

**Third-age Entrepreneurs propensity to engage in New Venture Creation and  
Development**

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## ABSTRACT

Increasingly the issues of entrepreneurship and new venture creation have become two of the most important drivers for future success of the UK economy, especially in the current climate of economic turbulence and uncertainty. The creation of an enterprise culture, one that depends on entrepreneurs, is one of the strategic goals of the UK Government's action plan for micro- and small-enterprises. The development of these enterprise cultures will naturally create a marketplace 'churn', one that stimulates both continuous and radical innovations, and as a consequence of this contribute to the overall UK's overall productivity and sustained economic performance. Yet research on entrepreneurs, and particularly third-age entrepreneurs, their abilities and motivation to start-up new enterprises within the environmental good and services sector is limited.

Our research study utilizes qualitative data collection and analysis. We have engaged with 12 small enterprise entrepreneurs who are currently, or have already started-up a new enterprise in the EGS sector.

Our research studies on how opportunities and threats influence third-age entrepreneurs' values, attitudes and practices suggested that both, sector-wide values and practices, as well as the strength of sector-based systems of innovations, significantly influence the effective prediction of venture creation, development and creative destruction practices. It is these third-age entrepreneurs mindset Business Models (BMs), how they perceive they can generate business value and align their business practices around EGS sector opportunities and threats, that both determines their propensity to create new ventures, and their motivation and success in driving new venture creation and development opportunities. A framework is proposed based on our limited entrepreneurial mindset analysis that links their values, vision and actions with a more substantial evaluation of their overall mindset business model, and with this completed

they then logically move on to take a more process-orientated perspective of their business. Further research is suggested on exploring these approaches to evaluating the impact of opportunities and threats within the EGS sector, and how this may be driven by both their personality traits, schooling and general experiences. The hope is to provide more help for this often neglected entrepreneurial group, in the way of developing more specific business tools – customized to their particular needs, approaches, and competencies.

**KEYWORDS**

Third-age Entrepreneurs, Innovation, Business Models,

# **Third-age Entrepreneurs propensity to engage in New Venture Creation and Development**

## **INTRODUCTION**

Enterprises are presented with ever increasing challenges regarding marketplace uncertainty and ambiguity. They face competitive pressures from local and international sources, their competitors are constantly modifying products and services to push ahead of them, and their customers expect responsiveness and innovativeness to their expressed and latent needs, particularly so in the Environmental Goods and Services (EGS) sector. Increasingly these enterprises are being operated by entrepreneurs over the age of 50, these third age entrepreneurs are called many things in other research papers, like senior entrepreneurs, senior-preneurs or even grey entrepreneurs, but one thing is common there is still too little research exploring the problems and factors associated with their business successes and failures. The enterprises' very success, and survival, depends on their ability to change their business, market and product strategies to fit these sector challenges.

Underlying these strategies is the enterprise's business model. Simply, business models are an enterprise's understanding and interpretation of how they currently, and in the future, achieve their revenue and profit streams. These business models, used by the business entrepreneurs and their employees, are often based on outdated perspectives of both how the marketplace works and their understanding of changing business and customer values. In new venture start-ups and the creation, development and creative deconstruction stages of existing enterprises, these business models are most often driven by the business entrepreneur, or subsequent corporate entrepreneurs brought in by the founding entrepreneur to assume business management. The business entrepreneurs' mindset of their business model is likely to be highly subjective, based as it is on their sense-making of the internal and external environment.

Interestingly, more recent research has strongly linked entrepreneurs' mindset, or the mental models (Zahra, Korri et al. 2005) associated with the challenges to the enterprise, with their drivers for innovation in their business models and underlying business processes. Other research has identified the potential value changes, business and customer, that can often facilitate the construction and deconstruction of business value-based innovations, and the re-assessing and re-validating of their business models (Munive-Hernandez, Dewhurst et al. 2004), and the reflection of these in their overall business processes (the process-oriented business model).

This paper discusses the research study, undertaken by the authors, to explore the link between third-age entrepreneurs' understanding and interpretation of business opportunities and threats, and the potential influence this exerts in challenging their mindset business model on venture creation, and then the subsequent changes in their process-oriented business model. The paper begins by discussing the two broad approaches to modelling enterprise strategies and the resulting integrated business models: innovation- and process- orientations.

## **EXISTING RESEARCH LITERATURE**

### **THE BUSINESS MODEL : TWO PERSPECTIVES**

Business model (BM) research has highlighted the link between innovation and business model changes (Pateli and Giaglis 2005). If viable and sustainable business models are critical for business performance, then understanding and interpreting the internal and external marketplace and mapping this against the enterprises' competencies, capabilities and overall product/service offerings is essential. The challenge for enterprises is the approach taken in reviewing their business models, and how change is driven. Creating or changing the BM is a

risky strategy. Depending on the level of risk aversion entrepreneurs are likely to focus on one of two strategies: an innovation orientated approach of radically creating an entirely new BM, or choosing an improvement-type strategy which is less risky and extends or renews the existing strategy and BM.

