3 Researching entrepreneurship as lived experience

Henrik Berglund

Introduction

> The basis of a *science* of conduct must be fixed principles of action, enduring and stable motives. It is doubtful, however, whether this is fundamentally the character of human life. What men want is not so much to get things that they want as it is to have interesting experiences. And the fact seems to be that an important condition of our interest in things is an element of the unanticipated, of novelty, of surprise. We must beware of the temptation to judge the nature of our conduct by the way in which we think about it.
>
> (Knight 1921: 53–4)

It is often recognized that entrepreneurship is to a great extent a form of art, a practice-oriented endeavour that requires a sensitive and committed engagement with a range of phenomena in the surrounding world. Still, much of the research and theory development favours large studies and positivist epistemology (Chandler and Lyon 2001), where the liveliness of entrepreneurship tends to be suspended in favour of 'scientific rigour'. There is, however, a growing interest among entrepreneurship researchers to expand the methodological toolbox and widen the scope of inquiry. In introducing a special issue on entrepreneurship theory development, Phan (2004: 619) emphasized the need for diverse and dynamic methods, claiming that 'to develop a catechism founded on positivist empiricism may hide the very grail we seek'. Instead Phan and many others (e.g. Busenitz et al. 2003; Steyaert 2003) urge researchers to complement research focused on individual and decontextualized factors with investigations of emergence, interpretation and intersections of various kinds. Sarasvathy (2004) thus invokes Simon (1996) to encourage a focus on the artificial, i.e. the interface between inner and outer environments, and proposes the rubric of design as a useful metaphor for entrepreneurship. Similarly Gartner et al. (2003) see enactment (Weick 1979) as a constructive way to comprehend opportunities in the context of entrepreneurial action.

This emphasis on enactive design and interpretation is congenial to philosophical phenomenology and phenomenologically inspired methodologies. At the core of phenomenology is an emphasis on 'returning to the things themselves', i.e. to the meaningful ways in which things are experienced,

made sense of and enacted in everyday life. A thing in the phenomenological sense does not exist primarily in and of itself, but rather in the meaning that individuals attach to it. Such a conception of phenomena is fundamentally different from 'things' as normally conceived, i.e. in the sense of objective and *a priori* meaningful entities or institutions. This is not to suggest that there is no 'material world' out there, but rather that the world as we experience it is always meaningful to us. In the words of Maurice Merleau-Ponty (2002: xxii) we are 'condemned to meaning'. It is consequently the meanings things have for us, not the things in themselves, that affect our thoughts and behaviours and therefore these become a relevant focus of investigations.

The goal of phenomenological methods is to study the meanings of phenomena and human experiences in specific situations, and to try to capture and communicate these meanings in empathetic and lucid ways. As the entrepreneurship field is still young and grapples with fundamental issues such as the nature and role of entrepreneurial opportunities (Gartner et al. 2003), phenomenology could prove helpful in many ways. Phenomenological methods, as described below, can serve as a powerful tool for exploring and enriching received theoretical constructs such as risks and opportunities, by investigating how entrepreneurs actually interpret and enact them (e.g. Berglund and Hellström 2002). Phenomenology can also be used more directly to explore what meaningful experiences and strategies are associated with different situations such as deciding to start a venture or seeking financial assistance.

The ambition of this chapter is to introduce briefly some relevant aspects of philosophical phenomenology and to exemplify how phenomenological methods can be used to investigate entrepreneurship. To accomplish this, the chapter is structured as follows. First there is a brief review of the phenomenological tradition through the writings of Edmund Husserl and Martin Heidegger. This review is followed by a discussion of how the insights of philosophical phenomenology can be formalized and translated into practical guidelines for entrepreneurship research. Thereafter phenomenological method is illustrated through a worked example of entrepreneurial risk enactment. After that the potential contribution of phenomenological methods to entrepreneurship is elaborated in some detail, especially in relation to cognitive psychological and discursive approaches.

