a total of four coders, all of who were familiar with entrepreneurship research. The (few) inter-

coder discrepancies that came up during the coding process were resolved through mutual discussion and advisement of the senior researcher. In developing the coding scheme describe below, we identified nine categories of study characteristics. We coded type of journal to get a sense of where qualitative research was being published. For this category, studies fell into one of two journal camps: general management journal (e.g., AMJ, SMJ, JOM) or specialized journals (e.g., ETP, SEJ, JBV). We also identified conceptual areas where qualitative entrepreneurship research has focused. This identification helps us better understand the topical areas where qualitative entrepreneurship research has made most contributions. This categorization is based on Busenitz et al., (2003) study that identifies four conceptual areas for entrepreneurship research: opportunities, individual and teams, mode of organizing, and environments. Additionally, we coded *first author's affiliation* (as indicated by their home institution), continent(s) from where data were collected and number of authors responsible for article to gain a deeper understanding about the producers of qualitative research in entrepreneurship. Finally, to assess temporal patterns across all coding categories, we coded for year of publication.

We also sought to gain insights into the methodological trends of qualitative entrepreneurship research. To this end, we coded *research design*, *data collection method*, and *transparency of methods* used across studies. Research design was coded as single case study, multiple case study, ethnography, grounded theory, narrative, and phenomenology (Creswell, 2003). We also included the option of "mixed design" to account for the possibility that qualitative researchers may employ multiple research designs to examine increasingly sophisticated entrepreneurship phenomena (e.g., grounded theory and multiple case studies; Makela & Maula, 2006; Marvel, Griffin, Hebda, & Vojak, 2007). We also coded data collection methods used across studies. This coding category included interviews, content analysis, focus groups, non-participant observation, and participant observation. As with research design coding, we also included "mixed data" option to account for the possibility that researchers may obtain data through multiple techniques in a single empirical study.

Finally, we also coded for transparency of methods, which involves whether the article reports sufficient information about the methodology. Transparency of methods improves the quality of research and facilitates methodological replication across studies (Bluhm et al., 2010; Gephart, 2004, Pratt, 2008). We looked at the descriptions of the methods in each study and coded the articles based on the logic given for the methodological choice. If the article offered a detailed explanation on why a certain qualitative research method was chosen, the article was coded as transparent (highest level). If the article only offered explanation on why qualitative method was chosen over quantitative methods, the article was coded as somehow transparent (middling level) and if the article offered no explanation regarding the rationale for the methodological choice, it was coded as non-transparent (lowest level).

DISCUSSION

Entrepreneurship researchers generally agree on the need for methodological pluralism to capture the breadth and richness of understanding that entrepreneurship requires (Harrison & Leitch, 2014; Short, Ketchen, Combs, & Ireland, 2010). In the

present study, we evaluate the state-of-science in terms of qualitative research conducted in entrepreneurship and assess the progress made in the field since the turn of the century. We analyze different characteristics of qualitative entrepreneurship research and examine how researchers in this area have contributed to the accumulation of knowledge about entrepreneurship. Our analysis highlights the current state of the qualitative entrepreneurship research and examines how the characteristics of qualitative entrepreneurship research are changing over time.

Findings of our research about 95 qualitative studies in three leading general management journals and three high quality specialty entrepreneurship journals revealed an increasing trend in the number of qualitative entrepreneurship articles across all journals. Clearly, the popularity of qualitative research is increasing in entrepreneurship. The majority of this research has been published in specialized journals (JBV, ETP, and SEJ) and the number of authors responsible for the manuscripts has been increasing. Such increase is perhaps due to the growing complexity of conducting qualitative studies, which requires researchers to draw on multiple bases of knowledge to draw out the full contributions of their investigations.

The majority of first authors were affiliated with universities or organizations in Europe and North America with European scholars taking the lead by a slight difference. This is not surprising given the fact that European scholars embrace qualitative approaches more than American scholars (Bluhm et al., 2011). It has been discussed elsewhere that American scholars are trained in positivist approaches, while European scholars have historically challenged such positivist logic and are more open to interpretivist approaches (Bluhm et al., 2011). It should be noted that the journals we selected are all US based, so that we did not analyze qualitative research published in European journals. It is possible that if we had considered European journals in our sample, we would have likely seen even more European scholars. While the majority of first authors in our sample were affiliated with European institutions, most of studies collected data from North America. It seems that European researchers are often helming endeavors to understand entrepreneurial efforts in North America. Whether this is because of the superior expertise possessed by European researchers in conducting qualitative studies or because of greater ease of data collection to conduct qualitative research in North America is difficult to say based on the data we have, but is an interesting issue for future research to elaborate.

Our analyses revealed that the conceptual focus of majority of qualitative research has been on the individuals/teams, mode of organizing, and environments. Opportunities, on the hand, received the least attention in the qualitative tradition. At first glance, our findings seem to go against Busenitz et al. (2014)'s revelation that research on entrepreneurial opportunities is increasing steadily. We speculate that entrepreneurship scholars may be preferring to examine opportunities through quantitative approaches rather than qualitative ones. Yet, opportunity is a fertile area of inquiry that has gained considerable attention in the entrepreneurship literature (Shane, 2012). The study of opportunities would benefit from the deployment of qualitative techniques, a topic for future research to consider.

