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A Fresh Look at Patterns and Assumptions in the Field of Entrepreneurship: What Can We Learn?

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ABSTRACT

This article invites scholars to reconsider how the evolution of entrepreneurial phenomena affects the underlying theories employed in our field. We highlight three themes affected by changes to the entrepreneurial journey nowadays in a way that can challenge some foundational research in each area. To that end, we engage in a dual conversation; explicitly revisiting extant theories, as well as deliberately seeking out practice insights on how behaviors and actions are changing. This approach provides fertile ground for future work to re-examine the theoretical assumptions we often take for granted. Such investigation can either provide fresh evidence of the robustness of extant theory, or create new pathways of inquiry. For entrepreneurship scholars who are dedicated to researching innovation and progress in firms and individuals, this is an exciting time to create innovation and progress in our field.

MANAGERIAL ABSTRACT

Could it be that the entrepreneurial journey remained unchanged over the past decades? And if there has been substantive changes, what are they? And what are their implications? These are critical questions that talk to entrepreneurship scholars and practitioners alike. The purpose of this article is to encourage a dialogue among and across the two groups. We present dual theory-practitioner conversations around three points of dialogue; the origin of entrepreneurial opportunity, organizing and scaling, and resource acquisition. In each case, we show that a dual conversation can either reassert the value of extant theories and frameworks or, alternatively, identify changes that underlie new frameworks and predictions. We believe that these insights offer invaluable guidance to practitioners and can stimulate further advancements in our field.

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A Fresh Look at Patterns and Assumptions in the Field of Entrepreneurship: What Can We Learn?

The purpose of this article is to stimulate conversations and call upon entrepreneurship scholars to explore opportunities for innovation and progress in the field. Our approach is analogous to that of Hal Varian, chief economist for Google and formerly Berkeley economics professor, who famously pondered "If there was a new economy, why wasn't there a new economics?" (Varian, 2002). Similar to Varian, we emphasize that the rise of new phenomena and the availability of new sources of data provide rich opportunities to test assumptions, boundary conditions, and the generalizability of existing theories in a process that will strengthen some of our existing theories, while at the same time potentially opening up new theoretical avenues to explore. Simply put, new phenomena and data sources over the last decade give rise to an increased need for rigorous analysis and informed debate in exploring the implications of these developments.

To motivate our argument that we are at a point in time in which it is productive to revisit some of the taken for granted knowledge in our field, we invite our readers to travel back in time to the turn of the millennia when hallmarks of an entrepreneurial journey consisted of items such as writing a detailed business plan, buying facilities or equipment, seeking financial support, developing a model or prototype and so on (Aldrich, 1999; Carter et al., 1996; Delmar and Shane 2004). Many of these steps and activities are undertaken by entrepreneurs nowadays too, however, contemporary entrepreneurs often engage in activities that are motivated by an experimental logic (e.g., 'minimum viable product' and 'pivoting' are two of the main concepts underlying the 'lean startup' approach). As an illustration, the Google Trends analysis reported in Figure 1 suggests that the search term 'business planning' has decreased in popularity over the past 15 years, and is now matched by other terms that are associated with a 'lean startup' approach. This pattern provides one example of changes in the way entrepreneurially minded individuals or executives operate, reflecting a fundamental shift associated with a substantial reduction in the cost of starting-up and the widespread adoption of the logic of experimentation (e.g., McGrath, 1997; Ott, Eisenhardt, Bingham, 2017; Ewens, Nanda, Rhodes-Kropf, 2018).These observations suggest an opportunity for stronger engagement with theory by carefully examining the patterns and assumptions that are taken for granted in extant work (e.g.. Fitza, Matusik, Mosakowski, 2009), and raises a set of questions such as; to what extent do contemporary antecedents to entrepreneurship map onto those documented in extant work? What are the assumptions that underlay existing theories, and whether and when do they hold true nowadays? Can we explicate the boundary conditions of extant work? Are we in need of new frameworks? And if so, what disciplines and methodologies should one draw on? It is incumbent upon us to address these questions as the entrepreneurial landscape continues to evolve.