These two approaches to understanding business models, their creation, development and creative deconstruction are discussed in the following two sub-sections.

### **The Innovation-orientated Business Model**

An innovation-orientated approach to business model analysis is a very systematic examination of the ‘creative factory’ of an enterprise’s product or service development pipeline (Pateli and Giaglis 2005). Understanding and evaluating the enterprises’ innovation systems to create, develop and deliver products and services directly provides both financial and non-financial metrics (Pohlmann, Gebhardt et al. 2005). Innovation can deliver ‘first mover advantage’ and sustainable competitive advantage, but it relies entirely on applied creativity, and therefore highly innovative and creative cultural environments (Khandwalla 2006). For enterprises that are driven by risk averse entrepreneurs then this can represent a significant mindset change: this can be a challenge.

These mindset changes originate from the entrepreneurs’ re-evaluation of the business model, and specifically its ability to sustain a viable revenue and profit stream. What are these challenges and how do they potentially impact on the sustainability, and viability, of the business model?

### **Innovative Leadership**

Business entrepreneurs globally are aware of the opportunities and threats represented by today’s uncertain and ambiguous marketplaces (Cravens 1998), but their current mindsets are unable to

create the new dialectical synthesis required to change. The inevitable dialectical synthesis, the combination of seemingly opposing forces required to identify opportunities and threats within the marketplace, highlights key issues: a focus on clear market identification (Weinstein 2006); challenging the existing mindset segmentation of customers/consumers – and the need to understand and interpret their perspectives.

### **Knowledge Management**

Is the “litmus test” of an organisation’s success for creating new products and services, and ultimately sustaining revenue and profit streams (Pohlmann, Gebhardt et al. 2005). Research on innovation processes establishes a positive relationship between innovation and enterprise performance (Galanakis 2006). However, these studies on innovation process look at the mechanisms behind the processing of innovative ideas to product launch, not the mindset perspectives that helped develop and sustain an appropriate innovation system.

### **Market and Business Legitimization**

Are the means by which enterprises attempt to improve their economic performance with the act of stimulating radical and incremental innovation (Gilbert, Ahrweiler et al. 2007). Research (Calia, Guerrini et al. 2007) has focused on the increased resources these technological innovation networks provide, but not on the opportunities presented for challenging individuals’ mindsets on product idea creativity and innovation, particularly the identification of viable marketplaces.

These three innovation drivers effectively become the enterprise’s innovation strategy for a new business model, but importantly the model is missing one important element: what is the

full economic benefits and costs of implementing the changes? For this the authors explore a different type of business model, the process orientated perspective.

### **The Process-orientated Business Model**

The process-orientated business model approach to analysing business environments (internal and external) is not new, nor is there much agreement on the approach to take. But at least there is a core agreement based on the theory of economic development (Schumpeter and Opie 1934), that value is created from the unique combinations of resources with the intention of producing innovations that are positioned within the broader value creation network (Morris, Schindehutte et al. 2005). These value creation networks utilise the competence developments of the different partners, internal and external resources, to create and deliver new customer value (Berghman, Matthyssens et al. 2006).

These value-based systems have inputs, processes and outputs. The European Foundations Quality Model EFQM model (Robinson, Carrillo et al. 2005; Rusjan 2005) is often used to show the interconnectivity of market drivers, customer value-adding business processes and Key Performance Indicators (KPIs). This business process model has been selected here to illustrate the common approaches and attributes of this process-orientated perspective.

The overall process-orientated business model identifies the inter-relating value-creating, development and delivery stages by which enterprises achieve their long-term sustained revenue and profit streams by re-evaluating the specific value-adding components of the EFQM model, and the challenges faced:

### **Leadership**

More often than not, perpetuates the status quo. It is easier to maintain the same course, the products and services, than it is to re-examine, and re-engineer management processes (Hamel



2006). Whether participative, transactional or transformational leadership styles are adopted existing business models are rarely abandoned completely: most new leaders pick up from where the last left off, often making the same mistakes regarding assumed business, market and customer values.

### **People**

Are the pivotal competencies and expertise around which current and future products & services are based, yet professional training development programmes are increasingly cutback (Rajadhyaksha 2005). At the same time employees are focusing on the opportunities for professional development, enhancing their value to the organisation, and their future employability within the wider employment community.