In terms of methodology, we found multiple case studies to be the most frequently used research design. Results also suggest that multiple case studies have a more significant effect on impact factor compared to grounded theory and narratives.

Accordingly, entrepreneurship research seems to benefit substantially from the use of multiple case studies. Multiple case studies give the researchers the opportunity to examine a variety of cases and draw conclusions from a wider base of knowledge (Eisenhardt, 1991). Studies using grounded theory have been criticized by many for often lacking scholarly rigor in how they are conducted (e.g. Bryman, 1988; Campbell, 1975; Campbell & Stanley, 1963; Goldthorpe, 2000). However, several suggestions have been offered recently by qualitative scholars to improve the rigor in such research. For example, Gioia et al (2013) offered a systematic approach to grounded theory articulation that is aimed at improving inductive research. Similarly, Suddaby (2006) offered specific suggestions to employ appropriate techniques when using grounded theory research design. Consideration of such guidelines should improve the contribution of grounded theory to accumulation of entrepreneurship knowledge.

In terms of data collection methods, we found that most studies used interviews and mixed data collection methods. Regression analysis revealed that compared to interviews, mixed data collection methods have a stronger significant effect on impact factor. It should be noted that the majority of mixed data collection methods in our sample included interviews. Our results suggest that interviews, by themselves, are not sufficient, and other methods need to be included to maintain rigor in qualitative entrepreneurship research. In terms of transparency of methodology, our results shows that only less than half of the articles provided detailed explanation for the rationale behind their methodological choice. A closer look at transparency of methodology shows that the majority of articles published in general management journals provided either detailed or some explanation for their methodological choice, while only one third of articles published in entrepreneurship journals provided such information. This suggests that general management journals may place higher demands for reporting the rationale behind methodological choices made by researchers. However, transparency of methodology did not influence impact factor. We speculate that because the papers in our sample were all published at top-tier journals, greater transparency likely do not add more value.

LIMITATIONS AND FUTURE RESEARCH SUGGESTIONS

Notwithstanding the insights revealed, our findings must be interpreted in light of certain limitations of our research. First, our investigation focused on purely qualitative studies. Consequently, our research excluded research designs that combined qualitative and quantitative methods or used qualitative techniques for quantitative investigations. Second, while we made every effort to be comprehensive in compiling the sample of qualitative studies articles for this research, we may have inadvertently overlooked relevant articles. This is especially possible when articles were not properly indexed or published in journals that do not participate in the databases we searched. Third, we limited the selection to peer-reviewed journal articles and thus may have introduced a degree of 'publication bias', given that the journals tend to accept only articles that report findings considered interesting by reviewers and editors (Davis, 1971).

However, these limitations should not detract from our overarching conclusion that several knowledge gaps remain regarding the use of qualitative methods in entrepreneurship research, revealing avenues for future studies. Scholars are reminded that 'the questions we ask often prevent us from asking other questions' (Sarasyathy,

1999: 707). We believe that cognizance of how qualitative techniques have been deployed in the extant literature will help future entrepreneurship studies formulate new questions that advance scholarly understanding of entrepreneurial activities.

We have several recommendations for future research based on the findings of our review. First, none of the studies in our sample used novel or less-often used data collection methods (e.g. conversation analysis, internet forum exchange, to name a few.) Novelty of techniques is an important mark of methodological quality and progress (Bluhm et al., 2011; Pratt, 2008). We recommend future qualitative entrepreneurship research to use such techniques. As Pratt (2009) suggested, entrepreneurship researchers should look towards scholars in other fields who have published qualitative work using novel techniques.

Second, transparency of methodology is crucial to qualitative research since it enhances legitimacy and allows other scholars to learn and apply best practices (Bluhm et al., 2011). We recommend entrepreneurship qualitative researchers to adopt a higher standard of transparency and follow the best practices of reporting methods and analysis techniques. Third, we recommend future studies to be more cautious when using grounded theory, narratives and interviews. As our investigation reveals, interviews are more effective when accompanied by other data collection methods (e.g., content analysis, focus groups, and archival data). Also, when using grounded theory and narratives, we recommend entrepreneurship researchers to attend to the latest conversations in the qualitative tradition (e.g. Gioia et al., 2013; Suddaby, 2006) as a way to improve rigor of entrepreneurship research.

Finally, for future qualitative entrepreneurship research to continue to produce significant strides, researchers will need to grapple more deeply with questions of why, when and how qualitative techniques can be most usefully deployed in investigating phenomena of interest to scholars in the area. Reformulating key questions and seeking answers requires meaningful interaction between theoretical refinement and future empirical examination. We hope that the research opportunities unearthed in the present study will stimulate further productive discussion on the use of qualitative research techniques in entrepreneurship.

REFERENCES AVAILABLE FROM THE AUTHORS