Phenomenological philosophy

Phenomenology deals with a fundamental philosophical question: What is real? In our everyday lives, the realness of the things we encounter is seldom questioned. In modern philosophical discussions, however, the question is often central, and many contemporary social theories such as social

constructionism (Berger and Luckmann 1966) and structuration theory (Giddens 1984) draw explicitly on the phenomenological tradition in addressing it.[1]

In the Cartesian tradition the human mind is seen as a passive interpreter of sense data. Phenomenologists object to this description and instead see humans as intentional beings, meaning that each person always actively configures meaning by imposing order on the world (von Eckartsberg 1986). Phenomenologists thus argue that the world and the objects we perceive exist to us through the meanings we give to them, through an act of interpretation. This does not necessarily deny the existence of an external physical world independent of our perceptions, but it does imply that the only way things exist to us is through the way we interpret and give meaning to them. Things such as books, business partners or risks may in this sense exist as more or less independent entities, bombarding us with sense data of different kinds. However, this is not how we know and experience them. Instead, we live in a world filled with books, business partners and risks because we stretch forth into the world and interpret it in terms of those familiar objects. This interpretative way of relating to the world should, according to phenomenology, form the basis for statements about reality (Karlsson 1993).

The contemporary development of phenomenological methodology is rather diverse and has taken place mainly in pedagogy (van Manen 1990), nursing (Benner 1994), and as a general methodology in psychology (von Eckartsberg 1986; Giorgi 1985; Smith 1996). These methods are also influenced by related and more contemporary developments in philosophy and social science such as symbolic interactionism and social phenomenology, and by other phenomenologists and hermeneuticists such as Maurice Merleau-Ponty and Hans-Georg Gadamer. However, phenomenological methods tend to draw mainly on ideas originally developed by Edmund Husserl and Martin Heidegger (Koch 1995; Crotty 1996; Paley 1998). Therefore the following section introduces Husserl's and Heidegger's ideas regarding the nature and basis of human knowledge before discussing phenomenological methods.

Husserl and transcendental phenomenology
Edmund Husserl is commonly recognized as the father of modern phenomenology. He started his career as a mathematician but then turned to philosophy, where he found that the prevailing scientific method was failing to provide true knowledge. Measuring only empirically available properties of reality, unconditional truth was always going to be beyond the reach of scientific inquiry. In Husserl's view the problem was that psychologists and others who tested hypotheses and used specific measurement methods were

epistemologically flawed because they focused too much on operational definitions and contingent measures, and too little on actual human experience (Colaizzi 1978).

Husserl, who aspired to establish philosophy and science on 'a basis of unimpeachable reality' (Lauer 1965: 4), was certain that true knowledge could not be reached by observation of empirical manifestations. To Husserl knowledge had to be grounded in individuals' experiences and his alternative was therefore to return to 'the things themselves' (zu den Sachen selbst), i.e. to focus on how individuals truly experience and understand phenomena in their everyday lives. This meant a radical empiricism grounded in an intuitive and unbiased understanding of phenomena as they present themselves to consciousness.[2] In focusing on consciousness and not the empirical world, Husserl wanted appreciation to be holistic and comprise all conceivable aspects of an experienced phenomenon. Therefore he gave no priority to that which was deemed scientific or *a priori* real. The basis for true knowledge of a phenomenon or thing was to be found in the whole range of experiences we have of it as we experience it in everyday life. Phenomena should therefore be analysed for what they are, intuitively and directly, not as what they mean, theoretically and from a particular standpoint.

Husserl wanted to establish a solid and universally valid ground for knowledge about phenomena. To accomplish this, he developed a process consisting of a number of steps aiming to eliminate all preconceptions and reduce experienced phenomena to their essences (Husserl 1982). To Husserl it is because our experiences are grounded on such essences that we are able to find order in our experiences and recognize a meaningful world of things (ibid.: 105). In short, this process entails two steps. First, when meditating on a phenomenon one should bracket or disregard one's natural attitude to things. All the socialized and learned prejudices we have should be suspended so that the phenomenon being contemplated emerges as pure phenomenon. Second, the essential nature of the phenomenon is reached by elaborating it in our minds. By freely and imaginatively varying and thematizing different aspects of the phenomenon, we are able to understand the limits of its identity, which are its transcendental essences and which are its conditional features. Take for example a book: the number of pages and colour of the cover may be seen as conditional features, whereas the existence of pages and a cover may be considered essential.

The goal is thus to focus on the phenomenon as experienced in the everyday life world, then completely bracket its contingent aspects and elaborate the meaning of the pure phenomenon in order to understand its essence. This may seem paradoxical, drawing on a holistic appreciation of life-world experiences and then suspending these in order to reach transcendental essences. It is important, however, to remember that Husserl was strongly

influenced by Cartesianism, with its rational ambitions and division of the world into consciousness and matter. From that perspective there could be no other true basis for knowledge than consciousness.