### **Policy & Strategy**

Considerable time and effort is often put into the business, marketing and product planning stages (Miller and Cardinal 1994) of either new product developments, or the annual assessment of previous, current and future prospects.

### **Partnerships and Resources**

Significantly the most important decision that enterprises have to take to enable them to progress projects and programmes and change their futures. Few enterprises have an explicit strategy regarding the means by which they openly facilitate organisational learning, and clearly partnerships and networking are a significant vehicle by which these can be stimulated (Gilbert, Ahrweiler et al. 2007).

### **Processes**

Are the result of experiential learning; they reflect the successes and failures of the business. They are also a cognitive framework by which organisations formally learn and evolve a

changing shared mental model of their company, their market and their customers (Sinkula, Baker et al. 1997). Information acquisition and dissemination is the engine driving this process.

### **Key Performance Results**

Considerable tools and metrics exist to provide very detailed performance metrics. This data is incredibly valuable for monitoring and controlling existing actions plans, and the effectiveness of these activities (Morgan, Clark et al. 2002). However, the challenge for enterprises is to create, develop and deliver performance results that provide, succinctly, the information absolutely essential for determining the effectiveness of the current business model, and helping to identify where perhaps the business model is no longer performing.

### **Innovation and Learning**

Perhaps the most important element of our process-orientated business model, yet the one that is almost always at the bottom of the priority list when it comes to resource allocation and mobilisation. Very few organisations explicitly manage their innovation processes, or understand the intricate demands and issues associated with effective organisational learning (Dougherty 1992).

Evaluating the business model from the process-oriented approach aligns the processes to the known market drivers, establishing clear road-mapping for all functional roles to understand their part of the overall value-orientation strategy. However, this can only deal with what's known, previously experienced and learnt; it is poor at adjusting for uncertain and ambiguous market environments. What is needed is to understand the mindset business model that the

business entrepreneur has, and which ultimately drives changes in this underlying process-orientated business model.

The next section identifies the broad research aims, and importantly the initial research questions used in the interviews to explore entrepreneurs' approaches to business opportunity and threats analysis.

## **RESEARCH AIMS, OBJECTIVES AND STRATEGY**

The research study set out to explore third age entrepreneurs' approach to the evaluation of business opportunities and threats, and any subsequent changes needed to their mindset business model.

The research questions set for this study were:

1. How do third-age entrepreneurs perceive opportunities and threats?
2. What impact does this have on their mindset business model?
3. How does this mindset business model influence change in their process-orientated business model?

### **Research Strategy**

The research design was based on an exploratory strategy collecting data from two sources, using two methods: the first, a literature review; the second, twelve semi-structured interviews examining the perceptions of entrepreneurs concerning the link between business opportunities and threats, and their mindset business models on their venture creation.

They were asked five basic questions on how their business reacted to business opportunities and threats, and specifically how they evaluated these and any subsequent changes

they might make in their business model. The five questions were generic and applied to product and service-based organisations large and small:

1. Describe your existing business model?
2. What type of business opportunities and threats do you face each year?
3. How do these opportunities and threats challenge your existing business model?
4. How do you evaluate these opportunities and threats?
5. What are the critical factors determining a positive outcome?

A small sample of SME Venture Creation entrepreneurs were selected, based on three principal criteria: they had direct control of the enterprises resources and were the principal entrepreneur; their respective businesses were well established and they had an initial mindset business model; and lastly, they had the desire to grow their enterprises. As such this sample should provide information-rich case material (Patton and Patton 1990). As Patton and Patton (1990, pp 169) observed: "Information-rich cases are those in which one can learn a great deal about issues of central importance to the purpose of the research". The twelve entrepreneurs were randomly chosen from UK industry, some coming from manufacturing enterprises and others from the service sector.

Content analysis was used on the transcripts from the interviews. Nvivo software, a Nu\*dist type qualitative analysis software package, was used to help organise, code and provide statistical data on the resulting axial and core codes. A key concern was the validity of the content analysis, therefore considerable weighting was given to the latent sense-making the entrepreneurs put on their actions and subsequent understanding, rather than just the superficial interpretation of the literal content.

The research study conducted interviews with twelve entrepreneurs from a selection of product- and service-oriented enterprises. Initial analysis of these entrepreneurs' transcripts

suggested two important steps associated with the evaluation of business opportunities and threats, and the subsequent impact on their mindset business models:

1. A re-evaluation of the entrepreneurs values and purpose, and as a consequence that of the enterprise, first stage;
2. The potential changes to the entrepreneurs' mindset BM, supporting both the enterprises' innovation orientation and its more systematic process model that creates, develops and delivers the enterprises' value propositions, second stage.

