NEXT STEP TOWARD A THEORY
OF ORGANIZATIONAL
ENTREPRENEURSHIP: CONCEPTUAL
ADVANCES
1. Methodological background: dialectical assumptions

In this paper I talk about organizational entrepreneurship as a research domain and try to make additional contributions to theoretical background of traditional field of corporate entrepreneurship. I suppose that in trying to understand the occurrence of new organizational activity the concept of organizational entrepreneurship is more relevant for studying the process in all types of established organizations than corporate entrepreneurship.

Entrepreneurship is an important and complex construct that captures a wide spectrum of activities. It has long interested organization theorists. Economic, organizational, sociological and psychological analyses often focused on the processes through which novel events are sensed and exploited as opportunities. These observations suggest the importance of contextual and temporal factors in determining an organization’s entrepreneurship. I am specially concerned with the how and why of entrepreneurship in organizations and explicitly focus on contradictions, social actors, interests, competences and actions as the main sources of entrepreneurship dynamics.

Insufficient theory currently exists to understand the dynamic interplay among entrepreneurship, the state and forces of external environment, the organization’s capacity to facilitate entrepreneurship and resulting effectiveness. Without a strong theoretical characterization of these it is difficult to determine changes seemed to have forced many organizations into considering qualitative alteration of organizational rules that members use to interact cognitively and behaviorally with the world around them and implementing entrepreneurship as a way of surviving and growing.

The increased practitioner and academic attention to entrepreneurship’s potential to renew organizations’ is accompanied by searching for solid theoretical frameworks and managerially useful prescriptions. Nowadays, there is still a need for work that is able to contribute to the advancement of entrepreneurship theory. According to Davidsson, Low and Wright there seems to be growing consensus among influential scholars in the field that entrepreneurship research must become more theory-driven “(...) that avoids unstated assumptions”.

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Moreover, it is arguable that future research should consider cognitive and behavioral factors, relating to entrepreneurs in a variety of settings, the effect on environmental factors, the assessing of entrepreneurship outcomes and taking more multi-level approach time frame and causality issues.

The argument that strong entrepreneurship enhances organization’s reliable effectiveness is the intuitively powerful idea and question yet to be answered with a wide array of theoretical interests and methodological tools. I believe that considerable progress has been made if methodological and theoretical innovations have been introduced. It seems that there is an excellent opportunity to bring insights from strategic management and organizations literature studies on the entrepreneurship field.

A recent review of prospects for strategy suggests future orientation toward more creativity, context, dynamism, “out of bounds”, practical. The core questions concerning entrepreneurship in organizations should be addressed by complexifying theory following to the conduct of complexifying research process and to pertinent foundational work on more complex organizational theory. It seems highly likely that the move to organic approach, originally used to distinguish organic from mechanistic management styles, can contribute to the field of entrepreneurship. My work follows the trail of prior work that stressed the importance of an organic perspective on strategy. The new perspective derives its internal consistency from assumptions on:

- time (incessant and diachronic: concepts and relationships are part of the continuous processes and iterated sequences, and entities are created rather than given, models that high-light process and learning) – entrepreneurship is part of dynamic phenomena, it is not fixed but rather created and changed;
- flow (interaction, feedback and multiple loops, reciprocal causation, and endogenous influences, dynamic fit) – interaction, multiple and mutual in-

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fluences make room for entrepreneurs choices and action and for endoge-
neous developments;
• construct coupling (problem-centred, multilevel and relational views, holis-
tic picture, comprehensive models, integration across multiple levels of
analysis) – interdisciplinary and integrated view of entrepreneurship, sensi-
tive to interdependent ideological, political, cognitive, administrative, psy-
chological and economical aspects.

I suggest key progression based on dialectical and as vital to development
of entrepreneurship research, teaching and practice. It is worth noting that this
renewed interest in dialectic, is not a sign of regression but of the field maturity.
Over the last decade, an increasing number of researchers have adopted a dialec-
tical perspective on organization, strategy and management. The dialectical
approach is characterized with the following features:
• The same organization can and should be analyzed from different points of
view. All the viewpoints are equipollent and mutually complimenting since
they deal with essential parts of the whole organization. Independent and
confronted evaluations encourage critical attitude and avoidance of in-
volvement in favoured point of view. One-sidedness of the view wouldn’t
lead to anything good at all. Dialectics would clear the road for exchange ar-
guments and evidence from variety of contradicting position in debate.
• Conscious and common theoretical multi-lenses framework offers compli-
mentary or even mutually exclusive researches approaches. Concurrent im-

plementation of numerous different approaches and flexible cognitive perspective are necessary for understanding complex organizational phenomena. The starting point is the entity of the organization that is further divided into mutually complimenting and contradicting areas.

