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## **Factors that Stimulate and Motivate Entrepreneurs to Start Enterprises in the Growth-oriented, Knowledge-based Industry Sector: A Kerry Case Study**

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**Factors that stimulate and motivate entrepreneurs  
to start enterprises in the growth-oriented,  
knowledge-based industry sector: A Kerry Case  
Study**

**Author: George Nash.**

**A Thesis in fulfilment of the requirements of the  
degree of Master of Business Studies**

**Institute of Technology Tralee**

**Supervisors:**

**Dr. Henry Lyons**

**Ms. Breda O'Dwyer**

**Submitted to the Higher Education and Training  
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## **Glossary of Terms**

EEP: Enterprise Platform Programme

EI: Enterprise Ireland

GEP: Genesis Enterprise Programme

IDA: Industrial Development Authority

KCC: Kerry County Council

KCBE: Kerry County Enterprise Board

KTI: Killarney Technology Innovation Centre

SKDP: South Kerry Development Partnership

SFADCo: Shannon Free Airport Development Company



# **Factors that stimulate and motivate entrepreneurs to start enterprises in the growth-oriented, knowledge-based industry sector: A Kerry Case Study**

## **Abstract**

**Author: George Nash**

This study focuses on the stimulation and development of growth-oriented entrepreneurs in Co. Kerry, with particular emphasis on the knowledge-based sector. The knowledge-based sector has been identified as a key area for development by the enterprise support agencies. The rationale for the study arose from the knowledge that a certain enterprise boom had taken place in Kerry in recent years and this had resulted in the creation of a new culture of entrepreneurial development in the county. The research aims to profile Kerry's growth-oriented knowledge-based entrepreneurs and to identify the factors that stimulated them to initiate and develop business ventures in Kerry. In addition the research examines how potential growth-oriented entrepreneurs might be identified and stimulated to initiate new enterprises in the county.

The relevant entrepreneurial literature is examined with a view to providing a theoretical basis for the study and to develop a better understanding of entrepreneurship. The literature is also used to discuss the development of Irish enterprise policy and how it has impacted on Co. Kerry. Various research approaches and methodologies were considered in relation to conducting the study. Data from the field study is used to build a profile of growth-oriented entrepreneurs in Kerry and to identify the key factors that stimulate and motivate them to initiate new ventures.

The findings from the study are used to draw conclusions and make recommendations for further research and practice.

## **Chapter 1. Introduction and Context**

### **1.0 Rationale and Background**

This research study is focused on the encouragement and development of entrepreneurs and enterprise in Co. Kerry. For the greater part of his working life the researcher has ‘dabbled’ in business ownership and worked with and around entrepreneurs in Kerry. Since 1997 he has worked as the manager of Killarney Technology Innovation Centre (KTI). As well as being a community based enterprise centre, the KTI Centre also provides enterprise incubation facilities for new and developing entrepreneurs in the knowledge-based sector. The current study has grown out of the researcher’s deep-rooted interest in the development of entrepreneurs and a desire to make a contribution to the economic development of Kerry.

The rationale for the study arose from the knowledge that a certain enterprise boom had taken place in Kerry over the last ten to twelve years and this had resulted in the creation of a new culture of entrepreneurial development in the county. This new entrepreneurial movement seemed to be centered in and around a geographic triangle of Tralee, Killarney, and Killorglin. For the most part it also appeared to be based around the emerging information technologies and the knowledge-based business sectors. A number of these new businesses appeared to initiate and develop rapidly. They grew from small beginnings and began to employ significant numbers of people and did not confine themselves to the local or national marketplace but were prepared to operate on a global basis. These new businesses began to contribute in a major way to the economic development of the county.

The researcher was aware that there was an in-depth knowledge about this entrepreneurial movement amongst the entrepreneurs themselves and the personnel involved in the supporting public agencies. There was also a basic general public awareness of some of the more high profile entrepreneurs. However it was apparent that there was little if any empirical knowledge about this new group of entrepreneurs and their activities. Basic questions such as 'Who are they?' and 'Where did they come from?', began to emerge. Also the obvious question of could this entrepreneurial movement be improved upon and developed? Could more entrepreneurs of similar orientation be discovered and encouraged to initiate enterprises in Kerry?

These questions formed the basis of the initial research proposal and led to the decision to conduct a research study. The rationale behind the research was to try to answer these questions and to build an empirically based profile of Kerry's new growth-oriented entrepreneurs. To add to the researcher's knowledge, the literature on entrepreneurship was consulted to help scope out the proposed research and to provide a theoretical basis for the study.

The literature suggests that entrepreneurship is a naturally occurring phenomenon that can be identified and described in individuals, communities and society (McClelland, 1976). It is recognised as a major catalyst in economic development (Schumpeter, 1934). Many writers have identified and described an entrepreneurial process that prospective entrepreneurs go through on their way to enterprise start-up and business development (Behave 1994; Cannon 1991; Hisrich and Peters 1992; Kets de Vries 1987; Shapero 1975; O'Connor and Lyons 1982). The literature also indicates that where entrepreneurship is absent in individuals, groups or society at large, it can be prompted and developed by naturally occurring or

socially engineered stimulators (McClelland 1976, Shapero 1975, Vesper 1989, Gibb 1987, Gibb 1988, Scanlan 1986). It is suggested (White and Reynolds, 1994), that the number of new enterprises created in any period is a function of two variables. These are (a) the number of people taking steps to launch a new venture (nascent entrepreneurs) and (b) the rate at which these nascent entrepreneurs transform into actual new venture owners. Prior to becoming nascent entrepreneurs, society in general must contain a pool of people who are potentially interested in entrepreneurship and capable of becoming entrepreneurs. The process of the stimulation and activation of these potential entrepreneurs is a central issue in this study, particularly in relation to Kerry. The process of enterprise activation may be a naturally occurring phenomenon prompted by social, environmental or economic change, as suggested above. Alternately it may be fostered by strategic interventions in the form of certain entrepreneurial support programmes (Chaston 1992; Ketcham, Taylor and Hoffman 1990; Parry and Wildman 1989; Price, Allen and Monroe 1994; Hornaday and Vesper 1982).

In the Irish context it is generally accepted that entrepreneurs and new enterprise creation are crucial ingredients in driving economic development particularly at local and regional levels. In Kerry the knowledge-based sector has been identified as a key area in which efforts to promote economic development should be focused. The enterprise development policies of the Industrial Development Authority (IDA), Shannon Development and Enterprise Ireland have a significant focus on this sector. These policies have resulted in major investment in infrastructure and facilities such as Kerry Technology Park (KTP) in Tralee. The enterprise incubation facilities at Kerry Technology Park, together with developments such as Killarney Technology Innovation Centre (KTI), the Tom Crean Business Centre, on the IT Tralee campus, and Listowel Enterprise Centre provide further practical examples of the policy focus in this area.

The success of such investment and development policies depends to a great extent on the availability, ability and motivation of potential entrepreneurs to see opportunities in the marketplace and to make efficient use of the resources available to them to initiate new enterprises. A key issue is how a greater supply of growth-oriented entrepreneurs can be identified and encouraged to initiate enterprises in Kerry. The study will therefore focus on how growth-oriented entrepreneurs can be identified, and how they can be stimulated to initiate and develop business ventures.

## **1.1 Growth-Oriented Entrepreneurs**

As the research focuses on 'growth-oriented' entrepreneurs it is important to define what is meant by the term in the context of this research. The term refers to the entrepreneurs' predisposition to allowing their businesses to develop to a significant size and not placing limits on their expansion. These are people who are prepared to develop and grow their venture to whatever size it takes to be successful in the global marketplace. In general they are not governed by 'safe' boundaries and their enterprise vision expands beyond local and regional markets. They are not the type of entrepreneurs whose wish is to be self-employed or who want to establish a small business. In a major study of enterprise initiation in Ireland, O'Connor and Lyons (1982) classified three types of entrepreneurs on the basis of their attitude to business growth. The Survival Venturer seeks to become successfully self-employed. The Limited Growth Venturer sets pre-defined limits to growth to ensure retention of business control. The Growth Venturer responds to opportunities in the marketplace, without set limits and is open to the business developing and growing. The focus of this study

is on growth-oriented entrepreneurs who would equate to the Growth Venturers described in the O'Connor and Lyons model.

## **1.2 Research Aims**

The research aims to profile Kerry's growth-oriented knowledge-based entrepreneurs and to identify the factors that stimulated them to initiate and develop business ventures in Kerry.

The research will examine how potential growth-oriented entrepreneurs might be identified, and how they in turn can be stimulated to initiate and develop enterprises in the county.

## **1.3 Key Research Questions**

The key research questions to be addressed are:

1. What is the profile of Kerry's current cohort of growth-oriented entrepreneurs?
2. What are the major factors that influence or stimulate potential knowledge-based growth-oriented entrepreneurs to initiate and develop businesses in Kerry?
3. What additional supports or motivational initiatives are needed in Kerry in order to encourage potential entrepreneurs to initiate new growth-oriented enterprises?

## **1.4 Thesis Structure**

The pathway to arriving at answers to the research questions outlined above will be described in the following chapters. Chapter 2 examines the relevant entrepreneurial literature with a view to providing a theoretical basis for the study and to develop a better understanding of entrepreneurship. Chapter 3 discusses the development of Irish enterprise policy and how it has impacted on Co. Kerry. This chapter also looks at the historical development of enterprise in Kerry and identifies some of the county's influential role models. Chapter 3 also examines the relevant literature from the various enterprise support agencies to get a better understanding of the extent of the different enterprise sectors in Kerry. The overall objective of Chapter 3 is to enable a more in-depth understanding of how Kerry arrived at where it is today in terms of its economic and enterprise development.

Chapter 4 discusses the various research approaches and methodologies considered in relation to the study. Chapter 4 also details the actual methodology chosen and describes the methods used for data collection and analysis. Chapters 5 and 6 analyse the data collected in the field study. Chapter 5 utilises the data to build a profile of growth-oriented entrepreneurs in Kerry and thereby to address research question 1. The analysis of the data in Chapter 6 leads to the identification of the key factors that stimulate and motivate entrepreneurs to initiate new ventures and in so doing addresses research questions 2 and 3. Chapter 7 then discusses the findings from the study and relates the findings to the issues previously identified in the literature. Chapter 7 also draws conclusions from the research and makes recommendations for further research and for the development of enterprise in Kerry.

## **Chapter 2. Literature Review**

### **2.0 Introduction**

The literature was reviewed to gain a comprehensive view of entrepreneurs and how best they might be identified, categorised, supported and nurtured, particularly in relation to the Kerry context. Particular emphasis was placed on the identification of the different characteristics and types of entrepreneurs; the entrepreneurial development process; enhancing the entrepreneurial environment; the use of the formal education system to encourage entrepreneurship, and on the identification and provision of suitable entrepreneurial supports. This was considered essential to allow a deeper understanding of the different aspects of entrepreneurial development and to provide the framework for the field study to enable fulfilment of the research aims.

#### ***2.1 Entrepreneurship and the Entrepreneur***

The literature provides many different definitions of entrepreneurship and many different profiles of what constitutes an entrepreneur. There is general agreement that the concept of entrepreneurship is multi-faceted and that definitions legitimately vary depending on the conceptual context and the descriptive terms used. O'Connor and Lyons (1982) claim that the term entrepreneur was first used by Richard Cantillon, an Irishman living in France in the early 18<sup>th</sup> century, who used it to describe a person who undertook certain risk-bearing



activities. In this case the entrepreneur was seen as one who engaged in buying goods or services at certain prices with the hope of selling them on at greater but uncertain prices in the future. Sweeney (1981) states that the Oxford English Dictionary of 1897 describes an entrepreneur as someone who manages a musical institution and provides musical entertainment. He says that it was not until the 1933 edition that the Dictionary extended its definition to include someone who starts an enterprise. Scanlan (1986) sees entrepreneurs as people who form their own careers by recognising and using unique relationships between society and its needs. In global terms, Harvard University proposes the definition that *“Entrepreneurship is the pursuit of opportunity beyond the resources you currently control”* (Stevenson, 1985, p. 85).

The entrepreneurial definitions therefore seem to suggest underpinning characteristics of innovation, creativity and openness to risk-taking in the pursuit of business goals. Elaborating on this literature it would be helpful to examine in more detail the characteristics of an entrepreneur.

## **2.2 Characteristics**

Historically, the literature offers a whole body of theory on the issue of the entrepreneurial profile. Schumpeter (1934) considered entrepreneurship to be composed of innovative individuals who recognise and seize opportunities, and who convert these opportunities into workable, marketable ideas. Schumpeter also emphasised the link between entrepreneurship

and economic development. McClelland (1976) focused attention on entrepreneurial traits and motivators and prompted much further research in this area. McClelland suggested that entrepreneurs are motivated by a high need to achieve, are moderate risk-takers and seek self-fulfilment. He believed that these entrepreneurial traits could be learned by creating the right social circumstances and through developmental interventions. McClelland identified certain underlying motives for entrepreneurship and described these motives as needs, namely, need for achievement, need for affiliation and need for power. He firmly dismissed the notion that entrepreneurs are born and not made and prompted a host of writers and researchers to focus on identifying entrepreneurial traits, attributes and behaviours (O'Connor and Lyons, 1982).

The belief that true entrepreneurs had a certain psychological type and were born with an innate capacity for innovation and enterprising behaviour may have had its origins in the theories of psychologists such as Carl Jung (Progoff, 1985). While the born not made theory regarding entrepreneurs is no longer accepted, those that espouse a psychological approach hold the view that entrepreneurs share a common type of personality. The emphasis on traits, attributes and behaviours in the literature was driven by the entrepreneurial personality school of thought (McClelland, 1976; O'Connor and Lyons, 1982). This entrepreneurial personality school considered that entrepreneurs exhibited a desire to take personal responsibility for their decisions, had a dislike for routine and repetitive work, a willingness to take moderate degrees of risk and a belief that their fate and luck rested in their own hands and was dependent on their own actions.

Examining entrepreneurship from a sociological perspective has also received much attention in the literature. This approach attempts to identify the social aspects of entrepreneurs' lives

that cause them to behave in an entrepreneurial fashion. Here, the theory of social learning emphasises the effects of environmental influences on personality development and the importance of family influence, role models and career influences (Hisrich and Peters, 1992). Some writers such as Kets De Vries (1987) have suggested the idea of entrepreneurs as social misfits, possibly having a history of displacement and dissatisfaction (Shapero, 1975). According to Cannon (1991), the sociological approach to the study of entrepreneurship examines the effects that factors such as the social, domestic, educational and work experience of individuals have on the probability of entrepreneurship occurring.

Entrepreneurs do not form a homogenous group (O'Connor and Lyons, 1983). McClelland and Winter (1969) saw the entrepreneur as someone driven by an internal need to achieve and enhance self esteem and not necessarily driven by money and power. On the other hand Drucker (1985) suggested that entrepreneurs acted as innovative destructors. At a practical level Gibb (1987), from a study of the available entrepreneurial literature, described entrepreneurs as being defined in terms of a set of attributes such as initiative, flexibility, creativity, strong persuasive powers, moderate rather than high risk-taking, independence, problem solving ability, need for achievement, imagination, leadership, hard work and a high belief in controlling ones own destiny.

In addition O'Connor and Lyons (1983) in their study based on Irish entrepreneurs, describe a set of entrepreneurial characteristics including a need for control and independence, a need for achievement, realistic and calculated risk-taking. Furthermore they found that Irish entrepreneurs came from varied social backgrounds, yet the majority were from secure, stable family environments. The family environment fostered such attributes as a strong work ethic,

a disciplined and organised young life and self-determination. Education was highly valued, high standards were set and parents, friends and peers provided good role models. Murray (1981) offers a profile of an Irish entrepreneur as someone who is experienced and well educated, likely to come from a family business background and possessing a high degree of venture specific knowledge and skill.

The literature therefore tells us that there are different types of entrepreneurs and they do not form a homogenous group. While some writers suggest that entrepreneurs may be somewhat on the edge of society, there is some agreement that they come from stable backgrounds; are influenced by family and society; are likely to be well educated and to value education; have a need to achieve; strive to be independent and may take a moderate approach to risk-taking. While there is a school of thought that suggests that real entrepreneurs are born with an innate personality that leads them to enterprise creation, it is now generally accepted that family circumstances, education, social conditions and the external environment provide significant influences on the development of entrepreneurs. The personality type approach seeks to identify entrepreneurship by way of traits, characteristics, attitude and behaviour. These are then matched against the ideal or typical profiles of successful entrepreneurs. The sociological approach uses sociological factors including social, domestic, education and work experience and the impact these have, to assess the probability of entrepreneurship occurring. Using these approaches, allied to an assessment of an individual's motivation, is likely to give a strong indication of entrepreneurial propensity and potential.

## **2.3 Identifying Entrepreneurial Types**

The classification or categorising of different types of entrepreneur is essential in order to determine how resources should be targeted to assist the types of entrepreneur that will add value to economic development. Classification will also help identify the best types of supports and interventions needed to help stimulate nascent entrepreneurs into initiating new enterprises. Broadly speaking it would appear that entrepreneurial types are differentiated based on the stage of development of their business. O'Connor and Lyons (1982) categorised three types of entrepreneur in Ireland based on their reasons for business start-up and their attitude to work. These categories are listed in sub-section 2.3.1.

### ***2.3.1 Start-up and Attitude to Work***

The Master Venturer. This type has a deep-rooted interest in the quality of the product, service or process around which the business is based.

The Careerist Venturer. In this category business initiation is seen as a logical career progression.

The Exploitative Venturer. This type is characterised by the type of opportunistic motivation displayed, together with a strong interest in financial gain.

O'Connor and Lyons (1982) also describe three categories of entrepreneur based on their attitudes to the growth and development of their businesses. These categories are described in sub-section 2.3.2.

### ***2.3.2 Start-up and Attitude to Growth***

1. The Survival Venturer. The main objective of this type is not to build an enterprise but to be successfully self-employed.
2. The Limited Growth Venturer. This type seeks to develop the enterprise to pre-determined limits so that control can be maintained. Diversification and growth are acceptable within pre-set limits.
3. The Growth Venturer. This type has the desire for the enterprise to grow and develop and will respond to all opportunities to achieve this aim.

Other writers have identified other categories of entrepreneurs in relation to the operational stage in the enterprise start-up process. Nash (1990) identified three categories of entrepreneurs that equate to progressive phases in the entrepreneurial start-up process. These are listed in sub-section 2.3.3.

### ***2.3.3 Start-up Operation Categories***

1. Potential Starters. This category includes people who have identified an idea or opportunity and wish to exploit it and those without a concrete idea but with the motivation or need to start a business.
2. Current Initiators. These are people in the early years of business development. They may be anywhere between one and five years after start-up.

3. Established Owner-Managers. Entrepreneurs in this category are in business for a number of years. Their businesses have survived the early uncertain entrepreneurial stages and may now be ready for growth and expansion.

Also in relation to start-up, White and Reynolds (1994) describe a category that they term nascent entrepreneurs. Nascent entrepreneurs are people who are actually taking steps towards starting a business. Nascent entrepreneurs probably equate to people who are potential entrepreneurs and are partially along the road to actual enterprise initiation.

The literature therefore seems to suggest a number of models for categorising different types of entrepreneurs. These categorisations are relevant in identifying and predicting the type, size and growth potential of enterprises created. Of particular relevance is the entrepreneur's motivation for starting and attitude to growth. Survival venturers are usually motivated by necessity of economic need and circumstances and seek to create an income for themselves and their families. Successful self-employment may be the limit of their ambitions. Growth-oriented venturers are motivated by factors such as wealth creation, opportunity exploitation, need for achievement, power and recognition. Their ambitions lie beyond just self-employment and income generation. They are less likely to set limits on development and offer the greatest potential for growth-oriented enterprise creation.

## 2.4 The Entrepreneurial Process

The process of becoming an entrepreneur and the stages which an embryonic business goes through to reach a situation of maturity, is of considerable importance in promoting entrepreneurship and one that is addressed in the literature.

At a general level, Hofer and Bygrave (1992) identify nine aspects of the entrepreneurial process, as follows:

1. It is initiated by an act of human volition.
2. It occurs at the level of the individual firm.
3. It involves a change of state.
4. It involves a discontinuity.
5. It is a holistic process.
6. It is a dynamic process.
7. It is unique.
8. It involves numerous antecedent variables.
9. It generates outcomes that are extremely sensitive to the initial conditions of those variables.

In this process model entrepreneurship is initiated by an individual choosing to take action. It involves extensive and dynamic change, with the outcome of the process depending on a range of pre-start up variables and conditions (Hofer and Bygrave, 1992). Krueger (1993) suggests that intentionality is central in the process of entrepreneurship. Entrepreneurial intentions should come from feasibility and desirability perceptions, together with an



inclination to act on opportunities. He suggests that prior entrepreneurial experiences will influence current entrepreneurial intentions. Feasibility and desirability perceptions and an inclination to act are each significant prior indicators of entrepreneurial intentions (Krueger, 1993). According to Boyd and Vozikis (1994), entrepreneurial intentions in individual entrepreneurs are influenced by rational or analytical thinking as well as intuitive or holistic thinking. These thought processes underpin most task achievement and goal focused behaviour in these individuals. They suggest that an individual's self belief in their own ability to perform a task influences the development of entrepreneurial intentions, behaviours and actions.

Furthermore Starr and Fondas (1992), suggest that people in the early stages of the entrepreneurial process adapt their attitudes and behaviours in response to motivation, socialising agents and contextual pressures. They say that definite attitudinal and behavioural changes occur during the early stages of enterprise formation.

In proposing a process model of entrepreneurial venture creation, Bhave (1994) suggests that entrepreneurs introduce differing amounts of novelty at each core variable stage during start-up. These core stages he identifies as the opportunity stage, the technology set-up and organisation creation stage, and the exchange stage. He suggests that the varying amounts of novelty will distinguish qualitatively one kind of entrepreneurship from another. Morris, Lewis and Sexton (1994) also emphasise the varying nature of entrepreneurship. They suggest that because of this varying nature, entrepreneurial behaviours need not necessarily be revolutionary and will not always occur continuously in individuals.

White and Reynolds (1994) indicate that approximately 4.3% of the adult population of Wisconsin are nascent entrepreneurs who are taking steps to set up a business at any given time. They assert that between 30% and 50% of people who take steps to start a business actually do so. Carter, Gartner and Reynolds (1995) found that not all nascent entrepreneurs engage in the same business initiation activities. They further found that the sequence of business initiation activities undertaken by nascent entrepreneurs also varies. They suggest that the initiation activities and the sequence of activities engaged in can have an effect on whether a business is started or not, and assert that structured support programmes can be used to improve activity sequencing in the initiation process.

The literature therefore appears to suggest that the process of enterprise creation is unique and dynamic and that the outcome depends on a number of factors. These include the pre-enterprise state of play of a range of conditions or variables; the perceptions, desired outcomes and intentions of the entrepreneur; and the person's previous entrepreneurial experiences.

It is likely that attitudes and behaviours will change during the initiation phase and the entrepreneur's self-belief will have a major influence on the process and the outcome. The process is likely to follow recognisable stages from opportunity recognition, set-up, organisation creation through to successful trading. It is suggested that the activities and sequence of activities of people that successfully proceed to start-up are different from those that quit the process or fail. It is also suggested that process support programmes or interventions can have a positive influence on the initiation process.

The literature relating to the process of entrepreneurial set-up indicates that the entrepreneurial environment and the entrepreneur's activities during initiation can be influenced positively by structured support initiatives. The next section assesses different types of support programmes and their impact on the entrepreneurial environment.

## **2.5 Influencing the Entrepreneurial Environment**

Globally, there are a number of examples in the literature of structured interventions designed to influence or enhance the development of an enterprise climate in localised regions.

Krueger and Brazeal (1994) emphasise the importance of identifying potential entrepreneurs and creating the potential for entrepreneurship in organisations and communities wishing to grow and develop. Moreover they assert that before there can be an increase in enterprise activity in an environment or situation, the potential for entrepreneurship must be identified and nurtured.

Initiatives developed by the Training Agency (1989) in the U.K. resulted in enterprise training measures being designed at local area level to meet specific local needs and requirements. The thinking behind these policy measures was that localised environmental, economic and social conditions have a major effect of the initiation, survival and growth of small local enterprises. This policy led to the establishment of Training and Enterprise Councils (TECs), part of whose brief was to ensure an integrated and coherent approach to enterprise development at a local level in the U.K. Chaston (1992) describes an example of such a localised approach by Devon and Cornwall Training and Enterprise Council. With a

strategic initiative designed to increase the survival rate of small and medium sized manufacturing enterprises, the TEC sought to improve the local support provided for people wishing to start a business. A local business school was engaged to design an integrated support programme. The programme took into account the competencies needed to be acquired by the participants, participant motivation, the adequacy of the learning environment and the expected outcomes. The final support programme offered a three-phase plan:

1. Screening and assisting participants to determine suitability.
2. Assisting participants to acquire the skills to develop a business plan.
3. Providing on-going business counselling for the first start-up year.

A similar three-phase plan for a locally based entrepreneurial initiative is reported by Ketcham, Taylor and Hoffman (1990) in a rural region of Texas, USA. The local Private Industry Council was responsible for recruiting the participants and programme delivery was contracted to the local University. Participants were screened in the first phase of the programme, while the second phase consisted of in-centre delivery. The third phase consisted of follow-up business consulting. The programme was evaluated using two criteria:

1. Demonstrated improvements in knowledge of academic material.
2. Actual business start-up and success.

Parry and Wildman (1989) describe a successful example of a localised approach in Queensland, Australia. Because of dissatisfaction with a standardised nationally delivered enterprise stimulation programme, a new programme entitled Self- Employed Venture Scheme / New Enterprise Incentive Scheme was developed. The programme was aimed at

people who had a potentially viable business idea. Preliminary evaluations suggested that the programme was highly effective in both business and personal terms.

A number of other studies in the U.S. indicate that programmes designed to influence entrepreneurial activity result in increased economic development in the community (Price, Allen and Monroe, 1994). It is contended that structured entrepreneurial stimulation initiatives contribute to local economic development and is not merely a by-product or result of such development. Price, Allen and Monroe (1994) report a solid empirical link between participation in a defined entrepreneurial development initiative and subsequent business start-up and success. Their research results indicated that the percentage of business start-ups and expansions were significantly higher among entrepreneurial programme participants than in control groups who had not participated.

With regard to the Irish context, Hulpke and Byrnes (1994), in comparing small business development initiatives in the USA and Ireland, found that the purpose is basically the same across national boundaries. However, Governments take different approaches particularly in relation to providing funding. Ireland provides considerable state funding for enterprise development initiatives while the USA does not. White and Reynolds (1994) found that Government assistance programmes in the United States play an important part in new venture creation. In a further study, White and Reynolds (1996) found that contact with various assistance programmes had an important impact on the survival of new firms. However, their research indicates that while assistance programmes have a significant impact on venture creation and consolidation, their contribution in relation to business growth is less clear. Nationally in the U.S. the Premier Fast Track programmes have proven to be very

successful (Monroe, Price and Neck, 1997). It was found that this programme had a significant positive impact on employment and profitability in participating enterprises and by extension also had a positive local economic impact.

In a study of both Ireland and the Netherlands, De Faoite, et al., (2004), investigated entrepreneurs' attitudes to support initiatives, specifically entrepreneurship training. The study confirms the view from the literature that entrepreneurs tend to access a range of supports such as public funding, mentoring, networking, structured training programmes, incubation space and third-level educational expertise. Networking was the most widely used support followed by funding and mentoring. Irish entrepreneurs appeared to avail of more supports than their counterparts in the Netherlands.

It is interesting to note that Irish entrepreneurs were three times more likely to avail of start-up training and ten times more likely to participate in development training. The authors speculate that this may reflect the large number of public initiatives available in Ireland to stimulate enterprise development. Cultural differences are also cited, in particular a possible Irish culture of over reliance on public supports. The study found no significant differences between Irish and Dutch entrepreneurs in their perceptions of the value of enterprise supports. The value of most supports was rated highly by the two groups of entrepreneurs. An exception was access to third-level expertise. Over a quarter of the entrepreneurs surveyed in each country rated this support as being poor or having little impact.

Having examined the literature in relation to entrepreneurs in general, entrepreneurial types, initiation processes, environment and certain support measures, it is now important to

examine the literature in relation to how potential entrepreneurs can be fostered and stimulated to engage in enterprise initiation. The following sections examine how entrepreneurs learn and how entrepreneurship can be taught and developed through education and training.

