

# **Entrepreneurial Representations, Self-Space and Metanoia**

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## **ABSTRACT**

This paper emphasizes both the importance of action in the entrepreneurial dynamic and the fact that entrepreneurial thinking focuses on future action. The paper is divided into three sections. It begins by suggesting that the study of representations offers a different standpoint from which to examine and understand the entrepreneurial act, based on knowledge of the preceding thought process. The second section of the paper proposes some avenues for research into entrepreneurial representations, along with some specific topics to be explored. The classic subject of opportunity identification is addressed. However, some lesser-known concepts, such as self-space, are also highlighted as a means of explaining the learning and other elements leading up to entrepreneurial activity. The paper ends by highlighting the need for new approaches and methodologies for research into representations about entrepreneurship and innovation.

## **INTRODUCTION**

The purpose of this paper is to help understand the entrepreneurial act and the thinking process that precedes it. Entrepreneurship research has tended to focus on elements that are more easily measurable, and has paid less attention to the connections between the elements in the so-called “black box” – in other words, the thinking process that precedes entrepreneurial action, and the cognitive representations that explain variations in the entrepreneurial act.

Readers who are less familiar with the notion of entrepreneurial representations will find expressions in the text that, although not defined here (for lack of space), have been addressed in more detail in previous texts (Filion, 1991; 2004; 2007; 2008), and in texts by other authors mentioned in this paper. These expressions include terms such as “mental models”, “reflexive approaches”, “cognitive approaches”, “images” and “Weltanschauungen”, all of which are specific to the field of representations. In this paper, the term “entrepreneurial actor” is used to refer to entrepreneurs, venture creators, intrapreneurs, technopreneurs, ecopreneurs and micro-entrepreneurs – in other words, anyone who plays an entrepreneurial role in

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an organization or in society. “Visionary thinking” refers to the ability to anticipate and think projectively.

## **ENTREPRENEURSHIP: A SUBJECTIVE WORLD**

As others have pointed out, it will be difficult for entrepreneurship to progress from its current status as a field of study to become a scientific discipline unless more extensive knowledge can be acquired on the entrepreneurial act, and in particular on the thinking system that precedes it. The expression of entrepreneurship requires action, in the form of an activity system. This is one of the fundamental differences between entrepreneurship and the rest of the social sciences. Sociologists think about what society is, but do not necessarily need to become involved in social activity, whereas entrepreneurial actors know they must first think about parameters that will enable them to anticipate the future, and then take action. In other words, they must develop projective thinking with a view to action, if they are to design and set up an organizational system that can trigger changes in the market.

### **Emerging sciences: different languages but a shared culture**

The subjectivist and constructivist schools of thought use a highly diverse vocabulary. Although the structural elements in each model are similar, the terms used to understand and organize thinking differ considerably from one approach to the next. This is clear from the work of the pioneers who created some of the emerging schools of thought, including Ackoff (1999), Checkland (1999), Churchman (1971) and Senge (1990).

The authors who developed and continue to develop reflexive approaches do so in highly divergent contexts and within very different topics and disciplines. Despite these differences, however, they appear to share a basic culture. Although terminology and approaches may differ, the premises serving as a basis for understanding and structuring thought generally share the same values, goals and structures. They are all based on the study of the representations and interpretation methods used by human beings to understand their world. Given that the subjectivity of the entrepreneurial actor is a key element in the field of entrepreneurship, this therefore appears to be a promising field for subjectivist approaches.

The first part of the paper introduces and situates the subject, while the second part proposes some avenues for future research on entrepreneurial representations.

## **ENTREPRENEURSHIP AND REPRESENTATIONS: A MULTITUDE OF POTENTIAL AVENUES**

As we saw earlier, representations are important in understanding the structure of entrepreneurial thinking and activity. In this section, we propose some avenues for research to generate new knowledge that will help guide the design of learning for future entrepreneurs.

