Entrepreneurial Ventures and Small Business
An Assessment of the Entrepreneurial Roles of the Franchisor and the Franchisee from an Entrepreneurial School of Strategy Formation Perspective

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Abstract: Both small and large businesses are of critical importance to the performance of the economy. It is useful however to draw a distinction between entrepreneurial ventures and individual and corporate entrepreneurship since they serve different economic functions and their potentials for innovation and growth are different. In this paper, drawing upon entrepreneurial strategy formation perspective, entrepreneurial marketing, and value innovation logic for high growth, a model of a transitional entrepreneurial mode for the behaviour and the strategic approach of the entrepreneurial venture is introduced. It is proposed that a shift into the entrepreneurial mode is instrumental in planning and initiating new ventures, and, in achieving a forward leap in the growth trend at any point in the life of ongoing ventures. The study of the franchised business, the business format franchisor and their partnership as examples of individual, corporate and collective entrepreneurship contributes to the domain of entrepreneurship research. The growing appreciation of franchising as an entrepreneurial endeavour presents us with a multiple disciplinary perspective is attracting the attention of marketing, management, entrepreneurship and small business researchers. The roles of the franchisor and the franchisee in business format franchising are discussed in order to demonstrate the limitations of small business in adopting an entrepreneurial mode.

SMALL VERSUS LARGE BUSINESS AND THE ENTREPRENEURIAL VENTURE

The literature on entrepreneurship cuts across disciplinary boundaries and entails a complex set of contiguous and overlapping constructs such as the management of change, innovation, technological and environment turbulence, new product development, small business management, individualism and industry evolution (Low and MacMillan, 1988). Researchers in this area have pursued varied goals, adopted different units of analysis and espoused diverse theoretical perspectives and
methodologies. Streams of research have focused on individual entrepreneurs, the formation of new firms and the functioning of existing firms but without any definitional consensus on entrepreneurship. (Low and MacMillan, 1988: Cunningham and Lisheron, 1991: MacMillan and Katz, 1992).

Observing the result of entrepreneurial behaviour and activity can be helpful in understanding entrepreneurship. Ventures differ in their capacities to achieve dramatic leaps in growth. The strategic approach and behaviour of the entrepreneur or the intrapreneurial team in new venture planning and initiation, as well as the behaviour of the ongoing ventures that can start a new growth stage after business stabilization, have common aspects. It is conceptualised in this paper that this common behaviour reflects a transitional entrepreneurial mode and ventures in the entrepreneurial mode are characterised as entrepreneurial ventures. Entrepreneurial ventures can achieve radical growth in a short span of time relative to their existing positions. It is proposed that this model of the strategic approach and the behaviour of the entrepreneurial venture applies to individual, corporate and collective entrepreneurship. The aim is to contribute to the understanding of the constants of entrepreneurial activity given that small businesses and their larger counterparts have different levels of capacity for transforming into entrepreneurial ventures. A discussion of the entrepreneurial venture and individual, corporate and collective entrepreneurship characteristics in this section is followed by a discussion of the entrepreneurial mode in the next section. The third section examines the roles of the franchisor and the franchisee in business format franchising and explores their capacities for adopting an entrepreneurial mode.

Organizations whether small or large perform both managerial and entrepreneurial functions. They manage economic resources and allocate them toward the achievement of output and profit whilst at the same time they are engaged in the exploitation of opportunities. The more the bias toward the managerial function of the firm, the more the firm moves away from being an entrepreneurial venture and the more the business strategy is directed to the allocation and the control of economic resources. In the entrepreneurial venture, the focus of business strategy is on the entrepreneurial function – pursuit of opportunities through innovation and new value creation - and growth. The entrepreneurial function as a source of sustainable competitive advantage, survival and growth is emphasized beyond the management of economic resources and strategies directed at operational effectiveness. Engagement in innovation and the discovery and exploitation of new business opportunities that will be instrumental in
achieving a quantum leap in growth relative to the existing position is the priority. The entrepreneur planning a new venture or the management of the ongoing venture exaggerates the entrepreneurial function and adopts an entrepreneurial mode when it is necessary to make a forward leap in growth. The entrepreneurial mode is observed at the planning and start up stages of new ventures as well as in the behaviour of ongoing enterprises which attain a forward leap in the growth trend, especially in the behaviour of those that can start a new growth stage and prosper beyond the business stabilization stage.