## **2.6 How Entrepreneurs Learn**

Taylor and Thorpe (2004) suggest that there is strong evidence of a social dimension to entrepreneurial learning. This they claim supports the view that personal networks and networking are key elements in the entrepreneurial learning process and note the importance of developing a better understanding of how business and entrepreneurial networks function.

Rae (2004) proposes the use of practical theory in entrepreneurial learning. Practical theory is derived from the implicit, intuitive, tacit and situated resource of practice. The underlying principle is that entrepreneurs learn by doing. By studying entrepreneurs engaged in experiential learning, Rae proposes that it is possible to develop practical theories of how they learn in relation to areas such as personal development, identifying and exploiting innovative opportunities, creating new ventures and managing growing businesses.

Erikson (2003) believes that the best learning vehicle for entrepreneurs is through the combined effects of observing, doing and interacting with others. The proposition that direct practical experience is the most effective means of entrepreneurial learning is also suggested

by Kolb, Osland and Rubin (1995). They assert that in general the most powerful way of entrepreneurial learning is through direct experience. In the absence of direct experience, entrepreneurial learning from contact with good role models is regarded by Erikson (2003), as the next best thing. This view is supported by Boyd and Vozikis (1994), who assert that the higher the degree of self-efficacy arising from contact with suitable role models, the stronger the desire and intention to become an entrepreneur. Contact with suitable role models will therefore have a positive effect on entrepreneurial self-efficacy and propensity toward enterprise creation.

In summary, the literature on entrepreneurial learning proposes that entrepreneurs learn best by doing and by direct practical experience. Observation and interacting with others through personal networks are other key learning vehicles. In the absence of direct personal experience, the literature suggests that contact with suitable entrepreneurial role models provides excellent learning opportunities for potential entrepreneurs.

## **2.7 Enterprise Training**

Hornaday and Vesper (1982) found that the desire to become self-employed is strongly influenced by participation in an entrepreneurial training programme. Wyckham and Wedley (1990) assert that training programmes are valuable in preparing potential entrepreneurs for actual business start-up, while according to Massey (2004) publicly funded training interventions are accepted as effective approaches in the promotion of enterprise development in most developed and developing economies. This rationale is based on the concept that developing entrepreneurs' individual skills will lead to better performance and



growth in the businesses involved. This in turn leads to enhanced performance of local and national economies. However, on a negative note, Massey (2004) claims that there is a widespread lack of empirical evidence to prove the value and effectiveness of entrepreneurial training interventions as an economic development strategy. He notes that in New Zealand, in common with most other economies, there is little or no robust independent evaluation of support programmes. In his view most attention is placed on how to make best use of available public resources as against tackling the issue of what training intervention will work best in which circumstances. Little empirical evidence appears to exist regarding the impact of entrepreneurial training interventions on improved firm performance or economic growth (Massey, 2004). On the other hand, a number of other researchers assert that support interventions are valuable tools in the creation of new entrepreneurs and in the fostering of a positive entrepreneurial environment ( Scanlan, 1986; Gibb, 1988; Vesper, 1989).

In Ireland, considerable public resources have been invested in entrepreneurial training programmes to enhance the entrepreneurial environment (Fitzsimons and Murray, 2005). The nationally delivered Enterprise Platform Programme (EPP) is a key example of such initiatives. The EPP was set up in 2000 as one strand of a larger strategic research initiative by the network of Institutes of Technology. The EPP provides systematic enterprise development support aimed at graduates and is designed to provide the skills necessary to start and run enterprises with high growth potential. The EPP has two complementary elements where formal enterprise training is reinforced by the provision of enterprise-specific advice and counselling through a network of experienced business mentors. Available on a regional basis, EPPs are run through various Institutes of Technology. One such EPP is the Genesis Enterprise Programme (GEP), jointly organised by Cork and Tralee Institutes of Technology. The GEP offers a 12-month enterprise incubation programme with thirty days of

business training and an experienced mentor for each participant (www.gep.ie, 2006). Across all the EPP programmes, participant evaluation is generally very positive with the programme rated very highly (Fitzsimons and Murray, 2005). However, as with many other entrepreneurship interventions internationally, there is no hard data available on the programme's significance in terms of net employment and wealth created or on any direct regional economic impact resulting from the programme. This lack of robust empirical evaluation is in line with findings from other entrepreneurship programmes noted earlier.

Training programmes designed to enhance the entrepreneurial environment and improve the flow of new entrepreneurs have been successfully employed across different countries and regions. Some conflicting views about the value of such programmes are evident. On the one hand it is claimed that support programmes increase the number of start-ups and can positively impact on the individual development of entrepreneurs. By extension it is suggested that these initiatives contribute to local economic development. On the other hand, it is noted that there is a lack of empirical evidence to show the impact of support initiatives on business growth and economic development. In Ireland, particular emphasis has been placed on entrepreneurial support programmes aimed at the graduate sector. Participants and delivery agents rate the programmes highly. Again there appears to be a lack of evidence with regard to the economic benefits of the programmes to local regions.

## **2.8 Fostering Entrepreneurship in the Education System**

As noted earlier, the literature indicates that structured support programmes can have a positive influence on the entrepreneurial environment and entrepreneurial development. Most of the programmes noted in the literature are aimed at potential or nascent entrepreneurs. Most participants are adults, probably with considerable employment experience and work related skills. As the vast majority of the population including potential entrepreneurs will have gone through as least two levels of formal education, the literature was consulted to see if formal education was considered to have a part to play in developing entrepreneurship.

In many countries entrepreneurship education has become an important aspect of both industrial and education policy (Hytti and O’Gorman, 2004; Cooney and Murray, 2008). Education is regarded as a core component in the development of an enterprise culture (Scanlan, 1986; Gibb, 1988; Hynes, 1996; Birdthistle, Fleming and Hynes, 2006). The creation of an enterprise culture presents a major challenge for education systems world-wide, from primary through to third level (Brozen, 1988; Gibb, 1993). In more recent times increasing emphasis has been placed on entrepreneurship in the 3<sup>rd</sup> Level sector in Ireland (ACE Initiative, 2009).

Hytti and O’Gorman (2004) examined enterprise education programmes across four European countries, with a view to exploring what constitutes enterprise education. The authors note that there has been a rapid proliferation of enterprise education across developed and developing economies. Evidence of this is seen in the growing number of courses and programmes at all levels in the education system, the dramatic increase in the number of

entrepreneurship teachers and academics and the provision of a range of enterprise support structures in the education system. One of the main objectives is to help students to learn to become entrepreneurial, and to learn how to be an entrepreneur by learning about how to start an enterprise.

In addition Hynes (1996) argues the case that it is necessary to foster enterprise activity at an early age if the number of enterprise start-ups is to continue to increase to keep pace with economic needs. It is generally recognised in the literature that entrepreneurship education is both widespread and well established in academic institutions in the U.S. (Gartner and Vesper, 1994; Vesper and Gartner, 1997; Katz, 2003).

Clarke, Davis and Harnish (1984) in a study of 452 students on an entrepreneurship course at Wichita State University, found that a positive relationship existed between entrepreneurship education and new business start-ups. Also in the U.S., in a study of the effects of education and experience on self-employment success, Robinson and Sexton (1994) found that:

1. Self-employed people have more years of formal education than non-self-employed people.
2. The probability of becoming self-employed increases with the more years of formal education undertaken.
3. The relationship between the number of years of formal education and success in self-employment is positive and significant.

Robinson and Sexton (1994) conclude that a good general education has a strong positive influence on encouraging people to become self-employed and successful entrepreneurs.

Furthermore Gartner and Vesper (1994) assert that the teaching of entrepreneurship is a complex and interconnected process. Providers of entrepreneurship education should take an entrepreneurial attitude to the provision of such education, often experimenting with new methods and processes.

In general, the view from the literature is that formal education, and entrepreneurship education in particular, can have a positive influence on the development of entrepreneurs. This view would certainly seem to be the prevailing one amongst educators, academics and public bodies across developed and developing economies. Studies indicate that entrepreneurship education programmes have a positive impact on the rate and quality of venture start-ups and consequently on employment and wealth creation.

## **2.9 Discussion and Conclusion**

It is clear that different types of entrepreneurs exist; that potential entrepreneurs can be identified in a population; that there is an identifiable entrepreneurial initiation process; that organised support programmes can assist the entrepreneurial process and help entrepreneurs to develop and grow new ventures. The concept of creating an enterprise culture is a key topic of discussion in the literature. The question of how to engender a positive entrepreneurial climate in situations where it is absent is one that continues to occupy researchers in the entrepreneurship field.

An interesting issue here is the question of whether real entrepreneurial tendencies are innate or can they be learned? The informed view from the literature is that entrepreneurship can be taught and learned and that a culture of enterprise and entrepreneurial development can be engendered in situations where it is absent. The creation of an enterprise culture, where absent, is a challenge for policy makers and for educational systems from primary through to third level. Appropriate education, training and experience can encourage, stimulate and enhance entrepreneurial initiation and development.

The literature identifies a number of entrepreneurial development programmes across different countries designed to provide people with the skills necessary to start and develop new enterprises. While there is diversity in the types of programmes provided there are also many common approaches in programme design, content and delivery methods. Most programmes spring from a public or government perception of the need to intervene to stimulate enterprise development and thereby encourage more and better venture start-ups. These programmes appear to raise awareness of enterprise development and assist in the creation of a local enterprise culture. A number of programmes aimed at producing growth-oriented entrepreneurs are noted. Often targeted at graduates, these programmes are usually aimed at producing growth-oriented ventures with employment and wealth creating potential and having out of region or export potential.

The literature indicates that entrepreneurs learn best through the use of experiential learning methods and that traditional didactic training methodologies may not be effective. Direct entrepreneurial experience, on-going contact with entrepreneurial role models and involvement in live case studies are proposed as key learning vehicles. The development of

business, domestic and social networking relationships, together with on-going involvement in networks of other similar-stage entrepreneurs are viewed as very important. Although there is an opinion in the literature that entrepreneurship can be described but not produced, the prevailing view is that one can learn to become an entrepreneur.

To maintain local economies and ensure local social and cultural survival, regions such as Kerry have to learn to generate employment and wealth from within. To do this, new entrepreneurs with growth potential have to be identified, encouraged, supported and developed. The prevailing enterprise culture in Kerry needs to be examined and steps taken to develop and enhance the entrepreneurial environment to allow maximum opportunities for entrepreneurs to create and grow new ventures. A solid base is required to enable these entrepreneurial initiatives to be undertaken. This study sets out to profile Kerry's current cohort of growth-oriented entrepreneurs and to examine the pathways they have undertaken to establish their enterprises. The research will examine the entrepreneurial influences and processes impacting on enterprise initiation and growth and address the key research questions. The results will then provide a framework to improve the development of the supports and conditions needed to enable entrepreneurs to initiate and grow new business ventures in Kerry.

The next chapter examines the development of Irish enterprise policies and explores the impact of these policies on enterprise development in County Kerry. Using the available literature, a profile of the current state of the entrepreneurial environment in Kerry is presented.

## **Chapter 3. Indigenous Enterprise: Ireland and Kerry**

### **3.0 Introduction**

This chapter briefly examines the development of Irish enterprise policy and outlines some of the history of enterprise development in County Kerry. The chapter then presents a picture of the current entrepreneurial climate in the county.

The first part of the chapter looks at the key reports that set out the progress of Irish enterprise policy. These were consulted to build a picture of how this policy has evolved. The policy review was conducted to give a better understanding of the background and evolution of indigenous enterprise development in County Kerry. This was considered to be an essential component in the process of developing a research framework that would allow the research questions to be answered and the research aims to be achieved. The progression of policy approaches and decisions that attempted to promote an indigenous enterprise culture nationally should have a significant impact on the entrepreneurial environment in Kerry. In seeking to realise the research aims it was essential to understand the effect of successive enterprise policies and their influence on the development of entrepreneurs within the county. It was also important to consider other influences on the evolution of the county's entrepreneurial culture.

To develop a deeper understanding of the entrepreneurial influences at work, the chapter first looks back and gives an historical perspective on enterprise development in Kerry. This is



done to give a picture of where the county has come from in enterprise development terms and to identify some of the key changes that have occurred in the county's entrepreneurial history. The chapter then gives an overview of the range of enterprise supports provided and a general perspective on the state of enterprise development in the county. The major types of enterprises operating in the region are described and evaluated in terms of their contribution to the local economy. The chapter also profiles some of Kerry's well-known entrepreneurial personalities and gives an impression of their relative impact and influence. This is done to highlight the types of entrepreneurial role models that may have influenced the current cohort of entrepreneurs. Finally, the chapter addresses the development potential of entrepreneurship in the region and highlights some key issues likely to influence development and growth.

Use was made of a range of documents made available by the main public support agencies operating in the county, supplemented by other published material and information from relevant websites. A general difficulty with this aspect of the literature was getting access to up-to-date documented information from the agencies. The annual reports of the two main agencies supporting high potential entrepreneurs, Enterprise Ireland and Shannon Development, tend to be published somewhat in 'arrears'. Information relating to 2003 was not available until early 2005. Enterprise Ireland's annual reports did not provide specific information about Kerry enterprises. This data had to be acquired from company lists provided by the local Enterprise Ireland office. Again, these lists tended not to be up to date. The annual reports of Kerry County Enterprise Board were not freely available. These reports were acquired through personal contacts and were almost three years in arrears when received. Documentation from South Kerry Development Partnership was acquired in a similar fashion.

The terms “entrepreneur” and “enterprise development” are examined in more detail in the previous chapter and for the purposes of this study they refer to commercial business start-up and private sector economic development only. Public enterprise, social entrepreneurship and community development are outside the scope of this research. Likewise, enterprises and economic development resulting from foreign direct investment (FDI) are not the focus of the research. Some references are made to FDI type enterprises due to their economic importance and the “spin off” effect of encouraging local entrepreneurs and enterprise activity.

### **3.1 Irish Enterprise Development Policy**

The 1950s heralded a significant change in Irish economic thinking. Around that time it was realised that agriculture would not continue to be a source of economic growth and employment in the second half of the twentieth century. New industrial policies, which focused primarily on manufacturing industry and output as a source of economic growth and employment, were introduced on a national level (Ruane 1991). This new industrial policy was in the main designed to promote and assist manufacturing output for export. Many regions of the country including Kerry benefited economically from this shift to industrial production as the chief source of employment and economic growth. Rural industrialisation became a key plank of Irish regional development policy. This was manifested in the Industrial Development Authority's (IDA) regional industrial plans and its policy focus on regional distribution of employment opportunities (Matthews 1991). The major focus of industrial policy was to attract direct inward investment by foreign multinational companies. It was hoped that the foreign owned multinational would become a hub or a hive around

which would emerge an active cluster of small local enterprises capable of feeding into and supplying the production needs of the larger factories. In theory at any rate, this would result in the local geographic hinterland becoming a breeding ground for indigenous enterprises. In common with other regions, a number of large multinational manufacturing companies located in Kerry. The economic transformation and spectacular success of the foreign direct investment policies are recognised internationally and well documented. However, it is also widely recognised that the hoped for natural or spontaneous development of the indigenous sector never materialised. The economic benefit and employment created also had a finite lifetime.

In an effort to combat the economic over reliance on foreign multinational investment, a number of national strategic industrial policy reviews were initiated beginning in the 1980s. The first review was conducted by the Telesis Consultancy Group for the National Economic and Social Research Council (1982). This was followed by the Culliton Report of the Industrial Policy Review Group (1992) and by the Enterprise Strategy Group Report (2004).

The Telesis review of industrial policy was critical of the excessive reliance on foreign direct investment. Telesis proposed a reduction in grant aid for foreign firms and suggested that greater emphasis should be placed on indigenous enterprises. The review recommended a new and more structured or "hands-on" approach that would seek to develop competencies within existing indigenous companies. This would involve identifying companies with the greatest possibility for expansion and development and working with them to achieve success. This identification of "winners" might prove more costly initially but would lead to greater success in the longer term. Telesis strongly recommended the re-allocation of resources away from locally trading companies in favour of internationally trading and

skilled sub-supply enterprises.

The Report of the Industrial Policy Review Group (1992), (Culliton Report) placed major emphasis on the identification of policies for the development of indigenous enterprise. The Culliton Report emphasised the benefits of encouraging the development of industrial clusters in niche areas and sectors. It was seen as essential that there should be a much greater contribution from home grown and home-managed firms. Culliton espoused selectivity in the types of companies that should be earmarked for support so as to produce more 'winners' in terms of employment and wealth creation. Culliton proposed that selectivity should be aimed at the creation and development of industrial clusters around sectors that would yield national competitive advantage. It was suggested that clustering can be initiated by the emergence of one industry from the local environment. This might be followed by the development of smaller local enterprises to supply and serve it. Investment in research and development, education, training and infrastructure would then enhance the local enterprise environment and reinforce local industrial development. Local expertise, knowledge and skills begin to develop and these then spread to other local enterprises that need similar skills, technologies and infrastructure. This organic process spills over and spreads, creating linkages and strengthening the local economy. Culliton placed emphasis on choosing niches and building clusters around existing successes and local strengths rather than trying to force the development of clusters based on international market trends.

The Enterprise Strategy Group (ESG) (2004) identified three distinct components in Ireland's enterprise base:

- Subsidiaries of foreign-owned companies trading internationally
- Indigenous companies trading internationally

- Indigenous companies trading locally

The ESG report highlighted the continuing inherent weaknesses in the indigenous sector.

Like Telesis in the 1980s and Culliton in 1992, the ESG review emphasised the importance of developing a strong, market-led, export-oriented indigenous enterprise sector. The ESG report also highlighted the need to develop enterprise-led business networks to foster collaboration where complementary strengths are identified in specifically defined areas. The need for selectivity in allocating state supports was also emphasised. Resources should be directed towards enhancing expertise in international marketing and on developing specific technologies and high-value products and services.

In 1982 the Telesis Report recommended placing much greater emphasis on providing supports for internationally trading indigenous enterprises and on identifying 'winners' or enterprises with the greatest potential for success. In 1992, the Culliton Report also highlighted the provision of supports for indigenous enterprises and again emphasised selectivity in identifying the types of enterprises to support. Culliton's other key findings included the development of indigenous clusters in niche sectors built around local strengths and the importance of providing supports for local skills enhancement. The importance of developing indigenous clusters on a regional basis has continued to be emphasised (South West Regional Authority, 2009). Twelve years on from Culliton, the ESG Report emphasised the importance of providing supports for market-led, internationally trading indigenous enterprises. The ESG again advocated selectivity and the development of enterprise-led collaboration networks. The ESG also placed key emphasis on the provision of supports to develop specific technologies, high value products and services and international marketing skills.

In summation, progressive Irish enterprise policies would seem to suggest that to maximise local enterprise and economic development, regions such as Kerry should place major emphasis on the provision of supports for identified indigenous enterprises and sectors. Key emphasis should be placed on:

- Identifying niche sectors based on local strengths and global market needs
- The development of enterprise networks and clusters in defined areas and sectors
- The provision and enhancement of specifically required skills
- International marketing skills
- The provision of supports to develop specific technologies and high-value products and services for international markets.

The literature has suggested the types of policies and actions that need to be put in place to help foster enterprise and economic development in Kerry. The next section reviews the entrepreneurial history of the county with a view to understanding the key influences that impacted on the county's entrepreneurial development. This review is also used to examine the effects of national enterprise and industrial policies in the region and to identify the types of entrepreneurs and enterprises that developed naturally in Kerry prior to the policy emphasis on indigenous enterprise.

### **3.2 Enterprise Development in Kerry - Historical Perspective**

This section gives a brief historical outline of the types of enterprises that have contributed to the economic development of Kerry. Traditionally, agriculture and related industries formed

the cornerstone of economic activity in Kerry. From the eighteenth century up to the early part of the twentieth century many local economies revolved around large land estates where tenant farmers worked the land. Some of the landlords and managers of these estates were probably the entrepreneurs of their time. In coastal areas fishing also played a key role in sustaining local economies. In its reliance on agriculture and fishing, the traditional economy of the Kerry region is similar to that of much of rural Ireland, particularly peripheral coastal areas.

The second half of the twentieth century saw the emergence of new enterprise initiatives and developments that impacted significantly on the economy and the enterprise environment in Kerry. The following sub-sections describe the emergence of these developments and note the policies and some of the key events that underpinned their emergence. The impact of these policies and events and their effects on the evolution of the entrepreneurial environment in Kerry is also assessed.

### ***3.2.1 The Emergence of Kerry Tourism***

One industry has been synonymous with the economic development of Kerry in recent years. Tourism has been a major engine for economic growth in Kerry in the second half of the twentieth century. A significant tourism industry has emerged during the past fifty years, mostly fuelled and driven by local entrepreneurial activity. Killarney is generally recognised as the home of tourism in Kerry, if not in Ireland, and unsurprisingly Killarney witnesses many examples of tourism related entrepreneurs.

Lewis (2004) describes a re-awakening of tourism in the Killarney area in the 1950s and 1960s. In 1955 Killarney had 16 hotels with 413 bedrooms. By 1968 the number had risen to

25 hotels with 1272 bedrooms (Lewis, 2004). Maurice O'Donoghue typifies the type of local entrepreneur behind the exceptional growth in the tourism industry in Kerry during that period and indeed up to the present time. The O'Donoghue family opened the Gleneagle Hotel on the Muckross Road, Killarney, in 1957 and pioneered the concept of "tourism attractions". Up to that time visitors to Killarney generally came for the scenery and tranquillity of the local environment. The Gleneagle Hotel introduced night entertainment during the "showband" years and then developed both outdoor and indoor sports and leisure activities (Lewis, 2004). These activities succeeded in attracting a new type of tourism spender and were considered to be highly innovative in their time.

### ***3.2.2 Large Scale Manufacturing Industry***

Running parallel to the re-awakening of the tourism industry in Kerry in the 1950s was a general change in Irish economic thinking. Around that time it was realised that agriculture would not continue to be a source of economic growth and employment in the second half of the twentieth century. New industrial policies, which focused primarily on manufacturing industry and output as a source of economic growth and employment, were introduced on a national level (Ruane, 1991). This new industrial policy was in the main designed to promote and assist manufacturing output for export.

Kerry, like most regions of the country, was to benefit to a certain degree from this shift to industrial production as the chief source of employment and economic growth. Rural industrialisation became a key plank of Irish regional development policy. This was manifested in the Industrial Development Authority's (IDA) regional industrial plans and its policy focus on regional distribution of employment opportunities (Matthews, 1991). In



regional development terms, specific locations in Kerry had earlier been identified as potential key growth centres. Tralee was earmarked as one of eleven potential economic growth centres outside of Dublin (Buchanan, 1968). Referring to Kerry and to Tralee and Killarney in particular, the Buchanan Report (1968) indicated that Tralee appeared to be remarkably independent of other areas with isolated but established industry. Killarney was noted as having a substantial and growing industrial community making the overall county attractive to industrialists.

Buchanan goes on to express the opinion that the development of Tralee as the urban focal point for Kerry should not present great difficulties and that industrial employment would expand further without special measures. This was because Tralee already fulfilled a focal role, was an attractive place to work and live and had performed well in attracting development. Incidentally, Buchanan also describes Kerry as one of the most prosperous tourist counties (this is in 1968).

Burlington Industries in Tralee and Pretty Polly in Killarney are examples of the type of large industries attracted to Kerry as a result of the new industrial policies of that time. These were foreign owned multi-national companies attracted to locate in Ireland by the IDA through the offer of generous grant aid and a fifteen year tax holiday followed by very low tax rates on profits. Established during the 1970s, they employed over 1000 people each at their peak. In the Kerry context these were very significant companies that provided employment and economic sustenance to families and local communities across a wide area. Part of the thinking behind industrial policy at that time was that the large multi-national companies would stimulate local indigenous enterprise and local economic growth through production linkages and consumption (Ruane, 1991). Consumption refers to the spending of employee

incomes locally and the resulting demand created. Production linkages refer to the local purchase of goods and services. Giant foreign owned multi-nationals, planted in a region such as Kerry, were expected to become a hub or a hive around which would emerge an active cluster of small local enterprises capable of feeding into and supplying the production needs of the giant factory. In theory at any rate, the geographic hinterland surrounding the transplanted multi-national would become a breeding ground for budding entrepreneurs and local enterprise development.

It is likely that a certain amount of small supply enterprises were established in Kerry even though no supporting documentary evidence could be found to verify this. But what is known is that large foreign industries such as Burlington and Pretty Polly, seen as economic wonders in their day, had a finite lifetime. Probably due to global economic reasons, both industries went into rapid decline and eventual closure. The reasons for these closures are outside the scope of this research but the local economic consequences were devastating and far reaching. The closures left a local economic vacuum and a sense of shock and gloom. The impact of so many job losses had a devastating effect on local communities. Many looked to the IDA to provide replacement industries and felt that because of the political fall-out it would only be a matter of time before another foreign giant would appear on the horizon and re-employ all redundant local workers. However, the Burlington and Pretty Polly giants were never replaced. The global economy had changed. Ireland was no longer the cheapest or most attractive location for those types of industries. New approaches had to be found to provide jobs and energise local economies. In general, the development of these new initiatives was entrusted to the state enterprise support agencies and the policy focus shifted towards supporting indigenous enterprises.

### ***3.2.3 The Support Agencies Role in Promoting Indigenous Enterprises***

Nationally, with the splitting up of the IDA and the establishment of Forbairt in 1994, new importance was placed on nurturing Irish grown or indigenous enterprise as a source of economic growth and job creation. This policy was not seen as a replacement for foreign direct investment (FDI), which continued to be the cornerstone of Irish industrial policy, but as an additional plank to industrial development.

Following on from the politically sensitive closure of the Kingdom Tubes factory in Tralee in the early 1980s, the IDA promoted the county from its sub-regional office in Tralee from 1983 to 1989. Subsequently in 1989 the county of Kerry was split for industrial development purposes. North Kerry came under the auspices of the Shannon Free Airport Development Company (SFADCo.), later to be shortened to Shannon Development, while the IDA continued to be responsible for South Kerry. The offices of SFADCo were established in Tralee while the IDA sub-regional office moved to Killarney. This was a very significant and somewhat contentious change in how industrial and enterprise support services were to be provided in the county. The ramifications of the county division were many and often divisive, more so as Shannon Development had a tourism promotion brief as well as industrial development. This meant that Shannon Development was responsible for tourism promotion and industrial development in North Kerry, while these two roles were divided in South Kerry. In the southern part of the county the IDA had responsibility for industrial development while Cork Kerry Tourism was responsible for promoting tourism. Cork Kerry Tourism obviously did not have a sole Kerry focus as Cork formed a major part of their geographical brief. Added to this was the fact that Udaras na Gaeltachta had responsibility for industrial development in the Gaeltacht area, mainly in the west of the county in the area surrounding Dingle.

All of these divisions of responsibility resulted in fragmentation and confusion. This fragmentation and division of responsibilities continued up to recent times. The Report of the Enterprise Strategy Group (2004) made reference to such national fragmentation and called into question the need for Shannon Development as a separate development agency. The Report proposed that Shannon Development's enterprise activities should be subsumed into Enterprise Ireland and the IDA.

As noted above, the IDA was itself split into two organisations in 1994, with one organisation (Forbairt), taking responsibility for indigenous enterprise development. This reorganisation of agencies was one of the main recommendations of a major report on Industrial Policy – the Culliton Report (1992). In 1998 Forbairt became Enterprise Ireland, and this new agency also incorporated responsibilities of some other organisations operating in allied fields. Up until recently Enterprise Ireland retained the responsibility for promoting and supporting indigenous enterprise development in South Kerry, with Shannon Development having a similar role in the northern part of the county.

The fall-out from the above changes was that from 1989 up to 2008, Kerry was divided into two sub-regions for industrial development and tourism promotion purposes. In 2007 / 2008 Enterprise Ireland took over responsibility for indigenous enterprise development in all of Kerry.

#### ***3.2.4 The Micro-Enterprise Sector***

In 1993 County Enterprise Boards were established in each rural Irish county, with some larger counties having more than one Board. These were arms of the Local Authority County

Councils and their brief was to assist and provide supports to entrepreneurs and enterprises that were either too small or operated in a sector not supported by the main State agencies. The County Enterprise Boards had a proactive role in terms of promoting micro-enterprise. Micro-enterprises were defined as businesses employing less than ten people.