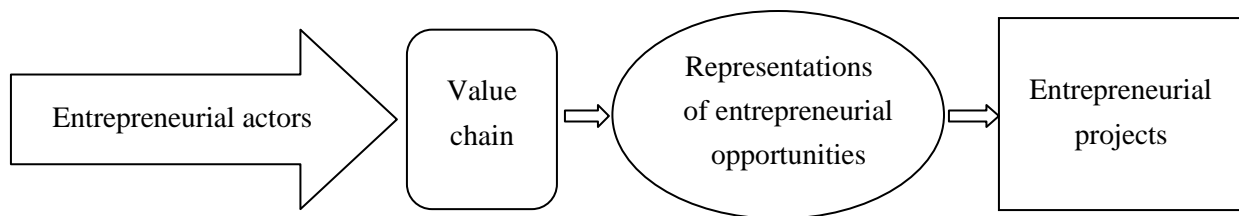
## Entrepreneurial actors, representations and entrepreneurial opportunities

Entrepreneurial actors have long been associated with the ability to identify business opportunities (Fayolle and Filion, 2006). However, given that this paper includes entrepreneurial actors who work in social, non-profit and non-business contexts, we will refer to these opportunities – which form the basis of the entrepreneurial process – as *entrepreneurial opportunities*. The term includes not only business opportunities, but also opportunities for entrepreneurial expression in a variety of contexts. We view an entrepreneurial expression as one that necessarily involves differentiation and innovation that adds value over what existed previously.

It is the ability to identify and develop these entrepreneurial opportunities that enables entrepreneurial actors to stand out, innovate and contribute added value. The process is clearly a highly subjective one, and representations can play a major role in preparing entrepreneurial actors for this role.

Entrepreneurial actors must know the characteristics of their sector in order to target niches (gaps or spaces), and then imagine and design methods of occupying those niches or spaces through innovation. They must therefore be familiar with the value chain in the product or service design, production and marketing process in the chosen sector. Their representation of the target niche is a key element in the entrepreneurial process, as is the representation of how to develop that niche (see Figure 1 below). An understanding of these representations and their links with the design and implementation of entrepreneurial projects is a core element of the entrepreneurial process.

