Forward

This is the fourth issue of the Barton School Research Connection. By distilling articles published by our faculty in peer-reviewed academic journals, we are endeavoring to bring to our readership readily available information that can be of assistance in the workplace. This is consistent with Wichita State University’s mission as an urban serving research institution. Central to the education of Barton School students is their ability to hold constant curiosity and act on that via the ability to seek new knowledge, distill and interpret data and information, think critically, and articulate their conclusions. Without the same attributes in our faculty we would fall short of that education mission.

Since Barton School faculty members normally publish in academic journals the dissemination of their findings is somewhat limited. So, to provide a more widespread audience we take the primary findings of those articles and present them here to a wider audience. In this issue we present the findings of three articles, along with the results of a specific value creating faculty engagement with a local company.

The lead article (Dr. Steve Farmer and Assistant Dean Kate Kung McIntyre, with Dr. Xin Yao of the University of Colorado at Boulder) explore the role that entrepreneurial aspirations play in the behavior, or actions, of entrepreneurs. The article also explores the actions of serial entrepreneurs.

The second article (Dr. John Perry, Dr. Gaylen Chandler and Dr. Tim Pett, with Dr. Xin Yao of the University) examines the perceptions that entrepreneurs have regarding the value of legitimacy in the context of legitimacy seeking behavior. Experience proves to lead to legitimate behaviors.

The third article (Dr. Masud Chaud, with Dr. Majid Ghorbani of Remin University, China) explores the influence of cultural differences on the formation and management of new businesses. They find interesting differences between Indian and Chinese immigrant entrepreneurs.

The fourth article (Dr. Kirk Ring, with Drs. Michael Cole and Jon Car of Texas Christian University and Dr. Daniela Blettner of Tilburg University, The Netherlands) develops a measure of internal social capital in family firms. The result is an understanding of how social capital can be brought to bear for the advancement of the family firm.

We are very grateful to these authors for allowing us to distill their research for you and to Dorothy Harpool who artfully developed and edited this publication. Many of you know Dotty through courses you attended as an undergraduate or graduate student in the Barton School, in her many roles including graduate studies, corporate liaison, etc., and through her expertise in training through the Center for Management Development.

Dr. Douglas Hensler
Dean of W. Frank Barton
School of Business at
Wichita State University

THE BARTON SCHOOL RESEARCH CONNECTION:
SPECIAL ENTREPRENEURSHIP EDITION

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Aspirations Play a Key Role in Entrepreneurial Actions

Having a marketable idea and developing a superior business plan have often been listed as key factors to becoming a successful entrepreneur. Research recently completed by the Barton School’s Dr. Steve Farmer and Associate Dean Kate Kung-McIntyre adds another factor to the entrepreneurial process: whether an individual actually sees her or himself as an entrepreneur. Steve and Kate, along with Dr. Xin Yao of the University of Colorado at Boulder, recently explored how developing a sense of self as an entrepreneur is a key to actually becoming one.

The authors define aspirations as “something desired that is not currently possessed.” Based on this definition, if an individual actually wants to be an entrepreneur and if being an entrepreneur is part of one’s self-concept, they may be more likely to act in ways that help them actually become one. The authors’ study focuses on how individuals might differ on their aspirations and ultimately how the aspirations might influence future entrepreneurial behavior. The research study includes a global component as Steve, Kate, and Xin surveyed individuals not just in the United States but also in China and Taiwan.

To evaluate an individual’s aspirations to become an entrepreneur, the researchers first determined how individuals described an entrepreneur, how those same individuals described themselves, and then looked at the match between these assessments. The stronger the match, the more likely those persons saw themselves as entrepreneurs. The results showed that typical descriptions of entrepreneurs were in part culturally driven, with different typical descriptions for U.S., Taiwanese, and Chinese entrepreneurs.

The authors also explored the relation of entrepreneurial aspirations to certain entrepreneurial behavior patterns. Those individuals who held strong entrepreneurial aspirations also tended to exhibit behavior patterns that could lead to entrepreneurial behaviors such as creative problem solving, persistence, and opportunity recognition. In other words, people who had strong entrepreneurial aspirations acted in ways consistent with those aspirations.