Since 1991, significant European Union and Irish State funding has been made available to promote local rural development under a number of initiatives such as the LEADER programme. Local development companies and LEADER groups were established in many rural regions including Kerry, to administer these initiatives. Various supports and assistance have been provided to micro-enterprises at local level through these programmes. In Kerry there was again somewhat of a North / South divide in the provision of LEADER and other local development programmes. One organisation, South Kerry Development Partnership, administered the programmes in South Kerry. In North Kerry there were four organisations administering similar programmes. Tuatha Chiarrai had responsibility for LEADER, while the North Kerry Together group, Sliabh Luachra ADM and Partnership Tra Li administered local development programmes in the Listowel, Castleisland and Tralee areas respectively. The LEADER and local development programmes, while targeted mainly at rural development and at disadvantaged groups all had a brief to promote and assist certain categories of micro-enterprises in their geographical areas of operation.

Having looked at the general development of industry and enterprise in Kerry in terms of economic impact and the effects of different policy initiatives, the next section focuses on the development of indigenous enterprise in the county.

### **3.3 Development of Indigenous Enterprise in Kerry**

Having gained an overview of the development of enterprise and the local economy in Kerry, it is now necessary to focus in a more specific way on the local indigenous enterprise field and on the entrepreneurs operating in this area. The main focus of the study is on the emergence of indigenous growth-oriented entrepreneurs. Examining the types of existing enterprise sectors and some of the role-model entrepreneurs that have successfully emerged in these areas provided a contextual framework for the research field study. This analysis of local indigenous enterprise activity also helped the researcher to develop a greater understanding of the sectors and entrepreneurs that have previously emerged in Kerry.

#### ***3.3.1 Overview***

The national decline in primary agriculture in terms of employment creation was noted above. This trend continues with Kerry being no different to other parts of rural Ireland. However, Kerry has maintained a strong tradition of enterprise and employment creation in the agri-related and food manufacturing sectors. The Kerry Group PLC had its origins in the agriculture co-operative movement and while still very active in this sector in Kerry, the organisation is now known globally as a major player in the value-added food and food ingredients sectors. Headquartered in Tralee, the Kerry Group currently employs over 20,000 people world-wide ([www.kerrygroup.com](http://www.kerrygroup.com), 2009).

As indicated earlier, and in common with other regions in Ireland, traditional manufacturing industries are in decline. Despite a certain level of activity in the craft and light engineering areas, Kerry has never had a strong tradition of indigenous enterprise activity in the traditional manufacturing sectors. This is despite the presence of major foreign owned

manufacturing companies such as Liebherr (container cranes) and Sara Lee (ladies apparel) in Killarney, and Tillotson (precision engineering), Goblin (vacuum cleaners) and Beru (automotive components) in Tralee.

Recent years have seen an upsurge of smaller indigenous enterprises in the information and communication technologies and the knowledge-based sectors. This trend has been spearheaded by companies such as Fexco (financial services) in Killorglin, Spectra (photo processing) in Listowel, and an emphasis on these sectors by Government policy and the support agencies. Factors such as the quality of life and the high participation rates in third-level education in the county have been put forward as key ingredients in attracting and encouraging enterprise development, particularly in the knowledge-based sector. This agrees with the findings of the literature in the previous chapter where the positive link between enterprise initiation and the length of time spent in formal education was identified.

### ***3.3.2 Food and Agri-Related***

As mentioned above, Kerry Group PLC is a global multi-national business and a business leader in the food ingredients and food flavours markets. It is also a leading branded consumer food- processing and marketing organisation with annual sales of €4.8 billion. Kerry Group supplies over 15,000 food, food ingredients and flavour products to customers in over 140 different countries. It has manufacturing facilities in 18 different countries and international sales offices in some 20 other countries. ([www.kerrygroup.com](http://www.kerrygroup.com), 2009).

The Kerry Group had modest beginnings in 1972 when three shareholders combined to finance a €1 million dairy processing plant to manufacture casein (milk protein) in Listowel, for export to the USA. These shareholders were the State owned Dairy Disposal Company,

the Erie Casein Company Inc. (USA) and a federation of eight small farmer Co-operatives from Kerry. In its first year of operation this new company, known as North Kerry Milk Products Ltd., made profits of €127,000 on a turnover of €1.3 million and employed about 40 people. During the 1980s Kerry Co-op embarked on a growth strategy designed to reduce its reliance on dairy products. The main thrust of the new strategy was based on company acquisition and diversification into more 'value added' food products. By 1985 annual sales had reached €268 million and ambitious plans were in place to grow and expand further. However the organisation lacked the capital required to fund its growth ambitions. In 1986 the shareholders approved plans for the organisation to become a Public Limited Company and take in new investors. A successful public offering of shares was made and with it the necessary capital to grow and expand was acquired. Kerry Group PLC is now quoted on the Dublin and London stock exchanges and has a market capitalisation of €2.5 billion ([www.kerrygroup.com](http://www.kerrygroup.com), 2009).

The Kerry Group is a major and somewhat unique player in the indigenous enterprise sector in the region. It is one of the few Irish owned multi-nationals and certainly the only indigenous Kerry based enterprise of such size and stature. In spite of the fact that much of its activities are in countries outside of Ireland, the company's mission, ethos and entrepreneurial flair continues to be driven from its Kerry base. In all of its corporate publications a strong sense of its Kerry roots shines through. The 22 person Board of Kerry PLC continues to have strong representation from its original founding constituency of the Kerry farming community.

With such a major international player as the Kerry Group based in the heart of the region it would be expected that at least a minor food enterprise boom would have taken place in the



area. But this is not the case. Few if any spin-off or sub-supply businesses have emerged either from under the wing of the Kerry Group or as a result of their strong leadership in this sector. Enterprise creation in the food sector in the region has been very limited and fragmented. The start-up enterprises in this sector assisted by the supporting agencies have been small in nature and mainly supply local markets. These small food enterprises have been in such areas as farmhouse and speciality cheeses, bread and confectionery, deli products, honey production and organic produce. There are a few exceptions to this trend in specialised areas. Examples of these exceptions are De Brun Iasc Teo. and O’Cathain Iasc Teo., both based in Dingle. These companies are involved in fish processing and associated activities. De Brun employs 60 people and O’Cathain has a workforce of over 400 people, on a full-time and seasonal basis.

### ***3.3.3 Information Technology and Knowledge Based Sectors***

At a national level major emphasis has been placed on this sector over the last ten years or so (Forfas, 1996). Growth in this sector has been remarkable and dynamic (Forfas, 2000). Despite its geographical isolation Kerry has not been left behind in this new and exciting economic growth area. Many enterprises operating in this sector can and do locate anywhere in the world. Many choose their location based on quality of life factors assuming that the necessary business supports and infrastructure are present, and are of sufficient standard to meet the needs of the business. In quality of life terms the Kerry has a lot to offer either in retaining home grown entrepreneurs or attracting outsiders to relocate.

In terms of examples of the types of enterprises established in the region, FEXCO Financial Services has developed into a trailblazer and become somewhat of an icon for entrepreneurs and enterprise development in the knowledge-based sector. Set up in Killorglin in 1981 to

operate Bureau de Change facilities throughout Ireland, Fexco has grown to become a leading player in areas such as global money transfer, currency conversion, stockbrokers, vat refunds, international corporate payments and travel services. With a workforce of over 600 people, the company now has operations in Ireland, UK, Spain, Malta, Australia, Finland, Denmark, Sweden, USA and Dubai ([www.fexco.ie](http://www.fexco.ie) , 2005). Established by a then local bank executive, Brian McCarthy, FEXCO has set a dynamic entrepreneurial pathway and acted as an enterprise model for potential entrepreneurs to aspire to and emulate.

Though somewhat of a lone player in the early days, FEXCO is now part of small but growing cluster of new-technology / knowledge-based enterprises primarily located in the Tralee, Killorglin, Killarney triangle. Stockbyte, Altobridge (Tralee) and Monex Financial Services (Killarney) are examples of the types of new, dynamic and entrepreneur-led businesses to emerge in the last 10 years in the wake of Fexco. These companies are headed by local entrepreneurs with drive and ambition and are marketing their products and services on the global stage ([www.Kerrysoft.com](http://www.Kerrysoft.com) 2005). Other examples of the range of enterprises operating in this sector in Kerry can be seen at [www.kerrysoft.com](http://www.kerrysoft.com). Kerrysoft is a business network organisation whose objective is to promote the growth of the new-technology / knowledge-based sectors in Kerry. The membership database of Kerrysoft shows 59 members. Excluding the 14 or so organisations providing support services, this gives 45 trading enterprises listed as operating in this sector in 2006.

Kerry is well served in terms of physical infrastructure and incubation facilities for the knowledge-based sector. These incubators include Shannon Development's Innovation Works, Kerry Technology Park, Tralee; Killarney Technology Innovation Centre (KTI

Centre) ([www.killarney-innovation.com](http://www.killarney-innovation.com)), and The Tom Crean Business Centre, Tralee ([www.creacentre.com](http://www.creacentre.com), 2007).

The on-going development of Kerry Technology Park in Tralee has further enhanced the region's capacity for expansion and growth in the knowledge-based sector ([www.shannon-dev.ie](http://www.shannon-dev.ie), 2006).

### ***3.3.4 Indigenous Manufacturing Industry***

Indigenous entrepreneur-driven manufacturing enterprises of significant size are relatively rare in Kerry. Despite small clusters around Tralee and Killarney, there is no tradition of large-scale start-up and sustained growth of these types of enterprises in the region. These types of enterprises would in the main be assisted by Enterprise Ireland (South Kerry) and Shannon Development (North Kerry). Examination of the lists of companies supported by these organisations confirms the above view (Shannon Development 2003 and Enterprise Ireland 2004). The trend away from indigenous manufacturing enterprises is confirmed in more recent agency reports (Shannon Development, 2009). As used by the development agencies, the term 'manufacturing industry' covers a broad range of enterprises and not just what might be termed 'traditional' manufacturing industry. For example, the agencies' reports and lists include sectors such as food / drink, seafood processing, financial services, new-technology and knowledge-based areas.

In South Kerry, Enterprise Ireland's Directory of Manufacturing Industries in the Kerry Region (2004) lists some 62 enterprises located in the Killarney, Killorglin, Waterville/Cahersiveen and Kenmare/Sneem areas. Taking Enterprise Ireland's Directory as a representative database, an analysis of indigenous manufacturing industry in South Kerry

shows that enterprises are small in size and predominately either craft based or operating in the light engineering sector. With a few exceptions the craft businesses tend to be located in more remote coastal areas such as Waterville, Valentia and Sneem. Again with a few exceptions, the light engineering enterprises are concentrated around Killarney. Eleven enterprises based on or around the sea are the next largest group.

The light engineering enterprises are all small in size (less than 50 employees) in relation to the potential of this sector and, with some exceptions, appear to be supplying the local market. While no hard data is available, local anecdotal knowledge suggests that this sector is relatively static or in decline, with very few if any start-ups in the last few years. The closure of the long-established Scott's Tools in Killarney is an indication of the state of decline and the difficulties facing enterprises in this sector.

A study of the craft sector in South Kerry (Quinn, 2003) commissioned by South Kerry Development Partnership, reports 42 craft businesses employing 80 people, 57 full time and 23 part-time. This study, one of the few available giving any detailed data on enterprises in Kerry, identified a total population of 82 craft type businesses in the South Kerry region. These ranged from the one-person part-time business to the largest business employing the full-time equivalent of 22 people (Muckross House Craft Enterprises, Killarney). Of the 42 craft enterprises surveyed, 27 were owner/managers who were the sole people working in the business (19 full-time and 8 part-time). The survey indicates that 24% of craft enterprises are in the start-up phase (1 to 3 years in business), 31% have been in business between 4 and 10 years, while 43% have been operating for 11 years or more. Even though in employment terms the overall sector is small, the figures suggest a healthy rate of entrepreneurship or enterprise start-up in this sector together with a significant consolidation or survival rate.

The sea-based enterprises are again small in nature and somewhat sporadic. The nature of the coastline and other natural features determine to a great extent the profile of this sector. These natural features result in pockets or small clusters of enterprises in relatively remote areas. Markets for products are affected by seasonal and tourism factors. Again there is no data available from Enterprise Ireland on actual employment, total market size and levels of entrepreneurship in this sector. Outside of Enterprise Ireland supported sea-based enterprises there are a few relatively large exceptions in the Dingle area as noted earlier in the chapter. De Brun Iasc and O’Cathain Iasc employ significant numbers between them in the fish processing and allied areas. These companies would have been supported by Udaras na Gaeltachta ([www.udaras.ie](http://www.udaras.ie), 2009).

In relation to North Kerry, Shannon Development’s Directory of Companies (2004) lists 80 indigenous enterprises that were assisted. The majority of these enterprises are located in the Tralee area with some smaller numbers in Listowel and Castleisland. In Tralee, most are located on Business / Industrial Parks with the new-technology (ICT) and knowledge-based enterprises clustered around the Kerry Technology Park and the ITT Campus. The predominant business groupings are light engineering, ICT / software and food / drink. As in South Kerry, enterprises tend to be small in terms of employee numbers with only three companies having more than 50 employees (The Kerryman Newspaper, Tralee, Spectra Laboratories, Listowel, and Dairymaster ). 98% of the enterprises listed have less than 50 employees.

In contrast to South Kerry, the northern part of the region has a small but growing cluster of ICT / software enterprises. Most of these are micro-enterprises employing less than six

people. Adding the electronic and printing / photographic businesses to this grouping gives a high tech cluster of some 27 enterprises or 34% of the total enterprises in the North Kerry sub-region. Again contrasting with South Kerry, there are very few craft type enterprises and while there are similar numbers of food / drink enterprises there is an absence of businesses in the seafood processing area.

### ***3.3.5 Micro-Enterprises - Assisted by Kerry County Enterprise Board***

One support agency, Kerry County Enterprise Board (CEB), has a total county brief, i.e., its remit has no North / South divide, and its role is to support and promote small or micro-enterprises. Micro-enterprises in this instance are defined as businesses employing less than ten people. Kerry CEB's Annual Report (2003) lists over 50 projects assisted during 2003.

In terms of the North / South divide, 26 enterprises (57%) are located in North Kerry while 18 or 39% are in the southern part of the county. 54% (14 out of 26) of the North Kerry enterprises are based in Tralee. Of the 18 South Kerry enterprises, 13 or 72% are located in the Greater Killarney area. Overall, 59% of the enterprises assisted are located in the Tralee / Killarney urban areas.

In sectoral terms, ICT related enterprises form the largest group (17%), with furniture / woodworking, food / drink, light engineering and craft based enterprises forming other significant groupings. These five sectors account for 65% of the enterprises assisted. Because of its remit, the CEB assists a wider range of enterprises compared to Enterprise Ireland and Shannon Development. This results in different categories such as childcare and other local service businesses being assisted. Unlike the distinct geographical clustering around the urban centres of Tralee and Killarney, no clear sectoral clustering pattern emerges from the

CEB assisted enterprises. No sector appears to be clustered around any particular location. Similar trends are noted in more recent CEB reports (Kerry CEB Annual Report, 2009).

### ***3.3.6 Micro-Enterprises - Assisted by South Kerry Development Partnership***

South Kerry Development Partnership (SKDP) is the organisation responsible for administering the LEADER Rural Development Programme as well as other development programmes in South Kerry. In LEADER administration terms, South Kerry is roughly equivalent to the area previously under the auspices of Enterprise Ireland for industrial development purposes. SKDP's list of projects funded (2004) shows 67 micro-enterprises assisted financially since the commencement of the LEADER+ Programme in 2000.

By their nature most of the enterprises assisted by SKDP are very small, typically employing one or two people including the owner. The three main sectors assisted are Crafts (36% of enterprises assisted), Tourism (25%) and Food (19%). These three sectors together account for 81% of the total enterprises supported.

As part of its Strategic Plan (2004), SKDP has identified key focus areas for micro-enterprise development. These areas include rural / agri-tourism, the crafts sector and the development of local food producers. The organisation has placed particular emphasis on the development of the indigenous food industry. The South Kerry Food Business Development Plan (Griffin 1999) proposes that South Kerry has the potential to be recognised internationally as a speciality food producing region.

### **3.4 Local Role Model Entrepreneurs**

This section takes a brief look at some of the entrepreneurs who have plied their trade in Kerry over the last few years. It is not the intention to examine and profile the complete range of indigenous entrepreneurs in the county. Instead, a small number of individuals are noted as examples, by reference to their impact, influence or the ‘typical’ nature of their profile. The information presented is anecdotal and has been collected by personal contact, discussion with individuals from the support agencies, and from the media. It is presented to give a flavour of the entrepreneurial types commonly identified as being ‘Kerry entrepreneurs’. It is also designed to provide a backdrop to, and enrich the context of, the overall case study. The field study will profile a cohort of local growth-oriented entrepreneurs in much greater detail and examine the factors that stimulated and impacted on their emergence.

#### ***3.4.1 Killarney’s Tourism Entrepreneurs***

Reference has been made earlier to Maurice O’Donoghue of the Gleneagle Hotel in Killarney and his impact on the hotel and tourism sector. Other entrepreneurs in this field include Padraig Treacy, Killarney Park Hotel, and Michael O’Donoghue of the O’Donoghue Ring Hotel Group. These and others with similar vision and drive have been responsible for large-scale developments in the hotel sector in Killarney in recent years. These developments have changed the face of tourism in Killarney and created new markets for the region’s tourism product.

#### ***3.4.2 Tomas Garvey - Retail Sector***

In the area of retailing Kerry has produced an entrepreneur who has truly broken the mould and succeeded in a sector that has come to be dominated by large multi-national retailers.



Tomas Garvey of Garvey's Super Value chain, has established a successful local chain of "grocery" stores in the Kerry / Limerick / Tipperary region from his West Kerry base.

Established from a one shop start-up in the town of Dingle, Garveys has grown to become a household name in the region and has somewhat bucked the trend of local store closures in the face of the dominance of the multi-national retailers.

### ***3.4.3 Denis Brosnan, Kerry Group – Agri-Food Sector***

The influence and impact of the Kerry Group PLC has been noted earlier in the chapter. In the early stages of Kerry Group's development and indeed up to quite recently, one person was synonymous with the company's development. Denis Brosnan is generally recognised as being the entrepreneurial driving force behind Kerry Group's phenomenal growth and development. The company's growth and development has been outlined briefly in earlier sections. While not an owner-manager type entrepreneur in the strictest sense, Denis Brosnan's record of achievement as leader of the Kerry Group displays all the traits and characteristics of a successful entrepreneur.

### ***3.4.4 Brian McCarthy, FEXCO – Financial Services Sector***

One other relatively recent Kerry entrepreneur, Brian McCarthy, has, like his company Fexco, become an entrepreneurial icon and a role model for budding entrepreneurs in the region, particularly in the knowledge-based sector. Although not a native Kerryman, Brian has come to be recognised as the definitive indigenous Kerry entrepreneur over the last number of years. Again, while not exactly fitting the traditional entrepreneurial profile, being a former bank manager, Brian McCarthy's entrepreneurial flair and attributes have in a way changed the face of enterprise development in Kerry. The phenomenal growth and success of Fexco, based in Killorglin, a small rural town with little infrastructure, has become the model

entrepreneurial success story. The impact of the company on the local economy in terms of wealth creation and employment has been highly significant. The business is highly compatible with the local natural environment and the local tourism based economy. However, it is the impact that Fexco appears to have had on the 'entrepreneurial psyche' of the region that has given the greatest and most far-reaching beneficial consequences. The development and success of Fexco has given a new confidence and impetus to indigenous enterprise development in Kerry. It has demonstrated what could be achieved from small local beginnings and has acted as a pioneer for the development of the knowledge-based sector in the region. There is now a very discernible cluster of knowledge-based / ICT start-ups taking shape in the region, as can be seen from the earlier analysis in this chapter. It is likely that the entrepreneurial leadership of Brian McCarthy has influenced this significant trend.

### ***3.4.5 Knowledge-Based Entrepreneurs***

Following on from FEXCO and the new emphasis placed on this sector by the support agencies, a new cohort of new-technology / knowledge-based entrepreneurs have emerged in the region over the last few years. Having its genesis in the business development of the Internet and the resulting 'dot com' explosion in the 1990s, the sector appears to have survived the demise of the 'dot-coms' and continues to develop within the region.

Some entrepreneurs such as Frank Murphy (Monex Financial Services) and Brian Leslie (Prima Finance), both based in Killarney, have followed the Fexco trail and established enterprises in the financial services field. Others such as Jerry Kennelly (Stockbyte), Mike Fitzgerald (Altobridge) and Jim Breen (Pulse Learning) have identified new technology based products and markets and have clustered around the Kerry Technology Park in Tralee.

In Listowel, Xavier McAuliffe established the Spectra group of companies that developed from small local beginnings to become a significant business venture. These are all relatively new enterprises, some in the early stages of development, trading internationally and providing significant numbers of high quality jobs.

### **3.5 Conclusions**

In recent years Irish enterprise policy has seen a significant shift in emphasis towards the development of indigenous enterprise. This shift arose from an apparent over reliance on foreign direct investment as an economic development strategy. The closure of large foreign owned manufacturing industries left a major economic and employment 'black hole' in areas such as Kerry. The economic vacuum resulting from the departure of the large multi-national industries required new enterprise policies based around the promotion of indigenous enterprise and the encouragement of local entrepreneurs.

While the attraction of foreign direct investment in industrial development is still a national policy cornerstone, the encouragement and development of indigenous entrepreneurs has become an essential policy aspect of local economic development. This is particularly so in regions such as Kerry where the common view is that foreign multinational investment has all but ceased. The loss of large numbers of jobs through factory closures has spurred the state enterprise support agencies into greater efforts. This has in turn led to increased local entrepreneurial activity and the emergence of new entrepreneurs. The new local entrepreneurial awakening in Kerry, which has grown out of the developments described in this chapter, has given rise to this current study.

The historic profiling of enterprise development and role-model entrepreneurs in Kerry, together with an analysis of a range of public agency documentation, gives an entrepreneurial perspective and context to the study. Based on this context and considering the types of enterprises supported by the state agencies as representative of the current state of entrepreneurial development in Kerry, it is possible to tentatively identify sectors where new growth-oriented entrepreneurs are likely to emerge. While small-scale food production and crafts have been supported by the state agencies and have a certain presence in Kerry, the opportunities for growth-oriented entrepreneurs to develop globally in these sectors would appear to be limited. The tourism sector has been a traditional mainstay of economic development in Kerry and it is likely that new entrepreneurs engaged in developing new tourism niches and markets will emerge. However, it is evident that the information technology and knowledge-based sectors are emerging as key growth sectors where new growth-oriented entrepreneurs are likely to be found. The evidence suggests that the identification and stimulation of growth-oriented entrepreneurs in this sector is a key ingredient in the future economic development of Kerry.

Major emphasis has been placed on the development of the information technology and knowledge-based sectors by Shannon Development and Enterprise Ireland. The development of Kerry Technology Park in Tralee and the resulting cluster of new knowledge-based enterprises are direct results of this policy emphasis. This knowledge-based clustering trend is being enhanced by the emergence of other globally trading enterprises founded by Kerry based entrepreneurs in Killorglin and Killarney.

The literature review has indicated a dearth of any empirical data on the origin and emergence of the growth-oriented entrepreneurs who created this knowledge-based enterprise cluster. As new entrepreneurs will drive the continued development of this cluster it is essential to understand how these entrepreneurs might be identified and motivated to initiate growth-oriented ventures. This study sets out to provide certain elements of the empirical data on the cohort of existing entrepreneurs that the literature indicates is lacking. By profiling these entrepreneurs and exploring the stimulating and motivating factors in their emergence, the key research questions will be addressed. The outcome will help to identify the entrepreneurial profiles most likely to develop growth-oriented enterprises in the economic and entrepreneurial environment that has evolved in Kerry.

The examination of the literature in Chapters 2 and 3 has provided the overall framework and context for this study. The conclusions arrived at, as discussed above, would appear to confirm the validity of the research aims and key research questions outlined in Chapter 1. The next chapter outlines the research methodologies employed in order to answer the research questions and fulfil the research aims.

## **Chapter 4. Methodology**

### **4.0 Introduction**

This chapter sets out the research approach adopted and the methodology used to conduct the research project. It outlines the research approach taken and describes in detail the research methodologies chosen together with the reasons for using these methods. It details how the research questions were addressed using the methodology adopted. The strengths and limitations of the research method chosen are also discussed. The following sections describe the research approach and methods considered and elaborate on the reasons for deciding on the actual methodology chosen.

### **4.1 Research Approach**

In examining appropriate methodologies for this study, key consideration had to be given to the research aims and research questions, as described in Chapter 1. Another major factor to be considered was the physical location within which the study was focused. The research is based within the physical geographical location of County Kerry. This boundary was pre-decided as the economy and entrepreneurial development of Kerry was the key motivating factor in deciding to undertake the study. The objects of study are growth-oriented entrepreneurs operating within Kerry, a sub-set of the overall entrepreneurial population. The

rationale behind the research and the definition of the term growth-oriented in the context of this study, are outlined in Chapter 1.

With regard to various research approaches, consideration was given as to whether a quantitative or qualitative approach should be followed, taking into account the research aims and the research questions. The respective strengths and weaknesses of these two approaches are now discussed.

#### ***4.1.1 Quantitative Methodologies***

In quantitative approaches the research design is decided and fixed prior to the main data collection phase (Robson, 2002). Robson (2002) asserts that the term fixed design research is best used to describe research that is quantitative in nature, as this better illustrates the nature of the research design. Quantitative research is often linked to the development of theory, and with fixed designs that link is easier to establish (Robson, 2002). Quantitative methods allow for the use of large and controlled sample sizes that enable statistical analysis to demonstrate if the results are significant. The research design tends to be of a fixed nature without the facility to alter the design as the research progresses (Patton, 2002).

There are a number of quantitative methods commonly used in research. One classical quantitative method is the experiment, where the researcher can control or vary all the variables involved in the study and thereby accurately measure the effect of an alteration to one or more variables. Experimentation has traditionally been used in the physical sciences, but certain forms of experimental methodologies or quasi-experiments have been used in the social science fields (Bennett, 1983). Surveys are also commonly used in quantitative approaches. Using data collection techniques such as fixed design questionnaires and

interviews, surveys are widely used in the social science and business fields (Bennett, 1983). Properly designed quantitative approaches using recognised methods such as surveys can produce large volumes of information relatively quickly (Bennett, 1983; Creswell, 1994). As well as possibly making it easier to establish reliability, these methods may also provide the opportunity to generalise and develop new theory from the results. However, quantitative methods often lack the depth of understanding and richness afforded by the use of qualitative methodologies (Bennett, 1983; Creswell, 1994).

In examining the main methodologies used in entrepreneurship research, Bygrave and Churchill (1989) assert that entrepreneurship is rooted in the social sciences and draws its research theories and methods from such diverse fields as biology, psychology, sociology, economics and business. They report that there may be a tendency for entrepreneurship researchers to study contrived problems because of a desire to use exact scientific methodologies, rather than using the most appropriate tools irrespective of whether the methodologies are simple or complex. In their view entrepreneurship models have to be rooted in sociology and psychology to give them theoretical validity, and they assert that both psychology and sociology lack the fundamental laws and principles evident in scientific fields. Therefore, mathematical and scientific research approaches and techniques should be used with caution in entrepreneurship research (Bygrave and Churchill, 1989).

Hindle (2004) and Chandler and Lyon (2001) also report an emphasis on the use of quantitative methods and a general linear approach by researchers in the entrepreneurship field. Hindle (2004) suggests that the over-emphasis on quantitative methods has weakened the case for entrepreneurship being recognised as a significant field of study in the social sciences. In contrast he notes the wide variety of research methods used across the general



social science spectrum. He goes on to argue that there is a major lack of variety in the methodologies used in entrepreneurship research and suggests that qualitative methodologies should be used much more widely.

#### ***4.1.2 Qualitative Methods***

The research data resulting from qualitative or flexible design research (Robson, 2002) tends to focus on words rather than on numbers (Miles and Huberman, 1994). Patton (2002) asserts that qualitative research methods tend to produce rich data, high in quality and usually involves a much smaller number of subjects or cases than quantitative methods. He contends that qualitative studies are suited to research that seeks to develop understanding of naturally occurring events and social experiences as it generally deals with people, places, interactions and activities. Detailed and in-depth data is usually captured about people undertaking activities or interacting in their own situation and environment. Denzin and Lincoln (1998) indicate that qualitative research attempts to understand or interpret phenomena in their natural settings through the meaning that peoples' experience brings to them.