This article invites scholars to contemplate the foundations of the theories related to entrepreneurship and how current changes to the entrepreneurial journey can help us reinforce those foundations. In so doing, we suggest entrepreneurship scholars can exhibit the same level of innovation and progress we have come to expect of the entrepreneurs we study. We hope this article – and the questions presented therein – will prove helpful in directing scholarly efforts to demonstrate the robustness of extant work as well as chart opportunities for impactful new research.

OUR APPROACH: A DUAL THEORY-PRACTITIONER CONVERSATIONS

The Strategic Entrepreneurship Journal is one of the three major academic publications of the Strategic Management Society (SMS). The society defines its mission as "bringing together the worlds of reflective practice and thoughtful scholarship."[1] and its membership base is composed of academics, business practitioners, and consultants. Consistent with the mission and membership of SMS, we

[1] From the SMS homepage (accessed Feb. 15th, 2019): https://www.strategicmanagement.net/

structure this article in a way that facilitates a dialogue between a theory-led discussion and practitioner-led deliberations. We believe that engaging in such a dialogue is instrumental to identifying areas with strategic entrepreneurship that may be especially fertile ground for new research insights and opportunities. In doing so, we echo the origin of our field which was anchored on both academic literature and experiences of companies committed to practicing strategic entrepreneurship (Ireland, Hitt, Camp, Sexton, 2001; Ireland and Webb, 2007).

We begin the conversation by expanding upon three themes that have high potential to generate new insights through a process of further scrutiny and debate. For brevity, the current article focuses on the selected themes, yet we acknowledge that other themes and topics could equally prove as a fertile ground for future work. For each of these themes, we identify key points of discussion. To that end, we revisit extant theory and discuss its underlying assumptions in light of evolving entrepreneurial reality. This is a theory-driven discussion. We further present insights from a practitioner-led discussion. In Boulder, Colorado we convened key business influencers from leading entrepreneurial organizations such as TechStars, Oracle, the Foundry Group, Havenly, as well as important government and education officials in the State of Colorado engaged with economic development activities; we gathered them to reflect on and discuss how the entrepreneurial journey has evolved over the last 15 years with an aim towards generating insights to help guide future academic research.

The dual conversations offer several advantages. First, it points to areas of need. To the extent that entrepreneurship brings about innovation and change, it is incumbent upon us to explore the boundaries of extant work. But which topics or themes are in need of investigation? We believe a dual approach can direct scholarly attention towards relevant research questions. Second, and relatedly, we advocate a 'rigor and relevance' approach. It calls for rigorous study of topics that concern entrepreneurs, executives, investors and the society at large (e.g., Graebner and Eisenhardt, 2004). As Glick, Tsui and Davis (2018) note, the current model for academic business research that does not address challenges relevant to business and society is unsustainable over the long-term. In our case, a rigor and relevance approach enhances engagement not only with practitioners in the entrepreneurship domain, but also other stakeholders (e.g., education experts, policymakers). Finally, in the spirit of constant learning, we recognize that the interests of the scholarly and practitioner communities might not always overlap. We view this as a learning opportunity. For example, rigorous analysis or extant theory can inform so-called 'nascent trends' and bring much needed clarity. At the same time, practitioner accounts may highlight new mechanisms and question well-established assumptions that deserve careful scholarly attention.

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To summarize, the article present theory and practitioner led conversations in a call for a fresh look at patterns and assumptions in our literature. We believe a dual approach reinforces the broader aims of the Strategic Management Society. The examples underscore the benefit of a dual theory-practitioner discourse as a way to identify strategic mechanisms and their underlying assumptions, generating insights that have been impactful to the practice and academic communities. We now highlight three themes – the origin of entrepreneurial opportunity, organizing and scaling, and resource acquisition – in which there may be important opportunities to generate new insights.