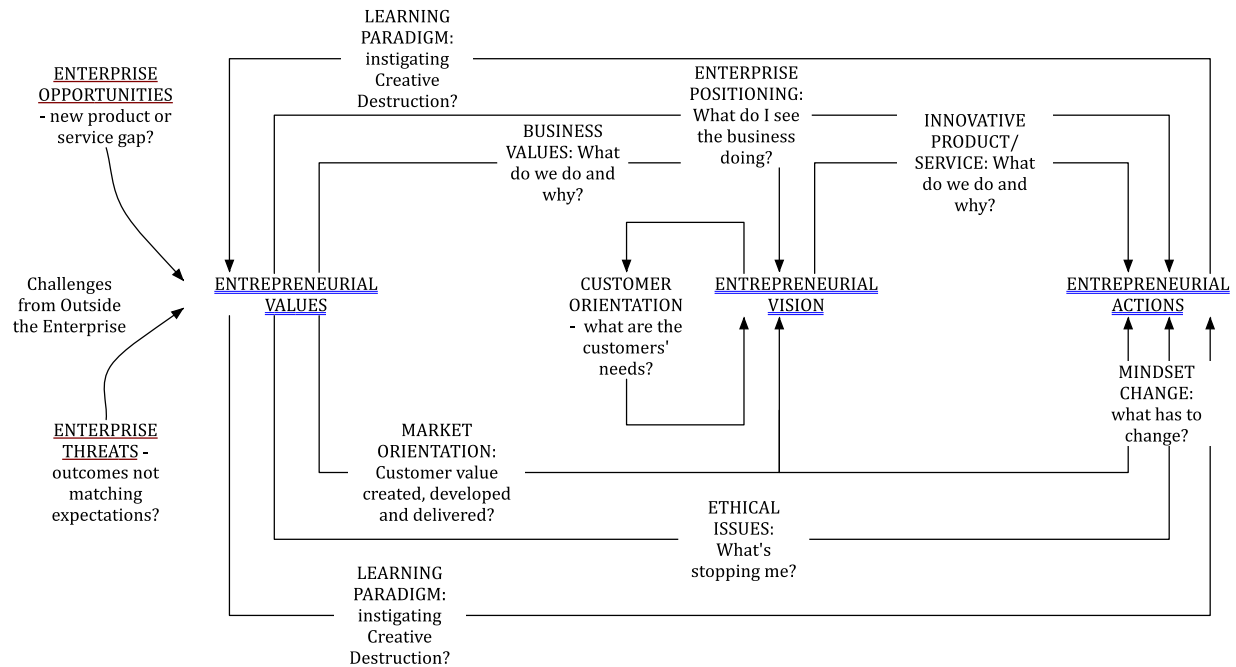
The analysis of the qualitative data is presented in the next section.

## **DATA ANALYSIS**

The first stage of the analysis was using cognitive mind maps to highlight the principal themes and sub-themes that third-age entrepreneurs used to assess the impact of marketplace opportunities and threats on their business. Three principal themes emerged associated with entrepreneurial values, vision and actions, and are should in figure 1 below.

Interestingly, these third age entrepreneurs are very keen to identify the real drivers of their ventures, how they position themselves within the market place, their unique or otherwise customer orientation, and importantly for the sales and marketing side, is their business, market and product values.

**FIGURE 1: Entrepreneurs' Values , Vision and Action Cognitive Map**



## Entrepreneurial Values

The entrepreneurs' values are constantly being challenged externally by the business opportunities and threats arriving at the enterprise's door every day. These opportunities and threats push the entrepreneurs to challenge, encourage and examine three interrelated value drivers of the enterprise:

- **Customer orientation:** is the enterprise meeting the customers' expressed and latent needs, a customer focus on delivering superior products and services?
- **Market orientation:** is the enterprises' focus on the integration and coordination of marketing functions to maximise the revenue and profit streams?
- **Enterprise Values:** are the underlying value propositions driving market, product and brand strategies.

## Entrepreneurial Vision

The entrepreneurs' vision, as a consequence of the challenges to their entrepreneurial values changes, with the result being the need to make other changes:

- **Enterprise Positioning:** how does the enterprises' position 'fit' with these changes, does it need to change what it does, how it does it and the underlying value propositions?
- **Innovative Products/Services:** what should they do and why?

### **Entrepreneurial Actions**

The entrepreneurs' actions reflect the overall change in their mental model of the enterprise and its 'fit' to the marketplace. As a consequence, there are perceived changes in the enterprise's underlying business model:

- **Current Business Model:** is the enterprise meeting the stakeholders' expressed and latent needs?
- **'New' Business Model:** is the entrepreneurs' understanding of how the enterprise should operate, to respond better to opportunities and threats.