**Figure 1: Entrepreneurial actors and entrepreneurial process**

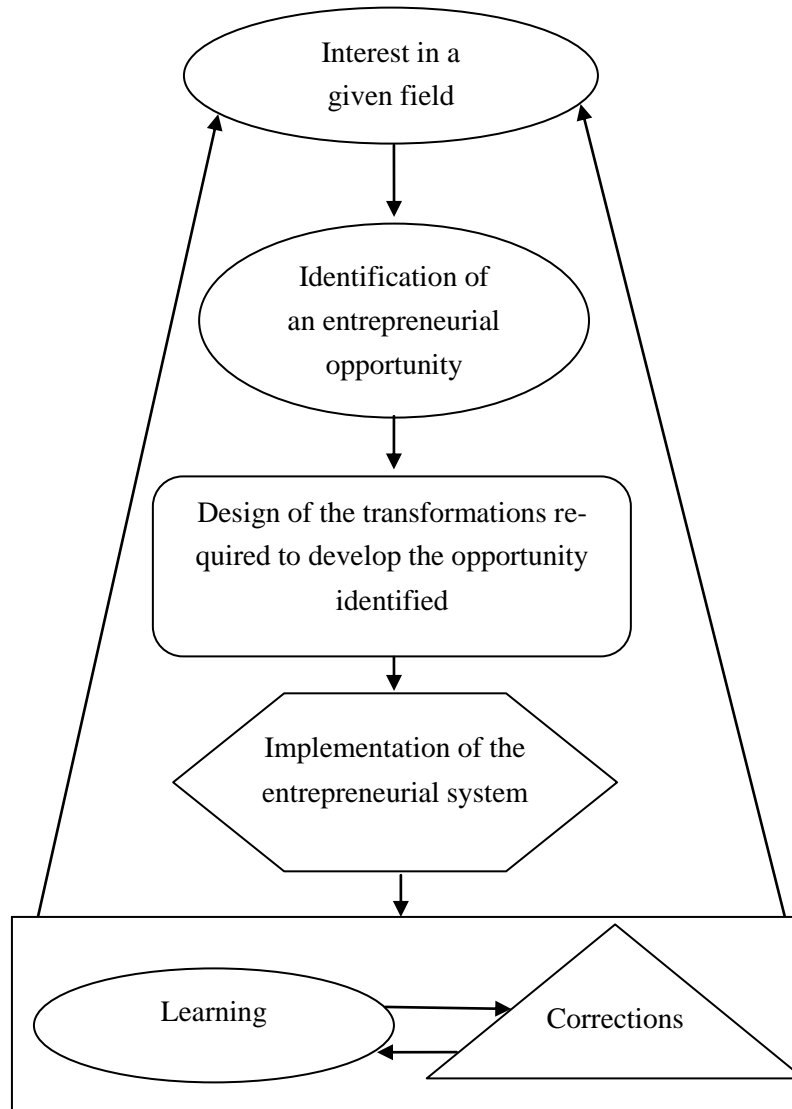


## Entrepreneurship and entrepreneurial opportunities

Identification of entrepreneurial opportunities has often been described as a core element in separating entrepreneurial actors from other people. This is an area in which representations are highly appropriate as a research field, since the identification of entrepreneurial opportunities is a highly subjective act that cannot really be understood without some knowledge of the mental model that forms the prism through which a person perceives and interprets reality.

Careful study of several hundred entrepreneurs through semi-structured interviews lasting between four and five hours, over a period of more than 20 years, has allowed the author of this paper to examine the opportunity identification and development process in great detail (Filion, 1990; 2002; 2004; 2008). Based on our research, it is possible to divide the process into sequences showing how the representations evolve

over time. Figure 2 below presents some of the structural referents derived from the field data. It should be noted that the process involves a large number of relationship interactions that are not shown in the figure. We briefly explain the basics of this process below, to show the numerous potential research avenues deriving from the representations of each sequence in the model.



**Figure 2: Identification and development of entrepreneurial opportunities as a basis for the entrepreneurial process**

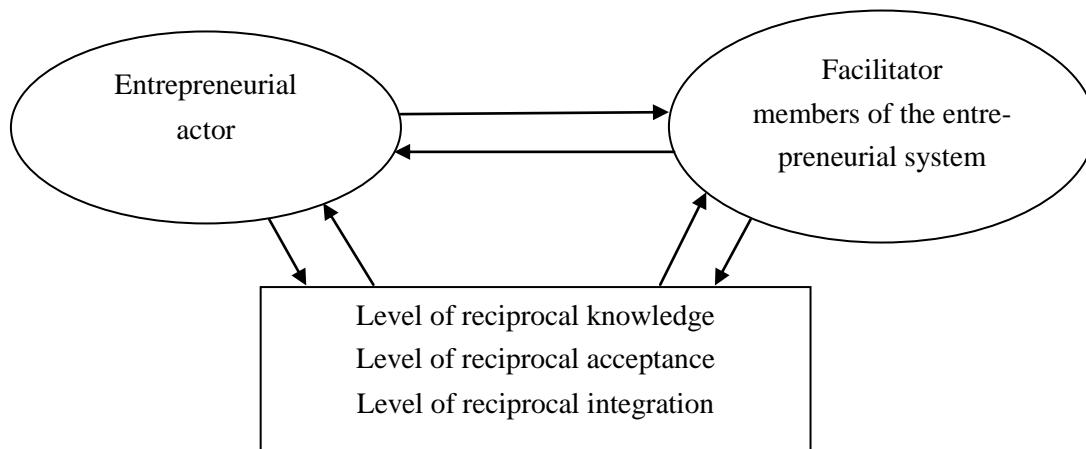
Many people believe the entrepreneurial thinking process ends with the identification of an entrepreneurial opportunity and is then replaced by a managerial thinking process. In reality, however, this is rarely the case. Once an opportunity has been identified, the would-be entrepreneur must make many adjustments in order to imagine a vision that will allow him or her to design the transformations required to develop that opportunity (Filion, 1991).