Robson (2002) describes three influential design traditions within the flexible design or qualitative approach which he asserts are of particular relevance for real world research. These design traditions are grounded theory, ethnography and case study. The focus of grounded theory is on the development of original theory derived from or grounded in data collected in the field. Ethnography involves the researcher describing and interpreting society or culture within a group. Case study is concerned with developing an in-depth analysis of single or multiple cases, usually using multiple sources of data or evidence (Robson, 2002).

Dana and Dana (2005) favour the use of qualitative methodologies and qualitative data in entrepreneurship research. They highlight inductive approaches that make use of researcher intuition, noting the successful development and use of qualitative methods in social science disciplines. While quantitative methodologies make use of deductive reasoning using existing theories and pre-determined hypotheses, qualitative approaches employ inductive reasoning to formulate explanations and theories about situations and events that have been observed (Gill and Johnson, 1991).

#### ***4.1.3 Discussion on Research Approaches***

It was known that a certain new type enterprise culture existed in Kerry and that new entrepreneurs were emerging in the county. The best and most appropriate research methods needed to be chosen in order to examine the issues that motivated or stimulated these entrepreneurs to initiate and develop growth-oriented businesses. The literature review indicated that there was a scarcity of empirical knowledge about entrepreneurs in Kerry, except for limited information published by the public support agencies regarding the enterprises that they assisted. This finding from the literature suggested that the study should be exploratory in nature and should have the capacity to act as a framework for future investigative research into entrepreneurship in the county and beyond. Exploratory research is commonly used where the study sets out to describe existing situations and events. It is used to identify factors, variables and hypotheses that may require further study (Bennett, 1983). Exploratory research is also employed to seek new insights into phenomena and to ascertain what is happening in situations that are not fully understood (Robson, 2002). In entrepreneurial research terms Kerry presented as a green field situation. The challenge was to find the most appropriate research methods that would capture the data required to answer the research questions.

As the study is focused on County Kerry, the research has clear geographical boundaries. The focus on growth-oriented entrepreneurs gives the research clear boundaries in population terms. Consideration was given to the value of attempting to measure the quantity of entrepreneurs in Kerry and the quantity of the growth-oriented sub-set. However, as well as the scarcity of empirical data about Kerry, the literature had not provided information on any similar sub-regional studies in Ireland. This suggested that regional comparative analysis within Ireland could not be undertaken. It was therefore concluded that there would be limited value in attempting to quantify entrepreneurial numbers in Kerry until we had a greater understanding of the existing entrepreneurial environment and possibly other regional studies for comparative purposes.

Considering the scarcity of empirical data about the entrepreneurial environment and entrepreneurs in Kerry, the study took an exploratory perspective, as described earlier. The research aims seek to provide a descriptive and explanatory understanding on the existing entrepreneurial situation in the county. As the research seeks to provide an in-depth examination of an existing situation, a qualitative approach that would yield a rich source of explanatory data was identified as being most appropriate. Considering that the study is very much grounded in a local real world situation, the three traditional approaches to qualitative research design, as described by Robson, were examined in terms of appropriateness (Robson, 2002). These three approaches are grounded theory, ethnography and case study as outlined earlier.

Taking into account the geographical boundaries, the study population, the research aims and the desired outcome, a case study approach to research design was considered most

appropriate. The next section examines and elaborates on the use of case study research methodology.

## 4.2 Case Study Methodology

### 4.2.1 What is Case Study?

In research terms, the case study method refers to a strategy or approach rather than a method of data collection such as an interview or survey (Robson, 2002). There are a number of important aspects to case study research. Case study research is:

- **Empirical**, in the sense of relying on the collection of evidence about events and situations
- About the **particular**. It is a study of the particular case in question
- Focused on a **phenomenon in context**, often where the boundary between the phenomenon and its context is not clear
- Undertaken using **multiple methods** of evidence or data collection

Source: adapted from Robson (2002)

### 4.2.2 Case Study Definition

Yin (2003, p.13) defines a case study as an empirical inquiry that

*“investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident”*

Creswell (2002) takes the view that case studies emerge in response to a problem that needs to be solved. Creswell further asserts that a case study will provide an in-depth understanding

of a case or bounded system, which involves understanding of one or more individuals, a process, an activity or an event.

#### ***4.2.3 Case Study Context***

The context of the cases under study is highlighted as an important component of the case study method. This is because a case always takes place in a specified physical and social setting and the case cannot be properly studied if it is removed from its context (Miles and Huberman, 1994). Meyer (2001, p. 239) proposes that case studies in an organisational setting consist of a

*“detailed investigation of one or more organisations, or groups within organisations, with a view to providing an analysis of the context and processes involved in the phenomenon under study”*

The use of case studies is regarded as an important methodology in management and organisational research, not only for generating hypotheses for further testing, but for generating and testing theory (Patton and Appelbaum, 2003). Pettigrew and Whipp (1991) assert that case studies provide insights that are not normally apparent using other methods. Case study methodology is suitable for small-scale research with limited resources and it can provide a rich and deep investigation using a relatively small number of examples (Blaxter, Hughes and Tight, 1996). Rowley (2002) asserts that case studies can be useful where the nature of the research is exploratory, descriptive or explanatory, and suggests that the method is particularly relevant when How? and Why? questions need to be answered.

#### ***4.2.4 The Uses of Case Study in Research***

Meyer (2001) asserts that unlike other qualitative and quantitative methodologies, there are almost no specific requirements that guide research using case methods and that this is both a strength and a weakness of using this methodology. Meyer (2001) notes that as sometimes

the methodology has not been applied properly, with poor results, the method has been open to criticism particularly from the proponents of quantitative methods. However, a major strength of case study methodology is that the research design and data collection methods can be adapted and tailored to suit the specific research questions (Meyer, 2001). Yin (1984) outlines a number of different research uses for case studies. These include:

- **Explaining** casual links in real-life situations that may be too complex for the use of experimental or survey based methods
- **Describing** the real-life context of an event or intervention
- **Evaluating** an event or situation
- **Exploring** situations or events that have no clear apparent outcomes

Source: Yin (1984)

The increasing use of case studies in small business and entrepreneurship research is reviewed extensively by Perren and Ram (2004). They assert that case study methodology has been shown to be a worthwhile approach in the entrepreneurship field and is gaining greater acceptance with entrepreneurship researchers.

In general terms, case studies are used to gain greater insight and a deeper understanding of the subject being researched rather than to broaden general knowledge and extrapolate theory. While the literature yields a number of different definitions of what constitutes a case study, it is evident that the methodology can be used productively where exploratory and descriptive research is required. This is particularly so when real-life events and situations embedded in their own context are being examined. The use of case study methodology in research has gained wider acceptance and the method is now being used widely in the field of entrepreneurship. The following sections explore some of the specific issues and techniques

involved in case study research and outline how these techniques were employed in the completion of this study.

#### ***4.2.5 Using Single or Multiple Cases***

The literature addresses the question of whether a research study can be properly conducted using one single case as against the use of multiple cases in the research design. In areas where little or no previous research has been conducted, a single case study method may provide valuable information about a little known concept or paradigm (Yin, 1994). Indeed, Pettigrew (1985) argued that single case methodology can be used to develop theory and is equally as effective as the use of multiple case sources. However, Yin (1994) considered that the use of multiple case studies produced greater reliability and validity and allowed for better theory building and testing. The use of multiple case sources allowing data and concepts to be verified in different situations with different people, help to address concerns about validity and reliability and may allow the opportunity to generalise (Glaser and Strauss, 1967). Good case study design incorporates the use of multiple sources or triangulation of data and it was important therefore that this feature was built into the research design of this study. Triangulation involves the use of more than one source of data to enhance the rigour and validity of the research (Yin, 1994; Robson, 2002). The next sections outline the type and sources of data commonly used in case study research describe the sources of data used in the current study. The methods used in analysing the data are also described and discussed.

#### ***4.2.6 Data Collection***

Case studies can involve the use of both qualitative and quantitative data (Yin, 1984; Patton and Appelbaum, 2003), even though qualitative methods within cases are much more common (Patton and Appelbaum, 2003). According to Yin (1989), a combination of data

collection methods such as interviews, questionnaires, observations and archives are typical components of the case study approach. Eisenhardt (1989) also emphasises the use of multiple evidence or data sources in case study research. Data for this study was collected using a number of sources. This multiple-source method was based on Yin (2003). Yin's multiple evidence sources and their respective strengths and weaknesses are outlined in Table 4.1.

**Table 4.1**

<b>Source</b>	<b>Strengths</b>	<b>Weaknesses</b>
Documentation	Exact details of events, etc. Unobtrusive. Stable – repeated access. Broad coverage possible.	Access may be denied. Selectivity bias. Reporting bias.
Archival Records	As above. Quantitative and precise.	As above. Accessibility due to privacy.
Interviews	Targeted and focused directly on case study topic. Insightful – provides perceived causal inferences.	Bias due to poorly constructed questions. Response bias. Inaccuracies due to poor recall. Reflexivity – interviewee gives what interviewer wants to hear.
Direct Observation	Reality – covers events in real time. Contextual – covers context of event.	Time consuming. Selectivity – unless broad coverage. Reflexivity – event may proceed differently because it is being observed. Cost – time for observation.
Participant Observation	As above for Direct Observation Insightful into interpersonal behaviour and motives.	As above for Direct. Bias due to investigator's manipulation of events.
Physical Artefacts	Insightful into cultural features. Insightful into technical operations.	Selectivity. Availability.

*Source: Adapted from Yin (2003, p86)*



In this study data was collected through the use of two distinct sets of formal interviews together with informal discussions. Published and unpublished organisational documentation was also a major source of data. Specifically the sources of data used were:

1. Formal interviews with nine entrepreneurs identified as being potentially growth-oriented.
2. Informal follow-up discussions with the participant entrepreneurs. These were used to check facts and clarify points.
3. Formal interviews with individual representatives from three of the main entrepreneur assistance agencies operating in the county. These were Enterprise Ireland, Shannon Development / Kerry Technology Park and Kerry County Enterprise Board.
4. Review of documentation. The documentation consisted of the annual reports and other documents produced by the above agencies and South Kerry Development Partnership. Other published documents by various consultants and public bodies were also used. The documentation is discussed in detail in Chapter 3.

The nine participating entrepreneurs were selected on a convenience basis using the prior knowledge and entrepreneurial experience of the researcher. The researcher has worked in the entrepreneurial environment in Kerry for over ten years, primarily as a manager of a business incubation centre. As well as the researcher's prior knowledge of their business ventures, two other factors were employed in participant selection to help minimise bias. Previous participation on a relevant entrepreneurial development programme and an indication from the state agencies that the enterprise was a high potential start-up were also used as participant selection indicators. The interviews were arranged through the researcher's personal contact with the entrepreneurs. The interviews took place at the

entrepreneurs' offices or at the KTI Business Incubation Centre depending on the preference of the interview. The duration of the interviews varied from between one to two and a half hours, depending on the quantity and quality of information provided by the interviewee. However, the interview schedule was fully completed in all cases. The interviewees were informed that the information provided would only be used for the purposes of this research and were assured of full confidentiality in relation to the interview content. The interviews with the three state agency personnel took place at the interviewees' offices and were of approximately one-hour duration. The state agency personnel were also assured that the information provided would only be used for the purposes of this study.

As the research progressed, the nine entrepreneur interviewees developed into what might be termed internal-cases within the over-riding framework of the overall case. This process developed as more information regarding each entrepreneur was collected. Supplementary data on the entrepreneurs was gathered through informal meetings and discussions.

Promotional material, information published in the media and the entrepreneurs' websites were also used as data sources. In particular, this type of information was used to supplement the interview data to help build more in-depth entrepreneurial profiles and to develop a deeper understanding of the entrepreneurs' motivating factors.

All formal interviews were conducted using a flexible semi-structured interview schedule (see Appendix A and B). Interview questions were mainly open-ended. The initial interview was treated as a pilot case. This allowed for changes to be made to the interview schedule for subsequent interviews if required. Due to the flexible semi-structured interview design, no changes were made to the interview schedule as a result of the pilot interview. However, the pilot interview illustrated the importance of establishing early rapport with the interviewee as

this prompted the provision of a greater quantity of high quality and detailed data. Another aspect to emerge as a result of the pilot interview was the inclusion of the facility to seek follow-up information or the confirmation of facts, if the researcher considered it necessary. All interviewees agreed to the inclusion of this facility even though it was not subsequently required in all cases.

The establishment of good rapport with the interviewees appeared to be achieved in all cases. The interviewees were encouraged to talk as much as possible without unnecessary prompting or interruption unless they diverted in a major way from the topic. With the use of these techniques, the interviews provided a rich source of quality data. All interviews were digitally recorded and fully transcribed by the researcher.

#### ***4.2.7 Data Analysis***

As indicated in the previous section all formal interviews were fully transcribed by the researcher (see Attachments I and II for completed interview transcripts which are confidential). The transcribed texts were then analysed using a methodical content analysis approach. The content analysis followed closely the methods described by Miles and Huberman (1994). Miles and Huberman are recognised as amongst the most authoritative authors in the field of qualitative data analysis (Robson, 2002). As well as the factual data used to build the entrepreneurial case profiles, content analysis was used to identify patterns and themes relating to entrepreneurial stimulators. These patterns and themes were synthesised to produce an entrepreneurial stimulation matrix and a smaller entrepreneurial intervention matrix. The results of the data analysis are described in detail in Chapters 5, 6 and 7.

The textual content of the interviews was analysed to categorise data relating to the two main underlying themes. These data themes were (a) Entrepreneur profiling data and (b) Entrepreneur stimulation data. The profiling data refers to the factual information used to develop and build the entrepreneur case profiles. The ‘stimulating’ data refers to content that was used to identify the various factors that might have motivated or stimulated the entrepreneur to initiate and develop a growth-oriented business in Kerry. As the stimulators could have emanated from across a wide range of different sources during the entrepreneurs’ lifetime, great care had to be taken when analysing this aspect of the content.

The researcher conducted and transcribed each interview individually. This resulted in the content of each interview being listened to in full by the researcher on at least two separate occasions. In practice, much of the content was listened to on a multiple basis, as the digital recording often needed to be rewound to clarify the interviewees’ words and the points that they were making. This approach employed a qualitative method of enquiry and analysis that leads to a deep understanding and empathy with the subjects under study (Miles and Huberman, 1994).

To develop a process for the content analysis, the transcribed data from the pilot entrepreneur interview was also treated as a pilot for content analysis purposes. The process derived from the content analysis of the pilot interview was then used to analyse the remaining case interviews. As new themes, patterns or indicators were identified in subsequent interviews, these were then cross-referenced with all completed interviews. In this way the process of analysis was not static or fixed but continually evolved. This flexible approach to analysis is typical of studies employing a case study approach using qualitative methodologies (Yin, 2003).

## **4.2 Validity, Reliability and Generalisation**

The issues of validity, reliability and generalisation need to be addressed in all instances where research is undertaken. Validity refers to the issue of whether the research actually does what it was designed to do or whether it measures what it was supposed to measure. Reliability is used mainly in connection with some form of measurement, e.g., will a particular instrument, test or questionnaire give repeatable results if used on different occasions. The value of certain types of research will depend on whether one can generalise from the results. Can the findings from a particular study be used to generalise that similar results will be found in similar situations or across larger populations of similar subjects?

The issue of validity was addressed by the use of multiple sources of evidence and data triangulation as described earlier in the chapter. The issue of generalisation was regarded as important in the research design in so far as it would allow generalisation within the overall Kerry entrepreneurial case. As the case study is embedded in the environment of the local region and economy, its value should be viewed in that context. As noted earlier there is debate in the literature as to whether one can generalise from a case study (Pettigrew, 1985; Yin, 1994). Yin (2003) puts forward the view that generalising from a single case study is similar to generalising from a single scientific experiment. Scientific theory is rarely based on a single experiment, but on the results of a number of related experiments. In the same way the study of similar multiple cases may be used in the development of generalised theory but cannot be used to generalise to populations or universes (Yin, 2003). Yin emphasises the importance of remembering that a case study does not represent a sample of a bigger

population and should not be used to attempt to measure numbers or frequencies of subjects or events. However, case studies and in particular multiple cases can be used to generalise to theory (Yin, 2003). While using Kerry as a single case location, this research used nine entrepreneur cases within the overall design. This gives the research a multi-case feature that lends support to the formation of certain generalised theories about growth-oriented entrepreneurs within the overall case.

The use of a multi-case feature within an overall case design, together with the use of multiple sources of data, enhances both the reliability and validity of the research design. Great care was taken to document and record all stages of the case research process to ensure that the research could be replicated. It is recognised that in common with most qualitative research undertaken by a single researcher, the issue of researcher bias has to be taken into account. All steps in the research design, implementation and analysis processes were recorded and documented. This process of documenting, together with the careful adherence to a defined case study protocol, helped to reduce the potential effects of researcher bias and helped to eliminate errors from the research process. In doing so, these actions also helped to enhance the validity and reliability of the research design.

#### **4.4 Discussion and Summary**

The literature was consulted to examine the various approaches and research methodologies in entrepreneurship and related fields. Taking into account the views from the literature, the research aims and the context of the study it appeared that a case study approach might be the

most appropriate. The case study definition of one of the main recognised authorities in the field, Yin (1993) seemed to offer a matching fit for the framework of the study. The Kerry entrepreneurial case would appear to be a contemporary phenomenon which is of significance and importance to the economic development of the county and by extension to the people who live there. The detailed study design which included face to face formal interviews supplemented by follow-up informal contact with nine identified and operating entrepreneurs, ensured that the research took place in a real-life context. The relationship between the new entrepreneurial phenomenon developing in Kerry and the geographical and social context in which it was taking place was not clearly manifest. The study was designed to allow the Kerry entrepreneurial phenomenon to be investigated and to provide clarity around the contextual relationships involved. An overall case study design using Yin's (1993) theoretical approach was therefore considered to be the most appropriate.

This chapter outlined the research approach adopted and the specific methodology used to conduct the research. The different approaches and methods considered were described and discussed. A qualitative approach to the overall design was adopted. A case study approach was decided on, as it best served the geographical and contextual boundaries and allowed the research aims and questions to be addressed. The data collection and analysis methods and techniques used are described in detail. The issues of validity, reliability and generalisation are then addressed. The following chapters will now describe the results of the data analysis and results in detail.

## **Chapter 5. Research Findings: Entrepreneur Profiles**

### **5.0 Introduction**

This chapter uses the primary data from the research interviews with the entrepreneurs and the interviews with the three state agency personnel to build a composite profile of Kerry's current cohort of knowledge-based growth-oriented entrepreneurs. Research question one is therefore addressed. The chapter seeks to establish where our entrepreneurs 'come from', looking at a number of different perspectives such as background, education, experience, skills, prior work and lifestyle.

The literature had indicated the importance of examining and understanding these perspectives. It was evident from the literature that entrepreneurs do not emerge from a homogenous group (O'Connor and Lyons, 1983) and that many factors impact on their emergence and development. Schumpeter (1934) described entrepreneurs as innovative people who recognise and convert opportunities into practical and marketable goods and services. Entrepreneurs typically have a desire to take personal responsibility for their action, have a distain for the routine and are willing to take moderate and calculated risks (McClelland, 1974; O'Connor and Lyons, 1982). While some writers saw entrepreneurs as coming from a deprived or 'displaced' background (Shapero, 1975; Kets de Vries, 1987), others emphasised the importance of family, social environment and career influences on the development of entrepreneurs (Hisrich and Peters, 1992). Murray (1981) profiles the entrepreneur as being well educated with considerable enterprise-related skills and possibly coming from a family business background. Entrepreneurs are also profiled as displaying attributes such as flexibility, initiative, creativity and independence, with a desire to achieve



(Gibb, 1987). The literature suggested that Irish entrepreneurs came from a variety of social backgrounds but were generally from secure, stable family environments. These family environments typically fostered an organised and disciplined early life involving a strong work ethic with education being highly valued (O'Connor and Lyons, 1983). The positive link between entrepreneurship and a high level of formal education is established in the literature (Robinson and Sexton, 1994) with education being regarded as a central element in the development of an enterprise culture (Scanlan, 1986; Gibb, 1988; Hynes, 1996). Similarly, entrepreneurship training programmes are purported to have significant impact in influencing people to initiate business ventures (Hornaday and Vesper, 1982; Wyckham and Wedley, 1990; Gibb, 1988). The need to foster enterprise activity at a young age is also advocated (Hynes, 1996) with formal entrepreneurship education gaining an increasing recognition across Europe (Hytti and O'Gorman, 2004) and elsewhere (Gartner and Vesper, 1994; Katz, 2003).

The entrepreneurial profiles from the compiled literature will be compared and contrasted with the profiles drawn from the primary data later in this chapter and in the final chapter. Developing a profile of Kerry's current cohort of high potential entrepreneurs is important in that it assists our understanding of how, and from where, the county's future growth-oriented entrepreneurs may emerge. This entrepreneurial profiling, when taken together with the analysis of entrepreneurial stimulators in the following chapter, will address the research aims and will be used to answer the research questions outlined in Chapter 1.

The first part of the chapter profiles each of the individual entrepreneur cases in the overall case study. The entrepreneur case profiles are based on the primary data collected through

formal semi-structured interviews supplemented by informal discussions, informal observation and publicly available information about the entrepreneurs. The chapter then utilises data extracted from the formal interviews with the personnel from the three main enterprise support agencies in Kerry to outline the agencies' perspective on the profile of the entrepreneurs in the county. These agencies were identified as Shannon Development / Kerry Technology Park, Enterprise Ireland and Kerry County Enterprise Board. The rationale and justification for this approach and the data collection methods chosen are outlined in Chapter 4. The final section of the chapter draws together the individual entrepreneurial case profiles and the support agencies' perspective to develop a composite profile of Kerry's growth-oriented entrepreneurs.

## **5.1 Individual Entrepreneur Profiles**

This section describes the individual profiles of each of the nine selected entrepreneur cases. The profiles are derived from the formal primary research interviews conducted with each entrepreneur, together with data collected from informal discussions. In some cases information from newspaper and magazine articles, websites and promotional material was used to supplement the data collected and thereby build a more in-depth entrepreneurial profile. All the entrepreneur cases were based in Co. Kerry. The interview schedule is included as Appendix 1 and the completed interview transcripts are attached to the Thesis as Attachment I. The identity of the entrepreneurs and the completed interview transcripts are confidential as these ethical conditions were agreed with the interviewees.

The first entrepreneur profiled (*Entrepreneur Z*), is the pilot case used in the study as outlined in the Methodology Chapter. As indicated in Chapter 4 this interview was treated as a ‘pilot case’ to ascertain if the interview schedule and approach taken would capture the data required to fulfil the research objectives. The use of a pilot case allowed for adaptations to be made to the interview schedule and the interview technique for subsequent interviews if required. Due to the flexible semi-structured nature of the interview design, no changes were made to the interview schedule as a result of the pilot interview. However, the pilot interview illustrated the importance of establishing rapport and building confidence with the interviewee and it became clear that these aspects were crucial to the collection of high quality and detailed data. The pilot interview also indicated the value of getting the agreement of the interviewee to provide follow-up information if the researcher considered it necessary. As a result of the pilot interview it was evident that this follow-up facility would add to the quality of the data. Agreement was sought and received from all interviewees for the inclusion of this facility even though it was not subsequently needed in all cases. The individual profiles of each of the nine entrepreneurs participating in the case study are described in the following sub-sections.

### ***5.1.1 Entrepreneur Z***

*Entrepreneur Z* is a 42 year old female with an honours degree in English and History. *Z*’s mother is from Kerry and her father is from Limerick. They met and married in New York, U.S., where *Z* was born. The family returned to live in North Kerry when *Z* was 7 years old. After the Leaving Certificate, *Z* did a secretarial course and returned to New York where she initially worked as a secretary. Over the two years she worked in New York in the 1980s, *Z* became interested in and developed skills in the use of computers. She then moved to London, again working as a secretary. In 1990 she started a full time degree course in

Strathclyde University, graduating in 1994. After graduating, Z worked as a secretary in a large London organisation where a major computerised membership database project was being implemented. She was struck by the lack of computer skills in the workforce and the poor communication levels between IT people and the software end users.

Z returned to Ireland in 1995 and while doing secretarial work she took a distance learning course in computer programming. While looking for a programming job, she worked part-time in an accountant's office where her job included organising clients' paper work into proper book-keeping systems. While working in this part-time job she was vaguely considering the option of starting her own business if she couldn't find full-time work as a computer programmer. However, she succeeded in getting a full-time job with a software firm in Dublin, where she worked for two and a half years.

For lifestyle reasons Z returned to Kerry and after some research and discussions with family members she applied for, and was accepted onto the Genesis Enterprise Platform programme in Cork in 1999. During the year-long Genesis programme Z established a business venture developing software for simplifying vat returns for small businesses. Since 2001, Z has been in business in partnership with a family member. The business range has expanded and now the main product is a suite of book-keeping software designed for small businesses in the Irish market. As well as the software, the company also provides training programmes in book-keeping for small businesses using the software system. The main market place for the software and the associated training is the south-west of Ireland. Currently Z's company is in the process of franchising or establishing agency rights for the distribution of the software and training in a number of different territories in Ireland. They are also preparing to develop an on-line version of the software and beginning to research the possibility of developing into the U.K. market.

### ***5.1.2 Entrepreneur Y***

*Entrepreneur Y* is a male in his late forties and is originally from Co. Wexford. Y came from a farming background and that was his first love in career terms, but circumstances dictated that he could not follow that path. He is a qualified accountant, and has a B Comm from University College Cork. After college, Y spent four and a half years with a large accountancy firm. He didn't really want to be an accountant but that was the only viable career option open. During and after college he always knew that he was going to develop his own business at some stage. In 1987, Y joined a small but growing financial services company in Kerry as Chief Financial Officer. He spent 10 years with this company as it developed and expanded rapidly. While at the financial services company, Y moved away from pure accountancy and gained experience in selling and international marketing. The company was very entrepreneurial in its approach and Y had lots of autonomy in his role. Y had been given a minority shareholding in the company and wanted to develop this. As he felt the opportunities for developing were not forthcoming, he left the company in 1997 to set up his own business in the international financial services sector.

The transition from working as part of a multi-skilled team in a relatively large company to a small start-up with three employees was traumatic. But after one year, Y had signed his first international contract and his company employed 10 people. The contacts made during his 10 years with the financial services company were crucial in providing the initial business and contracts for the new company. Investment by Enterprise Ireland and the marketing assistance given by their network of offices around the world were key ingredients in the establishment and success of Y's company. In 2000, Y moved his headquarters from a house

in Killorglin to the KTI Centre in Killarney. His business is now worldwide with his major markets being in Asia. He recently signed a large contract with the Bank of China and sees that area as a location of continued growth for the business. 10 years on from starting, Y still sees himself as the chief salesman for the company. He believes that being the inventor and founder has given him major credibility as the ‘salesman’ particularly in the Asian markets. He believes that the company is still very much growing and that they have not even nearly approached their capacity at this stage. The company currently has about 40 people based at headquarters in Killarney, with about another 30 worldwide.

### ***5.1.3 Entrepreneur X***

*Entrepreneur X* is a 38 year old qualified chef from Killarney. He left school before doing the Leaving Certificate and spent two years training to be a chef at the Institute of Technology Tralee. He trained and gained experience as a chef in various hotels in Kerry, London and the Cayman Islands. He then spent 7 years as head chef at a hotel in Killarney. His career then branched into industrial catering. He spent a number of years as catering manager in industrial or factory locations in the south of Ireland, eventually being promoted to general catering manager in charge of a number of locations working for a contract catering company.

In 2002 he set up his own company specialising in food safety consultancy. A year later the company added recruitment to its portfolio. Currently the business is about 25% food safety consultancy and 75% recruitment. Initially the company operated from one room in a house in Killarney. The business headquarters moved to the KTI Centre, Killarney, in 2006. The

company now employs 11 people and has offices in Sligo, Galway, Waterford and Laois. Recruitment services are provided mainly for the hotel and catering industries. In addition to these sectors, food safety consultancy services are provided to hospitals, retail outlets, nursing homes, fish farms, bakeries and other locations where food is served or handled. The company has referral partners or affiliation offices in the U.K., France and a number of eastern European countries.

