

# Journal of Asia Entrepreneurship and Sustainability

Refereed SPECIAL EDITION

8th International Conference

for Entrepreneurship,

Innovation and Regional

Development (ICEIRD 2015)

University of Sheffield, UK

18-19 June 2015

Print: ISSN 1177-4541

On-Line: ISSN 1176-8592

[www.asiaentrepreneurshipjournal.com](http://www.asiaentrepreneurshipjournal.com)

Special Edition Editors:

Alistair Anderson

John Gaddefors

Journal Editors:

Jens Mueller, New Zealand (Managing)

Rosel Fonacier, Philippines

Dennis Lee Poh Wah, China

Manliu del Giudice, Italy

© 2017, The Editors



Volume XIII, Issue 4, November 2017

Is entrepreneurship research out of context?

Dilemmas with (non) contextualised views of entrepreneurship

*Alistair R Anderson, Johan Gaddefors*

A Multiplicity of Contexts:  
Gender and Locality in a  
contextualized view of  
entrepreneurship

*Annie Roos*

Entrepreneurship in Oman:  
Policies and practices

*Rashid Ali Al-Balushi, Alistair R Anderson*

The spectacular and the mundane -  
two phases of entrepreneurship  
explaining rural change

*Johan Gaddefors*



The  
University  
Of  
Sheffield.



The  
University  
Of  
Sheffield.

## Table of Content

# SPECIAL EDITION 8th International Conference for Entrepreneurship, Innovation and Regional Development University of Sheffield 18-19 June 2015

## Volume XIII, Issue 4, November 2017

### **Is entrepreneurship research out of context?**

#### **Dilemmas with (non) contextualised views of entrepreneurship**

*Alistair R Anderson, Johan Gaddefors*

Page 3

### **A Multiplicity of Contexts: Gender and Locality in a contextualized view of entrepreneurship**

*Annie Roos*

Page 10

### **Entrepreneurship in Oman: Policies and practices**

*Rashid Ali Al-Balushi, Alistair R Anderson*

Page 29

### **The spectacular and the mundane - two phases of entrepreneurship explaining rural change**

*Johan Gaddefors*

Page 48

Page 2

SPECIAL EDITION 8th International Conference for Entrepreneurship, Innovation  
and Regional Development University of Sheffield 18-19 June 2015

© 2017 Journal of Asia Entrepreneurship and Sustainability Vol XIII, Iss 4, November 2017

RossiSmith Academic Publications, Oxford/UK, [www.publicationsales.com](http://www.publicationsales.com)

# Entrepreneurship and Context

## Is entrepreneurship research out of context?

## Dilemmas with (non) contextualised views of entrepreneurship

Alistair R Anderson,  
Robert Gordon University, Aberdeen, UK  
a.r.anderson@rgu.ac.uk

Johan Gaddefors  
Swedish University of Agricultural Sciences, Uppsala, Sweden

We know that entrepreneurship is dynamic and complex and thus difficult to describe, understand and pretty well impossible to predict. But still, or perhaps because of the challenge, as researchers we are thrilled and fascinated by what happens in this entrepreneurial process. There is obviously value from entrepreneurship for society, especially the highly esteemed possibility of creating change. Researchers want to describe and explain the nature of entrepreneurship and how it works. However, in improving our understanding and to communicate our insights we have developed some limitations in our approaches. One important dimension of entrepreneurship process that has been rather neglected is the context of entrepreneurship. At best, context is relegated to some kind of background condition- *where entrepreneurship happens*- or the social context- *how it happens*, without much thought for the

role of context in shaping entrepreneurship. Casulli et al (2017) recently reminded us of the importance of refreshing our assumptions about entrepreneurship. The three papers that follow address this issue by examining the effects of context.

The entrepreneurial process is; idiosyncratic, without novelty it would hardly be ‘entrepreneurial’. Nonetheless, we have to look for similarities and patterns, often at a higher level of abstraction, in order to be able to delve deeper into entrepreneurship and to make our useful insights. One conventional approach is to identify an individual entrepreneur as the source of agency and place her central in explanations of entrepreneurship (Anderson and Starnawska, 2008). This has worked quite well, but the appeal of entrepreneurship for personal practice is uneven and not universal (Kalden et al, 2017) and seems to vary by context (Nguyen, 2015; Dodd et al, 2013). We also note how similar entrepreneurial processes in different places may produce different outcomes (Welter, 2011; Harbi and Anderson, 2010). For example, Lee and Mueller (2017) offer a vivid example of how the context of Junpu village transformed a Chinese rural village into an e-commerce hub. This extraordinary story of how 70% of the resident families became engaged in e-commerce is explained by the bringing a number of factors and enabling technology together to form this remarkable entrepreneurial context.

It seems then that context matters for practicing entrepreneurship (Anderson and Ronteau, 2017). But rarely does the mainstream positivistic literature seems to challenge *not* having context as a unit for analysis in the entrepreneurial process. As a consequence of the dominating research agenda, the particularities of context such as spatial, social and geographic have been muted or even lost. Context is often discussed as a more or less stable and continuous background to the action, or as a resource base for the entrepreneur to draw from when developing new ideas. However, much less has been said about how entrepreneurship is shaped by context and indeed,



how context itself can be reshaped. Insights have been generated from alternative units of analysis; processes around networks (Johannisson, 1996), social interaction (Anderson, 2002) communities (Johannisson and Nilsson, 1989) or societal entrepreneurship (Berglund et al 2015). What they have in common is a redirecting of our attention to where to look for entrepreneurship. Context seems to offer potential for explain the difficult questions around the ‘how’ issue of entrepreneurship. Thus there is an under research entrepreneurial dynamic which offers opportunities to understand the interplay.

First however, we should consider, what is context and what do we mean by interplay? The Oxford Dictionary define context as situation, background, scene or setting. “The circumstances that form the setting for an event, statement, or idea, and in terms of which it can be fully understood”. To be “in context” is to be considered with the surrounding circumstances and to be “out of context” is to be (miss)understood without the surrounding context. Thus, in our case to fully understand entrepreneurship we need to set it in context, we need to contextualise, to consider entrepreneurship “in relation to the situation in which it happens or exists”. Arguments for discussing entrepreneurship without context has been for example that it is implicitly understood, it is unfortunately too complex for theory building or it is not important. However, understanding context as background open up for discussions about entrepreneurship in different settings such as business, social, spatial or institutional (Welter, 2011). This gives nuance to how entrepreneurial processes are different and what might be of more universal nature.

When it comes the interplay The Oxford Dictionary suggest “weaving together” as a metaphor for the co-authoring of context. Thus, context is a noun; background, but also a verb; a process. Context as a noun can explain how entrepreneurship is shaped by context; context understood as a verb can help us to explain how context itself can shape and be reshaped by entrepreneurship.

In the dynamics between background and entrepreneurship we see the interplay, how agency is in the weaving process. The weaving is happening in a particular place and time. As suggested by Anderson and Gaddefors (2016: 6) "... entrepreneurship is always contingently practiced as a combination of the entrepreneurial self and the circumstances they encounter".

To integrate context as background complicates theory building, and to accept context as a verb is an even bigger challenge. From a methodological point of view there are arguments for context sensitive research methods for improved quality (Alvesson and Deetz, 2000). Gartner et al, (1992:21) argue for "... more studies that utilize a variety of data collection methods that describe what entrepreneurs do". Moreover empirical material collected from multiple sources should set the material in context (Alvesson and Deetz, 2000). As such the multiple voices involved in the construction of context result in less misunderstandings. (Kärreman and Alvesson, 2001).

What are the consequences and shortcomings of non-contextualised views of entrepreneurship? Perhaps one could argue that non-contextualised research works better in urban growing areas than in remote, rural declining areas and that we know more about the positive effects of growing firms in society than we know about struggling but entrepreneurial small firms. If we consider this statement to be valid it would illustrate how non-contextualised views brings with them taken for granted assumptions that shape our understanding of what entrepreneurship is and what it comes from. If we as an example of contextualised view focus the social dimensions of context it offer considerable theoretical purchase in explaining the nature, style, even the types of entrepreneurship as they arise in specific contexts. The interplay between entrepreneurship and location (McKeever, Jack & Anderson, 2012), culture (Kreuger, Linan and Nabi, 2013) and institution (Kalantaridis and Fletcher, 2012) contexts all offer richer accounts of how and why

entrepreneurship is formed. Context is not just a site for entrepreneurship, but as the operand through which enterprise becomes entrepreneurship, Gaddefors and Anderson (2017).

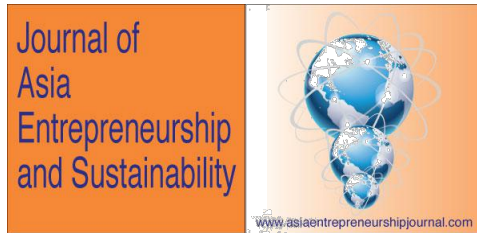
We conclude our plea for more context in our work by repeating some of the questions from our call for papers. Interesting studies could consider-

- What is context and how can we frame contexts related to entrepreneurship?
- How does context influence entrepreneurial activity, or conversely, how does entrepreneurial activity influence context?
- What are the contributions to research on context and entrepreneurship and what development tracks for the future can be identified?
- Does influence on entrepreneurial processes from context vary over time, and if so, how?
- What potential, if any, lies in the interplay process?
- How might we measure context or the interplay between entrepreneurial processes and context?

We recognize that the range of *context* is broad - location, culture, societies, embeddedness, gender, rural, family, teams, ethnicity, education, growth – the scope of context is great; context not only matters, but also holds the promise of explanatory power.

## References

- Anderson, A.R. and Gaddefors, J., 2016. Entrepreneurship as a community phenomenon; reconnecting meanings and place. *International journal of entrepreneurship and small business development*, 28(4), pp.504-518.
- Anderson, A.R. and Starnawska, M., 2008. Research practices in entrepreneurship: problems of definition, description and meaning. *The International Journal of Entrepreneurship and Innovation*, 9(4), pp.221-230.
- Anderson, AR and Ronteau, S., 2017. Towards an entrepreneurial theory of practice; emerging ideas for emerging economies. *Journal of Entrepreneurship in Emerging Economies*, 9(2), pp.110-120.
- Casulli, L., Chalmers, D., Drakopoulou Dodd, S., Matthews, R. and Stoyanov, S., 2017. Renew or regress: maintaining a forum for radical entrepreneurship scholarship. *International Journal of Entrepreneurial Behaviour and Research*, 23(2), pp.166-184.
- Dodd, S. D., & Anderson, A. R. 2007. Mumpsimus and the mything of the individualistic entrepreneur. *International Small Business Journal*, Vol 25, No 4, pp 341-360.
- Dodd, S.D., Jack, S. and Anderson, A.R., 2013. From admiration to abhorrence: the contentious appeal of entrepreneurship across Europe. *Entrepreneurship & Regional Development*, 25(1-2), pp.69-89.
- Gaddefors, J. and Anderson, A.R., 2017. Entrepreneursheep and context: when entrepreneurship is greater than entrepreneurs. *International Journal of Entrepreneurial Behavior & Research*, 23(2), pp.267-278.
- Harbi, S. and Anderson, A.R., 2010. Institutions and the shaping of different forms of entrepreneurship. *The Journal of socio-economics*, 39(3), pp.436-444.
- Kalantaridis, C. and Fletcher, D., 2012, *Entrepreneurship and Regional Development*, Vol 24, Nos 3-4, pp 199-214.
- Kalden, J.N., Cunningham, J. and Anderson, A.R., 2017. The social status of entrepreneurs: Contrasting German perspectives. *The international journal of entrepreneurship and innovation*, 18(2), pp.91-104.
- Kreuger, N., Linan, F. and Nabi, G., 2013, Cultural values and entrepreneurship, *Entrepreneurship and Regional Development*, Vol 25, Nos 9-10, pp 703-707.
- Lee, D.P.W. and Mueller, J., 2017. Junpu " Taobao" Village-a validation of Porter's Diamond Model? *Journal of Asia Entrepreneurship and Sustainability*, 13(1), p.51-72.
- McKeever, E., Jack, S., & Anderson, A. 2015. Embedded entrepreneurship in the creative reconstruction of place. *Journal of Business Venturing*, Vol 30, No 1, pp 50-65.
- Nguyen, C., 2015. Entrepreneurial Intention In Vietnam: Same As Everywhere?. *Journal of Asia Entrepreneurship and Sustainability*, 11(4), p.108.



The  
University  
Of  
Sheffield.

Rehn, A., Brännback, M., Carsrud, A. and Lindahl, M., 2013, Challenging the myths of entrepreneurship?, *Entrepreneurship and Regional Development*, Vol 25, Nos 7-8, pp 543-551.  
Welter, F. (2011). Contextualizing entrepreneurship—conceptual challenges and ways forward. *Entrepreneurship Theory and Practice*, 35(1), 165-184.



# **A Multiplicity of Contexts: Gender and Locality in a contextualized view of entrepreneurship**

Annie Roos  
Rural Entrepreneurship Group, Department of Economics  
Swedish University of Agricultural Sciences  
Uppsala 650 07 Sweden  
[annie.roos@slu.se](mailto:annie.roos@slu.se)

## **Abstract**

A contextualized view of entrepreneurship is on the rise within the research field. More and more researchers use context to explain how, where, and when entrepreneurship happens. Adding to this, I argue that there is a need to take into account a multiplicity of contexts when researching entrepreneurship. This paper sets out to examine how two of these contexts, gender and locality, change with an entrepreneurial process. The case captures how an entrepreneurship association enhances change in contexts in different ways. The findings challenge a decontextualized view of entrepreneurship and add to a growing body of literature making this argument in two ways: first, the multiplicity of contexts are elaborated, showing how changes in the entrepreneurship process strengthens different aspects of contexts; and second, the need for a reflexive view of contexts and entrepreneurship is presented, showing how the chosen contexts change how the entrepreneurship process is studied.

## 1. Introduction

Entrepreneurship research has for a long time involved studies of individuals, their entrepreneurial traits and their roles in starting up new businesses (Bygrave & Hofer, 1991; Bhave, 1994; Brush *et al.*, 2009). In contrast to this individualistic view of entrepreneurship, a view that entrepreneurship is a process changing structures (Berglund, Gaddefors & Lindgren, 2016) is gaining momentum within entrepreneurship research. A context perspective is crucial when viewing entrepreneurship as a process changing structures since it is in the context that the structures which could be changed become evident. Seeing entrepreneurship through a context perspective emphasizes that entrepreneurship is more than this isolated event which is usually the case in the individualistic view of entrepreneurship (Jack & Anderson, 2002; Korsgaard & Anderson, 2011).

Context is what constitutes the circumstances and conditions surrounding the entrepreneurship process, it enable and restrain the process (Welter, 2011). Hence, it is the context that differentiates one entrepreneurship process from another (Welter *et al.*, 2016). Context is not one variable affecting the entrepreneur, it consists of different dimensions (Welter, 2011). We could talk of a multiplicity of contexts which are interconnected but shape and are shaped by the entrepreneurship process in different ways (Gaddefors & Cronsell, 2009; Welter, 2011; Ferguson *et al.*, 2015; Berglund *et al.*, 2016). An interplay between contexts and entrepreneurship is present (Jack & Anderson, 2002; Mair & Martí, 2006; Korsgaard *et al.*, 2015a). The argument implies a connection that runs both ways, making it difficult to separate contexts shaping people versus people shaping contexts, and thus, people and contexts can better be understood when considered together (Welter, 2011; Anderson & Gaddefors, 2016).