SELECTED THEMES

The Origin of Entrepreneurial Opportunities. This subject has long captured the attention of entrepreneurship scholars (see Klein, 2008 for excellent review and synthesis). There is an established body of knowledge on the topic of opportunity discovery and creation (Alvarez and Barney, 2007) and we continue to see valuable contributions to this line of research among the pages of this journal including a special issue edited by Alvarez and Barney (2008) as well as more recent work (e.g., Gruber, Kim, and Brinckmann, 2015). Below, we explore a few possible ways to enrich the discussion. We begin with a theory-led approach focusing on the assumptions that underlie extant work. Next, we share the insights emerging from our practitioner-led discussions.

There are volumes of work on the origin of entrepreneurial opportunity, in general, and the discovery vs. creation dichotomy, in particular (e.g., Agarwal, Moeen and Shah, 2017; Aldrich and Ruef, 2006; Baker and Nelson, 2005; Bhide, 1999; Brown and Eisenhardt, 1997; Haynie, Shepherd, McMullen, 2009; Sarasvathy, 2001; Shane, 2000; Zott, Amit and Massa, 2011). On the theory front, the studies often draw on the seminal works of luminaries such as Kirzner (1979, 1997) and Schumpeter (1911, 1934). For example, the motivating observation in Schumpeter (1911, 1934) is that information is not perfectly distributed across economic actors. Some actors may obtain novel insights and information before others do. This observation points at the potential origin of entrepreneurial discovery; one can build on novel information to acquire resources below their equilibrium value and then recombine them in new ways (Schumpeter, 1911, 1934). That is, a person who is privy to the information first can exploit his or her discovery to earn entrepreneurial rent (Barney, 1991). It may be helpful to note the broader context in which Schumpeter developed these arguments; the beginning of the 20th century where information was relatively scarce.

Against this backdrop, it is important to note that today's economy is an information-rich environment. The last century experienced dramatic growth in the volume of information and the speed at which it flows and distributed. A recent report by IBM's Big Data unit estimates that 90% of the world's data was generated over the last few years (ScienceDaily. 2013). Similarly, McAfee and Brynjolfsson (2012) observe that more data cross the internet every second than were stored in the entire internet just 20 years ago. At the same time, we must recognize that "*Much of the work we do, and the assumptions underlying it, is based on pioneering research conducted by scholars who began their work in an earlier era*" (Lumpkin, Agarwal, Barney, Wright, 2014). To the extent that the scope and availability of information have undergone a qualitative shift over the past century, it may carry implications to our theoretical discussions of entrepreneurial discovery.

Future work could revisit extant theories of the origin of entrepreneurial opportunities. The question of information availability is one of the core questions in the discovery vs creation debate (Alvarez and Barney, 2007). Entrepreneurship scholars should ponder what questions merit further investigation as we operate in an information-intense environment of the 21st century rather than an information-scare environment at the turn of the 19th century. For example, one may ponder whether the cognitive or behavioral processes associated with discovery in a data-scare setting are also applicable in a data-rich environment. What old or new capabilities and mechanisms are at play? How do they inform barriers to opportunity discovery and creation?

The practitioner-led approach yields complementary insights. The panelists conveyed that in the past, they would evaluate entrepreneurs; based on the novelty of the idea (often associated with novel technology), or the potential of the market they target. Currently, they remarked, entrepreneurs are valued for their ongoing efforts towards crafting and exploiting an opportunity; "execution is everything" one panelist exclaimed. Put differently, the conversation indicated a potential blurring of the line demarcating opportunity discovery and exploitation (Pryor, Webb, Ireland, and Ketchen, 2016).