#### ***5.1.4 Entrepreneur W***

*Entrepreneur W* is a female in her mid-forties. She was born in the U.S. to Irish parents and lived in New York until she was about 12 years of age. She attended secondary school in Kerry after her family moved back to Ireland. After the Leaving Certificate, W did a two year certificate course in computer programming and systems analysis at the National Institute of Higher Education in Limerick. After college she spent four years working in the computer department of a factory in Tralee. In this job she got a broad experience of all systems across all departments. This led to thoughts of designing better systems and also to the possibility of developing a business in this field.

When W was 23 years old she moved back to the U.S. where she worked for about seven years in computer programming. Part of this time was spent as a contract service provider while she also worked for Pepsi Corporation for a year and a half. She also spent about four years with a smaller entrepreneurial type company. W had a baby at that time and moved back to live in Kerry for family reasons. She spent time contracting as a programmer and about a year working with a large Kerry based multi-national. She then worked in an old

‘fashioned accountancy’ office. During this time she began developing software for payroll and book-keeping for self-employed people. W then spent nine months in Guam managing a group of programmers and continued this work remotely when she returned to Kerry. During this period she was also selling and servicing computers in partnership with her husband. At one point this company had five employees.

In 1999 W participated on the Genesis Enterprise Platform programme in Cork. W’s current business evolved from this point. In partnership with her sister (*Entrepreneur Z*) she developed a suite of book-keeping / accounting software for small businesses. Both of W’s companies nearly folded during a difficult period around 2001 / 2002. She attributes their survival to significant mentoring help received from a business mentor provided by Enterprise Ireland. At that time she extricated herself from the computer services company and went full-time with the book-keeping software business in partnership with her sister. The business had to be restructured and all unnecessary costs cut. W also took contract programming work in Dublin to survive. W’s current business model and development are described as part of the profile of *Entrepreneur Z*.

### **5.1.5 *Entrepreneur V***

*Entrepreneur V* is in his late forties and left school in Tralee at 17 without doing the Leaving Certificate. His family had a very busy printing and publication business in Tralee and he worked in the business in the evenings and nights while still at school. There was a very strong work ethic in the family and V went to work full-time for the family business after leaving school. He worked across all departments in printing and publishing but had a strong



leaning towards photography and photo-journalism. The family business required a lot of multi-tasking and because of his wish to focus on photography, V decided to set up his own business in Tralee in 1981. This business was established to provide news and pictures for the daily newspapers and for public relations firms in Ireland. It also provided ordinary photographic services such as wedding photography as well as doing freelance work for the family newspaper. This was V's first business venture. It was fairly successful and after a while he employed two or three people.

After researching and acquiring the new Apple Mac desk-top publishing technology, V's business developed into producing high quality corporate newsletters. Advanced Apple Mac hardware and technology continued to be acquired and the business expanded into a fully digital pre-press house, producing high quality colour pages and brochures. At that stage the business employed 12 to 15 people and had an annual turnover of half a million Irish pounds. Technology was developing rapidly and around 1995, V became aware of CD publishing and the technology to be able to burn images onto CDs. There was a great demand from existing customers for this type of service provision and so V's business began to produce high quality photographs on CDs. His first photographic CDs were launched at a major World trade exhibition in San Francisco. This new venture attracted venture capital backing and developed rapidly. In 1998 the company had about 20 employees and also had about 30 distributors around the world. The main focus of the business was in producing very high quality photographs during photo shoots on location around the world. From around 1999 onwards the company began selling imagery in single form on its website. The company's products could be viewed and bought on-line with a physical CD shipped to the customer if required, much like how most software is now purchased. The business developed rapidly and became recognised as one of the major global players in its sector. In late 2005 three

major competitors were interested in acquiring the business. V sold the company to one of the bidders in 2006 for 135 Million U.S. Dollars.

### ***5.1.6 Entrepreneur U***

*Entrepreneur U* is a male in his mid-thirties with a 1<sup>st</sup> class honours degree in Agricultural Science from University College Dublin. Born into a family farming background near Beaufort, Co. Kerry, U's first experience of business was when he owned his own herd of sheep when he was 14 years old. U had a keen interest in agricultural science and after graduating from college he worked for the Irish Dairy Board. After a year he moved to the Agri Division of Bank of Ireland and then on to the bank's private banking section. During this time he took another Degree in Financial Services by night study as well as a number of diplomas in the financial area. It was during his time at Bank of Ireland that U developed his business idea. The idea revolved around the provision of financial services and financial products through the Internet. U had a good job and a good prospective career with Bank of Ireland but, while he liked working in Dublin, he did not like living there. He wished to move back to Kerry and his new business idea could be operated from Kerry, so he decided to leave his secure job with the bank. This was in 1999. The business required considerable investment to develop a comprehensive website. U sold a property in Dublin to finance the website and business start-up.

After leaving his job and moving back to Kerry, U applied for and was accepted onto the Genesis Enterprise Platform Programme in Cork in 2000. After the Genesis programme, U's business started trading in 2001. He had built a very extensive and expensive website to trade

on-line in financial services products. The main products were mortgages and life assurance and these were sold by phone and by post as well as on-line. The business plan was that other financial products would be sold, but these never materialised. The business model was different to other providers in that there was no face to face selling to customers. The company website also provided a large amount of free independent information and this led to sales and customers. The company diversified into developing financial products that were sold by other brokers around Ireland. At its strongest the business employed 12 people, but with the current meltdown in the financial markets there are now just 3 employees.

#### ***5.1.7 Entrepreneur T***

*Entrepreneur T* is from a farming family from near Beaufort, Killarney. He is a male in his mid-thirties with a degree in Chemical Engineering from University College Dublin. T didn't have a definite career plan and went into chemical engineering because there were jobs available and he wanted to make money. He had no great interest in his college course but got through it. T indicated that he came out of college with a lazy attitude. He was keenly interested in gambling and after finishing college he spent six months engaged in gambling around Irish racetracks. He then worked as a chemical engineer for two years with a large company in Limerick and then spent another year working as a contract engineer in the food industry. He always had it in his head to work for himself and found his chemical engineering jobs boring. In 2002 T left his job and, in partnership with colleagues, spent about 15 months researching a business idea to establish an on-line betting exchange. However other larger players entered the market and developed similar products before they could get their project launched.

After the failure of this project, T went back to his career and worked as a chemical engineer in Kilkenny for a year. He then spent 6 months in Australia. During that time, T linked up with a new business partner and they began to develop new software tools to examine the horse racing betting markets. These tools were used to gamble on the betting exchanges and this venture had some limited success until the exchanges identified the loopholes being exploited and closed these off.

Around mid-2006, T began to develop his current business project. This was initially a simple service using up to date communications technology that allowed people to track progress and be alerted to the racing activities of specific horses. In 2006, T was accepted onto the Genesis Enterprise Platform programme in Cork. Since completing the Genesis programme in 2007, T's project and associated software have undergone various modifications and developments. The major change to the business model is that the product is now being marketed at the major bookmaking firms such as Ladbrokes and Paddy Power, as distinct from the individual customers that bet with these firms. Currently T is in discussion with a number of major bookkeeping firms with a view to them purchasing a licence to use the software system.

#### ***5.1.8 Entrepreneur S***

*Entrepreneur S* has a BSc (Hons.) in management from Trinity College Dublin. He is a male in his early forties and was reared in a family farming environment near Killarney, Co. Kerry. Growing up on the family farm, S always had various mini-enterprises going, including keeping chickens and turkeys, selling free-range eggs and cutting and selling wood. By the

time S finished college he knew that we wanted to own his own company. He also wanted to work and travel abroad. At that time the re-unification of Germany was taking place and he went to Germany because he wanted to experience what was happening. Quite by accident, he got a job with a lift / elevator manufacturing company in Germany. He quickly began to learn about and like the interesting mixture of factories, manufacturing, technology, international trade and other varied aspects of this sector.

S spent about six years working in different areas of the elevator industry with the same group of companies. After four years he was made export manager and then also worked as senior sales manager. He also spent two years as regional director in Asia, based in Beijing. During this time he learned to speak Chinese in addition to being fluent in German. For family reasons he moved back to Ireland in 1997 and took up a job with a newly developing company in the same industry. S spent five years with this company, mainly on the installations side of the elevator industry. In 2004 he started his own company developing the software and assembling the electronic components to operate elevators. The company is now headquartered at the KTI Centre, Killarney. Sales in 2008 were of the order of €1.5 Million. All conceptualisation, product design and operations are managed from Killarney. Software development is currently 'farmed out' to developers in Turkey and Germany. The company has a distribution facility in Barcelona and currently has 9 employees working out of Killarney, with a number of contractors abroad.

### **5.1.9 Entrepreneur R**

*Entrepreneur R* is a male in his early forties originally from Firies, Killarney. He has an engineering degree from Dublin Institute of Technology as well as a Masters and a PhD in business and management from University College Dublin. After his primary degree, R worked for a year and a half for a small construction related engineering consultancy. He then returned to college to do a full-time Masters. The Masters was taken with a view to moving his career into the Information Technology area. After the Masters, R worked for three years in the I.T. department of a large consulting firm based in Dublin, working locally as well as in Holland and the U.S. He then joined a large multi-national company that was moving into Ireland as an I.T. project manager. After three years he left this company to set up his own I.T. consultancy / project management business, in partnership with a colleague. This business was in operation for two and a half years, when it was taken over by another company in 2000. As part of the take-over R was required to stay on with company for a year. This business is still in operation.

After his first business venture, R went back into employment. He spent four years with a large multi-national hardware and software firm, selling software solutions to clients in Ireland, the U.K. and Northern Europe. In 2005 R left the security of a good job with a large company to return to live in Kerry. This decision was purely family oriented, as he now had two small children and the family wanted to live in Kerry. Before leaving his job in Dublin, R had secured an 18 month project management contract with a large company based in Kerry. This work provided the stability to enable the family re-location to take place smoothly. The project management contract was completed in mid-2007. At this stage R recognised that to work and live in Kerry he would need to establish his own consultancy business. In 2007 he

was accepted onto the Genesis Enterprise Platform programme in Cork. On the programme he developed an idea for a technology product but the business model did not work. R then undertook the management of a major tourism related project. From this he is now developing a business and training consultancy as well as offering I.T. consultancy services. He is also providing consultancy services to assist commercial spin-outs from third level colleges. His business is currently based at the KTI Centre, Killarney.

This section has described the individual profiles of each of the nine participating entrepreneur cases based on the research interviews. The next section examines the data from the three enterprise agency interviews and extracts a general entrepreneurial profile based on the overall data.

## **5.2 Entrepreneur Profiles from the Enterprise Agency Interviews**

As noted earlier, formal semi-structured interviews were conducted with one individual from three public enterprise agencies. The interviews were transcribed and the content analysed using a thematic approach, as described in Chapter 4. The interview schedule is included as Appendix 2 and the transcripts of the interviews are attached to the Thesis as Attachment II. For ethical reasons the identities of the interviewees and the interview transcripts are confidential as this was agreed with the interviewees. The main themes regarding the profile of Kerry's growth-oriented entrepreneurs from the perspectives of the enterprise agency representatives to emerge from the data are presented in the following two sub-sections.

### ***5.2.1 Enterprise Agency Profile of Kerry Growth-Oriented Entrepreneurs***

Based on the data from the three formal interviews with enterprise agency personnel, supplemented by informal follow-up discussions, a current Kerry growth-oriented entrepreneur in the knowledge-based sector is typically male, in their thirties or early forties and married with children. They are generally graduates who have had a career at a management or professional level in large multi-national companies or Irish companies trading internationally. Typically, their career may have seen them start in a technical or professional area and then move into a management role. Their career span will have been at least seven to ten years and many will have gained international work experience. They are primarily Kerry people or people with strong family ties to Kerry. Some may not be from Kerry, but they will have developed a strong affinity for the county in terms of social attraction and lifestyle. A number of the native individuals will have left Kerry for college and career reasons, to gain qualifications and work experience. A strong attraction to return to Kerry will have emerged as they matured and possibly got married. They may then have eventually returned to Kerry for family and lifestyle reasons.

Typically, over the last ten years Kerry knowledge-based growth-oriented entrepreneurs have started businesses that are Internet-based, technology-driven or software-related and knowledge-intensive. In more recent years, maybe in the last five years or so, new enterprises in the 'green' energy and environmental sectors have begun to appear. Many of the growth-oriented enterprises are based at purpose-built locations such as Kerry Technology Park, Tralee, The Tom Crean Business Centre, Tralee, and Killarney Technology Innovation Centre.



### ***5.2.2 Potential Growth-Oriented Entrepreneurs***

The state agency data also suggests that there is a category of Kerry entrepreneurs with a similar profile to the growth-oriented category but that could not be classified as growth-oriented due to the limited nature of their businesses. These are people who initiate enterprises in areas such as web design, graphic design, event management, translation and marketing services. Their businesses may have emerged partly because of the activity and success of the more high-profile growth-oriented entrepreneurs. These businesses may be based in or around the purpose built incubation Centres and the lead entrepreneur may have the ambition and ability to become a growth-oriented entrepreneur. However, because of the business model or sector or because the market does not extend beyond the local area, the enterprise cannot ‘graduate’ to being growth-oriented. The entrepreneurs in this ‘potential growth-oriented’ category may be male or female and their businesses may supply services to the growth-oriented enterprises. They may also have availed of public supports and participated on support programmes. If they progressed to a new business model or if they initiated a different business venture, some of the individuals in this category may have the potential to develop into growth-oriented entrepreneurs.

Having summarised the main themes in relation to entrepreneurial profiles from the enterprise agency interviews, the next section will draw on these themes and the profiles of the individual entrepreneurs described in Section 5.1 to build a composite profile of Kerry’s cohort of growth-oriented entrepreneurs.

### **5.3 Kerry's Growth-Oriented Entrepreneurs – Composite Profile**

Using the two sources of primary interview data, it is possible to build a composite profile of Kerry's current growth-oriented entrepreneurs. This is an essential aspect of fulfilling the research aims and answering research question 1.

Generally, Kerry's current knowledge-based growth-oriented entrepreneurs tend to be male, in their thirties or early forties, and married with children. There are some female entrepreneurs, but they tend not to operate at the higher growth end of the entrepreneurial spectrum. With some notable exceptions, the growth-oriented entrepreneurs are mainly graduates who have exited from a career spanning at least seven to ten years. Their careers will have been with large, possibly multi-national companies and many will have gained international work experience. They may have expanded their careers from a technical area of operations into a managerial role. They may also have experience of selling and marketing a high level, possibly in an international setting. With the possible exception of the age, gender and marital status profile, these findings are generally in agreement with the literature.

Murray (1981) noted that successful Irish entrepreneurs tend to be well educated and possess significant degrees of specific knowledge and skills relating to the enterprise being initiated.

O'Connor and Lyons (1982) identified a category of Irish entrepreneurs where enterprise start-up is seen as a logical progression from a significant employment career. Moreover, the literature notes a positive link between entrepreneurship and a high level of formal education (Robinson and Sexton, 1994) with education being viewed as having a key role in promoting an enterprise culture (Scanlan, 1986; Gibb, 1988; Hynes, 1996).

Kerry's growth-oriented entrepreneurs have very strong ties and affinity for the county. Many will have been born here, and after moving away to gain academic qualifications and career experience, they will show a very strong desire to return. This desire to return may have emerged as they matured and possibly married. Family and lifestyle reasons will have been strong motivating factors in the desire to return. These reasons may also have been significant factors in the decision to exit from a successful employment career. They will have been willing to give up a successful career elsewhere in order to initiate a business venture in Kerry. The entrepreneurs who are not native to the county will also display a very strong lifestyle affinity to Kerry and may have settled in the county and become native. These findings are not verified or otherwise in the literature as no other relevant research relating to entrepreneurship in Kerry was identified. The documents reviewed in Chapter 3 were the only literature source noted in relation to enterprise in Kerry and these mainly address issues such as the sector, size and location of the enterprises (Shannon Development, 2003; Enterprise Ireland, 2004; Quinn 2003; Kerry CEB, 2003). The literature does not examine or discuss the profiles of the entrepreneurs who initiate the enterprises in Kerry.

The more successful entrepreneurs appear to have employed a rapid start-up process. They tend to hit the ground running in enterprise start-up terms. Many would have had their projects partially established before leaving their existing employment. They tend not to spend too much time in a 'thinking about it' phase; instead they are driven by a 'do it now' mentality. These findings are generally in agreement with the literature where the start-up process is viewed as being action-oriented, dynamic, and possibly based on an individual's unique initiative (Hofer and Bygrave, 1992; Krueger, 1993; Boyd and Vozikis, 1994). While the start-up process has many common features according to the literature, Carter, Gartner

and Reynolds (1995) suggest that not all entrepreneurs engage in the same start-up activities and also that the sequence of initiation activities varies between different individuals.

Furthermore, they suggest that both the initiation actions and the sequence in which they are undertaken can have an impact on the success of venture initiation. Taking the literature's views into account it seems likely that different types of start-up mechanisms have the potential to be successful.

Kerry's entrepreneurs may have participated in entrepreneurial support programmes that required a significant time input. However, participation in such programmes might be done with impatience and some reluctance and would probably have been done to access a specific resource such as finance. The literature appears to be in agreement that entrepreneurial support programmes can have a beneficial role to play in venture start-up (Carter, Gartner and Reynolds, 1995; Parry and Wildman, 1989; Price, Allen and Monroe, 1994).

Over the last ten years Kerry's growth-oriented entrepreneurs have tended to start businesses that are knowledge-based and knowledge-intensive. The enterprises are technology-driven, software-related and possibly internet-dependant. Recently, enterprises in the energy-related, environmental and 'green' technology fields have begun to emerge. These areas may constitute the growth sector in the near term future.

Based on the profiling data from the two case study interview sources, a summary profile of a Kerry growth-oriented entrepreneur is presented in Table 5.1.

### **Kerry Growth-Oriented Entrepreneur Profile Summary**

- Age: Mid 30s – mid 40s
- Predominantly male
- Generally married
- 3<sup>rd</sup> Level education
- Significant career at professional or managerial level
- International experience
- Significant marketing experience
- Strong affinity to Kerry
- Willing to avail of enterprise supports
- ‘Do It Now’ approach

## **5.4 Chapter Summary**

This chapter analysed the primary case study data from the nine entrepreneur cases and the enterprise agency interviews to enable the development an in-depth profile of Kerry’s knowledge-based growth-oriented entrepreneurs. Chapter 6 will now analyse the primary interview data from both of the above sources to identify the stimulating and motivating factors that influenced the entrepreneurs to initiate and develop growth-oriented ventures in Kerry. The analysis in Chapter 6 will thereby address research questions two and three as outlined in Chapter 1.

## **Chapter 6. Research Findings: Entrepreneur Stimulators**

### **6.0 Introduction**

This chapter examines and analyses the data from the nine entrepreneur interviews and the three enterprise agency interviews in terms of the factors that stimulate and motivate Kerry entrepreneurs to initiate new ventures. The primary data from the case study interviews was analysed using a thematic approach to content analysis, as outlined in the Chapter 4. The key factors that may have stimulated the entrepreneurs to establish and develop their businesses in Kerry are identified and analysed. Based on the factors identified a number of key themes in relation to the various sources of the stimulating influences are described. The issue of what stimulates Kerry knowledge-based entrepreneurs to initiate and develop growth-oriented ventures is one of the key research questions and this is therefore a major focus of the interview data analysis.

### **6.1 Data Analysis of Entrepreneur Interviews**

The data from the interview transcripts was analysed using the process described in the Chapter 4 and a range of factors that the entrepreneurs identified as stimulating them towards venture initiation were isolated. These factors are presented as ‘entrepreneurial stimuli’ in matrix form in Table 6.1.

## Entrepreneurial Stimulus Matrix

Stimulus	Entrepreneur								
	Z	Y	X	W	V	U	T	S	R
3 <sup>rd</sup> Level Ed.		*		*		*			*
Parents work					*	*		*	
Prior career	*	*	*	*	*	*		*	*
Kerry affinity	*	*	*	*	*	*	*	*	*
Kerry lifestyle	*	*	*	*	*	*	*	*	*
Make career to facilitate life choices	*			*					*
Financial		*	*		*		*		
Career boredom			*				*		
Career failure	*			*			*		
Job dissatisfaction		*	*		*				
Need for recognition			*						
Master own destiny		*	*				*		*
Self actualisation			*						*
Enterprise activity in early life		*			*	*	*	*	
Need for independence		*	*				*	*	
International activities	*	*		*	*			*	*
Learning new skills/knowledge		*			*	*		*	*
Career/work related opportunity	*	*	*		*	*		*	*

Critical risk event	*	*	*	*	*	*		*	
High profile entrepreneur role models	*	*	*	*		*			
Peer / family entrepreneur role models	*	*	*	*	*		*		

**Table 6.1**

### ***6.1.1 Entrepreneurial Stimulation Factors***

Twenty-one entrepreneurial stimulation factors were identified through detailed analysis of the interview data. These stimuli are listed in the left column of Table 6.1. An asterisk in a box in the entrepreneur's column indicates that a particular stimulating factor was identified in the interview data from that entrepreneur. There are common stimuli across a number of different entrepreneurs, with some stimuli being common to all. Other stimuli featured with less frequency but were still considered to be of a sufficient level of importance to be included. Table 6.1 presents the stimulating factors in the order of how they emerged during data analysis and not in any order of importance. The individual factors are analysed and discussed in detail in the following sections. As certain similarities existed between some of the factors, these are grouped together in the following discussion under fifteen different sub-section headings.



#### 6.1.1.1 3<sup>rd</sup> Level Education

The early formal education system, either primary or secondary, was not identified as a source of entrepreneurial stimulation in any of the interview cases. Two of the cases, entrepreneurs X and V left secondary education just prior to doing the Leaving Certificate. All the others attended 3<sup>rd</sup> Level, with entrepreneur W completing a two-year certificate programme and entrepreneur R achieving a PhD. The other five entrepreneurs completed a primary degree. Of the seven who received a 3<sup>rd</sup> Level qualification, the data indicated that in four cases the college educational experience provided some form of a stimulus towards entrepreneurship.

*Entrepreneur Y* identified his four years in college as the process that turned him into a businessman. His original career preference was to become a veterinary surgeon but he did not get sufficient Leaving Certificate points to get a college place in that field. He indicated that he entered UCC as a ‘farm boy’ but left four years later as a businessman with a B Comm and a desire to own his own business. *Entrepreneur W* did not intimate that her two-year certificate provided any inspiration to lead her to business start-up. But the programme did provide her with specific skills which together with the post-college career skills acquired proved crucial in developing the products for her later venture initiative.

*Entrepreneur U's* initial primary degree was in Agricultural Science. But after starting a career post-college in this field he quickly discovered that he was not suited to it. He then joined the banking sector and took another primary degree in financial services by way of part-time night study. This area of study and his associated new career provided U with

essential skills and knowledge in the financial services area. Again these would prove crucial in the identification of his business idea and the establishment of the business. This second period of 3<sup>rd</sup> Level study acted as springboard towards the initiation of U's enterprise in the financial services field. *Entrepreneur R's* primary degree was in an engineering discipline. After working for a period in the engineering field post-college, R decided to do a Masters in Management Science to enable a career move into the developing information technology sector. This was followed some time later by a PhD in the area of business management. Both post graduate programmes gave impetus to R's business ventures, which were initially in the I.T. consultancy area.

There is a clear indication from the interview data that participation in 3<sup>rd</sup> Level education can act as a springboard and provide a stimulus towards venture initiation. The data does not suggest that any similar entrepreneurial stimulus resulted from formal education prior to 3<sup>rd</sup> Level.

#### 6.1.1.2 Parents Work

Responses from a number of the entrepreneur cases indicated that the career or work activities of their parents may have had an impact on their propensity towards entrepreneurial activities. Four of the entrepreneurs came from a family farming background and three of these reported that they engaged in farming-related enterprise activity as a child or young adult. *Entrepreneur Y's* father was a farm estate manager and the family did not own any farming land. He indicated a strong liking for farming and this influenced his first preference college and career choice in the veterinary field. As noted earlier, exam results dictated that

he should follow a different career path. While not seeming to acknowledge the business or enterprise related nature of his father's activities, the interview data indicated that he was aware of certain business-like activities. The data clearly illustrated his love of farming and his initial intention to follow a related career path.

In the cases of *Entrepreneurs U, T and S*, the data did appear to indicate that their families' farming related enterprise activities had a positive entrepreneurial impact on them. All three reported working on the family farm and engaging in related enterprise activities. U and S indicated a strong liking or indeed love for farming life. U had his own flock of sheep at 14 years of age and engaged in buying and selling sheep. He reported that this gave him a grasp of the basics of business. S engaged in similar activities. He had his own chickens and sold free-range eggs before anyone else thought about free-range produce. He raised turkeys for the Christmas market and used to cut timber and sell it locally. He *'always had something going'*.

*Entrepreneur V* was not from a farming background, but his family ran a very busy and entrepreneurial printing and publishing business in Tralee. He acknowledged the major contribution and positive influence that his parents had on his subsequent entrepreneurial activities and business success. From childhood and during his school life, V worked in different aspects of the family business. His description of the different business skills and attributes of his parents paints a vivid picture of an eager 'apprentice' entrepreneur being nurtured by parental master craftsmen. The interview data from V's case indicated a strong positive entrepreneurial stimulus emerging from his immersion in the family business and the influence of his parents from an early age.

### 6.1.1.3 Prior Career

The data from all the entrepreneur interviews with the exception of *Entrepreneur T*, indicated that the entrepreneurs' prior career acted as a stimulus to later entrepreneurial activity. In some cases such as Y and S, the enterprise that they founded is a direct 'spin-out' from a significant career path with a company operating in a similar field. Y had spent ten years with a Kerry-based financial services company before leaving his career position to establish a venture in a similar sphere of operations. S spent eleven years working with two different companies across a range of different operations, before setting up his own business in the same business sector. Each acknowledged the learning, skills and experience gained in their careers as major factors in their enterprise start-up and success. Specifically they indicated that the companies and the entrepreneurial people they worked with acted as stimuli for their own entrepreneurial activities. *Entrepreneur X's* progressive career in the catering industry equipped him with the knowledge, experience and skills to exploit an opportunity when it arose in the catering services field. He reported that his career acted as a key stimulus to starting and developing his own catering-related venture. *Entrepreneur Z* highlighted work-related projects and incidents during her prior secretarial career that led to her developing her software idea. *Entrepreneur W* reported similar incidents and entrepreneurial influences during her varied pre-enterprise career.

*Entrepreneur V* noted that his early career working in the family business acted as a positive stimulus to his subsequent entrepreneurial activities as outlined in the previous section.

*Entrepreneur R's* career involved periods in employment interspersed with periods of self-employment and entrepreneurial activity. He indicated that his experiences working internationally for large multi-national companies provided the tools and impetus to enable him to start his own enterprises at different times. In the case of entrepreneur U his 'second'

career in the banking sector allowed the opportunity to interact and deal with high-level business executives and entrepreneurs and these provided part of the stimulus to venture into business on his own. He also described specific work-related seminars and presentations where his business ideas were clarified and began to form into a solid business model.

*Entrepreneur T* is somewhat of an exception in relation to a prior career acting as a stimulus to enterprise activity. T's qualification and initial career in chemical engineering does not appear to have had any impact on his decision to initiate entrepreneurial activity. The interview data suggests that his hobby or life style interest in gambling was a key stimulator in his decision to develop a gambling-related enterprise. It might be inferred from the interview data that he considers gambling to be his 'real' career or the career that he aspires to. He appears to have viewed his degree or qualifications-related career of chemical engineering as purely a means to earn money to enable him to pursue his 'real' career as a professional gambler.

#### 6.1.1.4 Kerry Lifestyle and Affinity

A key theme to emerge from all the entrepreneur case interviews is their strong affinity to Co. Kerry in both personal and business terms. Six of the entrepreneurs were born in the county. Two were born in the U.S. to parents originally from Kerry, while *Entrepreneur Y* was born in Co. Wexford with no family connections to Kerry. He came to Kerry for career reasons to take up employment with a locally based company. With the exception of *Entrepreneur V*, who was not based outside the county during his education or working career, all the other entrepreneur cases except Y are what might be termed 'returners' to Kerry. *Entrepreneur Y*, originally from Wexford, might be termed an 'attracted' entrepreneur. The 'returners' are

entrepreneurs who were born in Kerry or whose families were originally from Kerry. All would have left the county to attend a 3<sup>rd</sup> Level college or pursue their careers or a combination of both. In the cases of Z and W, their families had emigrated from Ireland. The data from the interviews showed that the entrepreneurs who had left the county all had a strong desire to return to Kerry to live. This desire is reflected as an on-going theme throughout the interview transcripts.