Heidegger and hermeneutic phenomenology

Heidegger was a student of Husserl's but reacted to his teacher's Cartesianism. In fact ever since Plato philosophers had appealed to some form of higher ground to validate worldly experiences. Plato had the ideal world, Dark Age philosophers had God and Descartes had the subject's experience of being. Husserl, while emphasizing the importance of a holistic understanding of experiences, saw no other option but to retreat to transcendental essences when explaining how we can truly know the world.

Heidegger endorsed Husserl's focus on a holistic appreciation of the world and of phenomena, but fundamentally opposed the idea of bracketing as a means of reaching true knowledge (Heidegger 1962; Dreyfus 1991). To Heidegger we always already exist in-the-world and it is therefore in our ever ongoing and situated activities that the source of meaning is ultimately located.[3] As for Husserl, physical objects or sensory data have no meaning in themselves, but as opposed to Husserl, Heidegger did not believe that our experiences rely on transcendental essences to make sense. Meaning instead resides in what Heidegger called a referential totality: the historically learned practices and background understandings we have of the world as a holistic web of interrelated things. Meaning is thus not some stable essence that is *mediated* by interpretations and that can be reached by bracketing or digging through our holistic web of experiences and practices. Meaning resides *in that web*. As an example, consider the following description of coming to a home and being greeted by the smell of freshly baked cookies:

> The pleasant associations we have with the smell of freshly baked cookies are not created by us exclusively, and certainly not at the moment of walking in the door. They are memories of our own previous pleasurable experiences with cookie baking, and they tap into social memories of the meaning of home cooking and a caregiver welcoming us, and deeper human memories of being fed and protected by caregivers. Those memories swirl around us. They are not confined to some dusty file cabinet in the mind, waiting to be called up so we can interpret that lovely smell. They come to light because the fragrance has directed our attention to them. The fragrance is part of a holistic matrix of things and relations that say homely pleasures, care and love. (Steiner 2002)

The meaning of a phenomenon is consequently a result of the historical and holistic ways in which a person has come to make sense of a certain aspect of the world. Similarly, the world becomes better known to us as individuals when we look at more and more aspects of the world and our lives, and try to relate these to each other in an ever more comprehensive

structure (Dreyfus 1991: 32). Heidegger's phenomenology thus rests on a truly holistic understanding of the world where understanding any aspect requires knowledge of the greater context of which it is a part.

Phenomenological methods
It is clear that Husserl and Heidegger differ in some of their basic assumptions. These differences are briefly summed up in Table 3.1. Despite these differences, Husserl, Heidegger and other phenomenologists all reject 'natural science' approaches and propose a 'human science' model of understanding human experiences. In doing so they acknowledge that as researchers our privileged access to meaning lies not in measures and numbers but in our capacity to understand and find meaning in other people's stories and experiences (von Eckartsberg 1986). They also share a radical bottom–up approach to understanding reality which emphasizes the role of 'the things themselves' as they present themselves as meaningful to individuals in everyday experiences. In so far as behaviour and thinking are truly influenced by the meanings phenomena and situations have for us, this is a significant point with methodological consequences. It suggests that an important goal of entrepreneurial research should be to capture and communicate the meaning of entrepreneurs' experiences in everyday life.[4]

When moving from philosophy to methodology it is common to distinguish between reflexive and empirical methods, where reflexive researchers use their own experience as data (Colaizzi 1978). It is of course possible to conduct reflexive phenomenological research in entrepreneurship, but this would require the researcher to be in a suitable position to do so, something that is not very common (see, however, Johannisson 2002). There are also differences among empirical methods, some of which lean toward Husserl's

Table 3.1   Summary of differences between Husserlian and Heideggerian phenomenology

	Husserl	Heidegger
Metaphysical focus	Epistemological	Ontological
Description of the individual	Person living in a world of objects	Person exists as being in and of the world
Knowledge	Ahistorical	Historical
Enabling the social	Essences are shared	Culture, practices and history are shared
Method for gaining knowledge	Bracketing affords access to true knowledge	Cultural interpretation 'grounds' any knowing

pure descriptions and some of which emphasize the hermeneutic elements of Heidegger's phenomenology (e.g. Karlsson 1993; Colaizzi 1978; Moustakas 1994). As seen above, Husserl sought transcendental knowledge and developed an intricate method for suspending conditional features in order to reach transcendental essences of consciousness. Heidegger on the other hand saw human beings as part and parcel of the world, and therefore saw engaged coping and being immersed in the historically developed web of practices and background knowledge as the fundamental basis for knowing. To illustrate the variety of phenomenological methods available I will briefly present two approaches that can be said to represent polar positions in this respect.