The venture characteristics, managerial skills and entrepreneurial needs differ throughout the stages of the venture’s development. The stages are important strategic points requiring different sets of strategies emphasizing different functions of the organization. The new venture development stage is characterised by a focus on bringing about change and making a difference through an opportunity with the potential for creating new value. The organization is shaped to fit the opportunity, the resources are attracted and are focused into the opportunity and the resource-organization configuration is accomplished to start up the venture. The entrepreneurial function dominates throughout these stages. The growth stage presents different problems and coping with this stage requires new managerial skills along with the entrepreneurial perspective (Tepstra and Olson, 1993; Hood and Young, 1993). The growth in income, expenditures, profits, market presence, competitive advantages, organizational form, process, structure and culture demand a balancing of the economic and the entrepreneurial functions of the enterprise. The business stabilization stage requires a shift in strategic direction. The venture will either innovate and start a new growth stage or decline. The major challenge throughout the life of the venture is to respond with the optimum focus mix of the entrepreneurial and the economic functions to the requirements of different stages. Depending on the stage, the transition in style of management must be accomplished (Hofer and Charan, 1984), the entrepreneurial and the administrative focus must be balanced (Miner, 1990), and the level of flexibility and adaptiveness must be maintained (Stevenson and Jarillo-Mossi, 1986).

Some ventures are observed to pursue opportunities that create new value based on a significant innovation and achieve a forward leap in growth regardless of the level of effectiveness in the utilization of the tools and strategies for managing the venture and the stage of development. It is suggested in this paper that these ventures are different than others in their ability to shift into an entrepreneurial mode and are classified as entrepreneurial ventures. Entrepreneurial ventures in the entrepreneurial mode are observed to offer new value based on a significant innovation in achieving a forward leap in growth relative to existing position. They are
managed by opportunity driven entrepreneurs or intrapreneurial teams with clear and well-communicated vision and centralized power stressing innovation beyond conventional levels and perspectives.

The size of the venture is a poor guide as to whether it can adopt an entrepreneurial mode or not and both small businesses and their larger counterparts can transform into entrepreneurial ventures. Innovative activities in small firms are also common (Hoffman et al., 1997). Their structures and characteristics however impose varying levels and types of constraints in doing so. Strategic alliances between enterprises of all sizes are examples of collective entrepreneurship. They are initiated by their members for the joint exploitation of an opportunity and dissolve if they fail to attain their objectives. These networks of organizations can be classified as entrepreneurial ventures without well-defined boundaries. The following discussion aims to demonstrate the characteristics of these distinct types of business institutions that affect their varying potentials for transforming into entrepreneurial ventures.

Small and large businesses are examples of individual and corporate entrepreneurship representing pre/early industrial and industrial stages of capitalism. In small business the individual owner-manager entrepreneur is the heart of economic activity. He performs both managerial and entrepreneurial functions and works together with the labour force. The business is characterised by lack of boundaries separating the owner-entrepreneur from the management and workers. The small business is usually located in a small-scale industry consisting of small-scale enterprises and has very little control and impact on its environment. It is usually involved in delivering an established product or service to a locality and sometimes may be delivering an innovation to a market that would not otherwise have access to it. Daily involvement in the business offers the owner the advantages of provision of technical and market information that is instrumental in enhancing the capacity to discover and exploit new market opportunities, and to deliver low cost high quality products to customers as well as the capacity to effectively adjust products and inputs to changing market conditions. The potential to create a sense of community and common fate and to minimize bureaucracy is also high. Small size on the other hand brings along technological and financial limitations. Even though there is the possibility of lowering technological constraints through tie-ins with large firms, small business still lacks market capabilities and specialised managerial knowledge of professional management necessary for developing strategies for expanding into larger markets and challenging the global market. Size poses limitations on the ability of the enterprise to
attain economies of scale and the associated cost advantages and to handle uncertainty and assume the high risk associated with expansion. Lack of capital is a strong constraint to growth.