Finally, Steve, Kate, and their colleague analyzed whether past entrepreneurial experience would make it easier for individuals to translate a strong aspiration to become an entrepreneur into actual entrepreneurial behaviors. In those cases past entrepreneurial experience may not directly relate to an individual’s propensity to find an opportunity but did seem to enhance the individual’s motivation to follow through with an opportunity with which they are faced. Therefore past entrepreneurial experience may not contribute to an individual’s tendency to start a new venture but rather lead to an increased level of confidence that their new venture could likely succeed.

This interesting study is particularly meaningful for entrepreneurial educators and other individuals and organizations that seek to encourage entrepreneurial behaviors. The research shows the correlation between having the motivation to become an entrepreneur and performing the actions required to actually become one. This correlation is found in three different countries. The study illustrates the value in teaching business skills to prospective entrepreneurs and also in assisting them in developing the self-image and self-confidence vital to an entrepreneur’s success. This shows that anyone that thinks they can be an entrepreneur is much more likely to make that aspiration come true!

*The Behavioral Impact of Entrepreneur Identity Aspiration and Prior Entrepreneurial Experience* was published in a recent edition of *Entrepreneurship Theory and Practice*.

For more information on this research, contact either: Dr. Steven Farmer at Steven.Farmer@wichita.edu or Kate Kung-McIntyre at kate.kung-mcintyre@wichita.edu.

Dr. Steve Farmer, W. Frank Barton Distinguished Chair in Business, holds a PhD from the Georgia Institute of Technology. In the classroom, Dr. Farmer can be found teaching courses in business decision making, organizational behavior, and research methods. He has won numerous awards for his research in the areas of creativity, employee motivation, organizational politics, and the management of volunteers. Dr. Farmer can be reached at (316)978-6889 or via email at Steven.Farmer@wichita.edu.

Assistant Dean Kate Kung-McIntyre received her MBA from the Barton School. She is the Assistant Dean of Undergraduate Student Support Service and a Barton School management lecturer. In addition to her administrative duties, Kate teaches international business and student success classes. She is the creator and faculty sponsor of the Barton School BIG (Barton International Group) program, a student consulting program, which is experiencing its third successful year. Kate can be reached at (316)978-6977 or via email at Kate.Kung-McIntyre@wichita.edu.
**Successful Entrepreneurs See the Value of Legitimacy**

The success of a new venture can be based on an array of activities and behavior patterns of its founder. Barton School faculty members and Entrepreneurship Research Associates, Dr. John Perry, Dr. Gaylen Chandler, and Dr. Tim Pett along with Dr. Xin Yao of The University of Colorado recently explored which founder characteristics tend to contribute to successful new ventures. Their recent research analyzed the impact of founder experience and legitimacy seeking behavior on the ultimate success of a new business.

What is legitimacy seeking behavior? Past entrepreneurship research describes it as any method that an entrepreneur uses to increase credibility. Methods of seeking legitimacy include behavior such as preparing a business plan to establishing a bank account. But not all entrepreneurs seek legitimacy at the introduction stage of their ventures. The authors explore what leads an entrepreneur to engage in the behaviors that build legitimacy. Specifically, the study is focused on the knowledge base of the founding team and the personality characteristics of the entrepreneur and how each are associated with legitimacy seeking behavior.

The co-authors used the Panel Survey of Entrepreneurial Dynamics (PSED) dataset for this article. The PSED is a database of statistics related to U.S. entrepreneurs and their new ventures. The database was “mined” to examine how the experience-level and personality of the primary business founder relate to legitimacy seeking behaviors. Utilizing an existing large database like the PSED allows professors to streamline their research process by analyzing secondary data. This reduces the cost and time required to collect primary data. From the PSED dataset, the authors examined the percentage of legitimacy behaviors used by entrepreneurs, the level of an entrepreneur’s experience (both in venture creation and years of work experience in their industry), and the entrepreneur’s expectation to grow the business into a large organization.