Objectively describing the essential structure of a lived experience
Amadeo Giorgi (1985) represents a Husserlian tradition that seeks to transfer Husserl's philosophical method of reducing lived experiences to their pure essences to a similarly rigorous empirical methodology. The ambition is to collect respondents' lived experiences of a phenomenon, and from those idiosyncratic experiences approach the universal and general aspects of the phenomenon. After a verbatim transcription of the interview protocols, the data analysis consists of four steps:

1. Read and re-read the protocols in order to gain a sense of the whole of the phenomenon as described. This holistic understanding is important for determining how the parts are constituted.
2. Divide the protocol into isolated 'meaning units'. A meaning unit is a purely descriptive term that contains a specific meaning relevant for the study. The division should be based on the researcher's general disciplinary perspective while maintaining a strict focus on the phenomenon being researched. Here it is important not to let one's disciplinary pre-knowledge dominate the research but allow unexpected meanings to emerge.
3. Translate the protocols from the language of the respondent to the disciplinary language of the researcher. This step corresponds to Husserl's free imaginative variation. The researcher uses his or her 'disciplinary intuition' to translate the subject's everyday language into the researcher's more narrow disciplinary language. Giorgi emphasizes that this step does not entail any interpretation but is purely a matter of describing the essence of the meaning unit in disciplinary language.
4. Synthesize the transformed meaning units to a consistent statement of the structure of the phenomenon. This step is similar to the previous one but here it is the transformed meaning units that are subjected to free imaginative variation. The result is a description of the essential structure of the lived experience from the perspective of the discipline.

By following this procedure, Giorgi claims to develop objective knowledge of the subject's experiences and not necessarily of what actually took place. The result is an objective description of the transcendental structure of the phenomenon as it is experienced.

Poetically re-creating the feeling of a lived experience

Max van Manen's (1990) main interest is not pure phenomenological intuitions. His method instead tries empathetically to capture and transmit the sense and feeling of living through different experiences. Van Manen's approach is explicitly hermeneutic and recognizes the role of the researcher as an interpreter and even inventor of meaning. The goal is to try to describe a lived experience in a way that retains and communicates the essential meaning of that experience. To accomplish this van Manen proposes that researchers first engage themselves thoroughly in the phenomenon to be investigated. The researcher should then reflect on what the essential elements or themes of the interview subjects' experience are. Such themes 'are not objects or generalizations; metaphorically speaking they are more like knots in the webs of our experiences, around which certain lived experiences are spun and thus lived through as meaningful wholes' (van Manen 1990: 90). These themes are then used to craft a composite narrative account which resonates with the original experiences of the participants. This is a fairly extensive process where the researcher engages in a prolonged process of reflective writing and re-writing. Re-writing in this sense does not mean mere editing, but entails new readings of the text that each time reveal novel insights. The end product is a narrative description that is said to capture the essence of an experience if it 'reawakens or shows us the lived quality and significance in a fuller or deeper manner' (ibid.: 10). To capture the essence of a phenomenon is thus to re-create an experience in a way that resonates with the reader, something that requires a poetic or aesthetic quality in the text.

There are benefits and drawbacks with both approaches. Researchers such as Giorgi are criticized for underestimating the interpretative role of the researcher (Karlsson 1993) as well as for writing in an academic prose which loses the liveliness of the phenomenon and in doing so fails to capture the essential experience of the phenomenon (Todres 1998). Similarly, researchers in van Manen's tradition are criticized for drifting too far from the phenomena in themselves and instead focusing on individuals' subjective experiences of phenomena (Crotty 1996). Many phenomenological methods seek a middle ground between outlining the general structure of an experienced phenomenon (what is it?) and re-creating a local experience of encountering a phenomenon (what is it like?) (e.g. Smith 1996; Smith and Osborn 2003). In the following section such a middle-ground

approach is illustrated with a worked example of entrepreneurial risk enactment.

A worked example of phenomenological methodology

In a recent project (Berglund and Hellström 2002), a phenomenological method was used to investigate risk among a number of high-tech entrepreneurs in Sweden. This study sought to elucidate the variety of ways in which risk is experienced and enacted by entrepreneurial high-tech innovators as they develop their ventures, and the example illustrates how phenomenological methodology may be used in terms of sampling, data collection, analysis and how the results can be written up and presented.