While research on context and entrepreneurship is growing, there is still a need to further grasp the complexity and heterogeneous aspects of contexts and entrepreneurship (Zahra & Wright, 2011; Welter *et al.*, 2016). I will in this paper argue that a part of that picture is to view entrepreneurship as having a multiplicity of contexts. Hence, looking beyond context as a variable (Welter, 2011) and emphasizing the complexity and multifaceted nature of different contexts. The research question in this paper is how an entrepreneurial process enhances different changes in contexts. The research questions are to help fulfill the aim of the study, that is, to examine the multiplicity of contexts in entrepreneurship processes.

To investigate the multiplicity of contexts, an ethnographic case study has been conducted with a women's entrepreneurship association, named Q, in a small community in Sweden. Aspects of locality and gender were in this paper chosen as contexts to analyze. In the case it was evident how locality and gender are interconnected, and they were thus a good illustration of the arguments. Drawing on the ethnographic material, this paper shows (1) how gender structures surrounding entrepreneurship were reproduced and challenged while aspects of locality were respectively strengthened in the entrepreneurial process, (2) how a multiplicity of contexts are interconnected within the entrepreneurship process, and (3), how there is a need for reflexivity when choosing what contexts to study since it affects how the entrepreneurship process is viewed. The article is structured as follows: First, the two contexts, locality and gender, are presented in relation to entrepreneurship. Second, the method used are presented. Third, the empirical findings are discussed in relation to the contexts gender and locality. Finally, the conclusions of the paper and recommendations for future research are presented.

## 2. Theoretical framework

### **Locality as a context of entrepreneurship—the concepts of place and space**

Cresswell (2014) has argued for locality as a process in which people engage in activities to make meaning of a space. Agnew (1987) proposed three important aspects of a meaningful location: the physical aspect, the material aspect, and the relationship between the physical and material aspects and the people. Cresswell (2014) put forward the notion that these different dimensions of location cannot alone be what constructs a place. Instead, place can be seen as something that brings these aspects together and in some sense also has a role in creating the dimensions. Place is seen as the glue between economic and social practices. Along the same lines, Korsgaard *et al.* (2015b) argued that social practices are influenced by physical location as well as physical location being influenced by social practices. Thus, an intertwining of physical and social processes occurs, leaving place to be interpreted as based on both physical and social aspects.

Using the same argument, Johnstone and Lionais (2004) discussed the view of a location as a holder for space and place. When it comes to entrepreneurship, we have the more traditional entrepreneurship being linked to aspects of space, while for example social (Korsgaard & Anderson, 2011), societal (Berglund *et al.*, 2012), and community entrepreneurship (Anderson & Gaddefors, 2016) are more linked to aspects of place. Space is viewed as the capacity for profit that a location has, while place is seen as the capacity for constructing meaning in, and of, the location (Johnstone & Lionais, 2004). Strengthening the space aspect of a locality lies thus in, for example, more businesses and citizens, which contribute to the economic development of the location. Applying the concept of place means looking beyond the production and consumption values of a location and instead emphasizing the social and cultural aspects (Johnstone & Lionais, 2004). Or, as Tuan (1977, p. 5) puts it: “What begins as undifferentiated space becomes place as

we get to know it better and endow it with value.” So, while space is a fairly economic and capitalistic view of a location, the perspective of place implies more of a social investigation. Focusing on strengthening the place aspect of locality means to, for example, work on relationships, building trust and changing norms.

### **Gender as a context of entrepreneurship—reproducing and challenging structure**

Gender is in this paper understood as structured behavior embedded in everyday life (West & Zimmerman, 1987). This is a poststructuralist perspective on gender that critiques the stability of masculinity and femininity (Calás *et al.*, 2007). With a poststructuralist perspective, gender is not constructed in one universal way; instead, it is flexible and varying. It is constantly reproduced and challenged through, for example, interactions with institutions, communication between people, and interpretations of historical aspects. Gender, then, is something that is enacted and “done” in actions, in social processes (West & Zimmerman, 1987).

Bruni *et al.* (2004) showed that the process of doing gender and the process of doing entrepreneurship interplay. The gender aspects affect how entrepreneurship is enacted, and the entrepreneurship process affects how gender is reproduced and challenged. As entrepreneurship (e.g., Ahl, 2006) is perceived as masculine, constructed within a masculine framework with male connotations, the process to a high extent reproduces gender. The entrepreneurship discourse has sustained traditional binaries with two components: male and female (Ogbor, 2000). In the binary system the male-oriented view and definition of reality is upheld as the only legitimate view of society. The system cheers for masculine entrepreneurship concepts (Ahl, 2006) such as control, rivalry, rationality, and domination (Ogbor, 2000). To comply with the masculine view of entrepreneurship thus strengthens the reproduction of the gender structures surrounding entrepreneurship (Achtenhagen & Welter, 2011). On the other hand, to challenge the masculine



view of entrepreneurship is to, for example, do business in another way, no matter whether you are a woman, a man, women, or men doing the entrepreneurship (Lewis, 2006).

### 3. Method

The data for this study were crafted with a qualitative ethnographic approach (Johnstone, 2007). The chosen community for the study has historically been characterized by a traditionally male-dominated, large-scale industry based in ironworks and more lately in production of boats, snowmobiles, and plastic components. Today the community has moved away from large-scale industry and instead try to be characterized as a place for small-scale business. The community has a higher percentage of businesses per resident than the surrounding area (Statistics Sweden, 2014a, 2014b). As a study object within this community a local business association for female (i.e., women) entrepreneurs, Q, was chosen. Within this association around 30 women were organized, of whom 16 took an active and recurring part in the group and are thus a part of the study; see Table 1. Nine of these entrepreneurs have lent their voices for this paper; their names are underlined in Table 1. During the nine months between the first encounter until this paper was written, the group had six meetings in which I took part as an observer and sometimes as an active participant (Johnstone, 2007).

Additionally, I interviewed 11 of the women, some of them more than once. Together with the ethnographic approach, interviewing the women more than once helped me as a researcher to act reflexively when analyzing statements and observations (Alvesson & Deetz, 2000). The interviews and informal meetings were set up as conversations (McKeever *et al.*, 2015) around the women's involvement in Q and their relation to the local community. Seven of the women I also observed in their daily lives (Johnstone, 2007), at work (such as when Gabby had a lecture),

and at other meetings (such as when Sydney was at a meeting with another local business association).

Table 1. The entrepreneurs involved in the study

Name	Sector	Meetings in Q	Interviews	Observations
<u>Alice</u>	Tourism	2	0	0
<u>Bella</u>	Education	4	3	1
Bethany	Education	3	0	0
Clara	Agriculture	5	1	0
<u>Gemma</u>	Retail	3	1	0
Isabel	Artist	6	1	1
Lesley	Logistics	4	0	0
<u>Gabby</u>	Health	0	1	0
<u>Madeline</u>	Retail	6	1	1
<u>Mary</u>	Logistics	6	1	0
Melissa	Real estate	3	1	1
<u>Penelope</u>	Private health care	6	3	1
Scarlett	Retail	2	0	0
<u>Shirley</u>	IT	6	0	0
<u>Sydney</u>	Health	6	1	1
Vivian	Health	5	1	2

The processes of interviewing and observing are somewhat loosely differentiated in this paper (Lindgren & Packendorff, 2009), in line with the ethnographic approach (Johnstone, 2007). In the practical fieldwork the two methods highly overlapped. The borders became less well defined when an observation occurred while doing an interview; the interviews were thus more than just the recorded sessions, and the observations also involved my asking questions.

Because of my pronounced interest in talking to the women about their businesses, it was fairly easy to create the scope for talking about the space aspects of their entrepreneurship. At the same time, this led to discussions about place aspects being overlooked in the conversations. One example of this is an interview with Sydney: even when asked direct questions such as, “What kind of place is the local community to live in?” Sydney started her answer with “I think it is easy to run a business in this community.” The remainder of the answer involved Sydney explaining advantages of the closeness in a small community and how the process is flexible and fast when it comes to solving practicalities of all kinds. It seems as though Sydney tried to give appropriate answers according to what she thought was expected of her (Alvesson, 2003). In this setting, with the way I was presenting myself and my research, Sydney and the others had preconceptions about what this research was going to be about. The preconceptions went both ways, with my analysis beginning before the first encounter with the group. Already at my desk I had ideas about the people I was going to meet and the findings I was expected to make. At the same time, the findings changed and evolved throughout the fieldwork and the deskwork. A reflexive stance was thus evident in analyzing the data (Alvesson & Deetz, 2000). The analysis is still my production of the simplification of the reality that the people in this study experienced (Barinaga, 2016).

At the same time as I described and simplified the reality of the people in this study, I was also as a researcher taking part in producing their reality (Barinaga, 2016). What happened and was said in one meeting thus affected how the next meeting played out. A somewhat constant comparative method (Glaser & Strauss, 1967) for analyzing the material was then used. The interviews were transcribed, and the observations written up as field notes. Along the lines of Müller (2013) and Tunberg (2014), the material was organized and coded using the Nvivo software. Patterns of resemblance and variance (Miles & Huberman, 1994) were explored, taking into account how gender was reproduced and challenged when it comes to the masculine view of entrepreneurship and how strengthening space and place was seen. The findings were analyzed and discussed against the background of the theoretical framework provided in section 2.

#### 4. Findings and discussion

In the local community there are three business associations, one of which has a subgroup exclusively for women, named Q. The entrepreneurship process happening in Q might enhance different changes in contexts, depending on what contexts are in focus. Combining locality and gender yields four intersecting ways (see Table 2) that the entrepreneurship process can enhance change in different contexts at the same time. Adding the findings from the study to these four intersections, it becomes clear that the contexts are enhanced in different ways by different aspects of the entrepreneurship process happening in Q. As explained in the method section of this paper, the four intersections were constructed when analyzing the ethnographic case in search of resemblance and variance to the theoretical framework. Below are the findings and discussions of the four intersections and how they relate to the theoretical framework.

Table 2. Intersections showing how gender structures surrounding entrepreneurship were reproduced and challenged in Q, while strengthening locality through the perspectives of space and place

<b>Gender structures surrounding entrepreneurship are...</b> <b>Strengthens local...</b>	<b>...reproduced</b>	<b>...challenged</b>
<b>...space, capacity for profit</b>	(1) Professionalization	(2) Women starting businesses in areas dominated by men
<b>...place, capacity for creating meaning</b>	(3) Business relations	(4) Women working together

What is termed professionalization of women entrepreneurs (1) occurs in Q when the women are trained in business-related practices such as first impressions, social media, and accounting. One of the goals of the government program that Q is financed by is to induce growth in businesses already established by women, and one way of achieving this is to develop the women's business-related skills (Swedish Agency for Economic and Regional Growth, 2015). As Gemma told me: "We had a computer course where we were taught how to behave on Facebook, Twitter, Instagram and such. We had some useful lectures." Gemma enjoyed the lectures because they opened her eyes, and she felt, "but of course, that's how it's supposed to be done." At the same time, she stated: "You may not remember it when you are in the midst of everything. But it's good to get a little push sometimes." Business training is also provided through a number of



different courses linked to the government program supporting women entrepreneurs. A majority of the women in the group had taken at least one of these courses. These courses were held in other cities nearby, together with other associations in the region, but not in the local community. Gabby had great use of the courses, since she felt that she lacked training in business administration, and this was a welcome addition to her previous education. She stated that when she joined the association she felt that “We were all such beginners. How do you run a business?” The focus in the association is on growth for women’s businesses, and with the training there is a need to fit women entrepreneurs into the general view of (masculine) entrepreneurship (Ogbor, 2000; Ahl, 2006). Some of the women themselves see growth as important, as illustrated by one of Bella’s reasons for joining Q, which had to do with a need for growth in her business:

I read about the association in the local paper. It said female entrepreneurship and then something about growth. I felt during this time that my business was too small, that I had to grow to survive, but I did not know how.

This clear focus, both by the government and by the women themselves, on complying with the masculine view of entrepreneurship is a reproduction of the gender structures surrounding entrepreneurship (Achtenhagen & Welter, 2011), just by simply not questioning the way things are done within entrepreneurship (Lewis, 2006). In turn, businesses owned by women that are more successful when it comes to growth are believed to lead to place being strengthened. However, this is not the case, as working towards a further professionalization is linked to strengthening space through the focus on economic and capitalistic values in society (Johnstone & Lionais, 2004). A place perspective is not present within this intersection; since the goals are to professionalize the individual person and create growth in the separate businesses, there is not a focus on the development of the local community.

Shirley's business (2) is an example of an outcome from Q that challenges gender structures and strengthens space aspects. For Shirley the introduction to Q meant the start of her business. She took an active part in Q for almost a year before she quit her employment. She said: "I took the step, and it was something that I had longed for, for a long time." The business is run from her home, where she takes photographs and designs websites. Shirley does all kinds of programming and coding for different IT systems. This was one of the things she did in previous jobs. She said:

I come from a very male-dominated world. So it has been a journey, which has admittedly been very nice, but at my previous job I had to work and prove myself 10 times more, even though I could do the job as well as anyone else. So it's been a good learning experience.

Because of being a member of Q, Shirley gained the confidence to start her business, even though Q obviously was not the only factor influencing her decision. Still, Shirley was a part of Q for one year before deciding to quit her employment. She took part in the training and socialized with the other entrepreneurs, making it more probable for her to see that she, just like they, could start her own business. With her business Shirley strengthens space, since her business for the most part only contributes to the local community by providing herself with employment; there is not a focus on being a glue within the community. Strengthening space is not a bad thing per se, as it might come across sometimes. The problem in focusing only on strengthening space aspects within entrepreneurship lies in prioritizing that over all the other kinds of contributions that entrepreneurship could make. When prioritizing and focusing on space aspects—entrepreneurship as it has always been seen—it is hard to not think that this kind of entrepreneurship merely further reproduces the gender structures surrounding entrepreneurship, as it does not challenge this traditional view (Ogbor, 2000; Ahl, 2006; Lewis,

2006; Achtenhagen & Welter, 2011). However, Shirley is at the same time challenging the male norm of the IT sector, since she is running her home-based business in a different way (Lewis, 2006) than business is usually done in the IT sector. So, with her business, Shirley is challenging this reproduction of the gender structures surrounding entrepreneurship that comes with running a business with a focus on space aspects.

Another goal of Q is to build relationships and networks between the members. Mary stated that “Q exists as an association so we can find each other.” Madeleine put it this way:

I think that everybody here thinks it is really nice to meet and that we improve [as individuals] and build relationships. Maybe we can benefit from and find amusement with each other in a number of different ways.

The women want to see more business relations in the local community through the network provided by Q. Alice, during one of the sessions, asked if the other entrepreneurs knew anybody that she could turn to as she developed mushroom picking within her business. Bella quickly hinted that her husband knew a lot about mushrooms, and then Sydney said that Bethany’s dogs could help with the tracking. At an earlier meeting of Q Mary had informed the group that she had just made sure that a bunch of switchgear workers had somewhere to live in the surrounding area. They were going to be working on the local switchgear for about six or seven weeks. Mary had told them where they could go to get physical exercise and where to eat, and then had told them that they could get a massage at Sydney’s salon. At one of the women’s meetings Mary also told the group how she had forgotten that Vivian worked with leadership training and that she had to remember that for future reference.