Large business is characterised with impersonal/corporate capitalism. The professional manager is at centre of economic activity that is owned by a large number of shareholders who have delegated both the managerial and the entrepreneurial functions to the management team. The internal boundaries disconnect management from the large number of workers and shareholders. It is usually located in a large-scale industry with relatively small number of enterprises. Relative to the small business, large business has higher control over and impact on its environment. Large size allows the enterprise to attain scale economies and the capacity to expand operations. Professional management allows the acquisition of skills and technology, the shareholders allow the sizeable capital. Technology, capital and managerial know-how provide a higher capacity for and the higher probability of spreading risks, innovation and the development of products that require large amounts of investment and intensive technology. On the other hand, the internal boundaries that separate owners and the workers from management may lead to a conflict of interest between the stockholders and management, a deviation from an optimal size and bureaucracy. This may diminish both managerial and entrepreneurial functions and block the information flow between the top and bottom layers of the organization. Defining characteristics of large firms support their capacity to expand operations nationally and globally and allow a high potential for growth.

The social environment of each stage of capitalism features distinct business institutions. Collective entrepreneurship is an example of the distinct institutions of the post-industrial/network capitalism stage. Network capitalism is a hybrid of corporate and individual capitalism where groups of networking enterprises without well-defined external boundaries form alliances and act together towards mutual goals. Alliances of suppliers, producers, distributors, and former competitors feature a new breed of market institution that combines the flexibility of individual capitalism with the economies of scale, professional management, and financial capabilities of the institutions of corporate capitalism (Mourdoukoutas, 1999). Collective entrepreneurship is practised by both large and small corporations as members of the network and is a common response to global competition. Collective entrepreneurship provides its members the communication, the incentives and the relationships that allow them to share the risks and the rewards of information sharing and information integration.
for the discovery of and exploitation of new market opportunities, especially those related to complex products and new value that require extensive information and/or competencies that exists beyond corporate boundaries. Effective and efficient allocation of roles is the sufficient condition for successful business strategy in entrepreneurial networking. Initiated by the pursuit of creating new value, market expansion and commonly for market domination, the network’s potential for innovation and growth is high.

**THE ENTREPRENEURIAL MODE**

Entrepreneurial ventures are characterised by emphasizing the entrepreneurial function of the organization which allows them a high potential for significant innovation change, and growth. Ventures emphasizing the entrepreneurial function through the adoption of an opportunity driven entrepreneurial strategy formulation approach supported by the value innovation logic for high growth are characterised as being in a state of entrepreneurial mode.

Economists and business strategists have developed theories and business strategies such as division of labour, scientific management, TQC, TQM, reengineering and strategic management reflected in different schools of strategy formulation for the management of enterprises. These tools directed to operational effectiveness as well as strategy formulation guide management on how strategies should be formulated – the content, the process to be used, the systematic process of planning – and describe the nature of ideal strategic behaviour that contributes to the competitiveness and success of the enterprise. Whether individual entrepreneurs or professional managers, the managements of enterprises benefit from these tools at varying degrees given the constraints imposed by the nature of the enterprise regarding the feasibility of utilizing them. Regardless of the nature of the organization and its level of sophistication for the utilization of these tools, all organizations reach a state where a change in strategic direction in needed.

The rate of change in the environment reflected in the speed of maturation of businesses and saturation of industries determine the frequency of the need for changing strategic direction. Adoption of tools and strategies that will enable organizations to realise a sufficient leap in growth and thus secure a safe position and/or help them to excel is necessary for changing direction. The entrepreneurial strategy for a situation that is certain to change must avoid visualizing the problem as being limited to one of how to
deal with existing structures, and must focus on creating and destroying structures (Schumpeter, 1950). Organisations must abandon the competitive strategies that will take them one step ahead and adopt a “sensational strategy” (Riddlerstrale and Nordström, 2000) for playing a different game. They must transform into entrepreneurial ventures by adapting the entrepreneurial mode. Innovation must be the specific function of the enterprise (Drucker, 1985). The focus must be on creating an organizational culture and external linkages and processes that will ensure pursuit of opportunities through innovation that will result in new value and growth. Corporate venturing (Burgelman, 1984; Kanter, 1985; Block and MacMillan, 1993), linking innovative strategy to corporate strategy (Porter, 1980), change focused, opportunistic, innovative entrepreneurial marketing (Carson et al.,1995), concern with ethics, a focus on aesthetics, emotional competitiveness, corporate imagination (Riddlerstrale and Nordström, 2000) or any other possible approach or a blend of approaches can contribute to the execution of the entrepreneurial mode and changing direction.