This suggests important implications for our field. For example, technical skill need not serve as an indicator of a promising entrepreneur or entrepreneurial opportunity. There may be several reasons at play. First, technical education or professional experiences have long served as proxies of preferential access to information. In a data-rich world, the emphasis may shift from the possession of (technical) knowledge and towards effective execution and the capability to do so. As an example, one of the panelists noted that none of the participants in the first cohort of TechStars, one of the most well-regarded accelerators in the world, launched a trial product prior to graduating the accelerator program, while three years later all had. It is consistent with the rising popularity of experimentation and concepts such as minimum viable product and lean-startup delineated in Figure 1. Future work could rigorously investigate these observations; exploring entrepreneurs' role as 'creators' and 'discoverers'in the current information-rich experimentation-friendly settings. It serves as fertile ground for canonical theories (e.g., Alvarez and Barney, 2007; Bingham, Eisenhardt and Furr, 2007) as well as new frameworks of entrepreneurial strategy (Gans, Stern and Wu, 2019).

Second, and relatedly, the discussion implies that the entrepreneurial role extends beyond her or his entrepreneurial venture. It is a subtle point which has to do with the nature of entrepreneurial leadership vis-à-vis internal as well as external stakeholders. As the panelists articulate it, the implication is that entrepreneurs are no longer evaluated solely for their professional background and activities. Rather, it introduces the importance of values, morality and work not only within the business context but also beyond it. Specifically, panelists talked about the importance of values and social impact goals in attracting and managing strong talent effectively in the face of relatively rapid turnover, and the fact that the work as well as non-work actions of entrepreneurs are now highly visible due to social media. These developments draw attention to social-psychological factors that go beyond technical aspects of the opportunity.

To conclude, the aforementioned insights add color to the way we think of the origin of opportunities. There is room to revisit assumptions that underlie extant theory including, for example, the role of preferential access to information and the ability to execute. Methodologically, scholars can refresh the set of relevant proxies we associate with discovery; re-establishing extant measures (e.g., technical skill, educational and industry background) as well as testing the viability of additional indicators (e.g., entrepreneurial experience).

Organizing and Scaling. Scalability is key to realizing entrepreneurial success. An entrepreneurial idea may have substantial potential, but it is not until it is deployed at scale that the potential is fully realized. It is not surprising therefore scholars have sought to understand the organization and scale-up of entrepreneurial ventures; see a recent review by DeSantola and Gulati (2017), as well as a forthcoming special issue in this journal (Burton, Colombo, Rossi-Lamasta, Wasserman, 2020). Extant work explores such topics as the talent entrepreneurial ventures recruit, the emergence of roles and rules, and the way in which they are organized (e.g., Beckman and Burton, 2008; Eesley, Hsu, Roberts, 2014; Gruber, 2010; Jung, Vissa, Pich, 2017). Interestingly, some of the entrepreneurial innovations of our era have critical implication for the way startups organize and scale. Below, we reverse the order of exposition; opening with insights from the practitioner panel and then moving to theory-led approach.

The panel discussion unravels a shift in the zeitgeist of organizational growth. In particular, the panelists shared a few marked changes in the way entrepreneurs pursue growth. One notable issue concerns the skills and experiences that entrepreneurs look for when recruiting employees. In the past, one would target individuals of certain educational background or industry experience. More recently, however, the emphasis has shifted. In line with the broader ‘lean startup’ trend, experience with scaling-up and experimentation is highly desirable. The emphasis is on a person who is not only comfortable with nebulous settings (i.e., little or no strict definition of roles and rules), but has also experienced and led rapid growth (i.e., introducing rules and roles and staffing them). For example, an early Dropbox employee may compare favorably to a senior executive from a long-standing industry incumbent.