It could be argued that a demonstrated or expressed affinity to Kerry or a desire to enjoy a Kerry lifestyle, are not in themselves entrepreneurial stimuli, and that these expressions are social or family-related factors that emerge post-enterprise development. It is possible that these desires would exist irrespective of any entrepreneurial tendencies. However the intensity and frequency of these expressions and desires in the interviews seemed to indicate that living in, and being entrepreneurs in Kerry, were integral components of entrepreneurial venturing in these cases. The data suggested that the desire to live and work in Kerry was a driving force in their entrepreneurial activities from an early stage. Family or personal lifestyle considerations may have driven some of the desires, but it appears that the attractiveness of Kerry as an entrepreneurial environment was a significant factor in the venture initiation decision.

Some of the entrepreneurs' businesses might have been better located nearer to larger population centres in Ireland. Others might seem to have been better located outside Ireland and nearer to the businesses main international markets. In the interviews, *Entrepreneurs Y, V and S* describe the international travel required of them to initiate and grow their businesses. While the issue of international travel is noted as a downside to being based in Kerry, the entrepreneurs indicated that it was an issue they were prepared to accept. It was not presented

as a major problem. The lifestyle advantages to living in Kerry are presented as positive factors that outweigh the negative aspects of international travel from a remote region such as Kerry. *Entrepreneur R* describes how it would be easier to base his business in Cork or Dublin but his family had a great interest in the outdoors and they loved being in Kerry. He described how he has come to realise how much South Kerry is dependant on tourism and stated that he had a passion to help the area

*“I have a passion to help...to build up a knowledge-based business here. I want to attract bright intelligent people to work here”*

He noted that the cost of living in Kerry is some bit cheaper than Dublin and that there were good rail and air services to and from Kerry. He also stated that

“There is a much better quality of life here...and I will be using that to attract people to come and work here”

*Entrepreneur S* indicated that his staff love being in Kerry and that when clients come from abroad to visit, they often want to stay. *Entrepreneur U* reported how he loved working in Dublin but not living there. He described his love of the land and Kerry and particularly living in Killorglin

*“I loved working in Dublin but not living there. Starting the business meant I could do it from Killarney. This was an attraction that appealed to me”*

*Entrepreneur Y* noted the travel issue as a drawback as he visits Asia frequently on sales and customer support trips. A trip to Asia required two extra working days because of initial travel to Cork and London and waiting for flights. In spite of this he indicated

*“We are happy here and I have no intention of moving from Kerry...I never considered moving to Cork, Dublin or London. We can do the same level of business from here as in Dublin or London”*

It is evident from the data that the entrepreneurs were willing to accept the inconveniences that living in a remote region might entail in order to avail of the environment and lifestyle offered by locating in Kerry.

#### 6.1.1.5 A Career to Facilitate Life Choices

The stimulus to entrepreneurial activity in order to make a career or a living in the absence of suitable employment is indicated to an extent by three of the entrepreneur cases. While this is an indication of a desire to 'make a job' as against establishing a growth-oriented enterprise, other aspects of the interview data suggests that these entrepreneurs are not constrained to only creating a job for themselves.

Both Entrepreneurs Z and W felt a strong need to return to Kerry to provide a better quality of life for their children. Both had worked in Dublin and they had employment and financial incentives to continue to work there. However, the interview data suggests that they both made lifestyle decisions to locate their families in Kerry. The data would indicate that they then set out to provide an income to support the choices they had made. Self-employment and businesses start-up presented themselves as the most viable options. While self-employment may have been the primary goal, subsequent activities and a closer analysis of these cases indicated that they did not confine themselves to a limited entrepreneurial goal. Both were accepted onto the Genesis Enterprise Platform programme and participated fully in this and other enterprise development initiatives. These activities will be discussed in more detail later in the chapter.



Entrepreneur R also had a strong wish to move his family from Dublin to Kerry for lifestyle reasons. He was highly qualified with a PhD in a business area and had held well paid executive positions with large multi-national companies. However he had two young children and wished for them to be raised in Kerry. He and his spouse decided to re-locate to Kerry and it was subsequent to this move that he decided to establish a business. The interview data would suggest that he viewed this as the most viable option to provide an income and give his family the lifestyle that they wished for. It should be noted from R's profile earlier in the chapter that he had previously set-up, developed and then sold a viable business. He had then interspersed periods of employment with entrepreneurial activities. It is therefore likely that he already had strong entrepreneurial tendencies when he moved to Kerry and his decision to establish a business here was a natural progression. R was also accepted onto the Genesis programme and his subsequent activities would suggest that he was not confined to just providing a self-employment income for himself.

From these cases it is appears that the entrepreneurial stimulus to provide a career that allows the entrepreneur to live in Kerry is connected with an affinity towards the county and the lifestyle available here. This would seem to indicate that potential entrepreneurs may decide to re-locate, or can be attracted to move to Kerry, because of lifestyle reasons and affinity for the county. This issue and the potential it offers for enterprise development will be discussed in more detail in Chapter 7.

#### 6.1.1.6 *Financial*

The stimulus of making money, while implied in some of the interviews, is not one that is clearly identified by most of the entrepreneur cases. None of the entrepreneurs indicated that

they had established their businesses with a view to making a lot of money. Certainly during the early start-up years the data suggests that financial survival is the main focus of attention. While the financial motivation may not be a key stimulus in the business start-up and consolidation phases, the subsequent actions of *Entrepreneur V* indicated that financial considerations may take precedence at some stage. After about 10 years when he had established a very successful global business, V decided to sell his company to a major international competitor for a very substantial amount. Probably, there were many reasons behind this decision and a detailed analysis of these is outside the scope of this study, but from the data available it is reasonable to assume that the financial considerations outweighed the other factors involved. The probability is that other entrepreneurs would make the same decision given a similar opportunity. However, the interview data indicates that while the financial stimulus may be present, it is not one that is overtly displayed or central during the enterprise development phase.

#### 6.1.1.7 Career Failure, Boredom and Job Dissatisfaction

Although Table 6.1 lists Career Failure, Boredom and Job Dissatisfaction as different stimuli, they are taken together here because there are similarities and linkages between them. All relate to issues with the entrepreneurs' previous career or employment. The term 'Career Failure' may seem harsh and it is a term that is not used by the entrepreneurs themselves. But it does describe a situation where the chosen career path has not worked to any great extent, and it had left the entrepreneur in a situation where a totally new career direction had to be taken. This appears to have been a factor in entrepreneurial initiation.

*Entrepreneur T* presented the most striking example of this phenomenon. T chose to take a very specific degree qualification in chemical engineering leading to a potential career in that

field. His main motivation for this path was that he had an interest in the subjects involved and it offered the prospect of well paid employment. However, he quickly realised that he had no great interest in the area as a career and that this particular path didn't suit him. While attempting to develop software products and a viable business model in the on-line gambling industry, he did make use of his qualifications and original career to earn money to survive. T's interview data indicated a propensity for boredom when engaging in work that was not of great interest to him. His major hobby of gambling became the focus of his entrepreneurial activity. His early activity involved 'physical' gambling at racetracks, but he became '*bored with it*'. Career failure and boredom appear to have acted as an impetus to his entrepreneurial endeavours in the development of gambling-related software products.

*Entrepreneurs Z and W* also appear to have undergone a certain failure or at least a breakdown in their employment careers prior to entrepreneurial initiation. In these cases this may have been partly due to life changes and family circumstances. Both report the fact that they had a baby during a period of career instability or change. Even though the interview data indicated that their careers were not as successful as hoped, their personal life circumstances may have played a major part in the change towards entrepreneurial venturing. However the lack of career success, particularly with *Entrepreneur Z*, may have acted as an entrepreneurial stimulus.

For different reasons, *Entrepreneurs Y, X and V* indicated that dissatisfaction in their chosen job or career had a major bearing on their decision to progress toward enterprise development. *Entrepreneur Y* described with a certain passion his career and employment in a large financial services company in Kerry over a ten year period. He was enthused by the entrepreneurial culture in the company and expressed his admiration for the founding

entrepreneur and driving force behind the business. The interview data indicated that Y enjoyed his job and learned a lot about that particular business sector from his work. However, major dissatisfaction with the rewards offered for his work propelled him to leave the company and set-up his own enterprise using a 'spin-out' business model. In Y's case job dissatisfaction due to the perception of poor financial rewards acted as a stimulus to enterprise initiation.

*Entrepreneur X* reported a feeling of having reached a plateau in his successful catering career and of feeling dissatisfied at work. His career had progressed through the ranks as a chef and had branched into industrial catering. He moved through a number of catering companies, being promoted to general manager level. Constantly taking skills training courses, he felt that he had become highly qualified and skilled but felt he was '*being paid peanuts*'. This perceived lack of sufficient financial rewards led him to a decision to establish his own business, supplying services to the catering industry. Again, the lack of adequate financial rewards led to dissatisfaction and provided an enterprise initiation stimulus.

*Entrepreneur V's* dissatisfaction with his career arose from a different source. He had worked for a number of years in the family business. This was an entrepreneurial business involving a number of family members operating in an organisation where the culture required a type of 'all hands on deck' approach. This culture required family members to work across a range of operations and disciplines as the need arose. V's passion was photography and he wanted to specialise in this area. This led him to the decision to move away from the family firm and establish his own enterprise based around his skills and passion for photography. In this case,

dissatisfaction with the multi-tasking culture in the family firm acted as a venture initiation stimulus.

#### 6.1.1.8 Self Actualisation, Recognition and Mastering Own Destiny

The areas of self-actualisation, recognition for achievement and being the master of one's own destiny are given separate listings in the Entrepreneurial Stimulus Matrix (Table 6.1).

However because of the interconnection and overlap between these factors, they are examined and discussed together in this sub-section. The interview data did not indicate any overt desire for self-actualisation or a need for recognition amongst the entrepreneur cases.

The presence of these factors is inferred by the researcher through detailed analysis of comments and views expressed. The concept of being the master of one's own destiny is referred to in a number of the interviews.

In the case of *Entrepreneur X*, the need for recognition and the nebulous concept of striving towards self-actualisation are indicated by the interview data and subsequent discussions. *X* expresses and demonstrates a strong desire to be accepted and recognised by peers, general society and personnel in the enterprise assistance agencies. The apparent lack of acceptance and recognition that he perceived seemed to drive him on to greater levels of achievement.

There is an apparent 'I'll show them' attitude and this appears to have acted as a stimulus in his drive for enterprise initiation and development. *Entrepreneur R's* quest for self-actualisation is inferred from his desire to excel in the academic area. He followed up on his primary degree by doing a Masters and then a PhD, even though his career was leaning towards an entrepreneurial path as distinct from an academic one. His decision to re-locate

his family to Kerry without the security of long-term employment and his stated desire to assist in local economic development through entrepreneurial activity are other factors that point to his self-actualising quest.

The desire to be master of one's own destiny is a concept that is explicit in some of the interviews and one that is strongly implied in the others. Informal observation of the entrepreneur cases and their persistent entrepreneurial activities tend to confirm that the desire to be in personal control of events is a stimulus towards venture initiation. These entrepreneurs do not wish to have their careers, future security and lifestyle decided by chance or by the decisions of other people.

#### 6.1.1.9 Early Life Enterprise Activity

Four of the entrepreneurs came from a family farming background and each speaks fondly of their farming-related childhood. *Entrepreneur Y* was not strictly from a farm or land owning family but expressed a strong affinity to his farm-related background. He was the only one to express a desire to forge a career in a related area. This did not work out for him, as described earlier. *Entrepreneurs U, T and S* described enterprise and money-making activities in their early lives. In *U* and *T*'s cases their mini-enterprise activities were based around the farm and related areas. Both indicated that these activities gave them an early grounding and understanding of business and enterprise initiatives.

*Entrepreneur V*'s connection to the family printing and publishing business in his early years has been described earlier in the chapter. Again he spoke fondly of these experiences and

recognised the learning and enterprise culture that he was immersed in from early childhood. He indicated that these experiences had a very positive bearing and influence on his subsequent entrepreneurial career.

The data suggests that exposure and actual involvement in enterprise and business-related activities in early life can act as a positive stimulus to later entrepreneurial activity. The enterprising nature of family farming and the fact that by its nature it involves family members in its day-to-day activities could be factors in encouraging entrepreneurial behaviour later in family members' careers. The question of whether people from a family farming background might be positively influenced towards entrepreneurial venturing is worthy of consideration and possible further research. The data from this study implies that people growing up in and engaging in, family dominated business activities may develop a propensity towards entrepreneurship in their later careers.

#### 6.1.1.10 Need for Independence

The concept of a desire for independence is similar in many ways to the earlier stimulus of being master of one's own destiny. It is listed separately as it emerges from the interview data of *Entrepreneurs Y, X, T and S*. Three of these had strong and lengthy careers in their respective fields prior to starting an enterprise. *Entrepreneur T* did not spend a long time working in his chosen post-college career. Instead he used his original career path as a fall back source of income. All at some stage demonstrated or indicated that they wanted to be independent. It may be reasonable to assume that this was a desire to be independent of their original career path or their existing employment. The need to be independent of, or a desire

to break free from the constraints of an existing career path, appears to act as a further entrepreneurial stimulus.

#### 6.1.1.11 International Activities

International travel and working outside Ireland might not on initial consideration appear to be entrepreneurial stimuli. However, international activity features prominently amongst the entrepreneur cases. Z and W were both born in the U.S., and W in particular paints a picture of being influenced by the educational and business culture in the U.S. The pre-enterprise careers of Y, S and R required considerable travel and work in different countries. Both Y and S have established enterprises that trade almost exclusively at an internationally level. *Entrepreneur V's* most successful enterprise required international exposure and marketing from day one. He was not averse to promoting himself and his products in the global marketplace from the initial concept.

Even though it could be argued that in the strictest sense international travel and activity might not be an initial enterprise stimulator, international exposure during the start-up and development stages may stimulate entrepreneurs to trade internationally. With this type of exposure it may be that entrepreneurs are more likely to be growth-oriented and seek to develop enterprises that trade globally.

#### 6.1.1.12 Knowledge Acquisition and Learning New Skills

As well as being an inevitable by-product of venture initiation, the opportunity to acquire new knowledge and skills appears also to be an actual stimulus. The interview data suggests that the entrepreneur cases have a propensity for learning and possibly a natural quest for knowledge. A number described, with something approaching delight, moments or occasions



of enlightenment, where an issue became clear or a something new was discovered. The struggle to acquire, learn or develop might have even seemed like an end in itself for some. In any event, all the cases displayed a thirst for knowledge and a lack of fear when facing challenges where the outcome was unknown or uncertain. *Entrepreneur V* spoke with great enthusiasm about discovering new technologies in the desktop publishing area and of the possibilities of the uses of data storage on CD. These learning events and discoveries appeared to have been motivational experiences and propelled *V* on to exploit the enterprising uses of his new discoveries.

*Entrepreneur S* enthusiastically described his 'deep-end' learning of new marketing skills and languages. He learned German and Chinese while working in these countries in his pre-entrepreneur career because he 'just had to'. *Entrepreneur U* notes how he was a 'sponge' for knowledge and information while learning about the financial service sector before he ventured out on his own. *Entrepreneur R's* search for knowledge and learning manifested itself in the more formal route of doing a Masters and a PhD prior to business initiation.

#### 6.1.1.13 Identifying a Career-Related Opportunity

At least seven of the entrepreneur cases identified an enterprise opportunity from their pre-start-up careers. For some, such as *Entrepreneurs Y and S*, the business opportunity could be termed a direct 'spin-out' from their long-term careers. Both identified a market place gap or an opportunity to develop and market a product directly derived from their career employment. This could possibly be described as being somewhat opportunistic, but their careers or employment did provide the source or springboard for their subsequent business venture. Part of the stimulus therefore arose from the setting of their existing career.

*Entrepreneur R* in effect changed his career orientation as he perceived that the information technology sector was going to be a growth area. He then identified a need in the marketplace based around his new knowledge and skills and set out to exploit that need through business venturing. *Entrepreneur R* used his 'second' career to learn, gain the knowledge, skills and qualifications that he then used to develop an emerging business idea. *Entrepreneur V* honed his skills and fed his passion for photography working in his family publishing business. He then went on to base and establish a globally successful enterprise in that field. Through years of experience, skills and qualifications acquired in the catering industry, *Entrepreneur X* identified certain essential services required in that sector. He then used his catering career as a launching pad for a new enterprise offering these services.

The interview data clearly suggests that these entrepreneurs found stimuli in their employment careers that helped to propel them along the road towards enterprise start-up.

#### 6.1.1.14 Critical Risk Events

The interview data from six of the entrepreneurs described an event or occurrence that involved a significant or out-of-proportion risk in the early stages of business start-up. These events did not usually take place in the pre-start-up phase and so they may not have acted as pre-enterprise start stimuli. But from the data and description of their significance by the interviewees, most of these events acted as a stimulus in on-going business development. Some resulted in major business advancement, and some may have had a critical bearing on how the business developed.

*Entrepreneur Z* described a period in the business start-up process just after she had completed the Genesis Enterprise Platform programme, where she realised that she had no

sales prospects and the company lacked the skills and resources to market their products. Without any concept of the likely return, she decided on a 'grand gesture' marketing promotion with a national I.T. based magazine. The monthly magazine would include a free CD copy of Z's software product for two issues. This type of national marketing was very costly and was outside the range of any strategy or approach taken by the company previously. The perception was that this type of national marketing would yield a large volume of new sales. In sales terms the promotion was a failure. As a direct result of the promotion, the company got just one sale valued at €300. However, in terms of knowledge and learning the results were dramatic. Z realised that the business model and the first book-keeping software product was not going to work. The product had to be re-designed to meet the needs of the marketplace. The business model had to be totally re-organised and costs had to be cut. The re-organisation was painful, difficult and took nearly two years to implement. The critical risk event of the free CD in the national magazine was an out-of-proportion marketing stunt that failed in its primary objective. However, the event was a major stimulus that led to the business undergoing major re-structuring that ultimately led to survival. In *Entrepreneurs Y and S's* cases the critical risk events were similar but probably of a more 'mundane' nature. Both left long-term career employment to establish enterprises in similar sectors to their employers. This type of critical event is probably a more traditional path to enterprise start-up. But it is nevertheless dramatic and traumatic for the individuals involved. In these two cases the risk and exposure to failure would have been great, as the new enterprises would probably have been perceived as in direct competition with their former employers. In Y's case the decision to leave a high profile employer and establish a tiny business in opposition that was located almost 'next door' was a high-risk event. He described it thus:

*"It was absolutely traumatic. When I left there were 400 people working there. You had a complete network of people around...then all of a sudden you are on your own. You had to go back to baby steps and do everything on your own. It was very frightening and traumatic, no doubt about it"*

As described earlier, one of the main reasons behind Y's decision to leave his employment was a perceived lack of adequate rewards. However he chose the critical risk path as against continuing his employment and accepting his situation or seeking to develop his career with a different company. Further, he could have chosen to locate his business in a different geographical location and thereby reduce the perceived risk of being seen as a failure in a local context. It is likely that in this case the critical risk decision chosen may have acted as an extra stimulus to succeed.

After leaving his career in the catering industry and setting up a business to provide food safety and recruitment services, *Entrepreneur X* outlined a crucial period in the business development. He was making little progress and had become de-motivated and sceptical regarding his decision to start a business. He had very few clients and poor sales. He had taken the risk of advertising training courses in food safety even though he had not yet developed the content or material for the courses. He had never actually delivered the courses for any client. A prominent Killarney hotel requested him to provide the courses for them almost immediately. He then had to develop the structure, content and material for the courses and deliver them. The courses turned out to be a major success, and he then used them and the high profile client as a benchmark to market and develop his services. This high-risk marketing strategy paid off and acted as a highly motivating stimulus for X and accelerated the development of his business.

In a similar fashion to Y and S, *Entrepreneur U* gave up a well-paid career that he enjoyed with a major banking organisation to establish an enterprise offering financial services. Unlike Y and S, his new business was not in direct competition with his former employers. However, U's business needed considerable finance to establish and it required him to sell a

property he owned in Dublin to provide part of the necessary capital. This decision and the lifestyle decision to re-locate from Dublin to Kerry were critical risk events that impacted strongly on the subsequent venture development pathway taken by U.

In a compelling example from the interview data of undertaking a critical risk event, *Entrepreneur V* vividly detailed how he launched his CD-based images product on the global marketplace. At that stage he had a relatively unknown brand name and a small product range and was not fully aware of the significant competitors in the international marketplace. This did not deter him from launching his products at a major industry-related trade show in San Francisco. This appears to have been a major ‘out-of-depth’ or ‘out-of-proportion’ decision and a substantial risk event. The results could have had a very negative impact on the business development if V had not been able to present his products professionally or if he was not able to deliver subsequently on any commitments made at the trade show. At the show he discovered that there were major world players and competitors. He learned a lot about them and was convinced that even though his business was small in comparison, he was both technically and creatively ahead of them. As well as vital market information, the event also yielded sales and distributorships in different parts of the world. It also provided information and knowledge in relation to the scale the business had to reach and the quality it had to provide to become an international brand. This was a critical risk event that had a huge payback and that acted as a major stimulus to how V’s business venture subsequently developed.

#### 6.1.1.15 *Entrepreneur Role Models*

The reported impact or stimulus provided by entrepreneurial role models is evident from the interview data across all cases. The role models appear to come from three main sources:

1. Family members engaged in entrepreneurial activity particularly during the interviewees' early life. Examples of these have been described above.
2. High profile entrepreneurs and business people who the interviewees may not have known personally but were aware of from publicity and media profiles.
3. Peer entrepreneurs who may have worked in partnership with the interviewee on business start-up or who may have been known through business networking or social activities.

The motivation provided by role models is a stimulus that is reported by all the entrepreneur cases. Some cases implied that role models had a stronger impact on them than others. The influence of family on some of the entrepreneurs has been described earlier. Entrepreneurs such as Z and W attested strongly to the impact that certain entrepreneurial individuals had on them. This included the positive and motivational impact that Z and W had on each other. Others such as Y, described a very strong influence from an key entrepreneur in an organisation where they had previously worked.

Section 6.2 has presented the analysis of the data from the nine entrepreneur cases in terms of the identification of the factors that stimulated or motivated them to initiate growth-oriented ventures in Kerry. Twenty-one factors were identified and described. Analysing the twenty-one factors using a thematic approach, and incorporating data from the enterprise agency interviews, five major themes relating to the source of the motivational stimuli were identified as follows:

- **Childhood, Education & Training**
- **Employment History**

- **Internal Motivation**
- **Role Model Influence**
- **Risk and Exposure**

The five themes are presented in graphic form in Diagram 6.1 together with the factors identified as being associated with each of the themes. These sources of entrepreneurial stimulation are presented in the form they emerged from the data are not ranked in order of importance. It should also be noted that they are not weighted in terms of the emphasis placed on them by the interviewees. However each theme represents a source of motivational stimuli as indicated by the data from the interviews. The five themes will be examined and discussed with reference to the literature in Chapter 7.

### Entrepreneurial Stimulator Source

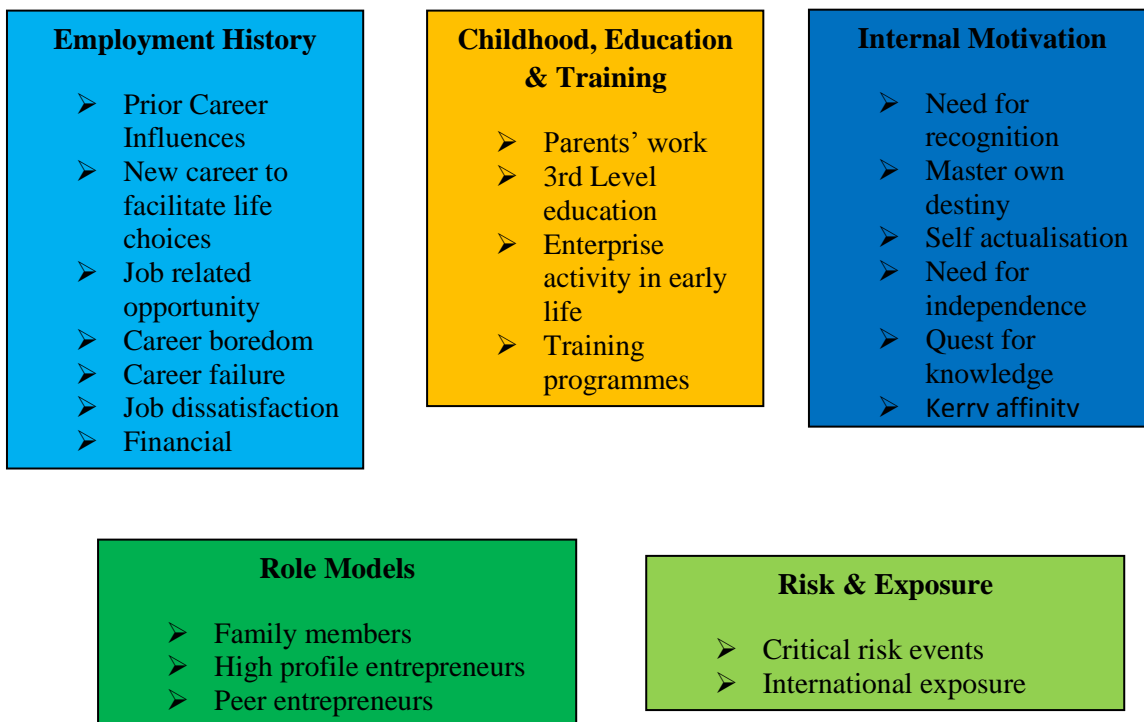


Diagram 6.1

In addition to the data from the entrepreneurs, the data from the enterprise agency interviews was analysed to identify the views of the agency personnel regarding the factors that stimulate and motivate the entrepreneurs for whom they provide support services. This analysis follows in Section 6.2.

## **6.2 Entrepreneurial Stimulators – Enterprise Agencies’ Views**

The interview data from the three enterprise support agency interviewees was analysed to identify their views on the main factors that stimulate and motivate the entrepreneurs that they support to initiate growth-oriented enterprises in Kerry. A number of key themes were identified and many of these have similarities with the factors identified in the analysis of the entrepreneur interviews as presented above. These similarities included the affinity and preference for Kerry as a business location, economic necessity due to career changes, opportunity recognition and the influence of successful entrepreneurial role models.

The agency personnel interview data highlights what might be termed naturally occurring entrepreneurial motivators and stimulators in the Kerry context. These factors are not part of any structured support programme and are not organised or controlled by any state agency. One of the main factors identified in the interviews is the attraction of Kerry as a location to work and live. The location and Kerry lifestyle appears to attract potential entrepreneurs. Many of the entrepreneurs supported by the agencies are originally from Kerry. They may



have moved away for education and career reasons and now wish to return to live in the county. Some are people whose spouses are from Kerry, while others are individuals from elsewhere who have developed a natural affinity for the area.

Unemployment, redundancy and economic necessity are other reasons cited as factors in motivating potential entrepreneurs to initiate business ventures in Kerry. These are negative forces or events in peoples' lives that propel them towards entrepreneurship. They are not planned events and are obviously outside the control of any agency. Certain people may also be motivated by opportunity. They may have the skill or ability to see an opportunity, possibly in the sector they are working in, and that motivates them to exploit that opportunity through the creation of a business.

Some other potential entrepreneurs may have a burning idea inside them, something that has always been 'nagging' them and they are compelled to put this idea to the test. Others indicate that business initiation is just something they always wanted to do. The agency personnel also identified a group of people who get to a certain stage in their employment careers with no prospect of promotion or career development. It may be the case that to continue to develop their careers they would have to re-locate and they may not wish to do this. This becomes a factor in the decision to exit their careers and to initiate a business venture. The need for work and life flexibility is also noted as a personal motivating factor with some people. The basic need to 'get away' from the fixed routine of the factory or the office will sometimes help to stimulate people to initiate a business.

The influence of successful business role models is also cited as a motivator for potential entrepreneurs. These people may be motivated in part by a desire to emulate others. One interviewee suggested that there is a latent entrepreneur in most people and sometimes it's just a matter of the environment providing the right opportunity or the necessary 'kick' to get started.