Sampling

Since statistics are of no concern to phenomenological methods, sampling was purposive, focusing on getting a manageable and relevant group of individuals with whom the investigated phenomenon was relatively salient. The purpose was not to present intrinsically interesting cases nor to represent a general population, but rather to gain a more detailed picture of the phenomenon (Smith et al. 1995). In our case we identified 12 high-tech entrepreneurs distributed across Sweden, who had been active in their technology-based ventures for at least one year, or until such time as the venture had started to stabilize. They had all taken a key role in driving the process of inventing, producing and marketing a technological innovation, whether in the field of information technologies, biotech or advanced services.

Collecting data

When gathering data it is important to be flexible enough to accommodate the richness inherent in the experiences of the participants while staying focused on the research question and the phenomenon explored. To accomplish this we used semi- to non-structured interviews which gave respondents room to speak and allowed us to follow respondents' leads into novel and unexpected areas. The interviews were conducted in the firms and lasted, on average, two hours each. The initial discussions concerned the venture and innovation in general but gradually moved towards the issue of risk, which was discussed very broadly as related to the firm and the innovation, and with regard to the participant, the company and the business environment. The method does not demand detailed content or textual analysis, so taking notes was seen as a viable alternative to taping. In this case we were between two and four interviewers who took turns to interview and document the discussions in detailed notes. The notes were later used to identify specific quotes that were used to distinguish between researcher and interviewee in the results presentation.

Analysis

All interview protocols were read by all the interviewers in order to establish interpretative flexibility and common meaning. In this way the interpretation of the general narratives, as well as of specific quotations, was agreed upon. The individual protocols were then re-read line by line and broken down into discrete parts, not according to syntactic rules such as sentences but with respect to visible changes in meaning, i.e. meaning units (MUs) (e.g. Karlsson 1993; Giorgi 1985). To illustrate how the interview texts were divided into MUs, an excerpt from the original (translated) protocol is included in Table 3.2. As shown in the table, each MU was associated with a tentative descriptive concept and broken out of the text together with its corresponding statements. When the whole text had been broken down in this way, the resulting list of MUs was re-read and discussed within the research group. As the researchers worked their way through the list, MUs with similar meanings were cut out of the original document and pasted into a new document with a tentative category heading. Each new MU on the list was similarly either put in an existing category or given its own new category heading. This process generated a great number of categories, and during the process some categories that were found to be similar were merged and others split up until all MUs had been clustered into categories that were agreed to capture specific homogeneous qualities

Table 3.2   Extraction of meaning units and descriptive concepts from the interview protocol

Standard treatment of risk	*NN says he has not thought of risks all that explicitly, but that there is a SWOT analysis in the business plan. These risk analyses are of a fairly general character and you just copy them from a textbook or another business plan.*
External validation	*NN thought the idea was strong. 'I had an idea, a logical trick, concerning how such industrial logical problems could be solved.' He tried to validate the basic idea many times by testing it against colleagues. 'I tried to get my academic colleagues to shoot down the idea on several occasions, but it withstood their attempts. That way I figured the technological risk was accounted for.' In terms of markets NN had seen many problems around in the world, i.e. the Arianne rocket and JAS fighter jets had problems. He therefore judged the potential upside to be big.*
Generic idea	*Another reason the firm was started was that the idea was broad. 'The idea is like a shotgun; it's so versatile that it can be adapted to new applications, if the initially chosen ones for some reason wouldn't work. These additional exits help minimizing the risks.'*

of what was said by the participants. The three MUs above were finally included in the categories 'Risk administration', 'External innovation audits' and 'Technological prowess' respectively (see Table 3.3). The categories and their interrelationships were then focused on in more detail and similar themes were clustered into factors and overarching super-factors, as shown in Table 3.3.

During the analysis procedure, interpretations are continuously made by the researchers as categories and factors are developed. By re-reading the original protocol and questioning the bases of categorizations, the researchers actively sought to minimize the use of pre-existing theoretical categories and be true to the participants' original expressions. If the MUs

Table 3.3   Super-factors, factors and categories of risk and innovation

Super-factors	Factors	Categories
Innovation risk encountered	Human capital	Human capital risk
		Abundance of slack and lack of coordination
	Pace and priority	Missing the time slot
		Lack of time to evaluate decisions
		First-mover risk
	The world moves	*Force majeure*
		Perception of venture capitalists
		Product competition
		Market response
Innovation risk affected	Activating social networks	Managing risks through partnerships
		Matching partnerships to venture pace
		Network activation
	Risk learning	Internalizing routines
		Affecting perceptions of risk
	Risk incrementalism	Risk administration
		Venture incrementalism
		Opportunistic adaptation
	Maintaining venture agility	The venture as a test-case
		Opportunity scanning/market pull
	Creating and sustaining autonomy	External innovation audits
		Technological prowess
		Piggybacking
		Creation of momentum

Source: Berglund and Hellström (2002).

clearly coincide with existing theoretical categories, such categories may however be used (cf. Smith and Osborn 2003).