- Contradiction reconciliation processes taking place in reality and means coexistence and friction between juxtaposed tendencies in objects and processes, and particularly relations between events, whose coexistence creates their interaction. None of two contradictory forces can be removed. The emphasis on reconciling contradictions is matched by an encouragement of more systemic and holistic approach to management. The orientation toward contradictions and ways of their reconciliation provides a framework for more profound characteristics of organization. Ambivalences, complementaries and tension between opposite forces stimulate continuous movement. Tension between actors or within and among organizations stem from the variety of political, functional, social and institutional roots. Executives who see being and reality as continuous movement, a dialectical process can enable the development of their organization.

- The state of organizational equilibrium not only doesn’t exclude contradictions, but accepts them as the basis for radical changes of the existing organizational order. In particular, it implies that inherent contradictions, fused with external developments, create potential for change. The dialectical process model specifically highlights path-dependent organization’s formation in which past developments constrain and enable present multiple feasible trajectories. Observable organizational patterns are regarded as one among many possibilities and development path is not natural or determinate. Full management of organization’s growth is rare, and when it occurs, it is fragile.

- The task of managers is to synthesize contradictive views. They should strive to temporarily accommodate both factors at the same time and actually need to welcome contradiction and tension. Effective management requires avoidance of quick, fixed solutions. Faced with contradictions, we can try to find novel way of combining opposites, but will know that none of this creative reconciliation will ever be the ultimate answer. An organization which strives constantly to find extreme solutions may find that the process hinders its development and effectiveness. A reconciliation is a dynamic process, not a final state. It brings two extremes of contradiction together but excludes neither. A reconciliation is local in that sense that it cannot be designed but emerges from situated practice.
In sum, in this dialectic model entrepreneurship is first conceptualised as a continuous social process that reconciles opportunity exploitation, change, flexibility, differentiation, competition, and opportunity exploitation, stability, order, integration, cooperation.

2. The nature of entrepreneurship: Reconciling opportunities and actions

Underlying the particular view of space and time is the idea of dialectical, organic process. To find common ground among competing opposites I search for perspective in incongruity, try to avoid the temptation to engage in debunking rhetoric and really study others validity concern, focus on problematic that is central to entrepreneurship but somehow lie just outside of ordinary awareness. Organizational members are becoming and relating by imagining, willing, acting and learning. The dialectical movement is stimulated by competing and/or surging, isolating and/or specializing, exchanging and/or communicating, cooperating and/or organizing. The representation of time and space by organizational members will determine the amplitude of their thoughts and acts to foster entrepreneurship.

Extending my earlier description I define entrepreneurship as reconciling opportunities and actions in the context of co-evolving people and venture with organization and its environment, that is holistic in approach. Research by Fiol argued that organizations provide fertile ground for entrepreneurial activities in that “they encompass the contradictions needed for creative thought and action”. Thus organizational entrepreneurship seems to involve the transformation of individual ideas into collective action through the management of uncertainties by reconciling contradictions. Entrepreneurship is mainly effort tend to elaborate a set of temporary solutions serving to maintain the stability and continuity of ventures, with keeping adaptability and innovativeness at the same time. A significant role in this process is played by interactive relation between

thought (cognition) and action, which is shaped by positive and negative feed-
backs, and is an immanent feature of entrepreneurship. Although I distinguish
opportunity from action, in my viewpoint both are the necessary parts of entre-
preneurial process. Thinking and acting are intertwined processes having the
effect of creating insights within the entrepreneurs’ own mental representation
and learning by altering their attributions of cause and effect influences.

In this definition I emphasized various contributions uncovered a persis-
tent tension in the field between thought and action: entrepreneurship is an at-
tempt to construct the rational and predictable world in the face of reality that
quite often resist it. Because it is opportunity-centred, it enables people to pursue
and realize their dreams: the process of the new high potential venture started,
growing the venture, successfully harvesting it, and starting again regardless of the
resources currently controlled. I refer here to the definition developed by
H.H. Stevenson and colleagues at the Harvard Business School, which focuses on
the process of creating or seizing opportunities and pursuing it regardless of
resources currently controlled16.

In different national cultural contexts entrepreneurs share similar propen-
sity to pursue opportunities aggressively and with little regard to limited re-
sources17. Bhidé suggested that entrepreneurs are not risk-takers. Instead they
have a high tolerance for ambiguity, the willingness to proceed in the absence of
adequate information and capital18. Of particular importance are entreprene-
rial actions that are taken using a dialectical perspective that lead to maximum
wealth creation in all types of organizations, including independent new ven-
tures. The heart of entrepreneurship is creating, shaping, recognizing, interpret-
ing unformed opportunities followed by will, ability, desire, competences, and
initiative to seize and pursue these opportunities. Entrepreneurship includes both
opportunities and actions. Actions are a general label for bundles, sets or se-
quences of behaviors aimed at resource mobilization and deployments, initiatives,
responses, moves, deals, investments, and developments. They include ideological,
political, economical, legal, administrative, social behaviors over time oriented
to change the way people live or work.