This section presented the analysis from the enterprise agency interviews in relation to identifying the views of the agency personnel regarding the factors that stimulate and motivate the entrepreneurs whom they support. There are many similarities and common themes with the data from the nine entrepreneur interviews and these will be discussed in Chapter 7. In addition to the analysis of the interviews already presented, the data also suggested that certain publicly funded enterprise support initiatives had an impact on the development of growth-oriented entrepreneurs in Kerry. Section 6.3 presents and analyses the data from the interviews in relation to these support initiatives.

### **6.3 Entrepreneurial Support Initiatives**

Data from the interviews indicated that certain publicly provided enterprise support initiatives acted as additional stimuli in both venture initiation and the on-going development of growth-oriented enterprises in Kerry. The stimuli identified from the interviews with the nine entrepreneurs are listed in Table 6.2. The five identified support categories are listed in the left hand column and the nine interviewees in the other columns. An asterisk indicates where an entrepreneur reported that a particular support initiative acted as a positive stimulus as

they initiated or developed their business. The interviews indicated that all nine entrepreneurs engaged to some extent with the state agencies that are charged with the provision of assistance and supports for enterprise development. However, two of the nine interviewees, *Entrepreneurs X and S*, did not indicate that the support initiatives had impacted upon them as positive entrepreneurial stimuli.

Of the five types of entrepreneurial supports identified in the interviews and listed in Table 6.2, the Genesis Enterprise Platform Programme and ‘Incubation Facilities’ are specific and clearly defined. The other three, ‘State Supports’, ‘Assistance Personnel’ and ‘Other Training Events’ are less specific and may contain a number of different aspects or events. State Supports are listed separately to the agency personnel engaged with the delivery of these supports as a number of interviewees noted the particular assistance or impact of the agency individuals involved. Five of the entrepreneurs had participated on the Genesis Enterprise Platform Programme and commented on the specific influence of this programme, therefore it is listed separately to the other training programmes. The support programmes and their impact and value as entrepreneurial stimuli are analysed and discussed in the following sub-sections.

### **Entrepreneurial Supports Matrix**

<b>Support</b>	<b>Entrepreneur</b>								
	<b>Z</b>	<b>Y</b>	<b>X</b>	<b>W</b>	<b>V</b>	<b>U</b>	<b>T</b>	<b>S</b>	<b>R</b>
State supports	*	*		*	*	*	*		*
Assistance personnel	*	*		*	*	*			

Genesis Prog.	*			*		*	*		*
Other training events	*			*		*			
Incubation facilities							*		*

**Table 6.2**

### **6.3.1 State Supports**

Most of the nine entrepreneurs availed of some form of state or publicly funded supports such as financial grants and they indicated that these had some bearing on the development of their businesses. However the data indicated that in general, state support in the form of grant aid was not a major factor in the development of the entrepreneur or the enterprise. In no case was it noted as a stimulator of enterprise initiation. In some cases a significant impact on aspects of business development through the receipt of public grant aid was reported.

*Entrepreneurs Z and W* acknowledged the positive impact that a publicly funded marketing grant from South Kerry Development Partnership had on the marketing of their products at a crucial time in the development of their business. *Entrepreneur T* also noted the ‘valuable’ and ‘helpful’ funding received from two state agencies, the County Enterprise Board (CEB) and Enterprise Ireland (EI). While *Entrepreneur V* noted that some ‘small’ grant funding was received from Shannon Development, but did not indicate that this had any significant impact.

Some of the entrepreneur interviews suggested a negative impact regarding interaction with state agencies in relation to grant aid. *Entrepreneur S*, while in discussions with Enterprise Ireland at the time of the formal research interview had somewhat of an ambivalent attitude.

In the early stages of start-up he stated that he felt interacting with the support agencies would have been '*a monumental waste of time*'. After more than five years in business he did engage in discussions with Enterprise Ireland regarding grant aid. He felt that the agencies were now interested in him because he had already demonstrated that he was going to be a success. His view was that the grant-aid procedure takes up too much time and involves '*too much paper and process*'.

*Entrepreneur X* engaged with the County Enterprise Board (CEB) but believed that he got little assistance except for a small grant that he believed was being given to everybody at the time he received it. X's views on the agencies were negative in terms of assistance given and he perceived this to have had a negative impact on the development of his enterprise.

*Entrepreneurs U and Ts*' view of the assistance provided by the County Enterprise Board appeared to be the direct opposite of *Entrepreneur X*. They expressed a positive view of the CEB and believed that the finance received, while small, was valuable. *Entrepreneur R* had some early contact with Enterprise Ireland and expressed a positive view even though he did not avail of the feasibility grant aid offered. His impression of dealing with EI personnel was positive and this is expanded on in the next sub-section.

*Entrepreneur Y* accessed a different form of state support in that he availed of equity investment from Enterprise Ireland. He reported that this was a major and essential factor in the development of his business as he sought to grow and expand in international markets. The data indicated that this state equity investment provided a strong positive stimulus to the growth of Y's business venture. Y also believed that the marketing supports provided by Enterprise Ireland's network of offices around the world had a significant positive impact on the development of his business.

Based on the data from the interviews, public funding by way of grant aid does not seem to have a major impact on entrepreneurial development in Kerry. Grant aid may act as a stimulus for some aspects of business development but interaction with the agencies in pursuit of finance can also lead to frustrations on the part of some entrepreneurs. Publicly provided equity investment may offer a better vehicle to support business growth. Enterprise Ireland's global network of support offices may be an under-utilised resource that could offer significant marketing support to help stimulate international growth for relevant Kerry enterprises. Most of the interviewees distinguished between the services and financial supports provided by state agencies and the assistance provided by agency personnel. The next sub-section looks at the impact of the agency personnel on the entrepreneurs and their development.

### ***6.3.2 State Agency Assistance Personnel***

As noted in the previous sub-section, the entrepreneur interviewees seemed to differentiate between the public support initiatives and the personnel involved in administering the supports. In general the data indicated that the entrepreneurs had a positive orientation towards the support personnel from the different agencies, with the possible exception of *Entrepreneur X*. Some of the entrepreneurs named specific agency individuals who had assisted them and acted as motivators. These individuals had also acted in a mentoring or advisory capacity. Three entrepreneurs identified specific and possibly critical assistance given by business mentors appointed by the enterprise support agencies. In the case of *Entrepreneurs Z and W*, the assistance of a particular mentor is reported to have stimulated a business development strategy that resulted in the survival of the business. While none of the entrepreneur cases indicated that support agency personnel had acted as a stimulus in venture

initiation, the data implied that they may have had an impact or stimulating role in on-going enterprise development.

### ***6.3.3 Genesis Enterprise Platform Programme***

Five of the entrepreneur cases participated on the Genesis Enterprise Platform Programme. The Enterprise Platform programme is a state funded entrepreneurial development initiative aimed at high potential or growth-oriented entrepreneurs. It is organised on a partnership basis between Enterprise Ireland and 3<sup>rd</sup> Level Colleges and is run at a number of locations throughout Ireland. The Genesis Programme is part of the Enterprise Platform initiative. It involves a partnership arrangement between Enterprise Ireland, Cork Institute of Technology (CIT) and the Institute of Technology Tralee (ITT). It is currently managed by CIT and based at the College campus in Cork. The Genesis programme is aimed at graduates and involves a year-long commitment from participating entrepreneurs. Each participant is provided with desk space in a business incubator and a business mentor. They are expected to attend centrally for training courses, workshops and seminars on a regular basis. Participants meeting Enterprise Ireland's High Potential Start-Up (HPSU) criteria may get half their previous year's salary as financial aid while on the programme.

As outlined in the Chapter 1, some of the entrepreneurs in this study were chosen because they had been accepted on the Genesis Programme, as an independent assessment by the Genesis selection panel indicated that they were potentially growth-oriented. In all five cases, the entrepreneurs had already begun the process of venture initiation prior to participation on Genesis, or at least had made the decision to start a business. This indicated that the Genesis Programme itself was not a stimulus for potential entrepreneurs to encourage them towards entrepreneurial initiation. Instead it appeared to act more as an affirmation stimulus for

entrepreneurs already on the pathway to start-up. For some, the programme provided a stimulus to accelerate enterprise development and for others it acted as a stimulus for a change in business direction or as an opportunity to re-design a flawed business model.

*Entrepreneur R* did not fully complete the Genesis programme. He indicated that he entered the programme without a clear vision of a product or service to develop and '*drifted*' away from it when his newly developed business idea '*was not getting there*'. He felt he already had a lot of the knowledge and skills from his previous employment and academic work and viewed parts of the programme as a '*refresher*'. However he reported a positive view of the programme even though the required travel from Kerry to Cork for the training seminars was a downside. The other four entrepreneurs all completed the programme and all indicated a relatively positive orientation towards it. *Entrepreneurs Z and W* indicated that Genesis acted as a strong motivator and stimulus in relation to business development. *Z* in particular attributed major significance to the impact of Genesis:

*"I do believe that without the Genesis push... I honestly don't see that I would have started it"*

*Entrepreneurs T and S* both reported on Genesis as being a '*good*' programme. Both indicated that they didn't wish to appear negative about it even though they felt they had already acquired much of the information and knowledge prior to participating on the programme. They noted that making contacts and networking were among the positive aspects of the programme, while the main benefit was the financial and resource assistance provided for the programme duration.

#### **6.3.4 Other Training Events**

Other than the Genesis Programme, training courses and events were noted as possible stimulators of certain entrepreneurial actions by three of the entrepreneur interviewees. These



events are mainly described as being of the type that may have left a message or an idea or a new way of looking at some aspect of the entrepreneurs' business. Some of the entrepreneurs, such as Z, seemed to use training events for personal development and as events at which to network and engage in marketing. In this way training events may be seen as providing some stimulus for aspects of entrepreneurial development. In no case were training programmes noted as stimulators for enterprise initiation.

### ***6.3.5 Incubation Facilities***

Eight of the nine entrepreneurs had availed of publicly funded enterprise incubation facilities as a location for their business at some stage during start-up or development. Two entrepreneurs identified specific incubation facilities as providing a motivating experience for their entrepreneurial activities. The data did not clearly indicate that the eight entrepreneurs would have established their businesses anyway, in the absence of dedicated incubator facilities, even though this is likely. However, the indications were that business incubators acted in a stimulus-assisting role in the growth of the entrepreneurs' businesses. The data indicated that the availability of high quality but low cost incubation space had a part to play in the early development of the entrepreneurs who availed of this support.

Sub-sections 6.3.1 to 6.3.5 listed and analysed the impact of certain entrepreneurial support initiatives on enterprise initiation in Kerry as derived from the nine entrepreneur interviews. The interview data from the three interviews with the enterprise agency personnel was also analysed to identify their views on the impact of entrepreneurial support initiatives in Kerry. This analysis is presented in sub-section 6.3.6.

### **6.3.6 Support Initiatives – Enterprise Agency Interviews**

The data from the enterprise support agency interviews was analysed with to determine the potential effect or value of certain entrepreneurial support programmes. These were mainly the publicly funded training programmes such as the Enterprise Start and the Enterprise Platform programmes. The data delivers some conflicting views. On the one hand there is a definite view that entrepreneurial support programmes of this nature can have a definite positive value. On the other hand there is an underlying view that these programmes could be improved and could deliver better results. It is indicated that agency clients who have participated on Enterprise Platform programmes such as Genesis have a positive view of the programmes and claim to have benefited from them. The clients with a definite and solid business idea appear to get greater benefit. If the business idea or product is not concrete, the client may report that the programme did not fully meet their needs.

One agency interviewee reported that while there is a definite value in the year-long Enterprise Platform programme, *'there is also something wrong with it'*. This view is expressed more as an underlying feeling and the interviewee indicated that it was not based on concrete evidence. The interviewee suggested that the issue may be that the programme is too long and may engender a sense of security and a feeling of being safe for a year. One facility available to some participants on the programme is the payment of financial aid equivalent to half the person's annual salary prior to joining the programme. It was suggested that if participating entrepreneurs secure this payment and possibly other enterprise feasibility grant-aid then this feeling of safety and security could be reinforced. The view of the interviewee was that provision of safety and security may not act as a positive influence on entrepreneurial development.

The interview data also suggested that the actual content of the Enterprise Platform programmes may be overloaded in academic terms. The value of providing MBA-like modules on finance and marketing was questioned. This provision of material in an academic fashion may not be the best way to help entrepreneurs to learn. The participant entrepreneurs may need to be challenged more in a positive way, be given more feedback and be given access to necessary expertise when it is required. The view was expressed that if the entrepreneur was not interested in the financial aspects (for example) when starting a business, they may be better served by getting someone else to manage the basic financial aspects.

The interview data suggested that entrepreneurial support programmes may even act as a shelter and provide people with a way of opting out of the practical challenge of engaging in actual start-up activities. As one agency interviewee put it:

*“Sometimes these programmes are almost a shelter or a way out. The people here who have really made it have been very fast. They got their business up and running with lightening speed. A lot of them would have it half set up before they left the company they were in. They would just hit the ground running...they don't spend a year on a programme thinking about it”*

The view was expressed that there may be more value in shorter enterprise start-up programmes. In these programmes, potential entrepreneurs could be allowed to try out an idea quickly. The onus would be on the entrepreneur to follow up and access the information or expertise that they needed. The longer programmes may also be in danger of selling the entrepreneur concept to prospective entrepreneurs. People may come to the programme with an idea and believe that the programme will turn them into entrepreneurs with a successful business. This may not be fair on many participants. Some enterprise ideas and business models simply will not work and the sooner people realise this, the better. Time, effort and resources may be better employed on people and projects that are more likely to succeed, even though not all will eventually be successful.

The enterprise agency interviews also addressed the issue of weaknesses or gaps in the provision of support services to existing and potential entrepreneurs. The interview data suggested that the enterprise agencies' approach to the provision of entrepreneurial supports may be too formulaic and rigid. It was indicated that the agencies may have a tendency to categorise entrepreneurs too quickly and confine them to a particular agency or to a specific support programme without fully assessing their needs. There appears to be a selection process to decide which agency a potential entrepreneur should approach for assistance and a tendency to try to get the entrepreneur to fit in with the agencies' programmes. As one interviewee described it:

*“We try to fit them into the agency's requirements rather than going out and looking at the businesses' needs and trying to bring them along”*

Even though the interview data indicated that there is strong networking and communication between the different agency personnel at a local level in Kerry, it was suggested that some entrepreneurs may not find the supports they need. Interviewees suggested that some potential entrepreneurs may find it difficult to know which agency to approach and they may go from one agency to another to try to access the supports that they require. Furthermore the way that agencies communicate with clients may not be client-friendly. An interviewee illustrated these issues thus:

*“Maybe there is a need for all of us to get together and think completely from the client's point of view. All of us probably look inward in terms of what we offer rather than being totally client friendly. Even the language that we all use should be looked at”*

Despite the apparent co-operation between agencies, the interview data suggested that some issues exist in terms of which agency should support particular clients and how clients might

be referred from one agency to another. The difficulties between agencies appear to relate to how the organisations are structured on a national level. Nationally imposed policies and procedures relating to how enterprise supports are administered may hinder co-operation at a local level in Kerry. One major suggestion made was that there should be one enterprise support agency for Kerry.

The view was also expressed that while there are supports and networks in place when businesses are up and running, these may need to be more structured to ensure a ready availability of help for entrepreneurs. The view was that if help is asked for it will be provided, but some people just do not ask and these people may slip through the enterprise support net. One suggestion for an improved support mechanism was that there could be a panel of existing entrepreneurs who would make themselves available to new or potential entrepreneurs, maybe on an organised basis every two months.

The interview data suggested that a specific enterprise support weakness or gap in the services offered by the agencies was the lack of provision of grant aid for business research at the very early stages of developing a high potential enterprise. Currently the agencies do not fund this early stage where the entrepreneur has to verify or prove the validity of the business concept. This proof of concept may involve testing a new product or researching international markets. The entrepreneurs involved may experience funding deficiencies resulting in them being unable to bring the project to the stage where it can attract venture capital or equity finance from organisations such as Enterprise Ireland. This may result in good projects not being able to progress beyond the business concept stage and potential growth-oriented entrepreneurs not being able to develop.

## **6.4 Summary**

This chapter analysed the data from the nine entrepreneur interviews and the three enterprise agency interviews and identified the factors that stimulate and motivate growth-oriented entrepreneurs to initiate new ventures in Kerry. The chapter also examined the various entrepreneurial support initiatives that were identified through the analysis of the interview data. The results of the data analysis will be discussed in greater detail in Chapter 7.

Chapter 7 will also discuss the findings from the entrepreneur profile data presented in Chapter 5 and relate the findings from both Chapters 5 and 6 to the literature reviewed in Chapters 2 and 3. The conclusions and recommendations drawn from the overall research will also be discussed in Chapter 7.

## **Chapter 7. Discussion and Conclusions**

### **7.0 Introduction**

This chapter outlines and discusses the main findings from the overall study. The research which was exploratory in nature was based on a case study approach that examined aspects of growth-oriented entrepreneurship within the geographical boundaries of County Kerry. The chapter compares and relates the research findings to the research aims and the key research questions, as well as comparing the findings to the views from the relevant literature. It also presents conclusions based on the study and makes some recommendations including areas for possible further research. As outlined in Chapter 1, the research sought to profile Kerry's growth-oriented knowledge-based entrepreneurs and to identify the factors that stimulated them to initiate and develop business ventures in Kerry. The chapter will build on the analysis of the data in the previous chapters and discuss how the findings from the study might be used to help identify and stimulate potential growth-oriented entrepreneurs to initiate new enterprises in the county.

The key research questions identified in Chapter 1 were:

- 1 What is the profile of Kerry's current cohort of growth-oriented entrepreneurs?
- 2 What are the major factors that influence or stimulate potential knowledge-based growth-oriented entrepreneurs to initiate and develop businesses in Kerry?

- 3 What additional supports or motivational initiatives are needed in Kerry in order to encourage potential entrepreneurs to initiate new growth-oriented enterprises?

The following sections will discuss the findings from the study in relation to the three research questions and address the three areas of entrepreneur profiles, entrepreneur stimulators and entrepreneurial supports and motivational initiatives.

Prior to the presentation of the discussion and conclusions of this study, it is opportune to revisit the issues of research validity, reliability and generalisation as initially discussed in more detail in Chapter 4.

As noted in Chapter 4 the question of research validity was addressed through the use of multiple sources of evidence and data triangulation as integral components of the case study design. Triangulation involves the use of more than one source of data to enhance the validity and the rigour of the research being undertaken (Yin, 1994; Robson, 2002). As the case study evolved data was collected from nine different entrepreneur sources within the geographical boundaries of the case study. This data was collected mainly through the use of formal semi-structured interviews with each individual entrepreneur employing the same interview schedule of questions across all cases. This data was supplemented by seeking follow up information where necessary through personal contact and by phone or email. Data was also collected from three different enterprise agency sources by way of formal semi-structured interviews using the same interview schedule and structure. To help reduce any variance from the interview process the current researcher conducted all interviews and collected all other data. The actual field research therefore employed the use of multiple sources of data within



the geographical boundaries of the case study. As noted above the use of multiple sources in case study research is recognised in the literature as important in enhancing research validity (Glaser and Strauss, 1967; Yin, 1994; Robson, 2002).

The issue of generalising from a case study was also discussed in some detail in Chapter 4. As noted in Chapter 4 there is debate in the literature as to whether one can generalise from a case study (Pettigrew, 1985; Yin, 1994). One view is that generalising from a single case study is valid particularly if multiple data sources are used (Yin, 2003). In an analogy with the field of science, theory is seldom generated from a single experiment, but from the results of a number of related experiments. In the same manner the study of similar multiple cases may be used in the development of generalised theory (Yin, 2003). Yin (2003) emphasises the importance of recognising that a case study does not represent a sample from a bigger population and therefore the results should not make claims that can only emanate from sampling methods. In this study, while confined to the geographical boundaries of Kerry as a single case location, data was collected from multiple and distinct sources within the overall geographical boundary. This gives the research a multi-case feature that lends support to the formation of certain generalised theories about growth-oriented entrepreneurs based on the overall case.

## **7.1 Entrepreneur Profiles**

Based on the findings outlined in Chapter 5 the typical Kerry knowledge-based growth-oriented entrepreneur will generally be male, aged mid-thirties to early forties, and married with children. This entrepreneur will be a graduate who has exited from a significant career

spanning at least seven years, having gained international experience. He will have been born in Kerry or have a very strong affinity for the county. The business will be technology-driven, software-related and possibly internet-based and will be located in an 'entrepreneurial home' such as a business park or incubator. The typical profile is summarised as follows:

### **Kerry Growth-Oriented Entrepreneur**

#### **Profile Summary**

- Age: Mid 30s – mid 40s
- Predominantly male
- Generally married
- 3<sup>rd</sup> Level education
- Significant career at professional or managerial level
- International experience
- Significant marketing experience
- Strong affinity to Kerry
- Willing to avail of enterprise supports
- 'Do It Now' approach

Exceptions to the typical profile will exist and some of the entrepreneurs may not display all the attributes and factors described. Furthermore it is clear that there are female Kerry entrepreneurs, but the data indicates that there may be few in the knowledge-based growth-oriented category. Two of the case entrepreneurs were female and they displayed many of the traits in the summary profile. However, due to the limitations of their business model they may be more correctly categorised in the potential growth-oriented category. The issue of

why there are so few female growth-oriented entrepreneurs in Kerry is a topic that probably merits further research.

The Kerry growth-oriented entrepreneur profile has certain similarities with entrepreneur profiles described in the literature. O'Connor and Lyons (1982) identified a category of Irish entrepreneurs where enterprise start-up is seen as a logical progression from a significant employment career. In the same study, O'Connor and Lyons (1982) also portray different entrepreneurial profiles and categorise one group of venture initiators with a similar growth-oriented profile to the entrepreneurs in this study. They describe these entrepreneurs as people who are driven by a desire for their business to grow and who do not set pre-determined limits to that growth. The O'Connor and Lyons (1982) category of growth-venturer seeks to exploit all opportunities to achieve their aim of business growth. The pursuit or exploitation of opportunity is also noted as a key ingredient of the entrepreneurial profile by other writers (Schumpeter, 1934; Stevenson, 1985). Successful Irish entrepreneurs are also profiled in the literature as being well educated and having significant degrees of specific knowledge and skills relating to the enterprise being initiated (Murray, 1981).

Furthermore the literature also suggests that there is a positive link between entrepreneurship and a high level of formal education (Robinson and Sexton, 1994) with education being seen as having a significant role to play in the development of a positive enterprise culture in society (Scanlan, 1986; Gibb, 1988; Hynes, 1996). Additionally the entrepreneurs in this study tend not to spend too much time in a 'thinking about it' phase; instead they are driven by a 'do it now' mentality. This concurs to an extent with the literature where the start-up process is viewed as being action-oriented, dynamic, and possibly based on an individual's unique initiative (Hofer and Bygrave, 1992; Krueger, 1993; Boyd and Vozikis, 1994). In

these aspects the entrepreneur profiles described in the literature appear to have similarities with the profile to emerge from this study.

With regards to the situation in Kerry, the entrepreneur profile findings from the study are not verified or otherwise in the literature as research related to entrepreneur profiles in Kerry specifically was not identified. The literature reviewed in Chapter 3 provided the only source of information in relation to enterprises in Kerry at the time this study was conducted and this literature mainly addressed issues such as the enterprise sector, size and location (Shannon Development, 2003; Enterprise Ireland, 2004; Quinn 2003; Kerry CEB, 2003). This literature did not examine or discuss the profiles of the entrepreneurs who initiated the enterprises that were described. The majority of the enterprises listed in these sources appeared to be small, locally based and operating in sectors such as crafts, light engineering, tourism, and local service provision. As the literature did not profile the entrepreneurs involved, no comparisons can be drawn except to observe that with some exceptions the majority of the enterprises noted in the literature in Chapter 3 appear to be limited in their opportunity for growth.

The attractiveness of Kerry as a location to visit and enjoy for leisure purposes is highlighted in the literature in Chapter 3. Lewis (2004) describes a re-awakening of tourism in the Killarney area during the 1950s and the 1960s period. He notes that the area had always attracted visitors because of its scenery and tranquillity and illustrates how tourism visitors increased dramatically during the above period due to the provision of new infrastructure and effective marketing. Based on the findings of this study it could be argued that entrepreneurs and potential entrepreneurs might be attracted to locate new enterprises in the county in a similar way as to how tourists are attracted to Kerry for leisure. The provision of entrepreneurial infrastructure and other supports may also add to the attractiveness of Kerry

as an entrepreneurial location. The possible impact of the provision of certain entrepreneurial supports is discussed later in the chapter. The impact of social and environmental factors in fostering entrepreneurship is noted in the literature. O'Connor and Lyons (1983) highlight the potential value of a supportive social and economic climate in promoting entrepreneurship and also emphasise the importance of taking a broader and more holistic perspective when promoting and encouraging the development of new entrepreneurs.

The literature does not give a firm view as to a typical profile of growth-oriented entrepreneurs in terms of age, gender and marital status. However, O'Connor and Lyons (1983) emphasise the important supportive role played by entrepreneurial spouses in venture initiation and indicate that this role is primarily performed by the wife. This appears to indicate that the entrepreneur might typically be male and therefore seems to concur with this study's findings in this regard.

Section 7.1 discussed the study findings in relation to the profile of Kerry's cohort of growth-oriented entrepreneurs and compared the findings to relevant aspects in the literature. Section 7.2 will now focus on the entrepreneurial stimulator themes identified by the study and discuss the findings and conclusions from this aspect of the research with reference to the literature.

## **7.2 Entrepreneurial Stimulators**

Analysis of the primary data from the nine entrepreneur cases identified twenty-one factors that have the potential to act as entrepreneurial stimulators. These are described in detail in the previous chapter. Five major themes were identified from the twenty-one factors in

relation to the sources of stimulation and motivation of Kerry's growth-oriented entrepreneurs. These source themes are identified as follows:

- **Childhood, Education & Training**
- **Employment History**
- **Internal Motivation**
- **Role Model Influence**
- **Risk and Exposure**

The five stimulator source themes will be discussed in the next five sub-sections.

### ***7.2.1 Childhood, Education & Training***

The data suggests that exposure and actual involvement in enterprise and business-related activities in early life can act as a positive stimulus to later entrepreneurial activity. The data from this study implies that people growing up in and engaging in, family dominated business activities may develop a propensity towards entrepreneurship in their later careers. The impact of early formal education is less clear while the experiences during 3<sup>rd</sup> Level education appear to act in a positive way on entrepreneurial activity. Specific entrepreneurial training programmes emerged as sources of stimulation from the interview data. The impact of these programmes is discussed separately in Section 7.3.

#### ***7.2.1.1 Enterprise Related Activity in Childhood***

Enterprise activity in early life was a feature in some of the cases. The enterprise activities were based in or around family farms and appear to have had a strong parental influence. The early enterprises involved activities such as sheep trading, selling eggs, turkey-raising and

cutting timber for sale in the locality. Four of the entrepreneurs were raised in a family farm environment and all spoke of their deep love and affinity for the farming lifestyle. One wanted to make his career in a farming related area while others still ‘dabble’ in aspects of farming. This farm-related activity occurs while still running a growth-oriented enterprise. It cannot be claimed from this study that there is a definite link between enterprise development in later life and childhood enterprise-related activity, but this exploratory link is tentatively indicated. The farming link is possibly even more tenuous but again may deserve further research. By its nature traditional farming in Ireland usually involved all family members contributing to the work activities on the farm. The farming enterprise was interwoven with the daily lives of all family members. It may be that this very early and ‘natural’ exposure to enterprise activity acts as an entrepreneurial learning environment and has a positive impact on entrepreneurial disposition in later life. This is a tentative and exploratory conclusion that requires more in-depth research. The value of fostering enterprise activity at an early age is supported in the literature (Hynes, 1996).