Results

The results section is a natural extension of the analysis process and contains further interpretive elements. To accomplish a clear distinction between the participants and the researchers, the participants' accounts were presented using direct quotes. The style of such a results presentation is shown with an excerpt from the original article in Box 3.1. This results

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BOX 3.1   CREATING AND SUSTAINING AUTONOMY

Several of the interviewed innovators found it useful to utilize different kinds of *external innovation audits* in order to ensure innovative integrity of the venture. One way in which an interviewee achieved this is given in the following quote: 'I tried to get my academic colleagues to shoot down the idea on several occasions, but it withstood their attempts. That way I figured the technological risk was accounted for.' Another, more externally oriented version was that 'The most important thing is not to get the product out on the market in a certain space of time, but rather to get an external actor to validate the concept by showing an interest in that particular technology.' *Technological prowess* is a version of the previous category, where the innovator uses the strength of the technology to achieve autonomy. One example of this was: 'The idea is like a shotgun; it's so versatile that it can be adapted to new applications, if the initially chosen ones for some reason wouldn't work. These additional exits help minimizing the risks.' On the administrative/financial side we have found *piggybacking* to be the rule rather than the exception. Piggybacking is clearly a commonplace informal strategy for furthering the autonomy of the venture, e.g.: 'Too little and too dedicated money is another risk. We took money budgeted by S [public utility] for machine purchases and used part of it for developing the innovation . . . . It's easier to obtain forgiveness than permission.' The last category under this general factor relates to the *creation of momentum* for purposes of getting into and staying in the race as an autonomous player. One innovator addressed this phenomenon directly and stated that: 'In a short period of time we have met numerous VC, recruited personnel, made 350 presentations and presented at eight trade-fairs. This has kept the wheels spinning . . . one keeps up the momentum.'

section shows how the factor 'Creating and sustaining autonomy' is described using the categories 'External innovation audits', 'Technological prowess', 'Piggybacking' and 'Creation of momentum'.

Summary of methodological procedure
As with much qualitative research, the results are not generalizable in the statistical sense. Instead the hierarchy of risk-related factors and categories, plus their elaboration and discussion, helps produce a relatively comprehensive and varied account of how risk is experienced and enacted by a sample of high-tech entrepreneurs in Sweden. The ambition was to increase understanding of how entrepreneurs perceive and deal with the phenomenon of risk in the course of developing their ventures, but also to explore specific strategies that may be employed by practitioners and used by researchers for further theorizing. In the original paper we used the results to discuss and elaborate on previous research on entrepreneurship and risk (see Berglund and Hellström 2002), but as suggested by Giorgi and van Manen, phenomenological results can be used in many different ways. The next section touches more generally on the potential advantages and drawbacks of a phenomenological approach.

Relevance and potential contributions to entrepreneurship
Phenomenology in a methodological context
The theoretical potential and methodological position of applied phenomenology can be illustrated more clearly by positioning it in relation to cognitive psychology and discursive approaches to entrepreneurship (cf. Smith 1996). In the realm of cognition, research on the use of biases, heuristics and cognitive schemata (Baron 1998; Busenitz and Barney 1997; Mitchell et al. 2002) is rather common. While not all cognitive research on entrepreneurship draws on 'cold cognitions',[5] research tends to focus on cognitive processes (i.e. neglecting specific content or context) where the entrepreneurs' expressions, usually captured using questionnaires and scales, are taken to reflect relatively stable cognitive mechanisms. On the other side there is a growing interest in narrative and discursive approaches to the phenomenon of entrepreneurship. Here researchers (e.g. Hjort and Steyaert 2004) investigate and interpret entrepreneurial expressions and events in relation to emerging and pre-existing discourses. Researchers in the narrative tradition tend to focus on the stories through which entrepreneurial actions and events receive their meaning. They are therefore somewhat reluctant to connect these situated narratives to underlying cognitions.