It is unclear whether anything actually came of these conversations, but it shows that there is a need to connect businesses in the local community. The women want to seek out opportunities to help each other and to develop each other's businesses, so the community can continue to exist. The business relations (3) that the women develop among themselves, or at least wish to develop, lead to a further reproduction of the gender structures, since they continue to emphasize entrepreneurship as a masculine, economic, and growth-oriented phenomenon (Ogbor, 2000; Ahl, 2006). Still, the business relations are closely linked to a strengthening of the local place, since the relations have a focus on the local community. The desire is thus to connect businesses (Johnstone & Lionais, 2004) in the community, in order to develop the local place through more relationships.

Penelope had another take on building business relationships. She had started to connect people in the community to each other, people who did not know each other or did not think that they had anything in common. The reason for doing so was not financial; rather, Penelope saw the potential of the people in Q and how connecting them could be a way to develop the local community. When the women in Q come together in the association (4) they are both strengthening local place and challenging gender structures. The group is collectively and actively working together to shape the meaning of the local community (Tuan, 1977) and thus also challenging existing gender structures surrounding entrepreneurship. When, for example, Penelope connects entrepreneurs from Q with other people, based on what would happen to the community, she is driven not by economic values but by a desire to do good for the people in the community.

Thus, we can see how the entrepreneurial process in Q enhances different contexts in different ways. The case illustrates how space and place, respectively, are strengthened by the work in Q.

At the same time we can see how professionalization and business relations reproduce gender structures surrounding entrepreneurship, while women starting businesses in fields dominated by men, and women working together, challenge gender structures.

## 5. Conclusion

Context is evidently important to how entrepreneurship is understood. This paper shows how different aspects in two contexts, gender and locality, were strengthened with the entrepreneurship process. The contexts locality and gender have in this paper been presented to illustrate how contexts interplay with an entrepreneurship process. Departing from the distinction between space and place, I have shown how a women's entrepreneurship association reproduces and challenges gender structures surrounding entrepreneurship. The case illustrates how an urge for professionalization of the women in the group strengthened the economic aspect of the locality, thus space (Johnstone & Lionais, 2004). However, the case also illustrates how this professionalization reproduced the traditional masculine view of entrepreneurship (Ahl, 2006), thus the gender structures. What strengthened space and challenged the masculine view of entrepreneurship was women starting up businesses in areas of enterprise traditionally dominated by men (Lewis, 2006). Turning to place aspects, the case showed not only how the development of business relations strengthened notions of place but also how it reproduced gender structures when it comes to entrepreneurship. Lastly, when the women worked together their cooperative endeavors still strengthened place aspects as they also challenged the traditional gender structures surrounding entrepreneurship.

Strengthening an aspect of one of the contexts will also affect other contexts of the entrepreneurial process. Just enhancing space aspects without being reflexive about what will happen to the gender structures surrounding entrepreneurship could potentially lead to a further reproduction of gender structures, even though this is not the intention. As we can see in the case,



enhancing space aspects could also potentially lead to a challenge of the masculine view of entrepreneurship. In this paper I argue for the importance of choosing different dimensions of context when studying entrepreneurship since if we were to study context as a variable to entrepreneurship (Welter, 2011) we would probably not see how different contexts are interconnected or how different aspects of contexts are enhanced through interconnection. The entrepreneurial process will evidently look different depending on what contexts are chosen to study.

Hence, a multiplicity of contexts in a contextualized view of entrepreneurship is crucial for understanding entrepreneurship processes better. As shown in this paper, the more contexts to take into account, the more complex an entrepreneurship process is perceived to be. Thus, there is a need for a more reflexive view of the contexts that shape and are shaped by the entrepreneurship process. With a more reflexive view of contextualized entrepreneurship, different dimensions of contexts can be brought to light, thereby changing how the entrepreneurship process is viewed. This may in turn allow researchers to gain a better scope of the entrepreneurship process.

## References

- Achtenhagen, L., & Welter, F. (2011). "Surfing on the ironing board"—the representation of women's entrepreneurship in German newspapers. *Entrepreneurship & Regional Development*, 23(9–10), 763–786.
- Agnew, J. A. (1987). *Place and politics: The geographical mediation of state and society*. Boston: Allen & Unwin.
- Ahl, H. (2006). Why research on women entrepreneurs needs new directions. *Entrepreneurship Theory and Practice*, 30(5), 595–621.
- Alvesson, M. (2003). Beyond neopositivists, romantics, and localists: A reflexive approach to interviews in organizational research. *The Academy of Management Review*, 28(1), 13–33.
- Alvesson, M., & Deetz, S. (2000). *Doing critical management research*. London: Sage.
- Anderson, A., & Gaddefors, J. (2016). Entrepreneurship as a community phenomenon: Reconnecting meanings and place. *International Journal of Entrepreneurship and Small Business*, 28(4), pp 504–518.
- Barinaga, E. (2016). Engaged scholarship: Taking responsibility for the politics of method mediation. *Challenging Entrepreneurship Research*. Abingdon, UK: Routledge. ISBN 978-1-317-41357-8.
- Berglund, K., Gaddefors, J., & Lindgren, M. (2016). Provoking identities: Entrepreneurship and emerging identity positions in rural development. *Entrepreneurship & Regional Development*, 28(1–2), pp 76–96.
- Berglund, K., Johannisson, B., & Schwartz, B. (2012). *Societal entrepreneurship: Positioning, penetrating, promoting*. Cheltenham: Edward Elgar Publishing.
- Bhave, M. P. (1994). A process model of entrepreneurial venture creation. *Journal of Business Venturing*, 9(3), 223–242.
- Bruni, A., Gherardi, S., & Poggio, B. (2004). Doing gender, doing entrepreneurship: An ethnographic account of intertwined practices. *Gender, Work & Organization*, 11(4), 406–429.
- Brush, C. G., de Bruin, A., & Welter, F. (2009). A gender-aware framework for women's entrepreneurship. *International Journal of Gender and Entrepreneurship*, 1(1), 8–24.
- Bygrave, W. D., & Hofer, C. W. (1991). Theorizing about entrepreneurship. *Entrepreneurship Theory and Practice*, 16(2), 13–22.
- Calás, M. B., Smircich, L., & Bourne, K. A. (2007). Knowing Lisa? Feminist analyses of "gender and entrepreneurship." In: D. Bilimoria & S. K. Piderit (Eds.), *Handbook on women in business and management* (pp. 78–105). Cheltenham: Edward Elgar Publishing.
- Cresswell, T. (2014). *Place: An introduction* (2nd ed.). Chichester: John Wiley & Sons.
- Ferguson, R., Astner, H., Kokko, S., Roos, A., & Tunberg, M. (2015). The importance of place: Conceptualizing the rural context. *Proceedings of ISBE 2015, Glasgow, UK, 2015*. Glasgow, UK: The Institute for Small Business and Entrepreneurship.

- Gaddefors, J., & Cronsell, N. (2009). Returnees and local stakeholders co-producing the entrepreneurial region. *European Planning Studies*, 17(8), 1191–1203.
- Glaser, B. & Strauss, A. (1967). *The discovery of grounded theory: Strategies for qualitative research*. Chicago: Aldine.
- Jack, S. L., & Anderson, A. R. (2002). The effects of embeddedness on the entrepreneurial process. *Journal of Business Venturing*, 17(5), 467–487.
- Johnstone, B.A. 2007. Ethnographic methods in entrepreneurship research. In: H. Neergaard & J.P. Ullhoi (Eds.), *Handbook of Qualitative Research Methods in Entrepreneurship* (pp. 97–121). Cheltenham, UK: Edward Elgar Publishing.
- Johnstone, H., & Lionais, D. (2004). Depleted communities and community business entrepreneurship: Revaluing space through place. *Entrepreneurship & Regional Development*, 16(3), 217–233.
- Korsgaard, S., & Anderson, A. R. (2011). Enacting entrepreneurship as social value creation. *International Small Business Journal*, 29(2), 135–151.
- Korsgaard, S., Ferguson, R., & Gaddefors, J. (2015a). The best of both worlds: How rural entrepreneurs use placial embeddedness and strategic networks to create opportunities. *Entrepreneurship & Regional Development*, 27(9–10), 574–598.
- Korsgaard, S., Müller, S., & Wittorff Tanvig, H. (2015b). Rural entrepreneurship or entrepreneurship in the rural—between place and space. *International Journal of Entrepreneurial Behavior & Research*, 21(1), 5–26.
- Lewis, P. (2006). The quest for invisibility: Female entrepreneurs and the masculine norm of entrepreneurship. *Gender, Work & Organization*, 13(5), 453–469.
- Lindgren, M., & Packendorff, J. (2009). Social constructionism and entrepreneurship: Basic assumptions and consequences for theory and research. *International Journal of Entrepreneurial Behavior & Research*, 15(1), 25–47.
- Mair, J., & Martí, I. (2006). Social entrepreneurship research: A source of explanation, prediction, and delight. *Journal of World Business*, 41(1), 36–44.
- McKeever, E., Jack, S., & Anderson, A. (2015). Embedded entrepreneurship in the creative reconstruction of place. *Journal of Business Venturing*, 30(1), 50–65.
- Miles, M. B., & Huberman, A. Mi. (1994). *Qualitative data analysis: An expanded sourcebook* (2nd ed.). Thousand Oaks, CA: Sage.
- Müller, S. (2013). *Entrepreneurship and regional development: On the interplay between agency and context*. (Doctoral dissertation). Aarhus: Aarhus University.
- Ogbor, J. O. (2000). Mythicizing and reification in entrepreneurial discourse: Ideology-critique of entrepreneurial studies. *Journal of Management Studies*, 37(5), 605–635.
- Statistics Sweden. *Antal företagsförekomster per kommun 2013*. Retrieved from [http://www.scb.se/sv/\\_/Hitta-statistik/Statistik-efter-amne/Arbetsmarknad/Sysselsattning-](http://www.scb.se/sv/_/Hitta-statistik/Statistik-efter-amne/Arbetsmarknad/Sysselsattning-)

forvarvsarbete-och-arbetstider/Registerbaserad-arbetsmarknadsstatistik-  
RAMS/7895/7902/117037/.

Statistics Sweden. *Folkmängd i riket, län och kommuner 31 december 2013 och befolkningsförändringar 2013*. Retrieved from [http://www.scb.se/sv\\_/Hitta-statistik/Statistik-efter-amne/Befolkning/Befolkningens-sammansattning/Befolkningsstatistik/25788/25795/Helarsstatistik---Kommun-lan-och-riket/370301/](http://www.scb.se/sv_/Hitta-statistik/Statistik-efter-amne/Befolkning/Befolkningens-sammansattning/Befolkningsstatistik/25788/25795/Helarsstatistik---Kommun-lan-och-riket/370301/).

Swedish Agency for Economic and Regional Growth. (2015). *8 years of promoting women's entrepreneurship in Sweden*. (Info 0607).

Tuan, Y.-F. (1977). *Space and place: The perspective of experience*. Minneapolis: University of Minnesota Press.

Tunberg, M. (2014). Approaching rural firm growth: A literature review. *Journal of Enterprising Communities: People and Places in the Global Economy*, 8(4), 261–286.

Welter, F. (2011). Contextualizing entrepreneurship: Conceptual challenges and ways forward. *Entrepreneurship Theory and Practice*, 35(1), 165–184.

Welter, F., Gartner, W.B., & Wright, M. (2016). The context of contextualizing contexts. In: F. Welter & W.B. Gartner (Eds.), *A Research Agenda for Entrepreneurship and Context* (pp. 1–15). Northampton, MA: Edward Elgar Publishing.

West, C., & Zimmerman, D. H. (1987). Doing gender. *Gender and Society*, 1(2), 125–151.

Zahra, S.A., & Wright, M. (2011). Entrepreneurship's Next Act. *Academy of Management Perspectives*, 25(4), 67–83.

# Entrepreneurship in Oman

## Policies and practices

Rashid Ali Al-Balushi and Alistair R Anderson  
Aberdeen Business School     Robert Gordon University  
Aberdeen, AB10 7QE     UK  
[rashid@dr-rashid.com](mailto:rashid@dr-rashid.com)  
[a.r.anderson@rgu.ac.uk](mailto:a.r.anderson@rgu.ac.uk)

### Abstract

Oman provides an interesting context to examine how formal institutions encourage local enterprise. We examine the views of local entrepreneurs about the effectiveness of government policies that are intended to foster indigenous small business. We ask how they evaluate the entrepreneurial ecosystem. We provide an overview of the remarkable context, the Sultanate of Oman; a thriving oil based economy, but characterised by a high percentage of expatriate business ownership. Moreover, the current industrial and commercial structure looks unlikely to be able to provide sufficient satisfying jobs for the rapidly expanding youthful population. The government has responded by creating modern formal institutions to facilitate enterprise and by providing a number of well funded programs to enable local entrepreneurship. This forms the basis of our research problem, establishing how local entrepreneurs respond to these initiatives to address the low levels of local entrepreneurship.



We conducted interviews surveying 60 Omani SME owners asking about how well the initiatives had addressed their cultural and practical “requirements”. We found that many respondents were motivated by a quest for independence coupled with the need for a “good” job. However we also found that the sheer joy of entrepreneuring delighted some respondents. The initiatives had provided the means of achieving this self determination. The formal structures were very supportive; initial funding for example was readily available. However, we also found the informal structures were less developed. There was evidence of an emergent cognitive appeal and approval for entrepreneurship. We argue that there is need to develop such informal institutions to help existing businesses to grow and to cultivate an Omani enterprise culture.

## Introduction

The purpose of this paper is to consider how well formal and informal institutions work to support entrepreneurship in the rather unique context of a flourishing, but oil dependent economy. Our objective is to study the entrepreneurial ecosystem and its effectiveness according to users, entrepreneurial agents. We examine these processes in the Sultanate of Oman. Oman shares some characteristics with its neighbouring countries of the Gulf Cooperation Council (GCC), categorised as hydrocarbon-dependent economies. Consequently the development trajectories of the Arab Gulf states are shaped by the vicissitudes of the petroleum market (Ennis, 2013). As such, the economy has a substantial expatriate presence and less well developed local human capital. Moreover, the population is young and new satisfying jobs for Omanis in the private sector are scarce. Hence, as in many developed (Dana et al, 2008) and developing countries (Harbi et al, 2009), entrepreneurship is seen to offer a solution.

The paper examines the entrepreneurial support systems through the lens of respondents who are engaged in the system. Thus the views are informed by practice and experience, but are



subjective interpretations. However, our analysis of these opinions allows us to step back from individual opinions to reflect and form an overview of the more general implications emanating from the patterns of responses. As we see it, although an interpretation of interpretations, this is particularly useful because it is grounded in real entrepreneurial lived experiences rather than a check list evaluation determined by the policy objectives themselves. We believe the paper contributes at different levels. There is a burgeoning awareness that context shapes enterprise (Welter, 2011; Dodd et al, 2013), so our appreciation of the Omani context may be useful for understanding entrepreneurship in similar contexts. Our institutional exploration, reflects on, and adds to, the significant point that institutions shape the nature and type of entrepreneurship (Harbi and Anderson, 2010; Baumol, 1996). These theoretical contributions are complemented by our practical contributions about the effectiveness of policies.