The entrepreneurial mode implies a sensational strategy and is instrumental in bringing new value to the market which ensures growth and success. The mode is observed in the strategic behaviour for the initiation of new ventures, and also mature ventures that have been able to start a second growth stage beyond the business stabilization stage. The term was used by Mintzberg (1973) in his discussion of strategy making in three modes. The proposed model of the entrepreneurial mode in this paper draws upon the entrepreneurial strategy formation school of thought (Mintzberg, 1973; Mintzberg et al., 1998), the value innovation and the strategic logic for high growth (Kim and Mauborgne, 1997), the literature of marketing /entrepreneurship interface (Murray, 1981; Hills, 1987; 1993; Omura et al., 1993; Carson and Cromie, 1989) and perspectives on opportunity driven business development (Skat-Rordam and Muzyka, 1999). The observed result of the entrepreneurial mode is a significant innovation and high growth relative to the existing position. The objective of new value creation through challenging convention and the adoption of an opportunity driven strategy in combination characterise the behaviour of the venture. Visionary leadership is instrumental in commitment to these aspirations (Bennis and Namus, 1985). The control and stimulation of the ongoing venture and the pursuit of innovation and new value creation through new opportunities are simultaneously carried out for business development and growth and the destruction of existing ways of doing business may be necessary.

Mintzberg (1973) clarifies the chief characteristics of strategy making of the entrepreneurial approach. In the entrepreneurial organization and the
entrepreneurial mode strategy making is dominated by the active search for opportunities that result in dramatic leaps forward in the face of uncertainty. The power is centralized in the hands of the chief executive and growth is the dominant goal of the organization. The entrepreneurial organization focuses on opportunities and the problems are secondary, visionary leadership prevails, bold strokes reflected in large decisions under uncertainty are common, achievement is manifested in tangible growth targets. In the discussion of the entrepreneurial school of strategy formation Mintzberg et al. (1998) assume a simple and small organization and a simple situation regarding the content, process and contextual dimensions of the school. Start-ups, organizations in trouble that need dramatic changes through turnaround, and local small organizations are stated to be the appropriate context for the entrepreneurial mode. The constructs of the entrepreneurial mode and the entrepreneurial venture as conceptualised in this work however deviate from these simplicity assumptions and from limitations on context, and apply to organizations of all sizes who are exposed to all situations of varying levels of complexity. A second deviation is related to the personalized leadership. The entrepreneurial mode can be initiated and carried out by an individual as well as by a team consisting of several members who may be entrepreneurs or intrapreneurs, professional managers, experts and scientists working together and who may be employing a blend of the tools of prescriptive and descriptive schools of strategy formation in executing the mode.

Based on a study of thirty companies around the world, Kim and Mauborgne (1997) state that high growth companies follow a logic of value innovation that makes their competitors irrelevant. Their assumptions about and the way they approach strategy is different. Strategic thinking is dominated by value innovation rather than staying ahead of competition. Adopting the value innovation logic implies that the firm rather than taking industry conditions as given, assumes that they can be changed. Strategic focus is thus about dominating the market by pursuing a quantum leap in value, rather than by benchmarking competition and seeking key commonalities in what drives customer value. The enterprise does not view business opportunities through the lens of existing assets and capabilities but assumes starting anew. The objective in value innovation is offering total solutions to what the customers seek and reaching beyond the established boundaries posed by traditionally offered solutions by the industry is common. Value innovation logic aims at offering unprecedented value and not technology or competencies. The important question guiding the logic is “what if we start anew?”.
The strategic logic of value innovation has similarities with and complements the entrepreneurial school of strategy formation in explaining the entrepreneurial mode. The focus is on change, innovation and growth in both approaches, the latter providing more insight into the execution of the mode. Another similar approach, opportunity drive business development, is proposed by Skat-Rordam (1999). His work on changing strategic direction derives from his consulting experience at Ernst and Young Management Consulting and his studies as an executive in residence at INSEAD. Given his observations related both to the inability of firms to capitalize on business opportunities generated by radically changing markets and the limitations of the strategy consulting tools in providing guidelines for a change in strategic direction, he offers a straightforward perspective on the behavioural dimension of the opportunity driven business. It is the pursuit of opportunities rather than strategic planning that will result in changes in strategic direction and that vision, curiosity and a nose for business rather than goal setting, motivates the opportunity drive. These points overlap with the strategic behaviour of the entrepreneurial venture proposed and are valuable in demonstrating the importance of entrepreneurial thinking behind fundamental corporate decisions for changing strategic direction rapidly.