These observations carry two implications. Methodologically, it calls attention to the applicability of human capital proxies. Traditionally, scholars have used a person’s prestigious educational and professional title as proxies of valuable human capital. However, during the panel, some commented that traditional proxies could be negatively correlated with talent acquisition to the extent they showcase experience in a stable rather than fast-growing organization. Second, the discussion highlights an opportunity for theory development. In addition to industry and functional experience, a third facet emerges as increasingly important; entrepreneurial experience. Namely, someone with past experience successfully scaling a venture – not simply starting one -- may be of especially high value. The broader takeaway is therefore a call for focus on those who can scale, managing a workforce that is more fluid, bringing on the right kind of expertise in key functional area at the right time, and accessing and building a portfolio of resources effectively (Eisenhardt and Schoonhoven, 1990; Boeker and Wiltbank, 2005; Sirmon, Hitt, Ireland, 2007; Jung, Vissa, Pich, 2017). This suggests a need for more research on the stages *following* formation and the effective formalization of the organization.

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It also offers a segue to theory-focused discussions. Scholars have long sought to understand the process of growth (e.g., Blau, Heydebrand, Stauffer, 1966; Chandler, 1962). The seminal work of Penrose (1959) underscores the role of organizational slack as a driving force of firm innovation and growth. It informs studies of firm growth to this day. Notably, the core argument is based on the assumption of resource indivisibility; specifically, managerial resources. As a firm grows, it recruits employees who bring greater capacity than the (growing) firm can use at first. Hence, there are slack managerial resources. Penrose advances that the slack resources (i.e., the under-utilized managers) are the driving force behind a firm's experimentation, innovation and ultimate growth.

How should we think about this issue in the context of greater resource divisibility? Application Programming Interfaces (APIs) enable firms to access resources at different levels of granularity. API-based resources have become a critical part of enterprise solutions, affecting operational efficiencies and profitability. The ability to access more precise quantities and types of resources on demand has had the side effect of engineering much slack out of organizations, especially high-growth ones. Consider the implications of entrepreneurial ventures (e.g., AWS, Stripe, Twilio, etc.) that have brought about the "API economy" through enabling nascent ventures to call upon the exact amount of resources they need for the task at hand. For example, many ventures draw on Stripe to manage their payment processing; it offers a highly flexible solution that is rapidly scalable and is de-facto the industry standard.[2] It begs the questions; is resource indivisibility still a valid assumption in driving innovation and growth? What shape and role does managerial slack take where resources are divisible, and often live outside firm boundaries?

And while "the API economy" may lower the cost of entry and the process of running a business, it is not a panacea. There are at least two themes that would benefit from rigorous investigation. First, as the cost of entry decreases one may expect increased competition. It begs the question; in a world where many firms draw on the same resources (i.e., APIs), how do firms differentiate and compete?[3] Second, entrepreneurs learn by synthesizing subtle feedback and non-structured information that arises during ongoing business activities (Bingham and Eisenhardt, 2011). One may ponder whether ventures that rely on Stripe to collect payments miss out on subtle nonstructured feedback from their customers. Future work could study whether API-enabled scale-up de-synthesizes the entrepreneurial venture and hence shapes its learning and growth trajectory.[4]

Resource Acquisition. The pursuit of financial resources has often been a critical part of the entrepreneurial journey. The discussions above hint at ongoing changes to entrepreneurs' funding needs. We draw on panelists' observations to inform the issue. Next, we turn to highlight related theoretical and methodological issues.

A consensus among the panel members is that entrepreneurial ventures that would have not been funded 10 or 15 years ago are now able to more easily attract investors and secure funding. The reasons are threefold. First, there is a change in the demand for capital. The significant drop in the cost of starting-up implies that ventures require relatively small amount of funding upfront. Moreover, the ability to experiment and gain early traction enables entrepreneurs to gain further control over the timing

[2] In the past, it was common to see variation in quality of practice within a focal startup. Some employees would engage in best-practices while others do not. Growth, in part, had to do with setting routines such that all employees adopt firm's best–practices. In the API economy that may be a moot point. Every employee using Stripe is following the same practice. To the extent Stripe services are the de-facto industry standard, it implies employees engages not only in firm's best practices, but in fact adheres to the industry's best-practice frontier.