The process integrates prescriptive and descriptive models, it combines
motion of process, unity, vitality, and highlights both the time and the integra-
tion. Entrepreneurship is viewed as interactive, dynamic, learned, integrative,
inventive, emergent and dialectical process; a network of relations, interactions,

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17 J. Tan (2002): Culture, nation and entrepreneurship strategic orientations: Implications for an emerging
equifinality and multi-causality influences between people, opportunities and ventures. Entrepreneur thought and action is inescapably influenced by context, but inescapably influences context. Understanding the context requires taking a dialectical ontological position. Acknowledging entrepreneurship at work as a way of enhancing the human condition, its dignity, and its development potential in that context require organic epistemological position. Co-evolutionary context shapes patterns of entrepreneurial behaviors that contribute to entrepreneurship and subsequently, the creation of wealth.

I review reconciling opportunities and actions as fundamentally intertwined, multi-directional processes, pervading all organizational levels and environment. The organizational aspects of entrepreneurship are clearly interdependent with individual factors i.e. focus of control, cognitive style, need for achievement and flexibility, risk taking, proactiveness, innovativeness. The possession of individual facets of entrepreneurial competences is only of value if supporting organizational and environmental facets co-exist.

The core scientific question is: How to reconcile different ways of organizing and ongoing changes in order to create new subsequent configurations (patterns) as entrepreneurship context? The suitable important motion is co-alignment, the idea of mutual influence between organization and its environment. The organization adapts to its environment, and creates new competitive environment by means of entrepreneurial (innovative, high growth potential) ventures which have strategic direction (formal goals related to sustained competitive advantage). Aldrich’s emphasis on emergence seem well placed on this topic. Organizations, populations and communities emerge, change, and evolve over time. Historical conditions and social processes affect how entrepreneurs construct new organizational forms.

Entrepreneurial sequence “opportunity – vision and mission – strategy – business plan – venture” forms long-term guidance from conception to wealth creation and quality of co-alignment. The organization’s entrepreneurship co-aligns it with the environment by building and modifying the organization’s resources, competences, organizational architecture to respond and influence environmental conditions and developments. In short, entrepreneurship is some kind of dynamic creation and coordination where opportunities and actions are reconciled. Entrepreneurship and strategic management are fundamental for

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growth of organizations co-evolving with its environment. The interplay of internal and external actors create different growth paths characterized by empowerment and proactivity\(^{23}\) that are incommensurate with perceived unpredictability, instability, complexity, ambiguity, uncertainty of action circumstances\(^{24}\). Taylor and Van Every argue: “the enactor, the environmental and organization were all co-created in the same enactment, none of them preceded the others, and thus, no could have been the progenitor on the others”\(^{25}\). However, the next step to be done and sort out what is important, a fuller treatment of agency, power, and politics is crucial to create an overall framework that provides value well beyond metatheoretical debates.

I find considerable value in using the co-evolutionary perspective organization to study entrepreneurship formation. In recent years co-evolution of an organizations and environment, defined as mutual adapting to and joint creating new landscape\(^{26}\) where cooperation and competition intersperse have drawn considerable attention in the strategic management and entrepreneurship field\(^{27}\). Organization’s effectiveness is an outcome of co-evolution of the organizational and environmental context of entrepreneurship faces over time. The context is changing with entrepreneurial actions. For example, shaping and development of idea co-evolve with exploring and gaining new resources\(^{28}\). This co-evolution is sustained through entrepreneurial way of perceiving, thinking, reasoning and acting aimed at creating, shaping, recognizing, interpreting, seizing and pursuing unformed opportunities. The entrepreneur needs to co-evolve with (perhaps manage) – that is selectively identify, respond and influence – entrepreneurship context, which particularly includes actors (individuals, groups, organizations, or a set of individuals and organizations). Actors’ attributes, behaviors, resources, competences, strategies, relationships and interactions define and limit


for a meaningful period of time what opportunities one can successfully seize and pursue. Thus the co-evolution framework establishes a bridge between strategic management and entrepreneurship literature.

In general, I suggest that challenges entrepreneurs face operate at several different levels (individual, group, organization, environment). Specially there are some environmental aspects, that are states, forces, developments important for entrepreneurial success. In a related vein entrepreneurship researchers should bestow attention on cultural\textsuperscript{29}, regulative, cognitive, normative\textsuperscript{30} aspects and knowledge management context. Knowledge management significantly nurtures entrepreneurship; therefore suitable environmental context is crucial for releasing the people’s energy to succeed in the field\textsuperscript{31}. More general political, economic, social, technical environment dimensions also play significant role in entrepreneur’s success and enterprise’s effectiveness.