John, Gaylen, Tim, and Xin determined that founding entrepreneurs/teams that have started more businesses and have extensive work experience in the venture’s industry are more likely to exhibit legitimacy behaviors. Also, ventures created by entrepreneurs who intend to grow their business into a large entity are more likely to seek legitimacy for their ventures.

Also probed within this research was whether entrepreneurs with an internal locus of control (i.e. not reliant on the opinions of others) were more or less likely to seek legitimacy. The researchers discovered that those with an internal locus of control engaged in fewer legitimacy seeking behaviors. This is most likely due to the lack of importance that that type of entrepreneur places on traditional norms and the lack of a need for external approval.

This interesting research study illustrates that in new ventures, the experience and intentions of an entrepreneur can affect the importance they place on seeking legitimacy for their business. As legitimacy is important to the success of a new venture, these results are relevant for founders, investors, and entrepreneurship educators. Founders need to realize that legitimacy seeking behaviors could contribute to the success of their organizations. Investors could utilize the findings to encourage legitimacy seeking behaviors by the entrepreneurs in which there are considering funding; and finally, business educators should include discussions of legitimacy seeking behaviors within their courses. The research definitively proved that “being legitimate” contributes to the success of a new venture.

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**Legitimacy Can Be A Key To The Success of A New Venture**

For more information on this research, contact: Dr. John Perry at John.Perry@wichita.edu, Dr. Gaylen Chandler at Gaylen.Chandler@wichita.edu, or Dr. Tim Pett at Tim.Pett@wichita.edu.

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**Dr. Gaylen Chandler**, W. Frank Barton Distinguished Chair in Entrepreneurship, received his PhD from the University of Utah. His research focuses on entrepreneurship specifically in the areas of start-up strategies, opportunity identification, and family business topics. He teaches courses in business plan development, new venture feasibility, entrepreneurial finance, and corporate entrepreneurship. Dr. Chandler can be reached at (316) 978-5253 or Gaylen.Chandler@wichita.edu.

**Dr. John Perry** is an Assistant Professor of Management. He earned his PhD in Strategic Management from the Smeal College of Business at Penn State University. John teaches in the management courses related to Strategic Management and his research interests include entrepreneurial strategy, family business dynamics, and technology management. He is also an Entrepreneurship Research Associate in the Barton School. Dr. Perry can be reached at (316) 978-5316 or via email at John.Perry@wichita.edu.

**Dr. Tim Pett**, is the Director of the Center for Entrepreneurship and a Professor of Management. He received his PhD in Strategic Management from the University of Memphis. He teaches academic courses in advanced strategic management and also non-academic courses in entrepreneurship and management. Tim’s research interests rest in the entrepreneurship area and include the effect of information technology on the performance of small firms, management of new ventures, and small business internationalization. Dr. Pett can be reached at (316)978-7114 or via email at Tim.Pett@wichita.edu
Cultural Influences on the Formation and Management of New Businesses

Starting and owning a business is not just part of the American dream rather it is a part of the dreams of citizens of countries throughout the world. The study of entrepreneurship among various ethnic and immigrant groups is a popular stream of recent entrepreneurship research. Barton School management faculty member, Dr. Masud Chand, along with Majid Ghorbani of Remin University in China, has recently completed a research project related to the role of cultural background in entrepreneurial behavior. Specifically Dr. Chand and his colleague examined the influence of cultural orientation of two immigrant populations in the U.S., Indian and Chinese, on entrepreneurship. The two immigrant communities studied were chosen because they represent two of the fastest-growing and most successful ethnic subcultures in the United States.

When comparing Chinese and Indian immigrant entrepreneurs, the authors used a combination of national cultural frameworks and social capital theory. Two common frameworks for analyzing cultures are the Hofstede Value Survey and the GLOBE project. Both of these measures explore tendencies of citizens of a particular culture such as whether the citizens are risk adverse or individualistic. Social capital is based on an individual’s membership in a social network. Entrepreneurs are known to use their social capital to start their business. Masud and his co-author were able provide insightful analysis of Indian and Chinese immigrant entrepreneurship in the U.S. utilizing all of these research tools.