[3] The current discussion focuses on the internal organizational facet of these questions. That said, the answers will likely draw on themes and topics of interest to the broader strategy and entrepreneurship community. For example, the ability to leverage resources of other firms through APIs calls for a systematic view of the activity systems that are centered on a focal firm yet are boundary-spanning. It is at the core of research on business models, for which the SEJ is an important outlet (Demil, Lecocq, Ricart, and Zott, 2015).

[4] Solutions such as Stripe, Twillio or AWS enable entrepreneurial ventures to outsource an increasing number of activities that were traditionally conducted internally. Contrary to outsourcing where an established firm considers whether to retain existing routines, ventures turn to adopt the aforementioned solutions from 'day one'.

of fundraising. Second, the panelists also point to changes in the supply of capital. This includes (a) the growth in the total number of existing startup investors (e.g., angels, angels groups, and small micro VC fund), (b) the recent interest by existing investors who previously engaged in little or no startup funding (i.e., family offices), and (c) the emergence of new sources of capital (e.g., accelerator and crowdfunding). The supply surge is attributed in part to the favorable changes in the demand for capital (see the previous point), and in part to the celebrated business and financial success of the likes of Facebook, Amazon, Apple, Netflix and Google.

The third practitioner-led observation concerns the geographical span of capital. Historically, investors funded nearby entrepreneurs. Proximity increased awareness of opportunities in the first place. It also facilitated ongoing support and monitoring post-investment. The panel suggests that the availability of local capital may play a lesser role nowadays. The availability and rapid flow of information along with increased competition among investors imply that funds are more available to ventures outside known startup hubs. Taken together, the three observations challenge current insights related to key drivers of resource acquisition specific to entrepreneurial financing.

The scholarly community start to investigate these questions; see Wright, Lumpkin, Zott, and Agarwal (2016) and related articles in that issue of the Strategic Entrepreneurship Journal, as well as recent reviews (e.g., Block, Colombo, Cumming, Vismara, 2018; Drover, Busenitz, Matusik, Townsend, Anglin, Dushnitsky, 2017). Consider the second point; the supply of capital and emergence of new players. Scholars study early or prominent players; for example, the eight original accelerators in the USA (Cohen, Bingham, and Hallen, 2018), or the prominent crowdfunding platform Kickstarter (Mollick, 2014). These studies shed light on important trends, harnesses rich data, and advances theoretical understanding of the mechanisms that are at play. Going forward, extant work can be complemented in several ways to develop a cumulative body of knowledge on new resource providers. Below, our theory-led discussion also makes a methodological observation to that effect.

We do so in the context of the burgeoning literature on crowdfunding platforms. Although a recent phenomenon, the academic archive SSRN lists over six hundred entries on the topic, with half of the posts dated 2015 or later. However, a recent review of extant work reveals that the vast majority of the studies have been based on data from three platforms; either the reward-based Kickstarter, the donation-based Kiva or the lending-based Prosper (Dushnitsky and Zunino, 2018). Each study presents insights based on analyses of detailed transactions within a single platform. Yet, it often remains silent as to the rationale for selecting the focal platform to begin with. The is an important point as there are hundreds of crowdfunding platforms across the world (Dushnitsky et al., 2016). Moreover, recent studies report that factors associated with success on one platform do not replicate to the other platforms (Amit and Zott, 2015; Dushnitsky and Fitza, 2018, Rossi and Vismara, 2018). It follows that future crowdfunding studies can contribute through rigorous investigation of cross-platform generalizability.