#### *7.2.1.2 Education*

There is a strong indication from the interview data that participation in 3<sup>rd</sup> Level education can act as positive influence on potential entrepreneurs and provide a stimulus towards enterprise start-up. This finding is in agreement with the general view from the literature with O’Connor and Lyons (1983) noting the high value placed on higher education by Irish entrepreneurs. The positive link between entrepreneurship and a high level of formal education has already been noted in the literature (Robinson and Sexton, 1994). Furthermore, formal education is regarded as playing a central role in the development of an enterprise culture (Scanlan, 1986; Gibb, 1988; Hynes, 1996). The literature highlights the increasing recognition that formal entrepreneurship education is receiving and notes the proliferation of

formal enterprise education across different countries (Gartner and Vesper, 1994; Katz, 2003; Hytti and O’Gorman, 2004). While the data indicates agreement with the literature in relation to the enterprise stimulus provided by 3rd Level education, it does not suggest that any similar entrepreneurial stimulus resulted from primary or secondary education. While this finding appears notable it should be treated with some caution. The age profile of the participating entrepreneurs was typically mid-thirties to mid-forties. This would imply a considerable time gap since they participated in primary and secondary education and it is likely that the school curriculum received by the entrepreneurs may have been of a more traditional nature. Furthermore the impact of 3<sup>rd</sup> Level may have been more to the forefront of their thinking during the interviews and the interview questions did not probe for greater detail in relation to early educational experiences. However, the impact of early educational experiences is an area that may merit further research with a view to understanding and possibly improving the entrepreneurial impact of early education.

### ***7.2.2 Employment History***

The theme of a solid and developed pre-entrepreneurial employment career is a significant one to emerge from the data. This runs counter to the suggestion in parts of the literature that entrepreneurs may be social misfits with a history of displacement and dissatisfaction (Shapiro, 1975; Kets De Vries, 1987). It may be that some entrepreneurs who start ventures essentially aimed at self-employment may fit the disaffected profile. Some may start enterprises out of necessity possibly as a result of unemployment. However, the growth-oriented entrepreneurs in this study mainly exited from career paths that they had been passionate about, at least to some degree. The career paths usually followed on from 3<sup>rd</sup> level education and resulted in the acquisition of high levels of technical and managerial skills,



some acquired in an international context. O'Connor and Lyons (1982) generally agree with this finding, as does Murray (1981) to a certain extent. For the entrepreneurs in this study the decision to exit a successful career did not seem to be a difficult one to make, even though for most the change was dramatic. The interview data indicates that the transition from a career passion to being a passionate entrepreneur was a natural one with a sense of destiny possibly attached to it. On the other hand, the basic desire to break free from a fixed work life routine in the factory or the office is also noted as a motivating factor to help stimulate people to initiate a business.

Identifying potential and passionate entrepreneurs while they are still working in interesting careers presents considerable challenges to enterprise policy makers and the enterprise agencies charged with promoting enterprise. These challenges are again possible areas for further research that would seek to identify methods for identifying and nurturing potential venture initiators while they are still in employment. It is possible that the concept of external entrepreneurial progression could be examined as a natural career route for some personnel in larger organisations. There may be opportunities for the Kerry enterprise agencies to initiate and develop relationships with larger employer organisations with a view to the provision of assisted exit mechanisms for potential entrepreneurs.

#### *7.2.2.1 The Opportunity Stimulus*

The term opportunistic can possibly be applied to most entrepreneurs. O'Connor and Lyons (1982) identified a specific category of Irish entrepreneurs that they referred to as exploitative. These entrepreneurs typically displayed an opportunistic motivation with a strong interest in financial gain. The data indicated that some of the entrepreneur cases in

this study identified and exploited an opportunity presented by their careers or workplaces to initiate a business venture. The business opportunity may have involved a product or service related to their employment that they recognised was not been provided by their existing employer. Alternatively they may have recognised that an existing product or service provided by their employer could be improved upon and they then developed a business around that product or service. The desire and inclination to act on identified opportunities are seen in the literature as significant indicators of entrepreneurial intentions (Krueger, 1993). Therefore the ability and resources to recognise and act on possible business opportunities may provide indications of the type of profile likely to initiate new ventures.

In 'spinning-out' from the existing employment the opportunistic entrepreneur may establish an enterprise that competes directly with the former employer. In any event there is an element of positive opportunistic exploitation in the exit strategy and the transition to enterprise development. This is obviously a high-risk mechanism of venture initiation, particularly if the employer is a larger organisation and takes exception to the new competing enterprise. Great care would have to be taken in seeking to identify and assist entrepreneurs exiting employment to establish enterprises to compete with existing businesses. The issue of displacement of existing employment would have to be considered. However, with growth-oriented and knowledge-based enterprises, these issues may be of lesser importance. The marketplace is often global and there may be room for many local entrepreneurs to compete in similar sectors in international markets.

#### *7.2.2.2 Dissatisfaction, Boredom and Failure*

The identification of the disaffected entrepreneur has been noted earlier. The literature has suggested the concept of some entrepreneurs being categorised as social misfits, sometimes

with a history of displacement (Shapero, 1975; Kets De Vries, 1987). While the case study data may not be strong enough to categorise the case entrepreneurs as disaffected social misfits, there is evidence that some may have certain traits that might align them to a similar category. There is evidence in some cases of elements of job dissatisfaction leading to a career exit decision. The data also suggests that in some cases prior to enterprise start-up the entrepreneur experienced a level of career failure, i.e. the entrepreneurs' originally planned career path did not function as planned even though they may have been highly trained and qualified. One entrepreneur used the word 'boredom' on a number of occasions in relation to his previous employment career. While dissatisfaction, boredom and job failure may seem to imply a negative approach to entrepreneurship, they may act as positive stimuli to venture initiation for some entrepreneurs.

### **7.2.3 Internal Motivation**

The need for recognition and independence and the desire to be master of one's own destiny emerge as strong sources of motivation in propelling individuals towards enterprise initiation. These factors are often allied to the desire to take personal control of one's lifestyle, career progression and future security and not to have key decisions on these areas made by other people. The desire to be independent of their original career path or their existing employment appears to have acted as an entrepreneurial stimulus to the entrepreneurs in the study. The literature offers substantial agreement in relation to the presence of these motivational forces amongst entrepreneurs. McClelland and Winter (1969) saw entrepreneurs as people driven by an internal need to achieve and enhance self esteem and not necessarily focused on financial rewards and power. The belief in being in control of one's own destiny and a need for achievement are entrepreneurial attributes highlighted by Gibb (1987). Furthermore, McClelland (1976) proposed that entrepreneurs are motivated by a number of

internal needs such as a strong need for personal achievement, a need for affiliation and a need for self-fulfilment. At a more basic level, some potential entrepreneurs may have what they consider to be a burning idea inside them. This may be a business idea or concept that has been on their mind for a long time and they feel compelled to put the idea to the test. For others the idea of starting a business is something they have always wanted to do and they reach a stage in their life when the time is right and they decide to go ahead with venture start-up.

The need to acquire new knowledge and skills also appears to act as an entrepreneurial stimulus. The entrepreneurs in the study appeared to have a propensity for learning and possibly a natural quest for knowledge. This sometimes manifested as moments of enlightenment, where an issue became clearer or something new was discovered. This propensity to acquire new knowledge and learn may have been an end in itself for some. In any event, the entrepreneurs displayed a thirst for knowledge and a willingness to learn in order to overcome challenges particularly in unknown or uncertain situations. Experiential methods where people learn by doing and by active participation are suggested in the literature as being the most effective ways of learning for entrepreneurs (Kolb, Osland and Rubin, 1995; Rae, 2004). In addition it is also suggested that entrepreneurial learning is enhanced by observation and social interaction through networking with peers (Erikson, 2003; Taylor and Thorpe, 2004).

A further major internal motivational factor to emerge from the entrepreneur data is the personal affinity indicated towards Kerry as a location to live and to establish a business venture. This affinity is examined more closely and discussed in the next sub-section.

### 7.2.3.1 Affinity and Attraction to Kerry

The attractiveness of Kerry as a location for entrepreneurs to live and work has possibly been known intuitively for some time. It is possible to argue the case that the lifestyle and family-friendly location that Kerry offers, is a significant reason for entrepreneurial initiation and development in the county. The data suggests that the Kerry lifestyle and the family-friendly environment it engenders are crucial ingredients in the Kerry entrepreneurial mix. This appears to be the case whether the entrepreneurs are ‘natives’ or are attracted in from elsewhere. As well as the native domiciled potential-entrepreneur population, and the literature indicates that at any one time over 4% of the population may be attempting to start a business (White and Reynolds, 1994), Kerry attracts two other groups of high potential entrepreneurs. For the purposes of this study these two groups are identified as ***returning entrepreneurs and attracted entrepreneurs***. ***Returning entrepreneurs*** are people with strong Kerry family connections, who left the county probably for educational and career reasons, and who now have a compelling desire to return to Kerry to live and work. The data indicates that ***returning entrepreneurs*** will be well educated, probably to 3<sup>rd</sup> Level, and have significant career experience, some possibly gained internationally. They will have reached a stage where they are either in the process of venture initiation or they have decided to exit their careers, to enable a possible relocation of the entrepreneur’s family to Kerry.

The extent or quantity of potential ***returning entrepreneurs*** is not known and this may be a topic for further research. It is possible that there may be a relatively sizeable pool of potential entrepreneurs who would wish to return to Kerry to live and establish enterprises. A key issue is how they might be identified and facilitated in taking such action. This is an area

that could be a key focus for the agencies and other organisations involved in enterprise and economic development in Kerry.

In a similar vein, the *attracted entrepreneurs* group could have a key role to play in Kerry's entrepreneurial development. *Attracted entrepreneurs* are people who do not have direct family ties to the county but are attracted to come and work here for lifestyle reasons. These may be people who have worked in Kerry or have visited for social or leisure reasons. Methods of identifying, targeting and attracting potential entrepreneurs who have no family connections to Kerry are other areas for possible further research. These are also areas that could become a policy focus for the development organisations.

The attractiveness of Kerry as an enterprise location has been known for some time (Buchanan, 1968), and the theme of targeting and attracting entrepreneurs domiciled elsewhere to come to Kerry is not new. The theme has been 'floated' and discussed by organisations concerned with the development of Kerry, such as Kerry County Council ([www.kerrycoco.ie](http://www.kerrycoco.ie), 2009). However, it would appear that very little targeted action has materialised. Targeted and sustained action based on well thought out research into the identification and facilitation of exiled potential entrepreneurs could possibly increase the number of growth-oriented enterprises established in Kerry.

Notwithstanding the above, it could be argued that an expressed affinity to Kerry or a wish to live in the county are not entrepreneurial stimuli but merely indications of a family-related or social desire for a better lifestyle. It is possible that these desires would exist irrespective of any entrepreneurial tendencies. However, the intensity and frequency of these expressions in the interview data suggested that the desire to locate in Kerry was an integral component of

enterprise start-up for these entrepreneurs. The indications were that these particular lifestyle wishes were major components of the entrepreneurial start-up process from an early stage. Family or personal lifestyle considerations may have featured to some extent, but the attractiveness of Kerry as an entrepreneurial environment appears to have been a major factor in the business start-up decision.

#### ***7.2.4 Role Model Influence***

The value of exposure to successful entrepreneur role models is a significant theme to emerge from the interview data. Significant entrepreneur role models appear to come from three sources: parents and other family members, successful and high profile entrepreneurs and peer entrepreneurs. Role models may be present from early childhood, such as the parent-farmers noted earlier or they may come from a family business environment. Peer entrepreneurs also seem to have provided significant role models for the entrepreneurs in the study and peer entrepreneur exposure may have resulted in significant learning opportunities. These role models may have been people who worked in partnership with the interviewee on business start-up or who may have been known through business networking or social activities. Peer participants on enterprise development programmes such as Genesis are given significant value in terms of influence and motivation in the interview data. In a number of cases, the peer entrepreneur contribution on the Genesis programme was described as one of the most valuable components of the programme. The high profile entrepreneurs were typically business people whom the interviewees may not have known personally but were aware of from publicity and media profiles.

The positive value of exposure to entrepreneurial role models is supported in the literature. Boyd and Vozikis (1994) asserted that contact with suitable role models increases the desire and intention to become an entrepreneur. In addition, Erikson (2003) considered that contact with appropriate entrepreneurial role models was the next best thing to direct experience of enterprise development.

### **7.2.5 Risk and Exposure**

Entrepreneurs are generally recognised as being risk takers or at least not being risk averse. The literature seems to favour the view that in general entrepreneurs are moderate or calculated risk takers (McClelland, 1976; O'Connor and Lyons, 1983; Gibb, 1987). However, this study has identified a type of risk taking that might be described as 'make or break' and that seems to revolve around a single high-risk and critical event. These are not events that involve financial risk in the sense of borrowing large amounts of money, as might be generally expected. Instead the risk events are more of a holistic 'go for broke' nature. The critical event usually involves an 'out of proportion' risk during the early development stage of enterprise start up. As such they could not be described as a stimulus to venture creation, but these critical risk events may act as a key stimulus for venture survival and development. A number of such events have been identified from the entrepreneur case data. It may be that growth-oriented entrepreneurs tend to take once-off or occasional major risks. These may be major stimuli that help to advance the venture to the next stage or plane in its development. 'Go-for-broke' high-risk events may be significant factors in the development of growth-oriented enterprises and are worthy of more detailed and in-depth research.



On first examination these critical risk events appear to be somewhat spontaneous and relatively unplanned as described by the entrepreneurs in the interview data. However it is possible that the entrepreneurs may have tended to exaggerate the unplanned and spontaneous nature of these events. The data suggests that in most other aspects of their entrepreneurial exploits the entrepreneur cases in the study were calculating and meticulous and they generally indicated that they managed their activities in a planned way. It is possible that the critical risk events may have involved more of an intuitive but calculated risk than that reported by the entrepreneur. This argument would tend to support the literature's view of entrepreneurs as being calculated risk takers (McClelland, 1976; O'Connor and Lyons, 1983; Gibb, 1987).

The other factor noted in the interviews under this theme was significant exposure to experiences at an international level. It could be argued that international travel and exposure to the social and business environment in other countries might not be an actual stimulator for entrepreneurs to initiate a new business. However, the case study data would seem to indicate that international exposure during the start-up and development stages may act as a stimulator to encourage entrepreneurs to trade internationally. It is possible to argue that by engaging in appropriate international travel and exposure, entrepreneurs are more likely to develop enterprises that trade globally and thereby become more growth-oriented.

### **7.3 Entrepreneurial Supports and Initiatives**

Publicly funded initiatives to stimulate entrepreneurial activity mainly take the form of financial supports, assistance schemes and training programmes. The case study data suggests that even though most entrepreneurs seek and avail of publicly funded grant aid, it is not

regarded as being significant in terms of venture initiation and growth. Public and private funding provided by way of equity investment appears to be a much more significant financial enterprise stimulator for growth-oriented entrepreneurs. The data indicates that state agency support personnel are seen as positive contributors to entrepreneurial development. The provision of dedicated enterprise incubation facilities is also noted as a factor in assisting venture development. The data indicated that entrepreneurial training programmes were availed of to a considerable extent by potential growth-oriented entrepreneurs. Five of the entrepreneur cases in the study had participated on the Genesis Enterprise Platform programme and the data from the enterprise agency personnel interviews also provided certain views on the perceived impact of this programme. During the period of the study the Genesis programmes was the only one of its type available to potential entrepreneurs in Kerry. The impact of the Genesis Programme is discussed in the next sub-section.

### ***7.3.1 The Genesis Enterprise Programme***

In general, the Genesis programme is viewed as having been a positive influencing factor by the entrepreneur cases. The programme provided stimuli to accelerate development, initiate change and improve flawed business models. While the entrepreneurs are positive about the value of the programme, some of this is expressed as a general positive orientation to this type of programme as against identifying specific areas where the programme impacted significantly on the entrepreneurs' business. The financial payment while on the programme is identified as being of major significance. There is an underlying indication from the data that the programme has a certain value but may be flawed in programme design, structure and content aspects. This finding is partly confirmed by data from the agency interviews, where the expressed view is that the Enterprise Platform programmes are good in intention but they

may have built-in fundamental flaws. These flaws are not fully identified but may include issues such as:

- The programme is too long
- It may engender a false sense of security
- It may slow down the real process
- ‘MBA style’ business content may be unnecessary
- Danger of ‘selling’ the entrepreneur concept and selecting ‘good’ participants
- Too much emphasis on ‘the project’ instead of on the entrepreneur

The Enterprise Platform programmes are one of the main publicly funded training interventions aimed at high potential entrepreneurs in Ireland. The value of these programmes, both to the participant entrepreneurs and in return on investment terms, may need to be examined further. An unpublished work, (Fitzsimons and Murray, 2005), provided evaluative feedback from participants, trainers, mentors and others associated with the programmes. The feedback is generally positive and the participants rate the programmes highly. However, and in common with other international studies of high potential entrepreneurial intervention programmes, little data is available on the national or regional economic effects of the programmes (Jenssen and Havnes, 2002; Massey, 2004).

It is likely that the Genesis Enterprise Platform programme acts as a stimulus to growth-oriented entrepreneurs to develop, change and re-structure their business models. However, the programme may need further in-depth evaluative research to assess the actual entrepreneurial impact in Kerry.

### ***7.3.2 Other Training Programmes***

Other training courses and events were noted as possible stimulators of certain entrepreneurial actions in the interview data. These training events appear to have acted in a motivational way or provided some alternative perspective on the entrepreneurs' business. Training events were noted as opportunities to engage in networking and marketing and may have provided some stimulus for certain aspects of business development. In general these other training programmes were not reported as being stimulators for actual enterprise initiation. However, the literature seems to support the theory that entrepreneurial training programmes have a positive impact on enterprise start-up and enterprise development (Parry and Wildman, 1989; Ketcham, Taylor and Hoffman, 1990; Chaston, 1992; Price, Allen and Monroe, 1994; White and Reynolds, 1996). Moreover, it is suggested that Irish entrepreneurs are likely to avail of a range of publicly funded supports including training and that they are three times more likely to engage in enterprise start-up training than similar entrepreneurs in the Netherlands (De Faoite, et al., 2004). The literature therefore seems to assign a greater value to general entrepreneurial training than that which has been suggested by this study.

### ***7.3.3 Enterprise Incubation Facilities***

The interview data indicated that the provision of enterprise incubation facilities played a positive role in the growth of the entrepreneurs' businesses in the early stages of start-up. It is not clear whether the entrepreneurs would have established their businesses anyway in the absence of dedicated incubator facilities even though this is likely. It cannot be argued that the provision of incubator facilities on their own acted as a stimulus for enterprise creation but it is likely that they had an assisting role and were part of a suite of supports that encouraged entrepreneurs to locate in Kerry. De Faoite, et al. (2004) indicate that Irish entrepreneurs are likely to avail of a range of enterprise supports including incubation

facilities and that the entrepreneurs place a high value on incubator provision as part of a package of supports to assist enterprise start-up. The importance of the provision of incubator facilities in the development of enterprise clusters particularly in the knowledge-based sector has been noted in Chapter 3. The indications from the study are that the continued provision and development of incubator facilities may have a role to play in the development of growth-oriented entrepreneurs.

#### ***7.3.4 Additional Supports and Gaps in Service Provision***

Based on the data from the interviews, the provision of public funding by way of grant aid is not considered to be an essential element in the range of entrepreneurial supports provided by the public agencies in Kerry. Grant aid is seen as an additional factor in the range of supports available and it may provide assistance for some aspects of enterprise development.

However, it is noted from the data that interaction with the enterprise support agencies in search of finance can also lead to frustrations on the part of some entrepreneurs due to the bureaucracy involved in grant aid applications and subsequent administration. The data suggests that publicly provided equity investment may offer a better financial vehicle to support business initiation and growth. It is notable that the entrepreneurs in the study generally distinguished between the services and financial supports provided by state agencies and the assistance provided by individual agency personnel. In general the interviewees had a positive view of the help and assistance provided by the enterprise agency personnel and this is a possible area for further investigation with regard to the best methods of utilising the agencies personnel resources.

The interview data suggested that the enterprise agencies' approach to the provision of entrepreneurial supports may be too formulaic and rigid. Entrepreneurs who approach an agency may be categorised too quickly and thereby confined a specific set of supports

without their actual needs being fully assessed. There appears to be tendency to try to get the entrepreneur to fit in with the agencies' programmes instead of focusing on the entrepreneur and identifying what the actual needs might be. These issues were mainly identified in the interviews with the agency personnel. The data also indicated certain tensions between agencies particularly relating to which agency might support particular types of entrepreneurs and how people are referred from one agency to another. These difficulties appear to relate to how the agencies are structured on a national level. It is possible to argue that nationally imposed policies and procedures in different agencies may hinder co-operation at a local level in Kerry. One suggestion from the agency interviews was that one overall enterprise support agency for Kerry might provide more co-ordinated and better services to entrepreneurs in the local context.

The agency interviews also suggested that certain support networks that are in place when businesses are being initiated may not continue to meet the needs of entrepreneurs when the business is somewhat established. These support networks may need to be more structured to ensure a ready availability of help for entrepreneurs as their businesses develop. A panel of existing entrepreneurs who would make themselves available to new or potential entrepreneurs on an organised basis was suggested as one possible support mechanism that might be beneficial.

The agency interview data also suggested that a specific enterprise support gap existed due to the lack of provision of grant aid for business research at the very early stages of developing a high potential start-up. Currently the agencies do not fund this early stage where the entrepreneur has to verify or prove the validity of the business concept. This early stage might involve international travel for research purposes or the testing of a new product. The

entrepreneur may not have the resources to fund these activities resulting in them being unable to progress the project to a level where it can attract venture capital or equity finance. This may result in good projects not being able to progress beyond the business concept stage and potential growth-oriented entrepreneurs not being able to initiate a new venture.

Having discussed the findings and drawn conclusions from the study in relation to the research questions and the three areas of entrepreneur profiles, entrepreneur stimulators and entrepreneurial supports and initiatives, the final part of the chapter will present an overall model in relation to the development of growth-oriented entrepreneurs based on the research findings.

#### **7.4 Model for Developing Growth-Oriented Entrepreneurs**

A theoretical model for the identification, stimulation and attraction of growth-oriented entrepreneurs (GO Entrepreneurs) for local geographical regions is proposed based on the findings of the research. The model is represented in graphical form as Figure 7.1 below and is proposed as a template for regions similar to Kerry that are seeking to enhance their enterprise policies and attract more growth-oriented enterprises.

The prospective growth-oriented entrepreneur profile is derived from the research findings and will typically exhibit the traits, skills and orientation listed. As noted in the discussion a strong affinity to the particular region is considered a key ingredient as this brings with it the probability of the new enterprise remaining embedded in the local region. Furthermore it increases the possibility of the new entrepreneur acting as a regional role model for other

entrepreneurs and also acting as an entrepreneurial ambassador for the region. It should be noted that while the profile suggests that growth-oriented entrepreneurs are predominately male it is based on the findings of this case study and it does not exclude the possibility that some entrepreneurs of this type may be female. Female growth-oriented entrepreneurs may match many other aspects of the model.

It is likely that growth-oriented entrepreneurs may come from a variety of backgrounds and the likely sources may not be confined to those listed. However, based on this study these are proposed as areas where potential entrepreneurs fitting many aspects of the model are likely to be found. The 'Recent Entrepreneurial Companies' source refers to enterprises that may already be based in the region and that may have been founded by growth-oriented entrepreneurs with a similar profile to the model. Potential GO Enterprises refer to a possible category of entrepreneurs identified in the study whose current business model may have limitations but who may have the potential to initiate new growth-oriented enterprises.



## Model for Regions to Attract and Stimulate GO Entrepreneurs

<b>Profile</b>	<p>Age: 30- 40</p> <p>3<sup>rd</sup> Level Education</p> <p>Significant Professional / Managerial Career</p> <p>International Experience</p> <p>Marketing Experience / Skills</p> <p>Strong Affinity to the Region</p> <p>Open to Supports / Assistance</p> <p>‘Do It Now’ Ethos</p> <p>Predominately Male and Married</p>
<b>Source</b>	<p>Large / Multi-National Companies</p> <p>International Companies</p> <p>Recent Entrepreneurial Companies</p> <p>Potential GO Enterprises</p>
<b>Needs</b>	<p>Entrepreneurial Environment</p> <p>Lifestyle Environment</p> <p>Entrepreneurial Infrastructure</p> <p>Role Models</p> <p>Easy Access Supports</p> <p>Flexible Experiential Training</p> <p>Access to Finance</p> <p>Access to Skills</p>

**Figure 7.1**

In relation to entrepreneurial needs and the facilities that a region should aspire to provide it is recognised that not all regions will have the natural features, environment and cultural

attractions that Kerry provides. Different regions will be unique and will have their own features and attractions. However, all regions could develop the capacity to provide the entrepreneurial supports, infrastructure and access to resources indicated in the 'Needs' section of the model. Entrepreneurial infrastructure includes facilities such as enterprise incubators and business parks.

As discussed in Chapter 4 this study was exploratory in nature and the model presented above may also be used as a template to suggest areas for further research and recommendations to enhance the entrepreneurial environment in Kerry and other regions. A number of recommendations and areas for possible further research have been identified and discussed in the earlier sections of this chapter. These will be summarised in Section 7.5.

## **7.5 Summary Recommendations**

The recommendations mainly focus on possible areas of further research that may add to knowledge and practice in the areas of enterprise development and growth-oriented entrepreneurs in particular. The emphasis is on the development of these areas with particular reference to Kerry. Most of the recommendations have been elaborated on in the discussion and can be summarised as follows:

- Investigate the issue of why there are apparently so few female growth-oriented entrepreneurs
- Add to the knowledge of growth-oriented entrepreneurs in Kerry by building on this study possibly through further research using different methodologies with a larger number of entrepreneurs

- Further investigation into the possible impact of social, environmental and lifestyle issues in attracting entrepreneurs to locate in particular regions
- Research into the impact of early life exposure to enterprise activity including the impact of education on entrepreneurial disposition in later life
- Investigate and identify mechanisms for sourcing potential entrepreneurs who are in employment and identify ways of encouraging them to consider entrepreneurship
- Investigate further the role of the Enterprise Platform Programmes and other entrepreneurial support initiatives
- Examine the role and location of enterprise incubators and business parks with a view to enhancing their effectiveness
- Examine the role of the enterprise support agencies in Kerry with a view to providing the best possible co-ordinated services for entrepreneurs

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## Appendix A

### Interview Schedule Entrepreneurs

Explain purpose

Outline how data will be used....not identified in research, e.g. Case A, Case B.

Will seek express permission if ever using outside of research project.

Explain that I'm interested in the process.....how you got from A to B....what factors influenced, helped, hindered in getting to where you are now.

Background before starting business.....secondary school, where? What level school completed? Work at school?

Work immediately post school? Career?

Family careers? Family businesses? Other entrepreneurs in family?

When did you first think about setting up business?

Who or what influenced you?

What was your first business venture?

How did your first venture come about?.....

Describe the process of getting off the ground.....

Is first business the only or main venture?

If no.....explore others....how, why and describe the process

Who or what helped you? People.....Events.....Services.....assistance

Any formal training or development programmes ? If yes.....what value in setting up or developing ?

Who or what hindered / less helpful to you?

Explore Why and How the identified factors helped or hindered.

Identify the key or crucial factors/events/people.....i.e. What element/s could not have been left out.....would not have developed without?

Why this element/s ? Why was it crucial ? How did it effect venture development?

Why did you choose Kerry as location.....what were deciding factors?

**End....seek permission for follow up.**

## **Appendix B**

### **Interview Schedule Agency Personnel**

Explain purpose

Outline how data will be used....not identified in research, e.g. Case A, Case B.

Will seek express permission if ever using outside of research project.

Could you profile or describe the types of new entrepreneurs approaching your organisation for assistance over the last 10 years? (Note background, family, education, career, etc.)

Any significant profile changes over the years?

What are the main types of businesses being started from your point of view?

Any noticeable changes to business types over past few years?

Typically what kind of assistance services or resources do entrepreneurs seek from your organisation?

As distinct from what they seek, what key services / assistance do new entrepreneurs actually need?

Are there gaps in the provision of services or assistance, i.e. should be but currently not provided?

How / where could existing assistance services be improved?

What do you think are the key motivators or influencers that lead people to start new entrepreneurial businesses?

Are there any identifiable life stages when entrepreneurs are likely to emerge?

Are there common processes involved in entrepreneurs getting off the ground?

Are there common factors e.g. People.....Events.....Assistance Programmes or Services.....?

Is there value in formal training or development programmes ?

If yes.....what is the main value of programmes ?

What are the main hindering factors in identifying new entrepreneurs and in getting ventures started?

What are your views on Kerry as an entrepreneurial location?

What does Kerry lack or is weak in....in enterprise development terms?