3. Entrepreneurial management and organizational enablers

Starting at the organizational level, it is necessary to modify the current structured view of organizations and think of them as a configuration of characteristics, or properties, that vary from class of organization to another. Organizations could be construed as different configurations of stimuli reinforcement structures, or different configurations of constraints which individuals are exposed to.

Even thought the entrepreneurship literature contains no agreement as to what in particular should be included in a processual core\textsuperscript{32}, I believe that to


identify core elements, the notion of reconciliation among the elements of entrepreneurship plays a key role. Entrepreneurial management is a conceptual framework for describing the phenomenon. Day defines entrepreneurial management as “all management actions and decisions concerning the creation of new business and the related development of innovation from new or reconfigured resources, regardless of the scope of such development efforts (i.e. from start-ups to large established firms)”\(^{33}\). The process focuses on value creation, opportunity recognition, discovering tomorrow’s enterprise today, development and growth\(^{34}\). Dess, Lumpkin and McGee discuss the suitability of modular, virtual and barrier-free design\(^{35}\).

The issue at hand now becomes a question of building future enterprise by entrepreneurial management relating to rapidly growing various creation endeavours. The resources of entrepreneurial management include not just traditional ones but start-up experience, ability to gather funding, coordinated knowledge of an opportunity and of how to obtain and exploit undervalued resources, decision-making heuristics unknown to others that entrepreneurs utilize to impart meaning to an uncertain and complex ambiguous situations, alertness giving special insight into opportunities with the greatest potential return, power dynamic that leverage knowledge\(^{36}\) and, recently, social capital\(^{37}\), attention\(^{38}\), time\(^{39}\). Compared to tangible resources, entrepreneurial resources are more intangible, socially complex and difficult to understand and imitate. Context-dependent entrepreneurial actions and processes are needed to create sustainable heterogeneous enterprises that create sustainable long-term effectiveness. The


point being that how entrepreneurs think making strategic transparency and decisions, overcome core rigidities, reduced experimentation, reduced incentive intensity, and increased strategic transparency are at the heart of enterprise heterogeneity and sustainability but is insufficient for predicting its ultimate success or failure. Organizational architecture that shapes how an enterprise uses its resources is also important. In conclusion, entrepreneurship may be facilitated or imposed by the existence of enterprise resources, including capabilities or competences that combine or span isolated resources, and organizational architecture-practices, policies, routines, processes, behaviors that are tied to an enterprise in some relatively permanent fashion.

Entrepreneurship dynamics integrate entrepreneurial behaviors, strategic paradoxes, environment and co-evolves with regard to ideology. Meeting the requirements of studying factors influencing and constituting entrepreneurship process is based on the dynamics of social processes. Divergence of ideology (formally reflected in strategic intent, goals, and targets) and perceived conditions of venture realization shape instrumental orientation of entrepreneurship – the fulfillment process. Organization’s key elements (organizational culture, power and leadership, people, strategy, structure and systems, resources and competences) yield context of creating, shaping, recognizing, interpreting, seizing and pursuing opportunities. Establishing organizational context conducive to entrepreneurship – ideologically forming strategic responsibility and knowledge-based community of practice, politically building organization’s vitality and joint learning, cognitively outlining discretion of competitive manoeuvres and experimentation, behaviorally shaping organizations flexibility and improvisation, administratively designing structure – environment alignment and self-organization, creatively mobilizing resources and competences – is a core task for the entrepreneurial management.


The organization is a source of entrepreneurial behaviors and restrictions. Simultaneously it is submitted to entrepreneurial actions. Entrepreneurship fulfilment is carried on by interactions of organizational structures and entrepreneurial processes. This dialectical process limits ongoing entrepreneurial behaviors, and at the same time follows the framework created by reconciliation of contradictions.

Dialectical reconciliation is a term used to distinguish entrepreneurial mode of behavior from random actions and completely autonomous behaviors. Entrepreneurship reconciles opportunities and actions, vision and venture, resources and organizational architecture, achievement of long-term equity value and short term profitability, creativity and discipline, internal and external aspects of managing change. One of the most confounding aspects of the entrepreneurial process is its contradictions which mould the idea into opportunity, and the opportunity into business. I fully recognized that ultimately, they are carried out by humans beings embodied in power relations.