Cognitive researchers thus seek to isolate entrepreneurs' cognitive processes whereas discursively oriented writers investigate local stories. Phenomenological methods can be seen as occupying a niche in between,

by focusing on the way lived experiences are interpreted, what meanings phenomena have for individuals and the strategies by which these phenomena are engaged. A phenomenological analysis may thus enrich findings from areas dominated by quantitative cognition studies by providing 'thicker' elaborations of how things such as entrepreneurial risk-taking are enacted and given meaning by specific entrepreneurs. Such investigations could both develop new theoretical constructs and enhance the potency of existing ones. Phenomenological methods can also contribute to the discursive tradition by providing detailed illustrations of how prevailing discourses are interpreted and made sense of, or by constructing novel narratives based on how individuals think about and deal with specific issues (cf. van Manen 1990).

Limits and criticism of phenomenological methods
Phenomenological methods are often criticized for reasons common to most qualitative methodology. Here I will mention two specific criticisms that are especially relevant to phenomenology, namely its reliance on interpretation and its focus on the individual.

Since findings are grounded in participants' life-world experiences, one main objection is the methods' reliance on interpretation. There is admittedly a fair amount of interpretation in most phenomenological studies. The interpretation is also inevitably double as entrepreneurs first interpret and express their own experiences, after which the researcher interprets these interpretations. One may, however, persuasively argue that most quantitative methods involve at least as much interpretation: in defining the phenomenon to be investigated, in the reduction of variables to be studied, in the choice of indicators to be used, by the respondent who interprets the questions (e.g. in a questionnaire) and by the researcher interpretating the numerical results. The review of philosophical phenomenology also made clear that interpretation is not so much a problem as a basic condition for understanding meaningful experiences. Such understanding is always grounded in individual experiences and framed in a social and cultural context, so while interpretations may seem more or less plausible, the interpretative element is unavoidable in the human sciences (cf. Taylor 1971).

Another criticism is the methodological emphasis on the individual. The method emphasizes individuals' experiences, and the meanings of phenomena are seen primarily in terms of how specific individuals interpret them. Applied phenomenological methods may therefore be accused of reifying the primacy of individuals in entrepreneurship (cf. Ogbor 2000). However, with Heidegger, the basis for intelligibility shifted from the individual consciousness to the historical and social embeddedness of people.

The results of phenomenological studies therefore include the greater context as a vital source of individual interpretations. It is, however, true that the method favours individual accounts.

However, the issue of methods is not primarily one of right or wrong but rather a matter of 'fit', where the phenomenon and the knowledge interest of the researcher should guide the choice of method. As the entrepreneurship field is relatively young and tries to come to terms with fundamental issues regarding what its object is, what questions are relevant, and if it can be studied at all (e.g. Davidsson 2003; Gartner 2001), phenomenology provides a constructive and accessible methodology for deeply exploring and revisiting different topics from the perspective of the entrepreneurs' meaningful lived experiences. More such descriptions and perspectives should help increase awareness and understanding about how entrepreneurs are motivated to act as well as what cognitive and practical strategies they employ. Such investigations do not allow for causal prediction and control of behaviours, but can complement more quantitatively oriented findings and thereby permit more thoughtful actions among entrepreneurs as well as policy-makers, researchers, teachers, venture capitalists and incubator managers. Phenomenological knowledge in this sense does not inform so much as enlighten practice.

Conclusion

As indicated in the introduction, positivist investigations of entrepreneurship run the risk of missing 'the very grail we seek' (Phan 2004). The reason proposed here is that entrepreneurs as well as the commonly conceptualized and measured attributes of entrepreneurship are lifted out of the contexts and life worlds in which they receive their meaning. The view of entrepreneurship as difficult to describe in terms of stable and objectively existing entities is also reflected in recent theories which give local sensemaking and emergence priority over stable plans and isolated decisions (e.g. Sarasvathy 2001; Gartner et al. 2003). In this light, phenomenological methods can be seen as a structured way of investigating how popular concepts and common events in entrepreneurship (e.g. opportunity discovery, risk-taking, business planning) as well as less explored aspects (e.g. involvement of self, view of time) are experienced, given meaning and translated into action by entrepreneurs. Phenomenological methods are especially well suited for investigating the gaps between real-life occurrences and theoretical concepts on the one hand and individuals' interpretations of these occurrences or concepts on the other (Smith 1996). As shown in the case of risk, phenomenological investigations can enrich concepts theoretically and give them fuller and broader meaning by exemplifying how they are manifested in entrepreneurs' lived experiences.