The paper begins by describing the context, Oman. We then expand on the descriptive account to discuss the nature of our research problem. Essentially Oman's rapid modernisation has been path dependent on oil and this has created specific problems related to the suitability of local human capital for the development process and a shortage of good jobs for the expectations of an expanding, but very youthful population. The problems to be addressed are seen as; reducing the reliance on an expatriate labour force; the indigenisation of the small business economy and broadening the economic structure to prepare for a reduction in oil revenues. More, and better Omani led entrepreneurship is held up as a solution and the effectiveness of policies is our research problematic. The paper continues with our data and analysis. Finally we discuss how our findings relate to Omani institutions and offer some suggestions.

## The context, Oman

The Sultanate of Oman is a small, but beautiful, country that enjoys a reputation for international trading over 2000 years resulting from its geographic position straddling historical East-West trade routes. The population of some 3.8 million consists of approximately two million Omanis plus 1.8 million expatriates. Oman is one of the most progressive countries in the Middle East, with a stable political environment, a well-established legal system and international banking standards and regulations that encourage investment and enterprise (Khan and Al-Moharby, 2007). Although Curtiss (1999) had described Oman as one of most traditional societies in the Arab world, Oman has rapidly modernised (Kemp and Madsen, 2014) under the direction of Oman's monarch, His Majesty, Sultan Qaboos bin Sa'id. Ghailani and Khan (2004) explain how the Vision for Oman's Economy: Oman 2020 proposed moving the country from reliance on the public sector to building the economy via private sector enterprise. Brandenburg (2013) refers to this era as Oman's Renaissance; offering the example that more than 30 public higher education institutions (HEI) were established, all offering free education, but exclusively for Omani citizens.

Nonetheless, all the countries that form the Gulf Cooperation Council (GCC) are highly dependent upon an expatriate labour force. Ennis (2013) explains that labour and expertise dependence began in the early days of the oil boom. Small populations and human capital development constraints meant local labour pools were both insufficient and ill equipped to manage the rapid, large-scale development projects. However, amongst its GCC neighbours, Oman is structurally less dependent upon an expatriate workforce. Oman expatriate workers represent 59.4% of the total workforce in contrast to, Qatar at 94%; UAE at 93%; Kuwait at 80.5% and Bahrain at 77.3%. Saudi Arabia's working population is eight times larger than Oman but has only some 50.2% of this workforce as expatriates.

Nonetheless, Ennis (2015) concludes that the regional economy is circumscribed by two interrelated path dependencies; national addictions to hydrocarbon revenue and foreign labour.

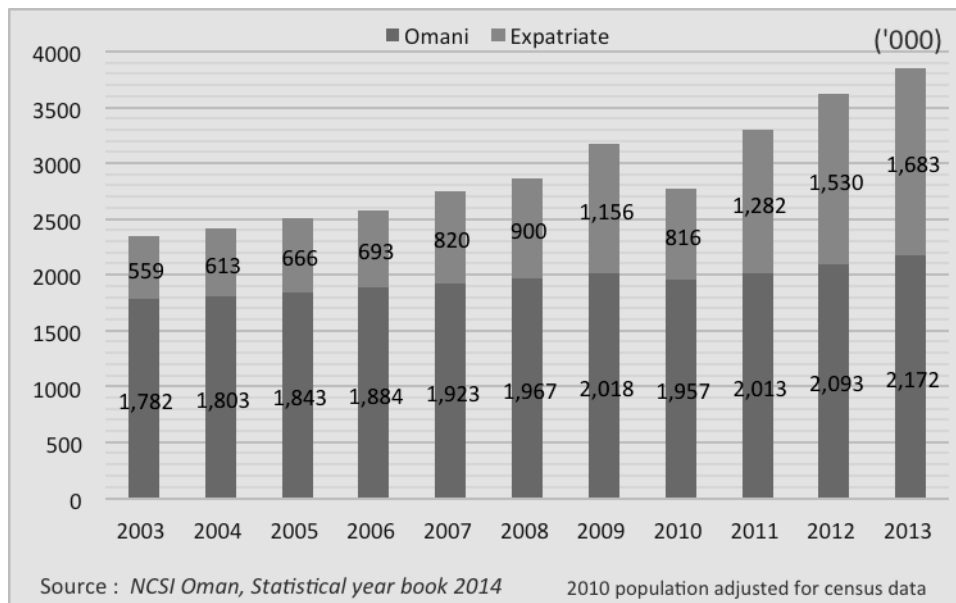
Addiction may be a poor description of structural features that have served the country so well, thus far. Moreover, it is also important to recognize the extraordinary improvements made in a comparatively short historical period. Before 1970, Oman was in political turmoil especially in the south of the country. Importantly, there were only two schools in the entire country so that national illiteracy prevailed. Thus the changes since 1970 when His Majesty Sultan Qaboos Bin Said, the Sultan of Oman, assumed power are remarkable in the extent and reach of the radical improvements. This *Renaissance* period began with infrastructure improvements and spread to all sectors. It is fair to say that Oman now has a modern infrastructure and supporting institutions, albeit with a hydrocarbon dependency. Nonetheless, it was oil discovery that has positioned Oman as one of the most progressive countries in the Middle East Region and oil remains pivotal for the development of the country. This is because oil production creates around 80% of the total revenue (Al Shanfari 2012). In 1970, GDP was \$ 110 million and \$ 1,760 per capita income, but by 2014 GDP was \$ 80.57 Billion and per capita income was \$15,145.

However, perhaps as a consequence of financial success of the hydrocarbon economy, two related problems have arisen. The overdependence upon a foreign workforce influenced a weakened supply of local human capital. Indeed local Omani labour ambition was often for a well paid secure government job. However the state sector has been described as bloated and cannot absorb the sharply increasing numbers of new labour market entrants. The indigenous Omani private sector is growing, but not fast enough to soak up these large numbers. Buckley and Rynhart (2011) estimated that youth unemployment (15-24 years old) could be as high as 30%. More than 35 % of Oman's population is under the age of 15, and 63 % is under 25

(MoNE 2010). Moreover although the education system produces international standard graduates, “the annual number of college and university graduates already exceeds the annual number of jobs available in Oman” (Al-Barwani *et al.*, 2009, p. 416). Furthermore there may be a question about the suitability of local graduates. It is reported that near half of surveyed Arab CEO’s consider that the education system produces an unqualified national cadre (Arab Human Capital Challenge, 2009).

Accordingly the “problem” is more than merely adjusting the imbalances of expatriate versus local labour and expertise, or of simply creating more jobs. Solutions must create satisfying jobs, especially if avoiding the disaffection of the youthful population is a priority. In the longer term, growth, but especially sustained growth, will have to be home grown. Such growth may well involve international partners, but will have to be anchored in Omani expertise and in Omani owned and managed businesses. Thus given the complexity of the “problem” it is unsurprising that the promotion of entrepreneurship has become a policy objective. The socio-economic dilemmas have been the driving force for the government support for entrepreneurship and self-employment especially among the young (Khan and Al-Moharby, 2007). Moreover, Ennis (2015) argues that the entrepreneurial ecosystem is closely tied to government policy and initiatives. Thus an understanding of how these work in practice will allow us to see how the “problem” is being addressed. Figure 1 below, numerically illustrates the extent of the problem.

**Figure 1, indigenous population growth and numbers of expatriates**



Indeed, governments around the world have striven to promote entrepreneurship and develop the institutions necessary for a successful entrepreneurial ecosystem. An outstanding example from a less developed country is Rwanda. It made a spectacular leap in the World Bank list for Ease of Doing business, jumping from 143rd to 67<sup>th</sup>. (World Bank, 2015). This has paid off for Rwanda, the per Capita GDP has almost quadrupled since 1995, (Isenberg, 2010). Of course, if entrepreneurship forms and practices are shaped by context and institutions, so too is the appeal of entrepreneurship, especially for younger people (Dodd et al, 2013; Harbi et al, 2009). The appeal of entrepreneurship is uneven; according to the World Bank research in 2010, developed economies produce 10 times more new ventures per adult per year as compared to economies of

countries in the Middle East. This seems to illustrate the extent of the challenges that Omani policies must face.

Nonetheless, compared to other Arab Gulf governments, the Omani government has been more active in its labor market intervention through its job nationalisation (Omanisation) program. The Omanisation program is an initiative that aims to integrate local labour into the job market and reduce foreign labour in both private and public sectors. A focus has been the entrepreneurship programmes, supported by both private and public organisations. We now describe the programmes.

## **Entrepreneurship support in Oman**

### **Intilaaqah**

Intilaaqah, Shell's social investment initiative was set up in 1995 and designed to stimulate and encourage unemployed Omani youth to consider starting their own business as a career option. By supporting their business ideas and plans with free expert training and counseling, Intilaaqah aims to create young entrepreneurs who will help diversify the economy away from oil and gas. Since its inception, the programme has trained more than 7,600 Omanis, many of whom now successfully run their own business. Intilaaqah's main focus is to help in creating sustainable businesses and job opportunities. It does this by providing guidance, business development assistant and online self-paced training courses. Furthermore, the programme offers financial support ranging from US 50,000 to one million dollars to qualified Small and Medium Enterprises (SME's).

Its vision is to create an entrepreneurial environment and assist small businesses to prosper. Intilaaqah recognizes that startup businesses go through many obstacles at the early



stages; it therefore addresses these obstacles by providing necessary counseling and business development services. The program has contributed to the creation of many businesses and will continue to do so to achieve its objective of promoting and encouraging entrepreneurship in Oman.

### **Intilaaqah's Objectives**

- To focus on development of entrepreneurial talents and business mindset of young entrepreneurs.
- To support the development and growth of Small and Medium Enterprises (SME's).
- To create sustainable SME's in Oman.
- To build the capacity of local entrepreneurs.
- To recognize successful entrepreneurs and promote the concept of entrepreneurship to others.
- To contribute to the national strategy to diversify the economy.
- To help alleviate the growing job seeking rate amongst young Omanis.
- To demonstrate Shell's commitment to the sustainable development of the Sultanate of Oman.

As observers, we are interested in Intilaaqah as an institution and the roles played. We note the type and extent of practical support provided by the programme. Yet it has an ambitious objective; unemployed youth will likely lack the sort of experience and knowledge that steers a new small firm through the liabilities of newness. Nonetheless, counseling is an effective way of sharing knowledge, but is very dependent on the knowledge resources of the counselor. We know that general codified knowledge is useful at start up, but that tacit specific knowledge is critical for firm growth (Anderson and Ullah, 2014; Hardwick et al, 2013). From this viewpoint,

we see Intilaaqah as a formal institution that offers cognitive and practical support for new small firms. However as a formal, albeit private, institution it may lack the capacity to enable growth. We are nonetheless, impressed by the extent of financial support for new firms. This would be the envy of many new firms in other parts of the world!

### **Al Rafd Fund**

Unlike most of the world, finding finance for small firms is remarkably easy in the Sultanate. We noted above the funding from Intilaaqah, but alternative funding for small firms is available through the Al Rafd fund. Internationally, many small firms struggle to secure finance, especially loans. Not only is credit limited, when available, it usually requires security. In Oman through the Al Rafd Fund, SMEs are offered loans without any guarantee. The Al Rafd Fund offers finance for projects worth up to RO 100,000 (over \$250,000 US). This is clearly a substantial pillar of formal institutions.

### **Riyada**

The government institutional support for entrepreneurship is represented in Riyada. On 30th May 2013, a Royal Decree was issued to convert the Directorate General of Small, Medium Enterprises within the Ministry of Commerce and Industry to the Public Authority for Small Medium Enterprises (Riyada) with a dedicated management structure. The main objectives of the Authority are as follows:

- Development of SME establishments and foster them to spread and enable them to get finance and services by collaboration with the concerned public and private authorities and bodies.
- Instilling the culture of entrepreneurship in young and youth.

- Enforcing the role of establishments to provide various and renewable job opportunities to Omani youth.
  - Assisting entrepreneurship to take the initiative to establish and execute their own projects and to develop them.
  - Enhancing the competitive, advantage of the existing SME Establishments.
  - Increasing the ability of establishments to achieve added value to the national economy; to take part in economy diversification, to support innovation, and to use modern technologies.
- “Riyada” launched five initiatives: a business center “incubator”, entrepreneurs’ business card, open registration for industrial lands acquisition, the establishment of an entrepreneurs’ club and the establishment of entrepreneurs’ newspaper. The establishment of the business incubator is the first of its kind in Oman and is intended to help enterprises to progress towards excellence and sustainability through the use of services and facilities provided. These include training programs, technical support, consulting and creating a partnership among the entrepreneurs and with government and private sectors to provide a solid ground for these institutions to flourish and develop.

This is clearly a substantial formal institution offering both cultural and practical support. Within the institution are the possibilities of supporting growth rather than simply start up, but the focus is on start up and inexperienced entrepreneurs.

## Research Methods

Our research problem is about the effectiveness of institutional support but our research questions enquired about the subjective opinions, the views, of our respondents. This signaled a qualitative, interpretative approach as the most suitable for the study. We used a questionnaire with both open and closed questions in face to face interviews. Thus we acquired quantitative

data, mainly based on Likert scales, which was useful for showing the range and extent of opinions. The qualitative comments were intended to help us understand and then conceptualise the patterns we found. Our focus was not on capturing effects, “explaining” in positivistic terms (Anderson, 2015) through variances, but in understanding processes.

Our sampling was purposeful (McKeever et al, 2015) that is to say we sought out respondents who had experienced and used the support programmes and thus were active participants in the entrepreneurial ecosystem. We interviewed 60 Omani entrepreneurs whom we selected from a list of participants in the Riyadh programme. We used a questionnaire and interview schedule that had two sections. The first section was about the entrepreneur and the business and the second asked about their perceptions and experiences of government support programmes. All of the interviews were conducted by the lead author who is Omani and an experienced businessman. This helped to develop rapport with the respondents, especially in the more sensitive question areas. Of course, it may also have introduced some bias, but this kind of study is never value free.