Eventually, the entrepreneurial system will be designed and implemented, and learning and corrective action will follow. Throughout the process, decisions – in some cases many dozens of decisions – will have been made before the entrepreneurial process is launched. The creation of an entrepreneurial system requires managerial, technical and strategic skills, as well as human and relationship abilities. The main point here, however, is that what we refer to as the “identification of an entrepreneurial opportunity” in fact consists in the transformation of a host of elements which, in turn, allow the entrepreneurial opportunity to be developed and lead to the creation of an entrepreneurial activity system. Representations are an important element in understanding this process.

**The entrepreneurial process perceived as an inter-subjective relations system**

The entrepreneurial process is often perceived as being an individual phenomenon. However, based on our study of several hundred entrepreneurial actors in the field, we have concluded that the entrepreneurial process is in fact highly interactive. Entrepreneurial actors who succeed are often regarded by the media as “super-heroes” who owe their success to nobody but themselves. In the real world, however, this is not the case. Some humility and prudence is required. Each entrepreneurial actor has his or her own definition of success. Despite this, more than 90% of them, if asked to explain their success, will mention a mentor or another person who has facilitated or supported the visionary process throughout the design and implementation phases.

**Figure 3: Reciprocal representations and intersections between the entrepreneurial actor and the facilitator members of his or her entrepreneurial system**



Extensive research has been done on the relations systems and social capital of entrepreneurial actors, but very few authors have studied representations of the relationship intersections between entrepreneurial actors and facilitator members of their entrepreneurial systems, to understand their points of convergence and divergence – in other words, the inter-subjective cross-relationships (see Figure 3 below).

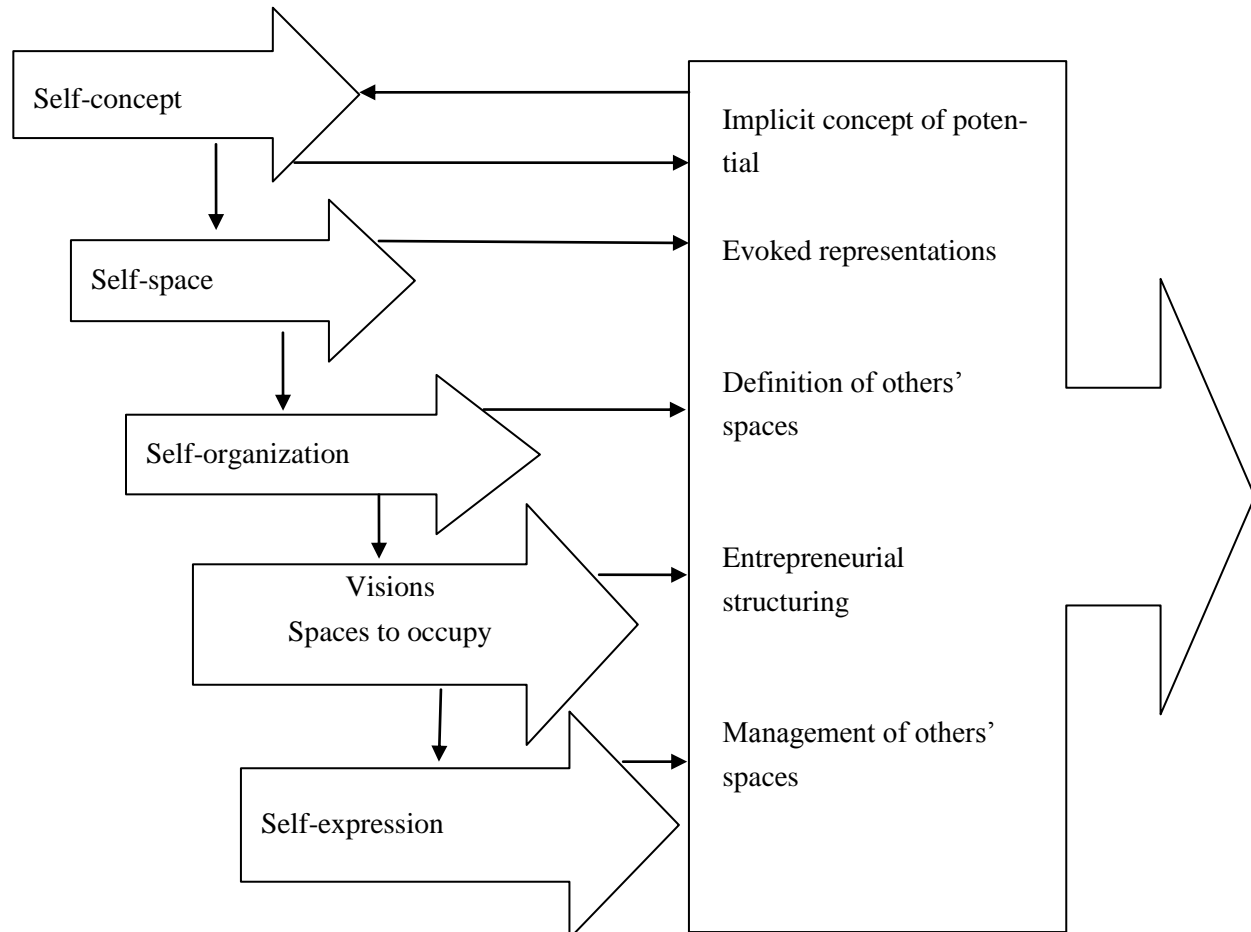
It is clear that an entrepreneurial process requires the creation of a constantly changing interactive activity system. However, this dynamic has not really been studied from the standpoint of the reciprocal representations of entrepreneurial actors and the stakeholders in the social system created over time by those actors.