In addition to the methodological contribution, the philosophical underpinnings of phenomenology have been used more directly to theorize entrepreneurship. Much entrepreneurship research seeks to understand the relationship between entrepreneurs and their life worlds via entrepreneurial cognitions (e.g. Krueger 2003), Scott Shane's person–opportunity nexus program (2003), and Saras Sarasvathy's (2001) notion of effectuation. These theories all entertain a view of entrepreneurs as contextually embedded human beings trying to make sense of their local and extended life worlds. Some writers have used phenomenology and hermeneutics to explicitly theorize entrepreneurial action. One example is Israel Kirzner's student Don Lavoie (1991), who sees entrepreneurs as cultural interpreters. Lavoie rejects the notion that entrepreneurial discovery is either systematic search or arbitrary alertness: 'profit opportunities are not independent atoms but connected parts of a whole perspective on the world. And the perspective is in turn part of a continuing cultural tradition' (Lavoie 1991: 45–6).

Phenomenological theory and methods thus seem to suit the needs of entrepreneurship researchers since the field is young, struggles with conceptual definitions and faces questions regarding its proper focus and identity, and since entrepreneurship is increasingly becoming theoretically infused with personal meaning and interpretations via terms such as emergence, enactment and effectuation.

Notes

1. The modern use of the term phenomenology is rooted in Immanuel Kant's distinction between 'that which shows itself' (phaenomenon) and 'the thing in itself' (noumenon).
2. Phenomenology is therefore not a simple critique of positivism. Husserl rather claimed that: 'If "*Positivism*" is tantamount to an absolutely unprejudiced grounding of all sciences on the "positive", that is to say, on what can be seized upon originaliter, then *we* are the genuine positivists' (Husserl 1982: 39).
3. Heidegger completely rejects the dualism of mind and world. The meaning of 'in' in the phrase in-the-world should therefore not be seen as describing objects in spatial relation to one and other such as 'I live in Gothenburg', but in its involved and existential meaning such as 'I am in love' or 'he is in business'. Since we as humans have *always already* lived in-the-world, the world has always already had natural meaning for us (Dreyfus 1991: 40–45).
4. It is of course very difficult, perhaps even impossible, to fully capture and communicate lived experience. It is therefore important to remember that phenomenological research 'is always in conflict with its material, which is beyond language and concept' (Schütz 1982: 70).
5. Cold cognitions usually refer to reasoned and deliberate cognitions. These are often contrasted with warm or hot cognitions, which rely more on affect and emotions.

Recommended further reading

Benner, P. (ed.) (1994) *Interpretive Phenomenology: Embodiment, caring and ethics in health and illness.* Thousand Oaks, CA: Sage. This edited book discusses the implications of Heideggerian phenomenology with special emphasis on the nursing profession. The first

half of the book introduces the philosophical background and the other half describes a number of studies.

Giorgi, A. (1985) *Phenomenology and Psychological Research.* Pittsburgh, PA: Duquesne University Press. Giorgi is an authority in the Husserlian tradition of phenomenological psychology. This book describes his research programme, including a detailed description of his method.

Packer, M. (1985) Hermeneutic inquiry in the study of human conduct. *American Psychologist*, **40**: 1081–93. Oft-cited paper that compares hermeneutics to the empirical and rational traditions in psychology. Emphasis is placed on knowledge claims and explanations of human action.

Smith, J.A. (ed.) (2003) *Qualitative Psychology: A practical guide to research methods*. London: Sage. Practical handbook of qualitative methods that includes detailed guidelines for conducting research using most of the major approaches. Includes chapters on phenomenology by Amadeo Giorgi and Jonathan Smith.

Smith, J., Harré, R. and van Langenhove, L. (1995) Idiography and the case study. In *Rethinking Psychology*, ed. Smith, J., Harré, R. and van Langenhove, L. London: Sage, pp. 59–69. This book provides an exposé of the developments of psychological research from empirical and cognitive towards more discursive approaches. The specific chapter contains an interesting discussion of the tradeoffs inherent in different methodological approaches, viz. view of individual, sample size and time frame.

Spinosa, C., Flores, F. and Dreyfus, H. (2001) *Disclosing New Worlds: Entrepreneurship, democratic action, and the cultivation of solidarity.* Cambridge, MA: MIT Press. This brief volume discusses how concepts and approaches from Heideggerian phenomenology can be used to comprehend entrepreneurship as a practical skill involving a heightened sensitivity to everyday anomalies.

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