The changes in the entrepreneurs' values and purpose drive a change in their perception regarding the potential impact on their enterprise, more specifically the underlying mindset business model – how the venture works. The understanding and interpretation that entrepreneurs use to create, develop and destroy their enterprises' business model is explored in the next section.

### **Emergent Mindset Changes to the Underlying Business Model**

Third age entrepreneurs perceptions of their own enterprise are very much a case of the link between customer need and market & product strategy – success ventures are created on the back of real product and service value deliverables.

**FIGURE 2: Mindset Business Model – Linking value changes to the Business Model**

**Synthesis**



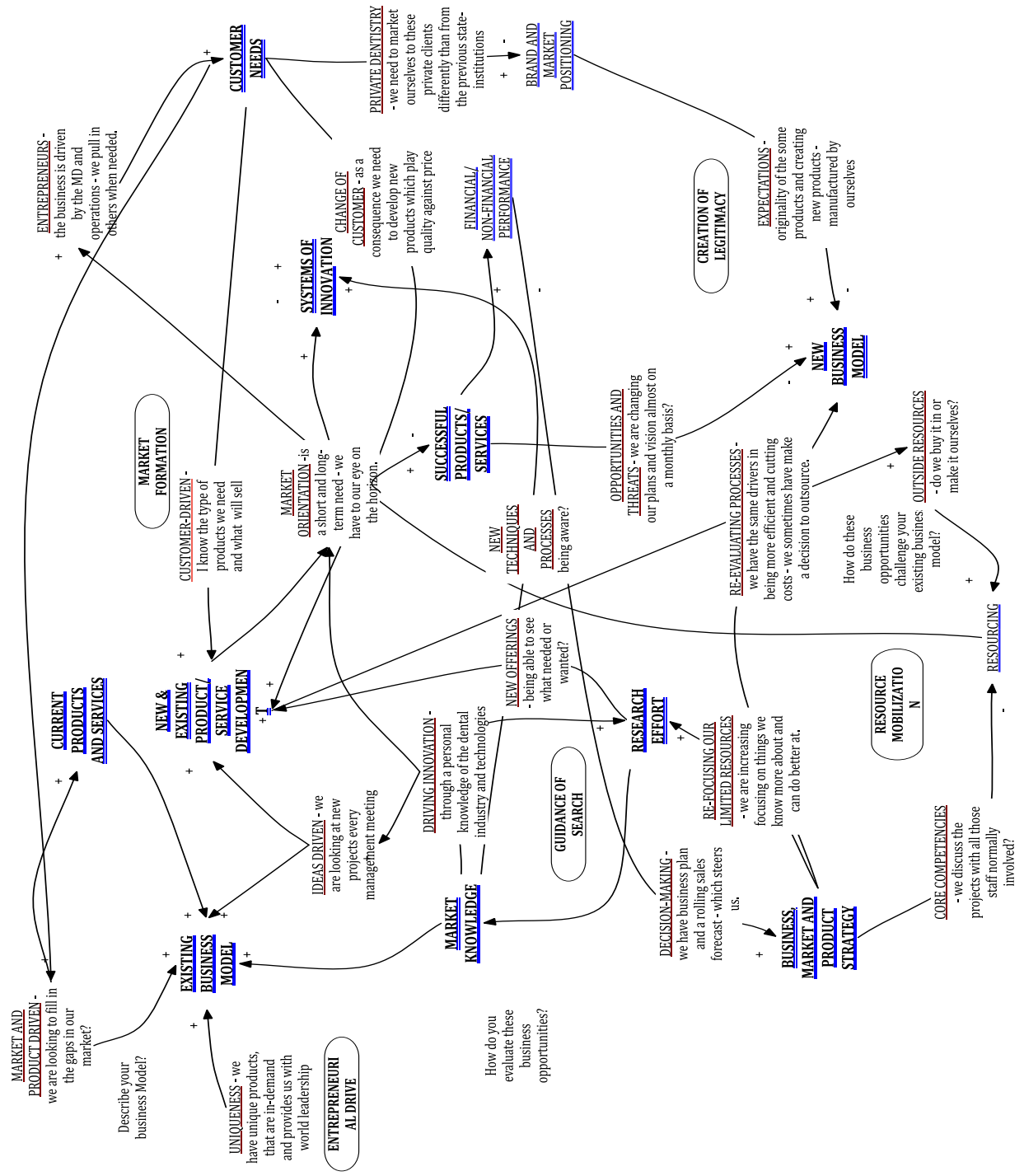


Figure 2, highlights the cognitive mapping process undertaken by the researchers on the interview data, using the innovation-orientated business model themes, highlighted earlier in this paper, innovation leadership, knowledge management, business and market legitization, helped identify six core themes. These themes, shown in the figure within the rounded boxes, are discussed below.