We first completed a simple descriptive analysis, but then employed the constant comparative method to explore the data in detail. The constant comparative method involves analytical induction; first identifying themes in the data and then iterative comparisons with and between other data and theory (Jack et al, 2010). This is not full blown formal grounded theorizing but neatly described by Anderson et al (2010) as “dancing between data and theory”

## Description of our sample

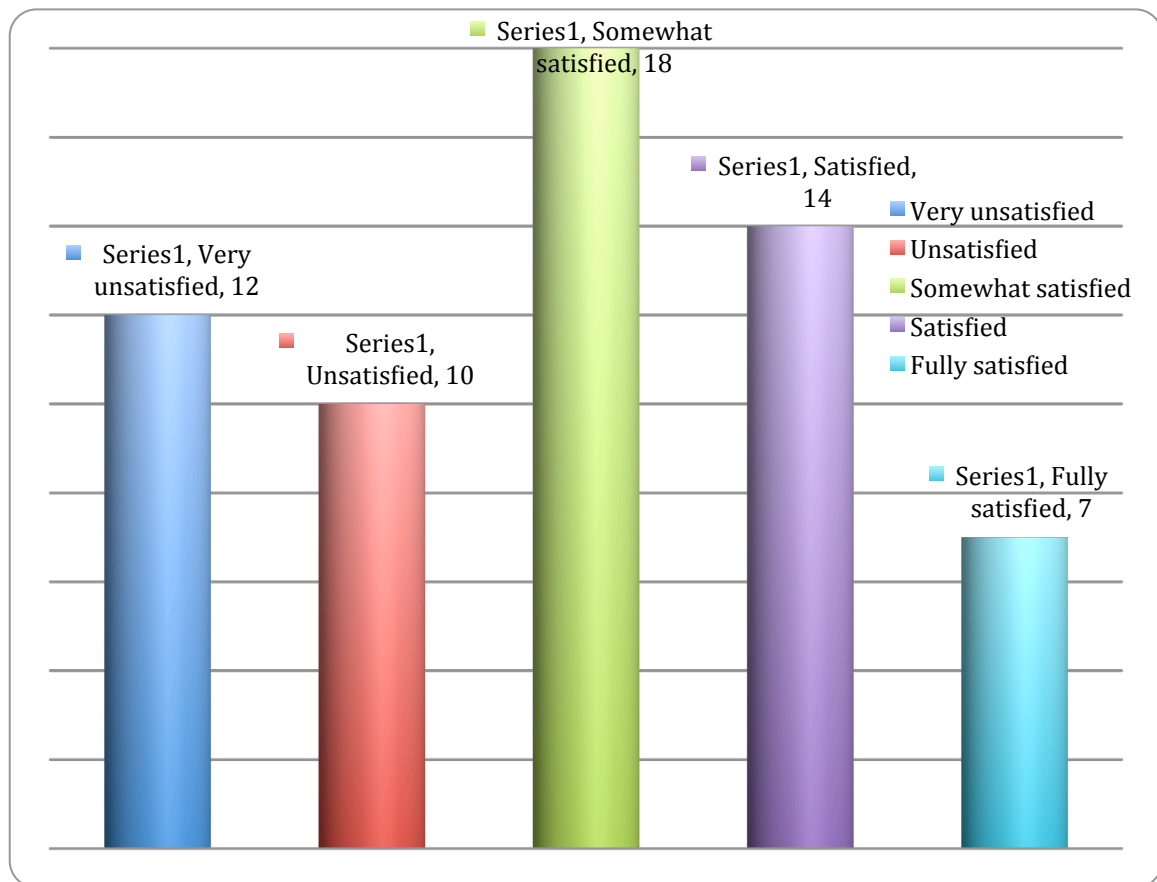
The greatest number of respondents, 25, were aged between 31 and 40; the next largest group aged between 41 and 30 included 18 respondents. We had only one older respondent, but 14 aged 25 to 30 and 2 between 19 and 24 years. Thus our respondents were generally mature, Omani males with some life experience. All had completed high school, for 18 respondents this was their highest qualification; 20 had diplomas, 15 bachelor degrees and 7 had a masters degree. However their backgrounds and previous experience was quite varied. Only 18 had previous business experience, of these 5 had family business experience; for the remainder, 18 had worked for the government and 25 had no work experience.

Although most of our respondents were originally entrepreneurial novices, several were now well established; 5 had started their business before 2000; 10 were established 2000-2004; 13 between 2004-2007; 15 between 2008 and 2010 and the remaining 17 started in business after 2010. Thus the respondents have had substantial business experience to enable them to reflect on the support programmes. Company turnover varied considerably; 39 respondents' companies could be classified as small with a turnover of around \$150k; 12 as small to medium with a turnover around \$250k; 6 had a turnover of \$250k to just under a \$million and the remaining 3 had turnovers exceeding \$1m. We asked how their businesses were doing and 52 reported that their businesses were growing; 6 felt that business had not changed very much, but only two thought their business was not going well. It seems that our respondents were generally quite successful.

Our final descriptive question was about whether they were satisfied with the support they had received. Figure 2 below shows a very disparate response to the question.

Figure 2, extent of satisfaction with support

### Qualitative analysis and thematic findings



This

section presents our interpretations of the respondents' replies to the open questions. We thought it important to establish why they had decided to start a business, especially in light of the lack of previous business experience for most of the respondents. We thought this might help us to understand if there was any evidence of an enterprise culture in Oman. We had expected to hear



quite instrumental responses; the sort of motivations that are deemed necessity or opportunity or pushed or pulled. However we were surprised at the type and range of answers we were given.

Nonetheless, several respondents had a narrow instrumental motivation. We were told by 6 respondents that they wanted to secure a job for themselves, typically *“I didn’t have a job”*. But only two respondents said, *“no other option”*. Moreover, one respondent told us that starting his own business was *“instead of waiting for a government job”*. Similarly another explained, *“instead of looking for a job or wait for a government job”*. One respondent didn’t explain his motivation, but told us he currently worked for the government as well as in his own business.

Although our respondents had not been members of the “problem” group of unemployed graduates, we are nonetheless surprised by the low numbers who saw entrepreneurship as no more than creating a job for themselves. Interesting too is how the career options were bound up with a government job. Indeed one respondent told us, *“this was better than a government job”*. Clearly, as the literature had indicated, a secure government job is seen as a baseline of Omani career options. However, if that is not possible, or as we discuss later, desirable, entrepreneurship is considered quite favourably. Chinese youth attitudes towards entrepreneurship provide an interesting contrast. China too is beginning to experience a shortage of graduate jobs. China’s economy had been dominated by state owned enterprises, not unlike the situation of Omani government jobs. However, informal but normative institutions such as strong parental pressure favour the steady job and preference for the “iron rice bowl”. Starting your own business is seen as “jumping into the sea” (Anderson and Zhang, forthcoming). Yet in Oman, it appears that in broad terms, the idea of starting a business is generated from positive reasons. In turn this suggests that although there may not be a strongly manifest Omani enterprise culture, there is a positive perception of entrepreneurship.

This positiveness about entrepreneurship becomes very evident in the responses which emphasise the benefits as motivation. Many talked about achieving a better income, “*to improve my income and welfare*” was typical. A strong theme was independence, “*I don’t want to belong to anyone*” or, “*to work independently*”. This idea of independence was related to success in personal terms, “*for a change and for better future*”; “*to be self dependent, feel the success*”. This suggests that entrepreneurial autonomy is more than just being your own boss and escaping being told what to do. These words taste of liberation and responsibility. But listen to these declarations- “*I love entrepreneurship!*” This was not the only passionate response, “*I believe in entrepreneurship*”. We were also told, “*I love my business!*” Moreover, this joy in entrepreneurship was explained as “*I love being in business*”. Statements such as, “*I love the spirit of entrepreneurship, would like to be my own boss*”, echo and resonate with the munificence of enterprise and of being enterprising.

Interestingly, two respondents told us they were motivated by the status of being an entrepreneur. Thus looking at these data thematically we see a strong positive characterisation of entrepreneurship. Of course this is biased, these respondents were successful entrepreneurs. But the characterisation of entrepreneurship as a desirable means to an end is powerful. As an end in itself, the delight in doing was almost an ecstasy of enterprise. These are powerful indicators of the desirable status of entrepreneurship in Oman.

## Conclusions

In the section above we looked for explanations of why there were such varied opinions on support programmes. Unfortunately we could not see any logical reasons! If results matter, most of our respondents’ businesses were doing rather well. A superficial conclusion has to be that

given the general prior lack of experience they programmes had worked, and worked very well. For many, they are now established entrepreneurs so we can only imagine that the early stages of ignorance and hope that characterise the liabilities of newness have been forgotten. Building from the confidence that success creates they may have set their sights on higher targets. The programmes were perhaps great for early stage enterprise but less good for a growth orientation.

Turning to institutional explanations, we saw strong enabling formal institutions in the shape of the government supported schemes. We didn't detect specific informal institutions. However, we can see a beginning in the strong cognitive support for entrepreneurship. This stands as a counterpoint to the security but lack of excitement in a government job. Indeed for those who are entrepreneurially inclined, entrepreneurship itself is the opportunity!

## References

- Al -Shanfari D (2012), Entrepreneurship in Oman: A Snap of the Main Challenges; Multi-Year Expert Meeting on Enterprise Development Policies and Capacity-building in Science, Technology and Innovation (STI).
- Al-Barwani, T. , Chapman, D.W. and Ameen, H. (2009), “Strategic brain drain: implications for higher education in Oman”, *Higher Education Policy* , Vol. 22 No. 4, pp. 415-432
- Anderson, A. R. (2015). Conceptualising entrepreneurship as economic 'explanation' and the consequent loss of 'understanding'. *International Journal of Business and Globalisation*, 14(2), 145-157.
- Anderson, A. R., Dodd, S. D., & Jack, S. (2010). Network practices and entrepreneurial growth. *Scandinavian Journal of Management*, 26(2), 121-133.
- Anderson, A. R., Zhang, X. (2015), Enterprise education with Chinese characteristics; policy, practices and uneven development in PRC, *Journal of Entrepreneurship in Emerging Economies*, Forthcoming
- Anderson, A.R. & Ullah, F. (2014). The condition of smallness: how what it means to be small deters firms from getting bigger. *Management Decision*, 52(2), 326-349.
- Baumol, W. J. (1996). Entrepreneurship: Productive, unproductive, and destructive. *Journal of Business Venturing*, 11(1), 3-22.
- Brandenburg, T. (2013). The Political Economy of Internationalization and Privatization of Higher Education in the Sultanate of Oman. In *Regionalizing Oman* (pp. 289-303). Springer Netherlands.
- Buckley, G and Rynhart, G., (2011) *The Sultanate of Oman — The Enabling Environment for Sustainable Enterprises: An “EESE” Assessment*, Employment Report, Employment Sector, Geneva: International Labour Organization, 2011
- Curtiss, R.H. (1999), “Revisiting ‘unknown Oman’: integrating women part and parcel of ‘Omanization’ of nation's work force”, *The Washington Report on Middle East Affairs* , Vol. 18 No. 2, pp. 65-66.
- Dana, L.P., Mueller, J. & Pio, E., (2008) Contours of Entrepreneurship: The Impact of Government Policy in China and India. *Journal of Asia Entrepreneurship and Sustainability*, (4)2, 74-95
- Dodd, S. D., Jack, S., & Anderson, A. R. (2013). From admiration to abhorrence: the contentious appeal of entrepreneurship across Europe. *Entrepreneurship & Regional Development*, 25(1-2), 69-89.
- Ennis, C. (2013). Rentier 2.0: Entrepreneurship Promotion and the (Re) Imagination of Political Economy in the Gulf Cooperation Council Countries. Unpublished PhD thesis, University of Waterloo, Ontario, Canada

- Ennis, C. A. (2015). Between Trend and Necessity: Top-Down Entrepreneurship Promotion in Oman and Qatar. *The Muslim World*, 105(1), 116-138.
- Ghailani, J.S. and Khan, S.A. (2004), "Quality of secondary education and labour market requirement", *Journal of Services Research* , Vol. 4 No. 1, pp. 161-172
- Harbi, S., & Anderson, A. R. (2010). Institutions and the shaping of different forms of entrepreneurship. *The Journal of socio-economics*, 39(3), 436-444.
- Harbi, S., Amamou, M., & Anderson, A. R. (2009). Establishing high-tech industry: The Tunisian ICT experience. *Technovation*, 29(6), 465-480.
- Harbi, S., Anderson, A.R. and Mansour, N. (2009) The attractiveness of entrepreneurship for females and males in a developing Arab Muslim country; entrepreneurial intentions in Tunisia, *International Business Research*, 2(3) 47-59
- Hardwick, J., Anderson, A. R., & Cruickshank, D. (2013). Trust formation processes in innovative collaborations: networking as knowledge building practices. *European Journal of Innovation Management*, 16(1), 4-21.
- Jack, S., Moul, S., Anderson, A. R., & Dodd, S. (2010). An entrepreneurial network evolving: Patterns of change. *International Small Business Journal*, 28(4), 315-337.
- Kemp, L. J., & Madsen, S. R. (2014). Oman's labour force: an analysis of gender in management. *Equality, Diversity and Inclusion: An International Journal*, 33(8), 789-805.
- Khan, G. M., & Al-Moharby, D. (2007). Towards enhancing entrepreneurship development in Oman. *Journal of Enterprising Culture*, 15(04), 371-392.
- McKeever, E., Jack, S., & Anderson, A. (2015). Embedded entrepreneurship in the creative reconstruction of place. *Journal of Business Venturing*, 30(1), 50-65.
- Ministry of National Economy (MoNE). (2010). *Statistical yearbook 2010*. Retrieved February 17, 2015, from <http://www.moneoman.gov.om>
- National Center for Statistics and Information (2010), "General census of population, housing and establishments, final results", Sultanate of Oman, Supreme Council for Planning, available at: [www.omancensus.net](http://www.omancensus.net)

# **The spectacular and the mundane - two phases of entrepreneurship explaining rural change**

Johan Gaddefors  
Swedish University of Agricultural Sciences,  
Uppsala, Sweden  
[johan.gaddefors@slu.se](mailto:johan.gaddefors@slu.se)

## **Abstract**

Entrepreneurial activities look different and happen in particular places over time. To grasp these dynamics this article draws from a longitudinal rural entrepreneurship case, starting with a spectacular project startup year one and exposes ups and downs in the main project over five years. The case shows how spectacular and mundane phases of entrepreneurship show up, connect and collaborate over time. The purpose is to investigate how revitalizing is happening in the depleted community, by emphasising the importance of place in shared community entrepreneurship. We consider a broader understanding of entrepreneurship, which takes into account not only spectacular business start-ups, but also entrepreneurship in organizations such as schools, municipalities, local councils, related to culture and other aspects of community life. Our findings contribute to understandings of how entrepreneurship interacts with context in different ways over time.



## Introduction

Trying to grasp the opening phase of entrepreneurship (Hjorth and Johannisson, 2003) or finding the characteristics of already successful regions (Storper, 1995) are common problematisations in the rural entrepreneurship literature. However, what is often missing is the process of transformation of rural place over time. This paper wants to improve our understanding of change in rural place by showing how entrepreneurship interacts with context in different ways over time. We will describe how spectacular and mundane phases of entrepreneurship show up, connect and collaborate over time. The idea is to contribute to research that discuss the interactive side of the entrepreneurial process and show how agency comes from different sources at different times. Thus, we respond to McKeever et al's (2015) and Welter's (2011) call for research about how entrepreneurship and context interact.

The idea of expanding our view of what entrepreneurship might be about is not new (Steyaert and Katz, 2004) and recently a growing body of literature have given context larger explanatory power (McKeever et al, 2015, Anderson and Gaddefors, 2015). From a rural perspective a broader understanding, which takes into account not only spectacular business start-ups, but also entrepreneurship in organizations such as schools, municipalities, local councils, related to culture and other aspects of community life (Berglund et al, 2012), would be of interest. Thus, our idea is to explain the interaction between entrepreneurship and context over time in a particular place.

Entrepreneurship research is rich in studies focusing business context. Problematizing the opening phase of entrepreneurship is often about business level where enthusiastic, individual business start-ups, illustrated in brief and fragmented case descriptions (Johannisson, 1995, Lawton Smith et al., 2005). They begin as the entrepreneur, described as a strong agent, enters the scene and changes the status quo, and end with the entrepreneur realizing his vision or idea. A second research path discusses the characteristics of strong regions, where entrepreneurs are seen as the critical element in the formation of clusters (Johannisson, 1988). This line of research highlights the importance of agglomeration and spatial proximity between people and information. One of the consequences of these perspectives is that, apart from the entrepreneur, the people in the region remain unseen and are viewed as a taken-for-granted resource base waiting for the entrepreneur to come and activate some of them. In the first perspective, they contribute to growth by acquiring expert knowledge (Johannisson, 1988) or perhaps the other way around by obstructing growth by not being open to change. In the second perspective, they become employees or small business operators. Our point is that, in theories of entrepreneurship and regional development, the crowd remain unseen, passive, pliable and taken for granted. Therefore, we wanted to investigate how context part-take in rural change.