Whether examples of individual, corporate or collective entrepreneurship, every business initiates with an entrepreneurial mode in strategy formation. The survival and the capacity to transform into higher levels of entrepreneurship depends on the ability to adopt an entrepreneurial mode for achieving a leap in growth and changing direction. Small business can grow and turn into a large business, the large businesses can grow and prosper and form alliances by utilizing the entrepreneurial mode. Alliances as examples of collective entrepreneurship are exceptions as their life spans are limited with the duration of the employment of the entrepreneurial mode. The capacities of small and large businesses differ in their potential for adopting the entrepreneurial mode. Small businesses usually operate within a defined market and an established industry and lack high growth potential as they are not based on doing something significantly new. They are involved in delivering an established product or service new to a locality. Small firms face the difficulty of maintaining the entrepreneurial mode as executed in the development stage of the venture’s life. Their focus is on how to deal with existing structures. Small firms can introduce fundamentally new products but it is very rare that they do this. Their capacity to innovate is usually limited to incremental rather than radical innovations as defined by Bellon and Whittington (1996). Few small firms were found to introduce fundamentally new products (Stores and Sykes, 1996). Innovation of small firm is more likely to consist of incremental adjustments to existing
products and services as well as to make their offerings differ from those generally available in the market in some minor but observable aspect (Henry and Walker, 1991). The products developed by the majority of small and medium sized enterprises are marginally differentiated from others and from a natural progression from their existing business activities (Carson, 1999). The majority of small firms survive and grow at a slow rate by introducing small but regular improvements in their business activities (Stokes, 1999). Their growth potentials are thus limited given that their offerings are rarely based on a significant innovation.

FRANCHISING AS AN ENTREPRENEURIAL ENDEAVOUR

Franchising is the entrepreneurial partnership of the franchisor and the franchisee both with entrepreneurial roles representing individual and corporate entrepreneurship respectively. The network of the parties in business format franchising form an example of collective entrepreneurship where entrepreneurial skills and capital are jointly supplied. Internationalisation of franchising is instrumental in the participation of small and medium sized enterprises in world trade. Franchising is a hybrid organizational form (Brickley and Dark, 1987) and a hybrid capital instrument (Jensen, 1989). The demand for the system’s output at the retail level is affected by the service level provided by the franchisee and the brand name investments undertaken by the franchisor where both factors relate to the royalty rate (Lal, 1990).

The franchisor in business format franchising is the creator and guardian of a unique business format that relate to an innovation and to doing something better and bears the responsibility of the efficient management of a complex system of small businesses. The business format franchisor develops new concepts either in the form of a product or a service or a unique and efficient operating system. In the pursuit of the national and/or international growth of the enterprise, collaboration with the franchisees are sought to overcome resource constraints (Oxenfeldt and Kelly; 1969; Oxenfeldt and Thompson, 1969; Hunt, 1973; Dant, 1995), to solve the agency problem (Rubin, 1978; Klein et al., 1978; Mathewson and Winter, 1985; Brickley et al., 1991) and to overcome information constraints and to save on search costs (Martin, 1988; Minkler, 1992). The major resources risked in the relationship with the franchisees are the ones devoted to the development of the brand.

The franchisee is the founder and manager of a small business activity distinguished by its conspicuously close relationship with another larger
enterprise. The individual entrepreneur’s expectations of higher utility from franchising as compared to independent business ownership as well as his entrepreneurial skills, his attitude toward risk and his financial capital are effective in his decision to franchise (Williams, 1999). The business delivers an innovation to a locality that would not otherwise have access to it, usually with a lower cost or higher level of service. The business features the corporate strategy of the larger enterprise, the franchisor, who supplies the franchisee with managerial input. The franchisee risks resources by devoting them to the development of untried markets for the franchisor’s brand.

The network formed by the parties is reinforced through the franchise agreement. Through a contract, the franchisee purchases the rights to the profits from a unit by paying an upfront fee and an ongoing sales royalty to the franchisor. The uniqueness of the franchise contract creates an inter-organisational business relationship that is different from other channel relationships (Swenson et al., 1990). Anticipation of an ongoing relationship, continuous exchange, operating standards and a unique business concept are distinguishing characteristics of the contract (Sibley and Michie, 1982). The bias of the contract is towards the franchisor influencing the location of power in the partnership (El-Ansary and Stern, 1972; Lusch, 1976; Forward and Fullop, 1993). Franchise contracts are typically standard across franchisees with little room for negotiation (LaFontaine and Kaufmann, 1994). They are used by the franchisor as a tool for effectively managing the system.