### **Entrepreneurial Initiation**

Ultimately it was the entrepreneur who initiated change because of the challenges associated with their assessment of the enterprises' values and purposes. (Note: for the purpose of brevity narrative insertions have been shortened):

- **Values:** It is unsurprising that entrepreneurs talk first and foremost about their value propositions, and especially how these are challenged by the current business opportunities and threats:

“Unique in the UK [Medical Instruments Venture]”

Research (Thomke and von Hippel 2002) suggests that resolving conflicts between customer and business value is fundamental to business models.

- **Vision:** Operational excellence and success focus on entrepreneurial leadership (Darling and Beebe 2007). Unsurprisingly, the authors' research suggested that vision directs their values and activities:

“Seek the big break [New building Materials Venture]”

But these vision perspectives are very much driven by the entrepreneurs personality (Chapman 2000), and this suggests that entrepreneur type and enterprise performance are very much linked.

- **Entrepreneurial Actions:** Entrepreneurial actions are the critical pathways to the creation, development and creative destruction of sustainable business models. The entrepreneurs in this survey were no different to thousands of others focused on gaining the all important competitive advantages and improved performances:

“Take advantage of the market position to diversify and exploit opportunities [Recycling & Re-use Facilitating Venture]”

These entrepreneurial actions may strengthen the existing mindset business model the entrepreneur has for his enterprise and the environment, or stimulate differing levels of innovation.

This theme links nicely with the first stage of our analysis on the entrepreneurs’ principal drivers for change, see

### **Knowledge and Expertise**

Two important factors emerged consistently among the entrepreneurs regarding the very early stage evaluation of business opportunities and threats and potential changes to their mindset business model. These were:

- **Accessing expertise:** often associated with external networking to help the enterprise collaborate and develop future strategic partners by which new products and services could be created, developed and delivered in a timely manner:

“If we haven’t got someone we start looking at how to get them [New Building Services Manufacturer]”

After assessing the need to change the business model, identifying the new knowledge needs of the enterprise is the second most important issue facing entrepreneurs.

- **Managing Information:** Accessing the relevant information needed to make the all important decisions on where to look and what to seek, requires an understanding of the key information categories and the means of acquiring and disseminating it:

“We win business by using our relationships to get information about what our competitors are doing [Contract Manufacturer]”

Entrepreneurs are looking to develop or modify their external innovation systems – the sources of knowledge and information they have already developed, that previously have helped them to where they are today.

## Leading the Search

Where was the innovative leadership to come from? What would be used to understand the rationale for innovation?

- **Innovative leadership:** leadership and innovation are very much linked to business performance (Topalian 2000), but little has been researched on the longer-term impact of entrepreneurs on innovative leadership. The authors' findings suggest that innovative leadership is uppermost in most entrepreneurs' minds, but few think further than the next 9 – 12 months:

“Passionate about what I am doing...offer companies USPs which enable us to stand out whilst we create opportunities for them [Green Marketing Services]”

The insights these entrepreneurs (Dutta and Crossan 2005) have concerning the means by which to create, develop and deliver new customer-valued products and services, drive all subsequent actions. This innovative leadership is still highly subjective, based mostly on a belief in the true potential of the undertaking.

- **Road-mapping:** holds considerable value for entrepreneurs and enterprises in knowledge management against market/technology trends, helping to identify potential enterprises' options and strategies for product and service development. The entrepreneurs interviewed either formally or informally utilise road-mapping as a means to both analyse the problems, and communicate to others on potential strategies:

“Either use the technological advantage to produce a product better, faster and more efficiently or, if the level of investment is prohibitive, make the decision to

outsource [Precision Electronics Manufacturer]”

Yet, another area where entrepreneurs often feel they could do more, and benefit from it.

## Market Identification and Segmentation

Identifying the market for the proposed product or service concept, and then the targets’ mindsets:

- **Market identity:** new market creation is a search and selection process, but turning them from a theoretical perspective into firm reality takes a variety of exploratory strategies (Sarasvathy and Dew 2005). Entrepreneurs are well aware of the importance of the interactional approach to building markets; they are masters to varying degrees:

“We have had to find a number of new approaches to the way we market our products because instead of marketing to state owned organisations we are selling higher priced alternatives to private organisations [Project Valve Manufacturer]”

The entrepreneur’s interactions with their perspective stakeholders effectively creates new markets. These markets are established based on commitments made by both parties, the customer and the stakeholder.

- **Market Segmentation:** is an important activity for the entrepreneur in being able to define his specific target market and thereby justify his assumptions concerning future revenue and profit streams:

“We keep an eye on the domestic market as people have reduced spending ... an alternative is to have a product which is more expensive initially but lasts longer and is cost effective [New Building Services Manufacturer]”

Understanding the target market focuses the strategy and helps create shared values.