One interesting difference between Indian and Chinese immigrant entrepreneurs is the methods used for financing new ventures. Indian immigrants are more individualistic in their outlook and therefore will seek financing for their new ventures from family and their personal connections as opposed to Chinese immigrant entrepreneurs that are likely to utilize a larger base of co-ethnic individuals for funding. They rely more on the Chinese community as a whole as opposed to the Indian entrepreneur who often relies on his or her family for funding. On the other hand, Indian immigrants are more likely than Chinese immigrants to seek funding from the mainstream community outside of their ethnic group.

Human resource practices also differ between Indian and Chinese immigrant entrepreneurs. Based on cultural tendencies, Indian entrepreneurs will not restrict their employee pool to just their ethnic community. Alternatively, the Chinese immigrant entrepreneur is likely to hire within their own ethnic community. These hiring practices are partly based on the Indian orientation toward profitability as opposed to being in business primarily to serve their own ethnic community.

Dr. Chand and his co-author determined that the sources of overall social capital used by Chinese immigrant entrepreneurs are different than the ones used by Indian immigrant entrepreneurs. Social capital for the Chinese entrepreneur tends to come from a larger ethnic group than that of the Indian entrepreneur. Indians have stronger ties with their immediate family and small social group as opposed to Chinese immigrants who rely on their entire community for support. Indians have less reliance on their own ethnic community and thus will more likely to integrate their business into the mainstream community. Chinese on the other hand will likely not integrate their business into the mainstream community as rapidly. Understanding these tendencies could help both types of entrepreneurs in developing future strategies.

Dr. Chand and his colleague have explored how cultural background can affect entrepreneurs both in the formation of their business and ultimately in the running of that business. They determined that social capital and support for their venture can come either from an entrepreneur’s immediate family or a larger ethnic community. These conclusions are based on how cultures differ in their orientations toward individualism, collectivism, and long term orientation. The culmination of these factors gives a glimpse into the world of ethnic entrepreneurship.

“National Culture, Networks, and Ethnic Entrepreneurship: A Comparison of the Indian and Chinese Immigrants in the U.S.” will be published in an upcoming edition of International Business Review. For more information on this research, contact Dr. Masud Chand at Masud.Chand@wichita.edu

Dr. Masud Chand, Barton School Assistant Professor of Management, received his PhD in International Business from Simon Fraser University. Vancouver, BC, Canada. Masud is a Barton School Entrepreneurship Research Associate and in addition to entrepreneurship topics, his research interests include global competitiveness, international business, and international human resource management. He teaches the introduction to international business course and a course in international management for the Barton School. Dr. Chand can be reached at (316) 978-7115 or via email at Masud.Chand@wichita.edu.
Family Firms Can Succeed by “Capitalizing” on Internal Social Capital

Examining the inner-workings of a family business has long been an area of research for Barton School faculty members. Management faculty member and Entrepreneurship Research Associate Dr. Kirk Ring, along with Michael Cole and Jon Carr from Texas Christian University and Daniela Blettner of Tilburg University, Tilburg, The Netherlands, has recently completed a research study on how internal social capital effects family businesses.

The term “social capital” has been defined as business-related resources embedded in social relationships. Since a family business is run by a very closely intertwined set of relationships, it could be acquiesced that social capital is highly utilized in the organization. Kirk and his colleagues explored how social capital works or doesn’t work in a family business environment. To measure this relationship, they developed a new measure to assess internal social capital.

When developing their new measure, the authors investigated the sources of internal social capital. They found that social capital in a family business evolves from the social structure that is the family. The family’s influence can contribute to the business’s focus and vision. The social structure found in the family can be translated into the workplace as the basis of how “to get things done.” Therefore the same influences that the family has on its members play a role in the family business.

To measure the effects of internal social capital on a family business, the authors developed a survey instrument. The instrument measured four items; family to work support and positive family spillover; knowledge sharing and cohesion; work satisfaction, family satisfaction, and firm performance; and finally firm age, size, and ownership status.