The nature of the franchise contract is instrumental in demonstrating the relative potentials of individual and corporate entrepreneurship for shifting into an entrepreneurial mode. Franchise contracts define the territory to be served by the franchisee; require the franchisee to purchase certain supplies from the franchisor; require them to abide quality standards relating to the product offered; define the product mix; and provide for the date and conditions of termination of the franchise agreement. The contract imposes limitations on the innovativeness and the growth potential of the franchised business through defining the format, the operational procedures and the boundaries of the market. The franchisee’s potential for exploiting its value chain and creating technological innovation, new products, new ways of production, marketing and distribution as well as new ways of structuring and managing the organization is limited. The contract can be used as a tool for coercive power by the franchisor (Sibley and Michie, 1982) and the relationship may be terminated if the franchisee fails to comply with the terms of agreement. The nature of the contract limits the strategic
objectives and the growth of the franchisee and thus their potential to adopt an entrepreneurial mode. Business format franchisors are observed to achieve high growth in short spans of time regardless of the variation of the emphasis on the growth objective over efficiency considerations among franchisors (Carney and Gedajlovic, 1991). The business format franchisor can be classified as an innovative entrepreneurial venture with high potential for growth and innovation. In the franchise relationship, the franchisor has a higher potential for shifting into an entrepreneurial mode.

CONCLUSION AND RESEARCH IMPLICATIONS

This article aimed to present a model of the strategic approach and the entrepreneurial behaviour and activity in individual / corporate entrepreneurship that leads to a positive leap forward relative to present position. Planning and initiation of a new venture from a position of non-existence to start-up and achieving a dramatic leap in growth beyond the normal growth trend - like initiating a new growth stage at business stabilization – are conceptualised as positive leaps forward relative to present position. It is proposed that entrepreneurial / intrapreneurial teams planning and initiating new ventures or achieving a dramatic leap in the growth in ongoing ventures adopt a common and transitional strategic approach and behaviour called the entrepreneurial mode. The inputs into the model are innovation and opportunity driven visionary leadership with central authority, dominant growth objective and tangible growth targets that can surpass conventional logic, leveraging existing assets and capabilities, traditional boundaries and concerns for survival that relate to a projection of present. The process is strategic thinking dominated by a logic of value innovation for offering unprecedented value rather than staying ahead of competition. The strategic focus is on challenging industry conditions, on dominating the market by innovation and pursuing a quantum leap in value and on starting anew. The output of the model is a dramatic leap in growth relative to present position. Opportunity driven enterprises that can achieve a dramatic leap in growth in the face of uncertainty through the utilization of the entrepreneurial mode are conceptualised as entrepreneurial ventures.

The model of the transitional entrepreneurial mode is conceptualised to apply to small businesses, their larger counterparts and network organizations. It is proposed however that the characteristics of the business institutions of individual, corporate and collective entrepreneurship imply varying levels of capacity for adopting an entrepreneurial mode and for transforming into an entrepreneurial venture. The business institutions in
individual, corporate and collective entrepreneurship and the franchisor and
the franchisee and their network in business format franchising as examples
of these institutions are discussed for assessing their varying potentials for
shifting into an entrepreneurial mode. The analysis of the roles and the
relationship of parties in business format franchising leads to the conclusion
that relative to the business format franchisor, the capacity of the small
franchised business to shift into an entrepreneurial mode and to transform
into an entrepreneurial venture is limited, and that the franchisor can be
classified as an innovative entrepreneurial venture with clear strategic
objectives and high potential for growth.

The proposed model introduces a new perspective which seeks to integrate
economic and strategic approaches to entrepreneurship and to serve as a
frame of reference for developing a common understanding of individual,
corporate and collective entrepreneurship. The discussion of the model was
limited to a commercial context. It is assumed however that the model also
applies to the entrepreneurial behaviour in non-commercial contexts. Some
of the propositions made are supported by reasonably adequate evidence
while others are speculative and require additional research. The basic
premise of the model is that entrepreneurship is a complex and multivariate
phenomenon and that integrating the findings of theoretical and empirical
research results from related disciplines can contribute to the understanding
of entrepreneurship, and to the determination of the underlying variables of
entrepreneurial behaviour. The model can be used for developing measures
and operationalizing relevant constructs. The entrepreneurial partnership in
business format franchising and the behavioural tension stemming from
autonomy/dependence perceptions and the needs of the partners is a fruitful
area for research.

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