## MOBILIZING RESOURCES

Two very important issues challenging the viability of the product or service concept, and with which entrepreneurs are concerned:

- **Team development:** is a very challenging issue for most entrepreneurs yet, because of the nature of these fast-growing businesses, they attract a certain type of individual who is not looking for security but instead professional development (Friedman and Phillips 2004). This is reflected in the some of the entrepreneurs’ concerns about engaging their team members, and changing the roles of these people, both to facilitate future innovation and creativity, and provide a challenging environment by which to achieve team commitment:

“You have to change everything from the way management works in the business to people’s roles to the way infrastructure works [Precision Electronics Manufacturer]”

An increasing part of the drivers in team learning is freeing off time for teams to

create and develop their own networks, using internal and external resources, and to outsource activities that don't add business, market or product value.

- **Financial and Non-financial support systems:** can be an enabler, and barrier, to innovation. Increasingly entrepreneurs are starting to look at these support systems, not purely from their financial delivery perspective, but on their potential to impact on the creativity and innovation process:

“We have had a network installed so that staff can access central files and introduced software to give us a more accurate pipeline on where the business is at, as it develops [Recycling Office Equipment Venture]”

Finance is a central factor in the internal stimulus for innovation. If funding is not available to invest in potential market opportunities, to free-up time for innovators within the organization to explore technological, operational or product innovations, then innovation is being stifled.

## **Legitimizing the new Business Model**

Who is going to support and sponsor the changes, and what is required for the creative destruction stage? For brevity the authors have only included a sample of the narrative extracts:

- **Advocating Processes:** entrepreneurs may be the “Godfather” in their respective enterprises, capable of wielding the leadership and resources to bring to bear on the specific opportunity or threat, but they are not the only gatekeepers. Various gatekeepers were identified by the entrepreneur as essential for the future success of the product and service concepts:



“You learn to prioritise as you get to know your business [Green Printing Services]”

- **Creative Destruction:** often the greatest challenge to the entrepreneurs’ mindset business model is their ability and willingness to re-invent and re-engineer their respective enterprises (Gibb 2002). Interestingly, the entrepreneurs all felt a need to challenge the status quo, if not always the commitment to change their business model:

“Some projects take a lot of research. We may not have time at the point at which we need to make a decision to get this information, so we may go ahead and then find things are more onerous and question our original decision. The decision was legitimised by the original process but that doesn’t preclude our ability to subsequently withdraw [Medical Instruments Venture]”

Risk aversion and the level of confidence in the evaluation and analysis of these business opportunities and threats is an important factor in an entrepreneurs overall willingness to instigate this final and important ‘creative destruction’ stage.

## **Conclusions and Managerial Implications**

The principal findings of this research study suggest a hierarchical approach by entrepreneurs in assessing the influence of business opportunities and threats on their mindset business model, and any subsequent changes needed in the underlying process-orientated business model:

### **Entrepreneurial Values and Purpose**

Entrepreneurs' deliberate on the potential impact of business opportunities and threats on their own values, vision and actions. As a consequence of this deliberation they either undertake a re-evaluation of their mindset business model, discussed below, or not. This initial evaluation does involve a level of testing of concepts like market and customer orientation, the need or otherwise to change product or service value, the premise of their ventures values, is it still capable of sustaining the required revenue and profit streams? Importantly, the last thing they reflect on is the learning outcomes of this exercise, do they need to undertake a creative destruction exercise – should they change their business model?

### **Mindset Business Model**

Entrepreneurs' having revised their values and the purposes associated with the existing business model undertake to challenge the underlying premise by which it was originally constructed.

They re-evaluate:

- its values and purpose;
- the knowledge and expertise needs;
- what is guiding the search;
- market identification and segmentation;
- issues of resource mobilization;
- the legitimization of the new business model.