It is therefore our ambition to investigate how people interact to weave together old, place-specific traditions with radical new ideas over time. The purpose is to investigate how revitalizing is happening in the depleted community, by emphasising the importance of place in shared community entrepreneurship. A case will be used to show how entrepreneurship takes place in the revitalizing of a depleted community.

The entrepreneurs of the spectacular face of entrepreneurship arouse an interest and a sense of wonder about what they have succeeded in doing (Drakopoulou Dodd and Anderson, 2007), but

here we would like to look past the spectacular and obvious for a moment and examine some of what goes on in the shadow of the entrepreneur. In our narrative from our case region Forestville, we have observed a kind of development not earlier documented in detail; a mundane phase of entrepreneurship, referring to how individuals other than the entrepreneurs of the spectacular phase act, and how this influences the development in the region.

Due to use of longitudinal data two phases of entrepreneurship came into sight and we demonstrate how entrepreneurship shows different phases over time. Pursuing an interest in a longer time perspective is a challenge from a methodological standpoint. Our answer to this is a partially ethnographic approach (Alvesson, 2002, Jack and Anderson, 2002, Gaddefors, 2005), i.e., by studying events and narratives among people who live in the community over a period of five years. The point of departure is social constructionist approach that views history as something local and that grows out of everyday conversations (Berger and Luckman, 1966). From this viewpoint, the lived reality can be likened to a continuous negotiation between the people regarding what is right or wrong, important or unimportant. Essentially, it is natural, but also a requirement, that there should be different, competing narratives about the same thing (Downing, 2005). In order to manage the overwhelming volume of narratives from the community, we have returned many times and spoken with many people (Czarniawska, 2007). The narratives have thereby been constructed in an ongoing process in meetings between people, but also in theory where I turned to seek explanations for what I was observing (Silverman, 1993, Alvesson, 2002, Fletcher, 2007).

Our case may be told as a success story describing how the entrepreneur after starting a flourishing venture in the big town returned to the peasant lair and transformed the rural municipality by starting up a new venture (Drakopoulou Dodd and Anderson, 2007). An

alternative more context sensitive story would take into consideration and develop the interaction between entrepreneur and local stakeholders (Anderson, 2000, Gaddefors and Cronsell, 2009). A third alternative that we take on in this paper is to focus the revitalizing of the depleted community. We argue the process to eco entrepreneurship theories emphasising unpredictability, long time frames and run by arguments related to place.

The entrepreneurial process is discussed on a micro level as an interaction between entrepreneurial activities and context. Focused is how context influence the entrepreneurial process and how entrepreneurial activities affect context. But few studies have longitudinal case study data in rural entrepreneurship literature. In geography places are studied over time. Results show how regions and places change over decades of time and factors influencing these processes are spelled out. Basically factors discussed are on macro level. Our ambition is to combine micro level observations with macro level interpretations of our case.

The following section discusses how theories of entrepreneurship and regional development can be combined to explain how regions change. After this, we show how the study was conducted, followed in the fourth section by a presentation of the empirical field. The narrative about the region is divided into three themes. The first is a recap of the conditions of the region from a historical standpoint. The second describes the spectacular phase of entrepreneurship. The third theme is a presentation of the mundane phase of entrepreneurship, i.e., narratives of enterprising efforts in the wake of entrepreneurship's spectacular phase. Finally the discussion and the conclusions bring the article to an end.

## Entrepreneurship and regional development

This paper is a reply to calls for intensified research efforts on the linkage between entrepreneurial activities and localities, an effort to increase understandings of socio-spatial contexts of entrepreneurship (Johannisson and Nilsson, 1989, Jack and Anderson, 2002, Steyaert and Katz, 2004, Trettin and Welter, 2011). That entrepreneurship is context dependent is well argued for (Gartner, 1985, Steyaert, 2007, Welter, 2011). Welter (2011) argues context is about who, where and when and she differentiates between businesses, social, spatial, institutional and societal context. “In management research, context refers to circumstances, conditions, situations, or environments that are external to the respective phenomenon and enable or constrain it”, (Welter, 2011: 167). In a social constructionist view discussions of context covers the mutual interactive process between users, not only the variables people face in the process (Anderson, 2000, Fletcher, 2006). Taken into account the extended time frame when discussing entrepreneurship and regional change concepts such as embeddedness (Jack and Anderson, 2002) and translation (Gaddefors and Cronsell, 2009) have been used to capture the process. Anderson (2000) shows how context delimits action, but is also the material of action. Steyaert (2007: 468) argue for “... the entrepreneurial process as a culturally shaped achievement, the result of engaging with and transforming social practices of doing and living”. Complementing Johnstone and Lionais’ (2004) rewriting of the entrepreneurial process to better fit situations in the depleted community Anderson (2000: 208) offer an alternative view when he shows how the entrepreneur’s values and perception of the environment condition entrepreneurial action, “... they (the values) guide and form the way that an entrepreneur sees the environment, they mould opportunity perception”. In Johnstone and Lionais’ (2004: 219) perspective, “place creates a distinct culture, has meaning and both has and creates identities”. Thus, the theoretical challenge is not only to define variables but to explain how entrepreneurship takes part in the process where variables emerge. To sum up, place has a configuring (giving contour) effect on

entrepreneurship that we want to emphasise. We will argue that place mould and shape entrepreneurship, but also the opposite, that entrepreneurship mould and shape place. In order to develop a framework for understanding regional development over time we depart from the concepts: opening phase and successful regions.

### *Opening phase*

To us, entrepreneurship has to do with undertaking something, regardless of where this takes place, thus not necessarily within a firm (Jack and Anderson, 2002, Hjorth and Johannisson, 2003, Fletcher, 2006). Entrepreneurship is about when people act to transform dominating structures. Following this tradition, Hjorth and Johannisson (2003) discuss entrepreneurship in what they call the “opening phase” of regional development, by highlighting the importance of the specific setting and narratives about the setting. “The challenge is on one hand to recognise local culture as a setting, yet open to multiple interpretations, and on the other to articulate narratives that link that potential to action,” (Hjorth and Johannisson, 2003: 71). They stress the significance of the narrative (a new vocabulary) and that it must be co-authored in the local context. They tie the latter to the concept of identity and suggest that a region requires a local conversation in which a sense of solidarity emerges. “We study creation processes, and these are intensely relational and cultural, i.e., they happen in-between people rather than ‘inside their heads’,” (Hjorth and Johannisson, 2003: 77). Using this perspective, they discuss the opening phase aided by the concepts of place, narratives and local identity. In order to achieve our aim of saying something about the challenges of the long-term perspective in a particular context, the opening phase is an apt starting point.



### *Successful regions*

A second aspect that is central for us is that entrepreneurship is context-dependent, i.e., it has to be understood in its context, tied to a specific place or region. When people are tied to one another through interdependence and when these networks line up with geographical boundaries, it is easy to speak of a “region” (Storper, 1995) or “place” (Anderson and McKain, 2005). In the discussion of regions, the focus easily turns to what has happened in a region in terms of immigration and emigration, education level, number of business start-ups, the breakdown in firm numbers according to sector, etc. Using the concept of place, the focus falls instead on the place itself and how it enables and/or limits actions. A place can be seen from two basic perspectives: as concrete (real), or as symbolic (abstract) (McDowell, 1997). A real place has a definite geographic position in relation to other places and can be compared in different ways based on historical data. A symbolic place refers to the image people have of the place, which changes over time. Here, places are constructed as a result of relations in a time-space context (Massey, 1994). It is these latter aspects of the concept of place we are interested in.

Hjorth and Johannisson (2003) discusses the importance of symbolic place and suggests that it has the ability to organize and thereby enact a common identity. This makes place important from both a knowledge perspective and a social perspective because interaction between people builds place-specific knowledge capital, such as social commitment to the place, i.e., social capital (Anderson and Miller, 2003, Chell, 2007). Taking a more critical view, other researchers have examined the meaning of stereotypes, i.e., the symbolism surrounding or dominating images of a place. Bianchi (1998: 113) speaks of “the stereotype hindering the perception of reality.” The thought behind this is that the image and expectations of a place are so strong that it is difficult to actually see what is happening there. In the worst case, this may lead to validation of the stereotype. A somewhat better outcome is when the stereotype becomes the starting point

for comparisons. A further possibility is that a newcomer or returning entrepreneur who, based on his or her background of external experiences, is able to break the stereotype (Gaddefors and Cronsell, 2009). From this perspective, when it is continually renegotiated by its inhabitants, the place remains in constant transformation. Alvesson (2001) pursues a similar discussion when he refers to culture as a “meaning-creation” process. By “culture” is meant a system of shared symbols and meanings, a meaning-creation process (Geertz, 1973, Smircich, 1983). A common or shared culture thus refers to people who share interpretations, and see the same meaning in symbols, narratives, myths, legends and rituals. One point about the process view of place is that change does not happen quickly, because many actors are involved in creating change.

### *Entrepreneurship and circumstance*

The developing theoretical framework shows how regional development has been discussed, but the conceptualizations also illustrate what is missing. In our view, entrepreneurship theory shows the vital importance of context dependence in the opening phase, but the lack of a historically grounded long-term perspective is also evident. Hjorth and Johannisson (2003) developed our understanding of the opening phase of regional development. Our idea is to follow the time line in regional development a bit further to see how entrepreneurship change.

1985 Gartner argued for a process perspective on entrepreneurship including environment, the individual, the organization and entrepreneurial behaviour. Later he together with colleagues (Gartner et al 1992) proposed “emergence” to conceptualize the process where endogenous and exogenous variables were to merge. However, although decades have passed we still live with a confusing imbalance between the entrepreneur and the environment. As argued by Dodd and Anderson (2007: 341) the convenient myth of the romantic, heroic individual entrepreneur hold sway, despite considerable evidence to the contrary. Berglund and Johansson (2007) show how

stereotypes foster but also narrow our understanding of what entrepreneurship may be and Gartner (2010) argue for more dissonance in the entrepreneurship field. In a more recent proposal for defining the research field of entrepreneurship Gartner (2010: 6) suggest it is about, “... describing and understanding the nature of entrepreneurial intentions and actions and their interrelationships with circumstance”. Thus, a step is taken from environment as an external variable to environment as circumstance.

Following Anderson, (2000) and Dodd and Anderson (2007) we turn to an understanding of entrepreneurship as a socio- relational process, thus emphasising the interplay between environment and entrepreneur. As argued by Anderson (2000: 210), “context is both the milieu and the material from which entrepreneurship is formed”. In his work Anderson (2000: 216) identifies two categories of rural entrepreneurs; “locals and “cosmopolitans”. The difference between the two refers to how they extract value from the environment and the reason for why they develop their businesses in different directions is to be found in their values. The core of the cosmopolitans businesses was, “... the commodification of the country side, the extraction of aesthetic value from the cultural aspects of the social construction of rurality”, (Anderson, 2000: 216). The locals, “... were concerned about the local market, seeing opportunity in serving local needs” (Anderson, 2000: 217). One interpretation of Anderson is to see the cosmopolitan as a transformer of place, while the local is more a user and thus more focused on and dependent on existing resources. Thus, focus on place can help us to better understand what Gartner (2010) termed “circumstance”.

## Methodology

Our ambition in this article is to take on the challenges of a long-term perspective when investigating a particular place. We used a partial ethnographic approach (Alvesson, 2002; Gaddefors, 2005) to observe life in the region over time. We collected narratives by talking to locals from all walks of life about change and their role and opinion on what was going on in the small town. Initially we came to Forestville to study the spectacular developments around the garden, but over time we saw that interesting activities were taking place outside the fence of the garden and we allowed our unit of analysis to expand. This is how we came to view the municipality, not only the garden, as our case. Jack et al. (2008) suggest that cases has potential when the researcher is looking for rich empirical material to understand social phenomenon. Also Flyvbjerg (2006) show how cases produce the context-dependent knowledge necessary for developing learning about the social world. Thus, the broad range of narratives gave us both background and detailed knowledge about what occurred in Forestville.

The empirical data was collected over a 5-year period between 2005 and 2009. It consists of interviews, participation in formal and informal meetings, shadowing, as well as basic statistics on, e.g., business start-ups, population growth and the density of clubs and associations (Silverman, 1993; Alvesson, 2003). Initial selection of the sample was done in consultation with municipal officers and after that in dialogue with those we had interviewed and spoken to. We have endeavoured to broaden the data in the following dimensions: big/small and old/new firms, municipality, schools and association-related, voluntary activities. Selection of the sample has at the same time been driven by the results of earlier interviews. During the course of the work we continuously kept notes, which have been sorted in chronological order.

The conversation has been steered by the interviewees' knowledge, interests and experiences, against the background of overarching theme of understanding change in rural place. Given this

theme, it might seem natural to allow the municipality's dominating firms and entrepreneurs to become the centre of the study. Instead, an active effort was made to not define the centre or the periphery of the empirical data, since one of our aims is to reflect on what it is that makes or becomes the natural story (Alvesson and Deetz, 2000). Working reflexively means taking the ambiguities of language seriously and, as a researcher, reflecting critically upon one's own role and the formulations others (Alvesson and Sköldberg, 2009, Alvesson, 2002). We have navigated such complications by looking upon the interview as a narrative (Steyaert, 1995, Johansson, 2004, Smith and Anderson, 2004). Here, the interview was seen as an opportunity for the person being interviewed to reinforce or renew his or her identity, and construct a narrative to live in.

Empirical material of the type discussed here can be analysed in different ways, leading to different results (Alvesson and Sköldberg, 2009). In our work of writing it up (Czarniawska, 2007), we chose a systematic way to do this, first initiated by Glaser and Strauss (1967). Here, as in the work of many others (e.g., Jack et al., 2008), it is the purpose of the work and the emerging result that guides the comparative analysis. This means that, we look for constructions in the empirical material that can advance and support a series of ideas about our themes. The section on theory is a part of these emerging themes (Glaser, 1978), not a stand-alone review of the theory, but an empirically driven theoretical narrative (Fletcher, 2007). Glaser and Strauss (1967) felt it was important that research work not be made up of comparisons to existing theory, but instead reflected the results of what emerged out of the empirical data. Thus, it was our ambition to avoid using theory to support or reject the value of observations made. Instead we wanted to give our observations meaning related to the local context and our emerging framework.

We saw how our narratives illustrated complexity and unpredictability of entrepreneurial processes. When it came to how things developed and what developed this changed over time. What we considered a good example year two had perhaps developed into a bad example year 4. The advantages of longer time frames in rural contexts, as showed in our case, is emphasised by Anderson (2000: 210), “New venture creation seems to operate in a relatively short time frame whilst the entrepreneurial process works over a much longer time frame”. Thus, there is a difference between discussing new venture creation or rural change. The local expectations on entrepreneurs were for example; “be a business entrepreneur”, but they became something else when they recreated place and thus gave room for others to act entrepreneurially. Thus we need a longer time frame to understand regional change.