Clue to a reconciliation riddle on the organizational level are contradictions promoting coexistence orientation which integrates core elements into internal fit. Reconciling units fifth primary and ten secondary contradictions that can be explored using the framework shown in Table 1. Siggelkow has argued that four processes are central to description how organizations develop toward internal fit and their transitions between such configurations of tightly reinforcing elements: thickening (reinforcement of an existing core element by new elaborating elements), patching (creation of a new core element and its reinforcement by new elaborating elements), coasting (no further elaboration of a new core element in a given period), and trimming (deletion of core element and its elaborating elements). The process resonates strongly with the concept of organizational enablers being the temporary outcomes of contradictions reconciliation. An organizational enabler usually reinforces at least one entrepreneurship core element that has a high interdependency with current entrepreneurship elements and significant influence on future entrepreneurship elements. An organizational enabler may interact with more than one entrepreneurship element and with other organizational enablers as well. The organizational enablers are levers of entrepreneurial management as facilitating and improving emergence, initiating, growth, harvesting, restarting new ventures. Organization becomes an incubator and accelerator of entrepreneurial behaviors and actions: the true enterprise as understanding a misunderstood concept. The modern organizations

need to operate as entrepreneurial businesses that are stable across situation and time. I believe that entrepreneurship elements, its enablers, and interactions among these create different configurational types. Probably the critical differentiator between these configuration and patterns of their development paths is the organizational understanding the nature of time. If the role of organizational contradictions, organizational enablers, dimensions of organizational time, and inner entrepreneurship contradictions is crucial, than a major challenge for managers and entrepreneurs can be the achievement of an appropriate reconciliation between these key elements of implanting entrepreneurship. Organizational architecture has a strong impact on the formation and incidence of entrepreneurial behaviors, which in turn affect the strategic orientation displayed by these organizations.

Table 1

<table>
<thead>
<tr>
<th>Element of Architecture</th>
<th>Primary Contradiction</th>
<th>Secondary Contradiction</th>
<th>Organizational enabler of entrepreneurship</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Culture</td>
<td>Strategic responsibility (top-down and bottom-up guidance)</td>
<td>Knowledge-based community of practice</td>
<td></td>
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<tr>
<td></td>
<td>Business ethics (profitability and social responsibility)</td>
<td>Value management</td>
<td></td>
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<tr>
<td></td>
<td>Empowerment (speed and depth of problem solving)</td>
<td>Representative decisions</td>
<td></td>
</tr>
<tr>
<td>Power and Leadership</td>
<td>Organization’s vitality (global technocratic and local, humanistic view)</td>
<td>Joint learning</td>
<td></td>
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<tr>
<td></td>
<td>Strategic thinking (rational and generative thinking)</td>
<td>Integrative, comprehensive thinking</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Diplomacy-politicizing (exploitation and creation of knowledge)</td>
<td>Knowledge management</td>
<td></td>
</tr>
</tbody>
</table>


Unique organizational architecture is consciously developed and autonomously emerges. These architectures are composed of a more or less coherent set of organizational elements blended into the whole. I suggest entrepreneurial organizational architectures contain within them the dialectical seeds of creative self-destruction. The list of organizational enablers is certainly incomplete. Admittedly, the enablers presented here are potentially overlapping. Nonetheless, I hope that those interested in entrepreneurship will find the list of enablers thought-provoking.

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Organizations manage and leverage entrepreneurial activities in an approach that is consistent with expectations of critical stakeholders. What are entrepreneurship building activities and processes and how can organizations best balance the desire for entrepreneurship against other imperatives? Are certain managerial orientations more successful in leveraging and protecting entrepreneurship? The important entrepreneurship policy question is whether existing organizational infrastructures are effective in meeting the needs and expectations of entrepreneurs. I have explored the effect of organizational infrastructure on wealth creation through new venture creation, proactivity, innovation, risk taking and aggressive opportunity seeking. While considerable progress has been made, I believe that substantial components and manifestations of organizational infrastructure and its contingent influence on entrepreneurship and its outcomes are yet unexplored, providing new areas for scholarly inquiry. In this vein it may be possible that the need for special organizational infrastructure deserves further, more critical evaluation.

The common message is that organizing for entrepreneurship is a journey; entrepreneurship is not a stable destination. But there are orientations (principles) that are enduring and help to achieve the practical balance between thought and action, between opportunities and behaviors. A clear theme running through the organizations is the ongoing need to achieve a suitable reconciliation between apparently contradictory dualities. One of the key management challenges for untapping entrepreneurship potential is to learn how to reconcile these contradictions appropriately, and not to stray too far in one direction or other. For example, entrepreneurship efforts demand both flexibility and sustainability, but certain activities may foster one, while impending the other. It is interesting to note that moving towards both ends of such contradictions is likely to provide useful avenue to high-performance entrepreneurship. Harmonizing, integration by managing dynamic tension within organization’s elements and between them offer interwoven approach to entrepreneurship context; a paradoxical blend of thinking and acting enhances effectiveness in creating, shaping, recognizing, interpreting, seizing and pursuing opportunities. This is important as organizational research is often in danger of reinventing the wheel.

