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Opportunity Recognition: An Exploratory Investigation of a Component of the Entrepreneurial Process in the Context of the Health Care Industry

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In this study we build upon a conceptualization of part of the entrepreneurship process that is frequently labeled "entrepreneurial attitude orientation." This study uses a contextually rich conceptualization of a new exploratory measure, "entrepreneurial opportunity recognition" (EOR), that is modeled after the attitudinal approach used by Robinson, Stimpson, Huefner, and Hunt (1991). The study also uses a relatively unexplored industry context, the change-charged health care industry, to explore the potential of this new scale to correctly classify entrepreneurs from non-entrepreneurs. Results suggest a promising potential for the EOR and the attitude approach in entrepreneurship research.

What is it about entrepreneurs that allows them to seize opportunities that others pass by? Venkatraman (1997) noted that it is one thing to be aware that entrepreneurial opportunities exist, but a significantly different matter to know how to exploit these opportunities. There must be something quite unique about the entrepreneurial individual that gives him or her the propensities to gain economically in the midst of the change, chaos and confusion that tend to foster the emergence of entrepreneurs (Schumpeter, 1976; Stevenson, 1983).

In this study we investigate this issue of entrepreneurial uniqueness and the frequently presumed tendency of the entrepreneur to recognize opportunities (i.e., "entrepreneurial opportunity recognition") in his or her relevant environment. Additionally, we constructively replicate the work of Robinson, Stimpson, Huefner, and Hunt (1991) in a previously unexplored but specific industry context. Our focus on a single industry is consistent with the suggestion by Bates (1995) that entrepreneurial research be conducted in a specific industry, given the importance of the industry variable in influencing the success or failure of entrepreneurial ventures.

BACKGROUND

Early methodological approaches used to improve our understanding of the entre-