To measure family to work support and positive family spillover, the measure asks questions such as “My family members seem very interested in hearing about my work day” and “My family gives me support so I can face the difficulties of work.” “Individuals within our firm share with others useful work experiences and knowledge” and “Decision-makers of this firm work together as a team” are items in the survey to measure knowledge sharing and cohesion. Work satisfaction, family satisfaction, and firm performance are measured with items related to how satisfied a respondent is with their family and their work lives. Firm performance is measured by comparing the family’s business to their competitors.

Kirk and his co-authors have developed a measure of internal social capital for family businesses. This instrument was developed with the goal that it could be used in the future by businesses and researchers to examine the relationship between social capital and family business success. Measuring the level of social capital affecting a family business can lead to better utilization of the capital a family can bring to the business. In addition, this measurement tool can be used in succession planning, analysis of decision-making styles, and reducing family business conflict. The instrument promises to be an invaluable measurement of an important source of information for family business employees- their own family relationships.

The article, “A Measure of Variations in Internal Social Capital Among Family Firms” has recently been published in Entrepreneurship Theory and Practice. For more information on this research, contact Dr. Kirk Ring at Kirk.Ring@wichita.edu.
The Department of Management welcomed John Perry back to the Barton School. John was here from 2005 through 2009 and then left to teach at Penn State-Harrisburg. John is an Assistant Professor of Management. He earned his PhD in Strategic Management from the Smeal College of Business at Penn State University in 2006. John teaches Strategic Management and his research interests include entrepreneurial strategy, family business dynamics, and technology management. We are happy to have John back with us.

Michael Imhof has recently joined the School of Accountancy faculty. He received his PhD from the University of Missouri and his BBA and MBA from Pittsburg State University. He has made several presentations and academic conferences and has an excellent teaching history. He teaches undergraduate classes in the financial accounting area. His research interests include firm investment, financial reporting, banking, disclosure, international accounting, and the real effects of accounting, auditing, and financial reporting quality. Michael is married and has one child.

Anthony May has joined the Barton School as an Assistant Professor in Finance. He completed his Ph.D. at the University of Oklahoma. He received his M.S. in Finance and Economics from West Texas A&M, as well as receiving his B.S. in Engineering Technology from there. His research interests are corporate finance and financial intermediation. He has two forthcoming papers in prestigious finance journals, The Journal of Finance and The Journal of Banking and Finance. He will be teaching corporate finance, institutions and modeling courses at WSU. Anthony is joined in Wichita by his wife, Lauren, and they have a brand new baby girl named Willow.

The Marketing department is pleased to announce that Dr. Roberta (Robbie) McKee has been hired as a full time lecturer. Dr. McKee joined the Marketing faculty as an adjunct instructor in 2007. Robbie received her Ph.D. from the University of Nebraska in 1992. Her academic focus is on adult education and marketing. Robbie has extensive practical work experience in the area of marketing and sales and has been teaching marketing courses for past 11 years. She will be teaching classes in promotion strategy, consumer behavior, retailing, and introductory marketing. In addition, Robbie has extensive expertise on the creation and delivery of online—marketing classes.

Jingjun (David) Xu has joined the Barton School as an Assistant Professor in Management Information Systems (MIS). He completed his Ph.D. by successfully defending his dissertation this summer at the University of British Columbia, in Vancouver, Canada. It is titled, "Improving the Communication Interfaces between Decision Makers and Online Product Recommendation Agents." He received his Masters and Undergraduate Degrees in MIS in Hong Kong. His research focuses on E-Commerce, specifically the user interface design. He has three publications in prestigious MIS and IT journals, Decision Support Systems, Journal of Computer Information Systems and the Communication of the Association for Information Systems. He will be teaching Programming and Human Computer Interaction courses at WSU. David is joined in Wichita by his wife, Carla, and his 3 year-old son, Alex.
**Wichita State University**

Wichita State is the only Urban Serving Research University in the State of Kansas. Through academic and research programs, WSU works in collaboration with the government, business, non-profit and educational sectors in the greater Wichita area to develop human capital for the global economy, support educational innovation at all levels, promote public health and sustain communities. In 2009, WSU personnel were awarded more than 250 competitive sponsored research and outreach awards valued at over $43 million. Wichita State, which is classified by the Carnegie Foundation as a doctoral granting, high research institution, offers undergraduate and graduate degree programs in more than 200 areas of study.