Entrepreneurship and organizational contradictions are fundamental to understanding entrepreneurial achievement and successful effectiveness of organizations so they can do more with less in order to survive, grow, gain competitive advantage, create wealth. Moreover, through the process of reconciling one is able to identify the changes which would be required in content and context to develop, implement and operate the entrepreneurship more effectively.
It is worth noting, however, that there is the inertial movement toward the solution needing minimal energy to become realized. Therefore reconciliation integrates elements of enterprise (organization) around ideology that is the most difficult and the most expensive to change. Co-evolution of enterprise, environment, and entrepreneurship is ideology guided. This long-term direction has main tendency to adopt within the given state of integration by reversible changes that transforms into an opposite pro-activity towards creation new state of integration by irreversible changes. These forces require appreciation and reconciling.

4. **Entrepreneurial behaviors in strategic contradictions context: An empirical investigation**

4.1. **Research objectives and hypothesis**

One of the objectives of the research taken by the Author was to answer the question, whether, and to which extent organizational architecture determines the intensity of entrepreneurial behaviors. The following research hypothesis has been formulated:

\[ H1: \text{Strategic contradictions reconciliation influences the intensity of entrepreneurial behaviors in organizations.} \]

4.2. **The tool**

The Chair in Entrepreneurship research team recently created a tool for assessing the level of strategic paradoxes reconciliation in Polish companies. The questionnaire used consisted of fifteen questions divided into two groups. The first group concerns the primary strategic contradictions: (a) top-down vs. bottom-up guidance, (b) global technocratic vs. local, humanistic view, (c) emergent vs. planned strategy, (d) stability, continuity vs. adaptiveness, innovativeness, (e) tightly vs. loosely coupled organizational architecture. The second group is comprised of secondary contradictions: (a) profitability vs. social responsibility, (b) speed vs. depth of problem solving, (c) rational vs. generative
thinking, (d) exploitation vs. creation of knowledge, (e) physical vs. intellectual capital, (f) economic vs. social partnership, (g) precision vs. speed of communication, (h) revolutionary vs. evolutionary changes, (i) control, coordination vs. autonomy of organizational units, (j) accuracy vs. nimbleess of strategic responses. The questions were constructed in a way making it possible for respondents to evaluate the two dimensions of given contradiction from 1 (very low degree) to 7 (very high degree of agreement with the statement). The questionnaires were addressed to medium- and top-level management.

The obtained results were put on a strategic contradictions managerial grid. The grid is based on two axes (reflecting each dimension’s evaluation) graded from 1 to 7 (see Figure 1).

![Figure 1. The strategic contradictions reconciliation grid](image)

The ability to reconcile a given contradiction is calculated as distance from the top right corner of the grid (point with coordinates 7; 7) to the point with coordinates reflecting the questionnaire answer (x, y). This distance is calculated for each of primary and secondary contradictions according to the following equation:

\[ d = \sqrt{(7-x)^2 + (7-y)^2} \]

According to Figure 1, we may say that the greater value of the distance \( d \) is, the weaker effectiveness of an organization in reconciling the strategic contradictions. Thus, the point with coordinates \((7;7)\) reflects the ideal situation \((d=0)\). The point with coordinates \((1;1)\) worst result (strategic contradictions reconciliation profile = 8.49). Every particular organization has general indicator as average of fifteen results.

The calculated values make it possible to define the situation of the researched organization as a context of entrepreneurial behaviors. In order to verify the constructed hypothesis, we calculated the correlation between the strategic contradictions reconciliation and the intensity of entrepreneurial behaviors, where the latter was the dependent variable. We analyzed results using SPSS PL for Windows.

The literature in the field makes it possible to systematize the kinds of entrepreneurial behaviors\(^\text{50}\). The up-to-datedness of the empirical research, and new tendencies in the literature of entrepreneurship made us change and extend the list of these attributes\(^\text{51}\). The full list of thirty eight entrepreneurial behaviors is presented in Table 3. The empirical material and data about entrepreneurial behaviors was also collected by means of questionnaires. The respondents were to indicate the digit on the seven-grade Likert scale \((1 – I \text{ totally agree}, 7 – I \text{ entirely disagree})\), which best reflected the intensity of a given entrepreneurial behavior in a researched organization.

### 4.3. Sample

The research was carried out in 2000 and 2001. The sample consisted of organizations from the region of Upper Silesia (Southern Poland). The random sample of one hundred seventeen organizations was constructed. It was then divided according to the activity (in compliance with the European Classification of Industrial Activity). 35% of researched organizations dealt with production, 22% with trade, 7% with transport, storage and communications, 6% with financial services. Other branches represented 5%.

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The sample was divided also as to the period of existence (from starting up) on the market. 13.7% organizations existed up to 5 years52. 55.5% from 6 to 13 years, 3.4% from 14 to 21 years. 27.4% existed over 22 years53. The structure of the sample as to the number of employees figures can be presented as follows54: 1-50 employees – 40.2%; 51 to 100 employees – 5.1%; 101 to 250 employees – 15.4%; 251 to 500 employees – 12%; from 501 to 1000 employees – 6%; from 1001 to 1500 employees – 3.4%; over 1501 employees – 17.9%. The researched companies differed as to annual gross revenues. An average gross revenue was estimated at 6.49E+08 zl while the median was 3170851.5 zl (50% of the sample has revenues not lower than this figure, 50% not higher). Minimal revenue was 4124 zl, maximal one 2.54E+10 zl. Only three companies had revenues over 1.1E+10 zl.