### **Forestville**

The empirical material will be presented in three sections. In the first section we offer an introduction to Forestville, its history and the situation around the turn of the century. Then we describe the spectacular phase of entrepreneurship using the concepts of people and place as points of departure. As the first phase we refer to when two entrepreneurs returned to the village where they partly grow up, to start a new business at the old iron works estate. The idea was to open a very special garden for visitors. They were returnees coming back from running successful business in the capital of Sweden with the idea to live an alternative life in beautiful surroundings. In about two years they successfully, together with local people, accumulated the resources needed to establish the physical garden as well as the tourist attraction. This spectacular business start-up was nationally and internationally recognized, but over time interest faded and we saw a mundane phase of entrepreneurship emerges. This second phase is illustrated in the third section.



### *The roots of the community*

Ironworks (the factory) and agriculture and forestry (the small business manager) have dominated the community since the 1600s. The factory, personified by a top-down, dominating industry structure with an iron grip on the community, created interdependence between industry and community. The factory offered advantages and filled important social functions for community residents. They dominated the place and symbolized the conservative, slow-moving organization. But, in the narratives of our time, the traditional factory mentality filled with negative connotations never really took hold in Forestville.

The small business managers are described as the positive force. It was here, in the farming community that a “damn it all” attitude was seen, a culture characterized by action, ingenuity, inventiveness, and true know-how. The farmers produced almost everything themselves, which is a clear sign of enterprising.

*Here, there's been a tradition of it being like this. You don't get anything handed to you, you have to make an effort, you have to roll up your sleeves and work.*

We find it interesting how narratives such as these, about the factory and farmers, now serve a function for the community. Myths such as these leave their mark on a place. The force need not necessarily lie in the correct citation of historical facts, but rather in what remains of a narrative from the past. It is narratives like these that the residents of the region gather around (or are split by). But, it is also narratives like these that are challenged by what happened around the turn of the century.

Some time after the iron factory was shut down in the 1950's, a successful plastics industry was established, with production of boats as well as snowmobiles. Although the importance of this industry for the community has decreased, it provided the community with a reputation and an identity of having technically specialized industry. In recent years, however, the number of firms involved in the care, food and transport sectors have grown, meaning that we can now talk about a more diversified industrial structure. These firms compete in already existing markets, which is why we have opted to call them traditional industry firms. The development in these areas is relatively predictable and slow, except for the food stuffs sector that is increasing.

### *The spectacular phase of entrepreneurship*

To introduce the spectacular phase of entrepreneurship we have chosen two themes – individual people and place – around which to build our discussion of what took place in the period shortly after the turn of the century.

The actual starting point of Green was when the entrepreneurs together with the municipality bought the old premises around the ironworks in central Forestville. People were interested in what was to happen with “the old sanctuary”. In Green there were no written plans, no budget, no employees and no contracts. This was the period when the activities destined to become business were seeking their first contours. They arranged a meeting to inform about their ideas and over 150 people came. Along with presenting the idea of a unique garden they introduced 20 groups directed towards different topics related to the garden for people to join – and they did. Later, this first night proved to be an important step for embedding the new ideas in the community.

Our first theme centres on the *individual people* who are most active in the first phase. This is confirmed when we look at other places like this that are prospering, it is often related to individual people. Similar arguments are found regarding newcomers, those who move into a community to start a business. Some people suggest that the newcomers have been highly important and have had a big impact on what has happened in Forestville.

*Yes, I think getting in a bit of new blood is good. New people always entail a certain degree of change. Several people who've moved here and established themselves have also started businesses, which is naturally very positive.*

The newcomers we spoke to in Forestville were also “returners”, i.e., they had an earlier history in the region. This made it easier for their business activities to gain a foothold among the people of the community than would otherwise have been the case. The picture we get is also that these people have been decisive in the new things taking place in the community.

In this phase, it is a matter of gaining legitimacy among the people in order to get the idea to grow into something concrete and tangible enough so that it can be assessed and receive a go-ahead from the environment. Looking back, these assessments often seem obvious, but in practice there are a lot of ideas floating around at the same time and which ones will be realized is far from given.

Our second theme has to do with *the importance of place*. Here, people emphasize positive factors, such as the value of the natural landscape:

*We've always said that we need to sing the praises of our region – celebrate the value of our natural surroundings, to upgrade the value of a visit here, quite simply.*

Or the possibilities of building a life there:

*And it's a place, personal again, where you can build a life. For me, this meant building a life in a different way, with new challenges and new potential, quite simply.*

We also observe an awareness that the residents are co-authors of the narrative about what the community should stand for.

*It was me who started the balloon meeting – not because it's fun to fly balloons, that was just a coincidence. I was thinking of getting my own hot-air balloon and learning how to fly it but that wasn't what it was all about. The whole purpose of the event was to get the media to describe Forestville as a beautiful place.*

The garden and the basketball team appear in many narratives. They are seen as important symbols of success and thereby also important for the change.

*But Green and the basketball are by far the two biggest ones. These actual business activities have definitely been given the most space in the media and are interpreted in a very, very positive light by the environment. And by the people themselves. That means a lot.*

Media reports about things that happened during this time period were positively worded. A positive narrative about the place strengthens both current residents and people thinking about moving there, visiting the place, or even doing business with Forestville firms.

### *The mundane phase of entrepreneurship*

The spectacular phase of entrepreneurship was when the entrepreneurs made their entry. In the mundane phase of entrepreneurship, attention turns to things that happened as a result of the spectacular phase. Here, we refer to activities in which the spectacular phase entrepreneurs are not explicitly involved. The activities may be related to Green, e.g., an arts and crafts collective or founding of the municipal seniors' home, or may also lack visible ties to Green, such as the pancake factory.

In 2006, an economic association, Forestville Event, was established. The purpose of this association was to further develop the experience and tourism industry in Forestville. A good example of collaboration in this sector is offered in the cooperation between Green and the Wilderness Gallery, first introduced in 2007.

*... and a concrete cooperation like this, which we started with here early in the spring, is our cooperation with the Wilderness Gallery, and especially now when they're in the process of acquiring elks. So we're working with a theme that we call "Among the Elks and Roses in Forestville". And I just get the feeling – perfect – when it comes to people coming by bus, especially those whose goals aren't really specified, that is, that they're primarily just on an outing. And then I think elks and roses is good – it's a good-, an easy product to sell. This idea has moved forward now, on the initiative of the municipality's economic development unit really.*

Another outcome of the establishment of Green is that the number of visitors to Forestville has increased, resulting in increased revenues and entrepreneurial activity in the hospitality industry across the board.

*And there it's completely unambiguous, that it's clear the people are coming in the summer by the thousands – the summer that is otherwise a fairly difficult season for shopkeepers here in town is suddenly not just a big drop but actually shows a bit of an increase, and it's naturally having an effect on their revenues, and they're mentioning figures like 15% increases in sales for the year, and I don't know too much about that, or – well – it's probably different depending on who they are, but anyway that's a number we're hearing. And then of course there are people who-, or I can imagine that there are, like gas station managers must be happier, the hostel and others who rent rooms think it's great because, truthfully, this is how they make their living, because they're booked all summer. And of course it's really because Green is here.*

A college in the area has started a horticulture program in gardening and health. An artists' collective has been established. Even the municipality has been affected by the first phase of entrepreneurship and is developing operations, such as building a seniors' home, along the lines of Green, though without direct involvement of Green.

*And we have said that during all meetings, there are two sectors we are stressing, the tourism industry and the health industry. These are the fastest growing sectors in the whole world right now. And they obviously inspire others as well. Among others, the region's 4 top beauty therapists are going to open spas, with training, here at the public bath complex. And they were inspired by the activities of Green, Forestville Event, the hotel ... etc. And all this with the tourism and health industries is just so enormous. I mean – an experience can be anything from watching a bird or live theatre or what have you.*

And what we earlier referred to as the “established industry” in the community has also grown. Definitely the food industry (pancakes, growing salad and cheese packs) is affected by the



positive “climate” in the region. People tell us that the municipality’s attitude to entrepreneurs has changed in recent years. While entrepreneurs used to be seen as complainers, they now play an important role and the municipality listens to them.

*I remember that, in the beginning: "Aah, those entrepreneurs, all they do is complain. Aah, they do nothing but whine and complain," and such. I remember that label well, and I've said it many a time – that it's unbelievable how much that has changed. From being treated badly like that so many times by people from the municipality, to – well – I've never heard it since actually...*

We can see that the municipality and small business owners are embedded in the same culture and that they interact with each other, in part due to the nature of the small municipality and in part due to the close connection made possible by the economic development unit at the municipality.

To sum up, we have described the established industry in a place, as well as spectacular and mundane phases of entrepreneurship. The idea is that the spectacular phase of entrepreneurship, the radical and the new, paves the way for those who come after, but also broadens the base for established industry. From a long-term perspective, it is the mundane phase of entrepreneurship that represents growth and generates the majority of employment in a rural setting, not the spectacular phase. Without the first initiatives, however, there would be no second phase. The symbolic value of the radically new is so strong that it is mainly this that sets the tone in the narrative of the place and its identity. The example illustrates how the identity of the community changes and how the place changes direction.

### Spectacular and mundane entrepreneurship in Forestville

In this section, we discuss what characterized the two phases of entrepreneurship and how they interacted. We show how they partook in rural development through a more detailed discussion of change and tradition, as well as the importance of place.

	The entrepreneurs	The people in the place
The spectacular phase	A	C
The mundane phase	B	D

Table 1, Two phases of entrepreneurship interacting with place

#### *The entrepreneur in the two phases*

In the spectacular phase of entrepreneurship we focus on the process that occurs when entrepreneurship comes to town. In (A) we refer to the kind of evident entrepreneurship that people in general recognize and define as entrepreneurship (Dodd and Anderson, 2007). The incoming entrepreneurs (Gaddefors and Cronsell, 2009) enact new, unexpected ideas and work to become embedded in the region (Jack and Anderson, 2002). In our case the entrepreneurs started up 20 project groups at a big meeting, an activity that made their project known and gave them credibility as entrepreneurs in the region. Local people joined the groups and worked in the projects defined by the entrepreneurs (C). The activities within the groups served as a forum for testing and developing ideas.

However, as times passed we observed how the entrepreneurs got caught within the expectations surrounding the entrepreneurial role model (Dodd and Anderson, 2007). The expectations were

that Green should employ the people from the project groups and start to make money. That didn't happen (B). On the contrary they had to ask people to leave some of the groups. In this process the entrepreneurs acted to become dis-embedded (B) from the role they took on or were given in phase one (A). We might say they recreated own identities, trying to find more realistic roles in Green and in the region, but still be true to themselves.

The spectacular phase entrepreneurs in our case have shown to be difficult to tame and control. They did not want to grow in numbers (Tunberg, 2014) or employ people to the extent that the municipality wanted and expected (B). However, in recent years, this view on entrepreneurship has been criticized and an awareness of the flip side is slowly growing (Korsgaard et al 2015b, Korsgaard et al, 2016). This includes the myth about the lone, strong entrepreneur, which has amplified the distance between her and ordinary people (Ogbor, 2001, Dodd and Anderson, 2007). Thus, we suggest it can be difficult to build a sustainable, vital community around individual people who figure in a myth that casts them as largely outsiders. In this perspective effort to embed entrepreneurship proves to be important for regional development in the long run (Jack and Anderson, 2002).

### *People in place in the two phases*

We see rural development as an activity in which more people than just the entrepreneur plays a decisive role. Thus, in (C) it is not the entrepreneur that is the centre of attention, nor the centre of action, but rather the people of the region. This means that how place adapts to the entrepreneurs is equally important to how the entrepreneurs' gets embedded in the region.

In this spectacular phase of the project the number of people involved quickly increased, but it was also obvious that the peak of this phase was time-limited. In this phase the entrepreneur's

actions woke hopes and dreams, actions that had great symbolic importance, e.g., large meetings and lots of media attention. In the process of getting to know Green people talked about the past, making comparisons to how things used to be. In this way Green quickly became a part of the Forestville history (Gaddefors and Cronsell, 2009).

Although the experience industry is still relatively small with respect to revenues, Green's influence on the local identity is decisive (Berglund, et al, 2016). In comparison to established industry, place is more important for the experience industry. It gains new meaning and the case show that individual people, the entrepreneurs, played decisive roles in this process of recreating identity and place (A). We might say the entrepreneur helped to create the space for interpretations, which lead, among other things, to people seeing opportunities to start new businesses themselves. In a way the entrepreneurs created new growing ground where entrepreneurship became more of an opportunity for people in general than was the case before Green. This take us to the last corner of table one (D).

In the mundane phase (D) the number of people involved did not change much, some people dropped out while others got involved. We saw how concrete results became more important than symbolic actions. People took responsibility for life in the community in more active way than before, took the step from passive, unreflective consumption to taking responsibility for their lives and life in the community. Consequently, people talked about the future than about the past. We also observed how the entrepreneurs' actions created frustration and disappointment on some hands.

What is key to our understanding is that the identity change is viewed as a meaning-creation process and that the arrival of the experience industry here plays an important role. Without a

collective acceptance of the entrepreneur's operations, the region would not be able to benefit from the positive aspects of entrepreneurship in a longer-term perspective, in other words to go from the spectacular to the mundane phase of entrepreneurship. We suggest that developing people's entrepreneurial attitudes to be more important in this phase, than spectacular ideas.

### *Change and tradition*

Our narratives about Forestville largely deal with the meeting between old and new. Older traditions can be presented as something one must rid oneself of or something to be cherished and preserved. The new can be viewed as something incomprehensible and threatening or as something one wants to adopt. Old traditions can have practical applications as a part of a business solution, e.g., a cultivation method or a recipe. Another use may be as an argument in the continuous narrative about what the region is and what it should become. Here, the story becomes a reservoir from which ideas can be taken and turned into new business opportunities, or used as material in narratives about the region.

We saw two occasions in our case where the historical reservoir was activated. The first was when the factory was closed down. The second was when the two returning entrepreneurs began their work. Both of these events provoked people into turning to history to support their identity.

In the narratives, the factory stands for things such as traditional values, like justice, stability, trustworthiness and responsibility. These are traditions experienced as having been lost, or disconnected from daily life in the place. The reason for this is cited as being due to outside forces, where external factors, e.g., interest rates or world market prices, having out-competed the old industry and perhaps also its values. At the same time, several people that we talked to said that it was when the factory or the dominating employer withdrew activities that small

businesses forced its way in. People were no longer “captives of the factory”, as one person expressed it. Out of this story emerges a tradition of small business, based in agriculture, a type of fend-for-yourself identity. We see in these narratives how temporary meaning-carrying images “compete” to be the dominant interpretation, for example being a “captive of the factory” or an “entrepreneur”. To us, this is an example of the role history plays in the dialogue in which identity is formed and of how practical know-how from the past is re-used.

To the entrepreneurs, tradition may be something else altogether when linked to the new. They take another step back into history, e.g., by bringing back cultivation techniques, such as composting or handicraft traditions from the past. When combined with new technology, this can lead to new business opportunities. Here, traditions lend the new legitimacy, the new becomes embedded through being anchored in the past, i.e., the environment is better able to adopt new things if they have historic anchoring. Someone suggested that when the entrepreneurs came to town the local population served as growing ground for their ideas. One example of this is Forestville farmers’ way of jumping in where needed, e.g., in the ironworks or in the garden.

We suggest that long-term renewal requires the involvement of many people in a community, because when new activities become embedded in place identity is being renegotiated. In our case, the process gains momentum when the returning entrepreneurs start operations and invite as many people as they can to join in the conversation, which we have called the spectacular phase. The combination of the new leading to a renegotiation of the local people’s identity and the fact that this identity also had historic anchoring in the community was a determining factor for why so many people got involved in the project. Over time, when negotiations reached a certain level of maturity, once people begin to make their own interpretations of what the new



meant to them and for the region from their perspective, begun what we called the mundane phase of entrepreneurship.