**W. Frank Barton School of Business**

The W. Frank Barton School of Business at Wichita State has been the driving force behind some of the brightest minds and biggest ideas of the past 100 years. Consistent with Wichita State’s role as an urban-serving institution, the Barton School aggressively pursues regional and national prominence for its academic and professional programs. The Barton School is one of only 2% of business schools worldwide that have achieved dual AACSB accreditation and offers fourteen undergraduate and graduate degree programs. The school is home to Center for Economic Development, the region’s leading source for business, economic and demographic information, and the nationally recognized Center for Entrepreneurship.

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**SPOTLIGHT ON THE CENTER FOR ENTREPRENEURSHIP**

**Fostering Innovation. Transforming Futures.**

With a mission to encourage entrepreneurial thinking and activities through quality education, research, and community involvement, the Center for Entrepreneurship has consistently ranked among the top programs in the nation. Recently, Entrepreneur Magazine, compiled in partnership with The Princeton Review, ranked the Center the 11th best program in the country for students seeking an undergraduate degree in entrepreneurship. It provides curriculum in entrepreneurial studies at both the undergraduate and graduate level as well as many educational outreach programs. The Center has a strong relationship with alumni and community members who participate in the many outreach programs and networking events with students. Individuals range from entrepreneurs, venture capitalists and angel investors, members of legal and accounting firms, economic development agencies, and representatives of not-for-profits. These individuals lend their expertise in programs such as judges for the Business Plan Competition, sitting on a Forum Series panel, and guest lecturing, among others.

The purpose of the Entrepreneurship Research Associates is to foster and encourage dialogue in the areas of small, entrepreneurial, and family-owned business enterprises. This group of 12 faculty from across the Barton School of Business have generated numerous research papers for journal publications and for presentation at conferences, including several best paper awards.

The Entrepreneurship Faculty Fellows’ program purpose is to increase and build support for entrepreneurship education across the WSU campus and to enhance student learning in their areas as it relates to entrepreneurship.

**Business Incubator (BizInc)** is a venture incubator that promotes the process of entrepreneurial learning and focuses on the earliest stages of business development. BizInc provides comprehensive assistance through resources and guidance which accelerates the development of start-up and fledgling companies.

The Entrepreneurship Forum Series for Business Ownership provides an opportunity for students and the community to listen to and ask questions of a panel of local professionals that include experienced entrepreneurs and professionals from many different fields. Speakers are from both the local business community and successful national entrepreneurs.

**Kansas Family Business Forum (KFBF)** is a membership organization of family business owners, their families and key employees. The unique learning experience includes programming to address issues of ownership and management succession, strategic planning, estate planning, family dynamics and family governance. Programming features a mix of national and local experts on family business issues.

**Meridian6.org** is a new website where ideas, capital, knowledge and resources come together to assist new companies or transform existing companies by connecting entrepreneurs with other entrepreneurs, investors and service providers. Entrepreneurs can find advice, locate angel investors, connect to business professionals like bankers, lawyers and accountants, and find employees.

**Launching & Growing Your Business** are non-credit courses for small business entrepreneurs that provides training to current and prospective entrepreneurs. The program is divided into two courses: Launching Your Business offers essential business information to help develop entrepreneurial skills to build a strong business foundation. Growing Your Business focuses on improving your business’s performance.

**Practical Entrepreneur Training Tools** workshops are designed to leverage your business’ strengths in today’s dynamic economic times by providing entrepreneurs the tools to lead the innovation and entrepreneurship processes. Programs offered encompass topics relevant to start-ups, small and medium size businesses.

**The Shocker Business Plan Competition** is designed to encourage student innovation and venture creation by providing students an opportunity to present new business ideas to local business and community leaders. $15,000 is awarded to the top competitors, with the winning team receiving one-on-one consulting with senior managers from the banking, legal and accounting professions.
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