4.4. Data and Analysis

The research made it possible to assess the ability of Polish companies to reconcile strategic contradictions. The results varied from 0.47 (most effective reconciliation) to 6.75 (worst result). The results show, that the majority of companies belong to the group facing the alert situation – one hundred and three companies (88% of the sample) out of one hundred seventeen organizations obtained average results between 2.84 and 5.66. However, there are many differences in the profiles of strategic paradoxes reconciliation for different organizations. Nine organizations had lowest values (7.7% of researched organizations) thus constituting the group of most effective organizations as far as strategic paradoxes management was concerned. Following Table 2 only 5 organizations (4.3% of the sample) obtained results over 5.67, which made us classify them to the group of organizations managing strategic paradoxes in a worst way and being in a state of strategic threat.

52 The first range of firm existence (up to 5 years) was described by: K.A. Bantel (1998): Technology-based “adolescent” firm configurations: Strategy identification, context, and performance. Journal of Business Venturing 13 (3): 205-230. He argued that most new companies go under before 5th year from starting up.
Table 2

Organization’s competences of strategic contradictions reconciliation.

<table>
<thead>
<tr>
<th>Range</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 – 2, 83</td>
<td>Organization is able to reconcile contradictions and manage the key paradoxes, thus proving its effective management</td>
</tr>
<tr>
<td>2, 84 – 5, 66</td>
<td>Organization is in an alert situation. This is a typical result for majority of companies. The special attention has to be paid when high results occur in case of many contradictions</td>
</tr>
<tr>
<td>5, 67 – 8, 49</td>
<td>There is a threat for organization. Managers are ineffective and organization has found itself in real dire straits of strategic contradictions reconciliation.</td>
</tr>
</tbody>
</table>

The results show, that properly created organizational architecture – effective reconciliation of paradoxes is positively correlated with the intensity of each entrepreneurial behavior in researched companies (Table 3). To be more precise, there are no reasons to reject the hypothesis that the strategic paradoxes reconciliation influences the intensity of entrepreneurial behaviors.

Table 3

Results of correlation analysis between strategic contradictions reconciliation and intensity of entrepreneurial behaviors

<table>
<thead>
<tr>
<th>Entrepreneurship attributes</th>
<th>R Pearson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>1. Initiative</td>
<td>0.54497</td>
</tr>
<tr>
<td>2. Sense of authority</td>
<td>0.21154</td>
</tr>
<tr>
<td>3. Tendency to risk taking</td>
<td>0.25508</td>
</tr>
<tr>
<td>4. Uncertainty tolerance</td>
<td>0.27681</td>
</tr>
<tr>
<td>5. Flexibility in thinking and acting</td>
<td>0.48605</td>
</tr>
<tr>
<td>6. Creative thinking</td>
<td>0.48148</td>
</tr>
<tr>
<td>7. Independence in decision taking</td>
<td>0.41523</td>
</tr>
<tr>
<td>8. Ability of problem solving</td>
<td>0.36877</td>
</tr>
<tr>
<td>9. Strong need of achievement</td>
<td>0.47989</td>
</tr>
</tbody>
</table>
Further on, by means of factor analysis we found the strongly related groups of behaviors in companies most effectively managing strategic paradoxes. They were: initiative, risk taking, creative thinking, strong need for achievement, sense of individual responsibility, professional attitude, opportunity identification, aggressive taking advantage of opportunities. They present a coherent group of potential management influence on entrepreneurship practices.
5. Theoretical implications and future research

The central question in the paper is dealing with both how entrepreneurship and effectiveness are determined and with what the determinants are. Enterprises and societies try numerous strategies to foster entrepreneurship, however these strategies are often unsuccessful. Given the increasing use of different approaches, methods and techniques to promote entrepreneurship it is surprising that little is known about processes moderating the relationship between individual, organizational and societal entrepreneurship, their determinants, and their interrelationships.

The starting points to think about entrepreneurship is the set of assumptions concerning the function and development of an organization, with no universal or long-lasting solutions. Entrepreneurship is unavoidably a complex process. I attempted to emphasize the meaning of this complexity by describing the way of thinking about it, understanding it and managing it according to the logic presented in Figure 2. Moreover, this figure shows an integrated view on entrepreneurship, while outlining methodological limits of its exploration. It shows more detailed explanation of the nature of methodological concept presented here, as well as wider research project, the initial results of which have already been presented55. The above mentioned empirical model defines variables and the most important relations among them. They are the subject of interest of the Chair of Entrepreneurship at the Karol Adamiecki University of Economics in Katowice for the nearest future. The model presents the synthesis, which helps not to get confused in the ocean of assumptions, contexts and outputs of dialectics of entrepreneurial process. However, as each simplified scheme, this one also results in dressing the organizational reality.

