Entrepreneurial Intentions and Action

Why do people start firms? What drives their decision to create a venture? Our current knowledge tells us that intentions drive action and understanding individual intentions gives us a strong (and the best) instrument for predicting subsequent action. Yet, our theoretical models do not inform us about when intentions get enacted and we know that entrepreneurial activity is low in most western countries. This conundrum exists despite massive efforts from public policy makers to develop support measures to increase the number of ‘wanna-be’ entrepreneurs.

Conventional wisdom tells us that intentions are driven by personally perceived feasibility and personally perceived desirability. What happens when creating a venture is perceived feasible, but not desirable? What if the relationship is not linear but involves reciprocal causation? Do different levels of intentional intensity impact subsequent action? Is there a timelag between intentions and action, and how do we deal with this?

This lecture will present our current knowledge of entrepreneurial intentions models, challenge them, and point at issues that may require considerable more analytical sophistication.