These insights suggest a broader opportunity to build a cumulative body of work through an explicit discussion of generalizability. Many scholars expend significant effort to amass fine-grained data by, for example, scraping information from a given platform. The rich data is appropriate for answering a large array of research questions. It also bestows a feeling of robust evidence-based findings. Yet, there is a risk. It risks making an assumption that accuracy bestows generalizability; where in fact we know a theory of social behavior cannot be simultaneously accurate, parsimonious, and general (Thorngate, 1976). Specifically, data derived from a specific platform can be very rich, but also myopic to the dynamics and patterns that prevail on other platforms. Thus, there is an opportunity to complement single-platform studies by looking across platforms and explicitly developing platform-agentic frameworks. For example, future work could investigate whether drivers of funding success on donation platform Kiva inform funding patterns on Prosper, or whether entrepreneurial opportunities and resources related to launching an app on Apple's iOS ecosystem apply to online stores on Alibaba or Amazon. While we highlight this consideration in the context of financial resource acquisition, it is broadly important to our field in the data rich environment in which we now operate. In sum, accessibility of data to answer questions more precisely brings the issue of the trade-off of internal validity for external generalizability to the fore. We encourage scholars to carefully consider this trade-off as they assess the impact of their efforts and findings to the field.

CONCLUSIONS

This article invites scholars to reconsider how the evolution of entrepreneurial phenomena affects the underlying assumptions and knowledge in our field. Here, we engage in a dual dialogue by revisiting theory in our field explicitly and also deliberately seeking out practice insights on how behaviors and actions are changing. Doing so draws attention to the importance of considering both in tandem to develop impactful insights that shape theory and practice in the future.

The three themes we highlight are each affected by changes to the entrepreneurial journey in a way that challenges some foundational ideas that underly important research in each area. These changes provide fertile ground for future work to re-examine the boundary conditions and assumptions that we often take for granted in an exercise that can either provide fresh evidence of the robustness of these ideas, or create new pathways of inquiry. For entrepreneurship scholars who have dedicated their careers to researching innovation and progress in the firms and individuals they study, this is an exciting time to create innovation and progress in our field as well. We believe the Strategic Management Society, in general, and the *Strategic Entrepreneurship Journal*, in particular, can play an important role in encouraging and disseminating important new insights at the intersection of theory and practice related to the evolution of entrepreneurship.

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Points of Dialogue: Examples of Dual Theory-Practitioner Conversations

History tells us that dual conversations have been influential in our field. Consider for example, the topic of learning curves, which is critical to the success of entrepreneurial ventures and the pursuit of sustainable competitive advantage. The core argument centers on the observation that marginal cost drops in cumulative output, therefore giving rise to learning, or experience, curve. The term has been popularized by practitioners, and specifically the Boston Consulting Group. They incorporated the learning curve into their consulting business; often advising clients to expand output and acquire market share in order to gain a long-term cost advantage over rivals (Lieberman, 1987; Boston Consulting Group, 1972). The topic attracted the attention of scholars, who enriched the conversation through rigorous analyses and theory development. The integration of strategy theory and robust methodology yielded important insights. It documented the prevalence of the phenomenon. It further revealed that learning rapidly diffuses among competitors which greatly diminished the strategic value (Lieberman, 1984; 1987; 1989). The resulting body of knowledge shaped scholarly work and business practice. The studies also stimulated broader work on first mover advantage, which was the recipient of the Strategic Management Society 1996 Best Paper Prize (Lieberman and Montgomery, 1988).

These topics continue to attract our attention even now. For example, the increasing interest in platform-businesses (e.g., Alibaba, Amazon, Airbnb, Wechat, Uber) has been stimulated by the notion of networks effects. Yet, practitioners take on this assumption. Hemant Taneja, Managing Director at General Catalyst Partners, a leading venture capital firm, points to the 'End of Scale' (Taneja and Maney, 2018). They base their argument on changes in the current business environment. For example, in a world where networks are software-based rather than physical, switching from one platform to another becomes easy. It calls attention to the likely erosion in the competitive advantage of firms' network effects. Moreover, many of these platform-businesses allow other firms to easily and instantly rent scale (e.g., call upon more computing power through Amazon's Web Services). To the extent external infrastructures fuel firm growth, it may affect the value of cumulative organic growth. These are important observations that go to the core of the routes to growth and sources of sustainable competitive. As such, they merit rigorous scholarly investigation.

Figure 1 – Google Trend Report for "Business Plan", "Minimum Viable Product" and "Pivot"