I understood entrepreneurship as a superordinate and continuous organizational process for maintaining and improving the organization’s effectiveness by enabling and realizing endeavours (endeavour may not be result of deliberate planning but can also emerge). Entrepreneurship is viewed as a process, a progression, which includes the sequences of opportunities (events) and behaviors (activities) over time. It deals mainly with those aspects that can be shaped by organizational (particularly managerial) initiatives.

Entrepreneurial behaviors:
• Initiative
• Tendency to leadership
• Risk taking
• Flexibility in thinking and acting
• Creativity
• Proactive problem solving

Organizational Entrepreneurship
Entrepreneurial behavior:
- Initiative
- Tendency to leadership
- Risk taking
- Flexibility in thinking and acting
- Creativity
- Proactive problem solving

Positive Self-organized transitions
Self reference
Increased capacity
Interdependent organizing

Entrepreneurial Outcomes
Innovations
New ventures
Renewed organization
New rules of economic game

Vitality in transition economy
Performance:
- Survival
- Competitiveness
- Immortality

* SCR – Strategic Contradictions Reconciliation

**Figure 2. Antecedences and Consequences of Organizational Entrepreneurship. A Conceptual Model for Empirical Research**
The dialectical perspective points to an important contribution of the study: organizational context of entrepreneurship created by ongoing reconciliation of primary and secondary organizational contradictions. Despite growing evidence showing that extreme, quick, fixed solutions are ineffective, entrepreneurs still appear to make this a frequent practice. Future research should provide both theoretical insights into the entrepreneurship issues related to entrepreneurship and facilitating it. Otherwise we risk throwing the baby with bathwater and damaging one of the key levers of organizational renewal.

For space and parsimony reasons, I have illustrated only dominant organizational enablers that are involved in entrepreneurial competence as the ability of organizations to create, shape, recognize, interpret, seize and pursue opportunities of relevance to the effectiveness. The results extend prior research on entrepreneurship by showing an element of overarching framework of driving a coherent research agenda centred on interlinked concepts, revealing perspectives on entrepreneurship issues to underpin further direction of future knowledge creation and accumulation.

Although my work is a crude beginning and failure is seen as learning experiment, I believe there will be a long-term gain from pursuing research in this direction. These future results should enlarge entrepreneurship theory by illuminating how organizations can entrepreneurially enhance their life chances and effectiveness. The question I raise about my entrepreneurship framework is: can enterprises (organizations) simultaneously address all elements and kinds of main interactions, on the assumption that there are positive aspects associated with each one? The broad line of inquiry would investigate of the organizational consequences of having followed entrepreneurship strategy rather than a different developmental pattern. I hope to have laid foundation on which future research efforts can be built that will further increase our understanding of organizational development toward authentic enterprise, and in process, the origins of “misentreprenurship”.

In addition to providing theoretical framework, the model has also potential in the context of practical implanting of entrepreneurship and redefining organization in enterprise categories. For this reason it is reasonable to believe that clarification of antecedents and consequences of entrepreneurship will provide important insights about how to increase the effectiveness of enterprise that will help managers wrestling with multiple entrepreneurship dimensions.

A complete response to the question about nature of entrepreneurship is beyond my space and understanding. Nevertheless, it also seems apparent that successful entrepreneurs make heavy use of self-directed initiatives reflecting the organizational and entrepreneurial characteristics portrayed in the framework.
Sadly, the constructs that I identify as potentially important factors in the attainment of entrepreneurial competence are beset by problems of conceptualization and measurement. Clearly there is need for more scientific work and clarifying the conceptual nature of these factors, and to refine the measurement techniques as a basis for operationalizing them.

Another potential line of inquiry might investigate the degree of linkage between different approaches to organizational contradictions and the way in which entrepreneurship is accomplished. Future study maybe will show the value of organizational enablers for developing deeper understanding of key descriptive and prescriptive issues concerning organizational architecture of entrepreneurship in organizations.

Finally, to achieve congruence with complex entrepreneurship practices one should take time seriously as strategic resource. Temporal analysis of entrepreneurship issues and tensions, multidimensional theoretical framework of time and empirical data, would increase arguments what conception of time must we use to increase effectiveness. A more complete description of the entrepreneurship time, namely, will deepen our understanding what distinguish reconciling opportunities and action.

I think that the further development of applicable theory will broaden the knowledge about relations presented in the paper, and that will make possible to work out verifiable hypotheses. This statement can be treated as my suggestion for scientific research program oriented towards discovering the potential of mutually related set of ideas concerning organizational architecture of entrepreneurship.