### *The role of place*

During the first industrial era when the factory was established, business activities were connected to place-specific raw materials. In the case of Forestville, this meant iron ore and timber. Goods were manufactured in Forestville, transported out of Forestville, and consumed in other places. Now, when traditional industry is complemented by the experience industry, place once again becomes the focus. It is, however, no longer a matter of producing in one place for consumption in another, but a matter of “consuming the place, in place”, at present its nature and experience values. Among those who have always lived in Forestville, some see this value as important, others find them insignificant. These values has to some degree been reflected in property prices, but that it could be further productified was by most local people not considered a realizable option.

For the returning entrepreneurs, however, the place and potential lifestyle constituted one of the main objectives for establishing business operations here. It was thus central for them to articulate the experience value of the place and they did so, e.g., in the Green project and the balloon meeting. Peaceful, scenic, natural country living was thereby constructed as an alternative to the stressful, dirty, artificial life of the city. At Green, elements of the natural environment were productified in a kind of demonstration- or museum format. Here, inaccessible, mosquito-ridden nature has been made available for consumption, though not as a copy but shaped by the hand of an artist into a personal expression. Thus, it provides a value over and above what nature itself has to offer. What at first may look like a productified fragment of nature is instead filled with the positive associations inspired by a work of art. When

art comes to town in such a tangible form, it represents a meeting of city and country. We suggest that the spectacular phase of entrepreneurship has in this way made the place more urban. Green now charges an admission fee geared to urban dwellers, and the national attention that the project has generated has boosted the local population's self-esteem. The rose garden has no ambitions to blend into the background of local nature, even if the iron details in the garden ties in to the place's industrial past. The place can instead be seen as a form of collective lifestyle enterprising. We therefore argue that it is more the experience of the potential lifestyle of country living, rather than the local nature, that is being consumed. From this perspective, it is important that the meeting between the local population and Green's growth led to a living conversation about what Forestville, the place, is and what it should be. This, we argue, is a basic requirement for the mundane phase of entrepreneurship.

Being appointed the most enterprising municipality of the year made the story of entrepreneurship in Forestville into an epic of our time. It conjures up an image of the individual's strive for the good life, a strive to save oneself and the threatened place. The future appears to be born of a barren world. A place, perhaps a form of life, is threatened, but saved by this recognition, turning it into the good example, regionally and nationally. In this way the first spectacular phase of entrepreneurship is decisive to the social construction of place and, as was shown, to the mundane phase of entrepreneurship, the phase that builds wealth. We can say that the entrepreneur's dreams gave rise to new expectations in the region.

## Conclusions

The aim was to discuss entrepreneurship in a rural municipality that underwent change from a depleted to a growing community with new types of business activities and new ways to organize activities. We have shown how a spectacular phase of entrepreneurship carried with it

expectations and woke dreams that were new to the region, or that were at least unarticulated. The returning entrepreneurs demonstrated ability to initiate and to test and develop their ideas in the place. As time passed local stakeholders took part in what we termed a mundane phase of entrepreneurship that recreated local identity and had a profound impact in the municipality, through the contributions of people other than the original entrepreneurs in the regional change process, i.e., activities that were inspired by the original entrepreneurs' actions and that had an impact on the region's development in the long run. For individual people, this meant taking the step from a passive, wait-and-see attitude, to actively taking responsibility in issues regarding how the place might be developed. In the process of moving from the spectacular to the mundane phase, we have drawn particular attention to both the importance of articulating the change in attitude, i.e., tying it to the place and its related history, and the fact that lots of people take part.

In all of the narratives, interaction between people was a dominating theme. We observed different views; some felt fearful and threatened by the spectacular phase; others found it stimulating and exciting. How people felt about it also changed over time. On the basis of the study, we argue that some people were very involved and got a lot out of it, while others got nothing at all. We suggest, however, that the importance of a conversation, being able to test and retest thoughts and ideas, from business ideas to identities, was a determining factor for development of the place. It was in the joint negotiation of how the contours of the past and future were to be drawn that the sustainable, long-term conditions for entrepreneurship were formed. It was the development of this process over time that our approach wanted to capture.

Our case has shown that the region's growth resulting from the first spectacular phase of entrepreneurship itself, measured in revenues, was not big. But nevertheless, we argue that it was decisive in initiating the mundane phase of entrepreneurship, and that it was the combination of

the two phases of entrepreneurship that lead to change and increased growth in place in the long term.

Our conclusions differ from other theoretical explanations in how we include and draw attention to the change in attitude in the place as an essential entrepreneurial activity, rather than a one-sided focus on the number of different business start-ups or some other measurable output. Our partially ethnographic method allowed us to follow one case over time and to meet with people in the epicentre of entrepreneurial activity as well as people in the periphery. Thus, we saw how different forms of entrepreneurship were performed by different people over time and how the two interacted. To acknowledge both phases of entrepreneurship would be valuable to practitioners who want to see their communities grow and prosper in the long run.

In future studies it would be interesting to learn more about how business venturing and other forms of entrepreneurship travel together and interact over time to re-build rural settings, how they require, stimulate, motivate and counteract each other, how different types of entrepreneurship interact in process of rural development.

## References

- Alvesson, M., & Deetz, S. (2000). *Doing critical management research*. London: Sage.
- Alvesson, M. (2001). Knowledge work: Ambiguity, image and identity. *Human relations*, 54(7), pp 863-886.
- Alvesson, M. 2002. *Postmodernism and social research*. London: Open University.
- Alvesson, M. (2003). Beyond neopositivists, romantics, and localists: A reflexive approach to interviews in organizational research. *Academy of management review*, 28(1), pp 13-33.
- Alvesson, M., & Sköldbberg, K. (2009). *Reflexive methodology: New vistas for qualitative research*. London: Sage.
- Anderson, A. R. (2000). Paradox in the periphery: an entrepreneurial reconstruction?. *Entrepreneurship & Regional Development*, 12(2), pp 91-109.
- Anderson, A.R. and Gaddefors, J. (2016), Entrepreneurship as a community phenomenon; reconnecting meanings and place, *International Journal of Entrepreneurship and Small Business*, forthcoming.
- Anderson, A.R. and Miller, C. (2003) "Class matters": human and social capital in the entrepreneurial process, *Journal of Socio-Economics*, 32, pp 17-36.
- Anderson, A. R., & McKain, R. (2005). Rural entrepreneurship: perspectives of values in the rural environment. *Journal of Rural Research and Policy*, 12(4), pp 71-83.
- Berger, P. L., & Luckmann, T. (1966). *The social construction of reality: A treatise in the sociology of knowledge*. London: Penguin.
- Berglund, K., & Johansson, A. W. (2007). Entrepreneurship, discourses and conscientization in processes of regional development. *Entrepreneurship and Regional Development*, 19(6), pp 499-525.
- Berglund, K., Johannisson, B., & Schwartz, B. (Eds.). (2012). *Societal entrepreneurship: positioning, penetrating, promoting*. New York: Edward Elgar Publishing.
- Berglund, K., Gaddefors, J., & Lindgren, M. (2016). Provoking identities: entrepreneurship and emerging identity positions in rural development. *Entrepreneurship & Regional Development*, 28(1-2), pp 76-96.
- Bianchi, G. (1998). Requiem for the Third Italy? Rise and Fall of a too successful concept. *Entrepreneurship & Regional Development*, 10(2), pp 93-116.
- Chell, E. (2007). Social enterprise and entrepreneurship towards a convergent theory of the entrepreneurial process. *International small business journal*, 25(1), pp 5-26.
- Czarniawska-Joerges, B. (2007). *Shadowing: and other techniques for doing fieldwork in modern societies*. Copenhagen: Copenhagen Business School Press.
- Dimov, D. (2007). Beyond the single-person, single-insight attribution in understanding entrepreneurial opportunities. *Entrepreneurship, Theory and Practice*, 31(5) pp 713-731.



- Downing, S. (2005). The social construction of entrepreneurship: narrative and dramatic processes in the coproduction of organizations and identities. *Entrepreneurship, Theory and Practice*, 29(2) pp 185-204.
- Drakopoulou Dodd, S. & Anderson, A.R. (2007). Mumpsimus and the mything of the individualistic entrepreneur. *International Small Business Journal*, 25(4) pp 341-360.
- Feldman, M., Francis, J., & Bercovitz, J. (2005). Creating a cluster while building a firm: Entrepreneurs and the formation of industrial clusters. *Regional Studies*, 39(1), pp 129-141.
- Fletcher, D. E. (2006). Entrepreneurial processes and the social construction of opportunity. *Entrepreneurship and Regional Development*, 18(5), pp 421-440.
- Fletcher, D. (2007). 'Toy Story': The narrative world of entrepreneurship and the creation of interpretive communities. *Journal of Business Venturing*, 22(5), pp 649-672.
- Flyvbjerg, B. (2006). Five misunderstandings about case-study research. *Qualitative Inquiry*, 12(2) pp 219-245.
- Gaddefors, J. (2005). Creating context—entrepreneurial opportunities in a consumer market setting. *Journal of Enterprising Culture*, 13(03) pp199-224.
- Gaddefors, J. and Cronsell, N. (2009). Returnees and local stakeholders co-producing the entrepreneurial region. *European Planning Studies*, 17(8), pp 1191-1203.
- Gartner, W. B. (1985). A conceptual framework for describing the phenomenon of new venture creation. *Academy of management review*, 10(4), pp 696-706.
- Gartner, W. B., Bird, B. J., & Starr, J. A. (1992). Acting as if: Differentiating entrepreneurial from organizational behavior. *Entrepreneurship: Theory and practice*, 16(3), pp 13-32.
- Gartner, W. B. (2010). A new path to the waterfall: A narrative on a use of entrepreneurial narrative. *International Small Business Journal*, 28(1), pp 6-19.
- Geertz, C. (1973). *The interpretation of cultures: Selected essays*. London: Basic books.
- Glaser, B., & Strauss, A. (1967). *The discovery grounded theory: strategies for qualitative inquiry*. Aldin: Chicago.
- Greve, A. and Salaff, J.W. (2003). Social networks and entrepreneurship. *Entrepreneurship, Theory and Practice*, 28(1), pp. 1-21.
- Hjorth, D., & Johannisson, B. (2003). Conceptualising the opening phase of regional development as the enactment of a 'collective identity'. *Concepts and Transformation*, 8(1), pp 69-92.
- Jack, S.L. and Anderson, A.R. (2002) The effects of embeddedness on the entrepreneurial process, *Journal of Business Venturing*, 17, pp 467-487.
- Jack, S., Dodd, S. D., & Anderson, A. R. (2008). Change and the development of entrepreneurial networks over time: a processual perspective. *Entrepreneurship and Regional Development*, 20(2), pp 125-159.



- Johansson, A.W. (2004). Narrating the entrepreneur, *International Small Business Journal*, 22(3), pp 273-293.
- Johannisson, B. (1988). Business formation – a network approach. *Scandinavian Journal of Management*, 4(¾), pp 83-99.
- Johannisson, B. (1995). Paradigms and entrepreneurial networks – some methodological challenges. *Entrepreneurship and Regional Development*, 7, pp 215-231.
- Johannisson, B., & Nilsson, A. (1989). Community entrepreneurs: networking for local development. *Entrepreneurship & regional development*, 1(1), pp 3-19.
- Johannisson, B., Alexanderson, O., Nowicki, K. and Senneseth, K. (1994). Beyond anarchy and organisation: entrepreneurs in contextual networks. *Entrepreneurship and Regional Development*, 6, pp 329-356.
- Johannisson, B., Ramirez-Pasillas, M. and Karlsson, G. (2002). The institutional embeddedness of local inter-firm networks: a leverage for business creation. *Entrepreneurship and Regional Development*, 14, pp 297-315.
- Johnstone, H., & Lionais, D. (2004). Depleted communities and community business entrepreneurship: revaluing space through place. *Entrepreneurship & Regional Development*, 16(3), pp 217-233.
- Korsgaard, S., Ferguson, R and Gaddefors, J. (2015a). The Best of Both Worlds: How Rural Entrepreneurs Use Placial Embeddedness and Strategic Networks to Create Opportunities, *Entrepreneurship and Regional Development*, 27(9-10), pp 574-598.
- Korsgaard, S., Müller, S., & Tanvig, H. W. (2015b). Rural entrepreneurship or entrepreneurship in the rural—between place and space. *International Journal of Entrepreneurial Behavior & Research*, 21(1), pp 5-26.
- Korsgaard, S., Anderson, A.R. and Gaddefors, J. (2016). Entrepreneurship as re-sourcing: Towards a new understanding of entrepreneurship in a time of financial, economic and socio-spatial crisis. *The International Journal of Business and Globalisation*, 16(3), pp.
- Lawton Smith, H., Glasson, J., & Chadwick, A. (2005). The geography of talent: entrepreneurship and local economic development in Oxfordshire. *Entrepreneurship & Regional Development*, 17(6), pp 449-478.
- Massey, D. (1994). *Place, space and gender*. Minneapolis: University of Minnesota Press.
- McDowell, L. (Ed.). (1997). *Undoing place?: a geographical reader*. London: Arnold.
- McKeever, E., Jack, S., & Anderson, A. (2015). Embedded entrepreneurship in the creative re-construction of place. *Journal of Business Venturing*, 30(1), pp 50-65.
- Ogbor, J. O. (2001). Mythicizing and reification in entrepreneurial discourse: ideology- critique of entrepreneurial studies, *Journal of Management Studies*, 37(5), pp 605-635.
- Silverman, D. (1993). *Interpreting qualitative data: Methods for analyzing talk, text and interaction*. London: Sage.

- Smith, R., & Anderson, A. R. (2004). The devil is in the e-tale: form and structure in the entrepreneurial narrative. In Hjorth, D. & Steyaert, C. *Narrative and discursive approaches in entrepreneurship: a second movements in entrepreneurship book*. New York: Edward Elgar Publishing.
- Smircich, L. (1983). Concepts of culture and organizational analysis. *Administrative science quarterly*, pp 339-358.
- Steyaert, C. (2007). 'Entrepreneurship' as a conceptual attractor? A review of process theories in 20 years of entrepreneurship studies. *Entrepreneurship and regional development*, 19(6), pp 453-477.
- Steyaert, C. and Katz, J. (2004) Reclaiming the space of entrepreneurship in society: geographical, discursive and social dimensions. *Entrepreneurship and Regional Development*, 16, pp 179-196.
- Storper, M. (1995). The resurgence of regional economies, ten years later the region as a nexus of untraded interdependencies. *European urban and regional studies*, 2(3), pp 191-221.
- Trettin, L., & Welter, F. (2011). Challenges for spatially oriented entrepreneurship research. *Entrepreneurship & Regional Development* 23(7-8), pp 575-602.
- Tunberg, M. (2014). Approaching rural firm growth: a literature review. *Journal of Enterprising Communities: People and Places in the Global Economy*, 8(4), pp 261-286.
- Welter, F. (2011). Contextualizing entrepreneurship—conceptual challenges and ways forward. *Entrepreneurship Theory and Practice*, 35(1), pp 165-184.
- Witt, P. (2004) Entrepreneurs' networks and the success of start-ups. *Entrepreneurship and Regional Development*, 16, pp 391-412.