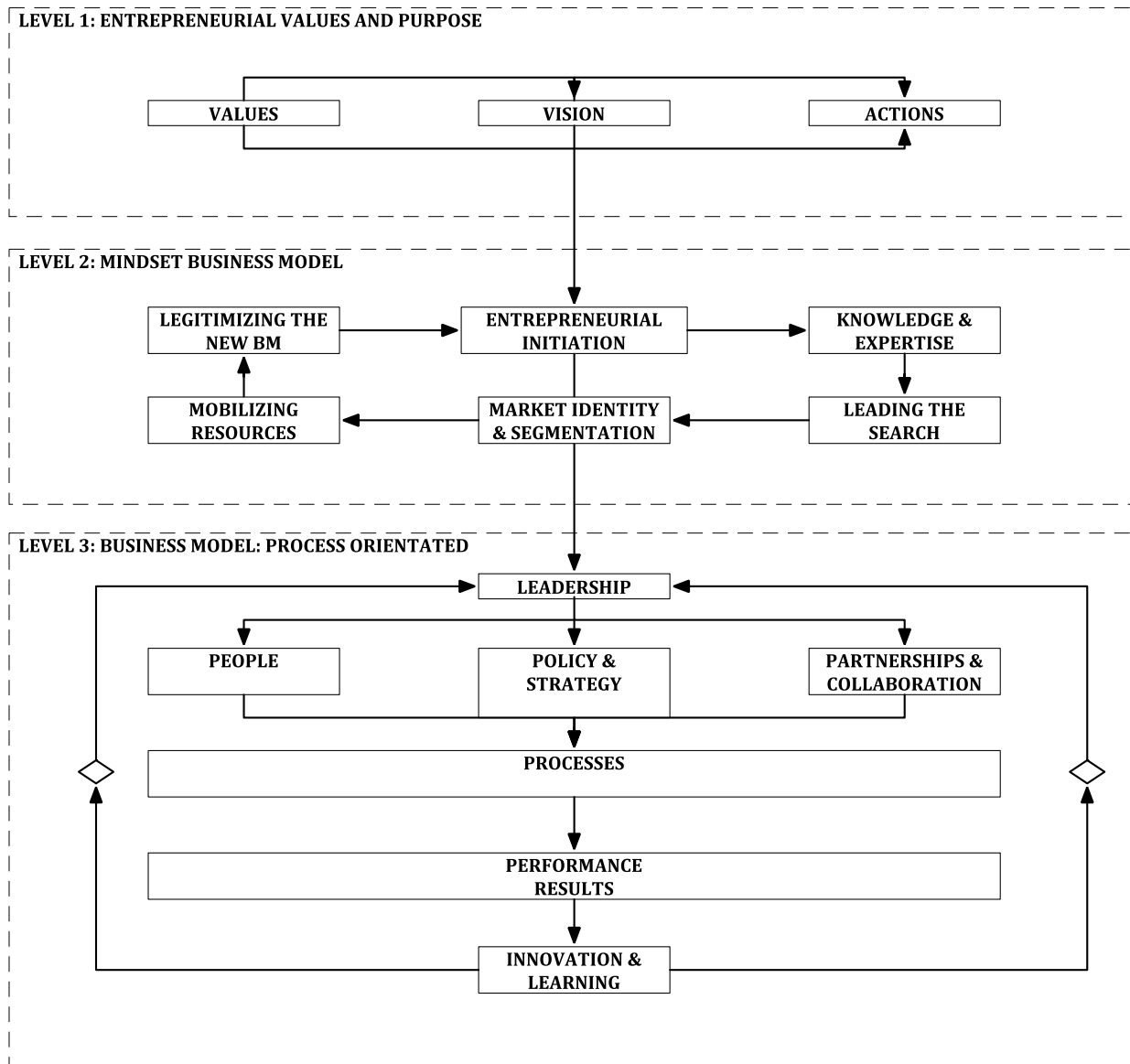
After this exercise the third-age entrepreneurs examine any changes that are needed to the underlying process-orientated business model – its often at this point where they will pull in the other more junior members of their ventures and start to discuss strategies and tactics.

### **Changing the Business Process**

The entrepreneurs then delegate this new business model to their managers or partners to operationalise, and provide repeat delivery.

This three-level hierarchical approach has a degree of synergy with other research on the links between corporate entrepreneurship and innovation systems (McFadzean, O'Loughlin et al. 2005; Shaw, O'Loughlin et al. 2005), and innovation systems and business model changes (Pateli and Giaglis 2005). See figure 3., below.

**FIGURE 3: Three-level Hierarchical Approach to Understanding and Interpreting Enterprise Challenges**



The emergent hierarchical framework is a work in progress, the authors still have a lot of research to do to explore some of the other factors that determine these third aged entrepreneurs approach to evaluating the impact of opportunities and threats on their overall enterprises’ business model, see next section.

## **Future Research**

The initial findings from the research study provide an emergent learning framework for third-age entrepreneurs that could help other enterprises analyse and evaluate their own opportunities and threats. The potential value of this as both a tool and also a sense-making exercise warrants further study. There are three factors that need further research: entrepreneurial types – our interview seem to suggest that the traits, thoughts and experiences of our entrepreneurs influence their approaches, organizational resources (in particular, the evaluation of the different gatekeepers and their relative power within the enterprise), and marketplace dynamics – even though they are in the same EGS sector, they are widely varying competitive, customer and market need differences. The authors have already engaged on the next part of this research to conduct a research survey using the emergent learning framework.

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