### Inter-subjective aspects and intersecting relationships of the entrepreneurial system

The entrepreneurial system is a highly subjective system that interrelates and incorporates a set of relations composed of heterogeneous intersubjectivities. This type of structure results from highly personalized and often modeled learning.

The self-learning method developed implicitly or explicitly by entrepreneurial actors helps them to negotiate their differences, and also to shape the broad range of subjectivities with which they surrounded themselves to form their managerial nucleus into a coherent whole. Senge (1990) and others have proposed models of learning in general, and organizational learning in particular. We have also examined this phenomenon, based mainly on empirical field studies of different categories of entrepreneurial actors (Filion, 1998; 2004; 2008). Figure 4 below shows key concepts derived from these field studies.

**Figure 4: Self-representations, representations of the entrepreneurial system and management of relationship intersections**



There are a number of elements that could help explain the development of a visionary system and the learning that makes it possible. *Self-concept* and *self-space* are two such elements that help explain the *self-organization* leading to the expression of visionary thinking and ultimately to the *entrepreneurial self-expression* that forms the basis of the entrepreneurial activity system (Filion, 1999a and b; 2008). In studying these elements, it is also possible to understand how entrepreneurial actors interrelate with others to structure and implement the entrepreneurial process. A basic grasp of relationship intersections is vital in understanding the emergence, development and transformation of the entrepreneurial activity system (see Figure 4 above).

### **Self-concept and self-space as key elements in learning and entrepreneurial expression**

In this section, we will look at the elements underlying the preparatory learning for entrepreneurial activity. One of the key central elements of this process is known as *self-space* (Burns, 1979; Taylor, 1989). This term refers to the way in which actors perceive themselves, their level of self-esteem, and their perception of their own abilities, which form the basis for self-awareness and the visionary process. Learning needs can be identified only when intentions are transformed into visions – in other words, real projects to be carried out. It is here that the individual derives the interest that will push him or her to acquire learning. However, it is the self-concept that conditions the scope of the vision, the extent of the learning an actor is prepared to acquire, and the nature of the risks and actions he or she is willing to take. A number of elements are involved in building self-concept, the most important being self-space.

#### **Self-space**

In every society, every individual develops a self-space whose scope depends on the ambient society's history, social class structure, sociological characteristics, development levels, population density and other sociological factors. There is a broad range of variations depending on social, ethnic and religious diversity and education levels within the host society (Marsella, Devos and Hsu, 1985).

Self-space is the person's individual psychological space, where the evolving, functional self-concept is located. Self-space is the spatial and systemic configuration surrounding the self-concept. The extent of the boundary determines the level of flexibility available when forming and developing self-concept. Self-space is the psychological distance that both connects and separates individuals. It is dependent on the space that social custom sets aside for each person.

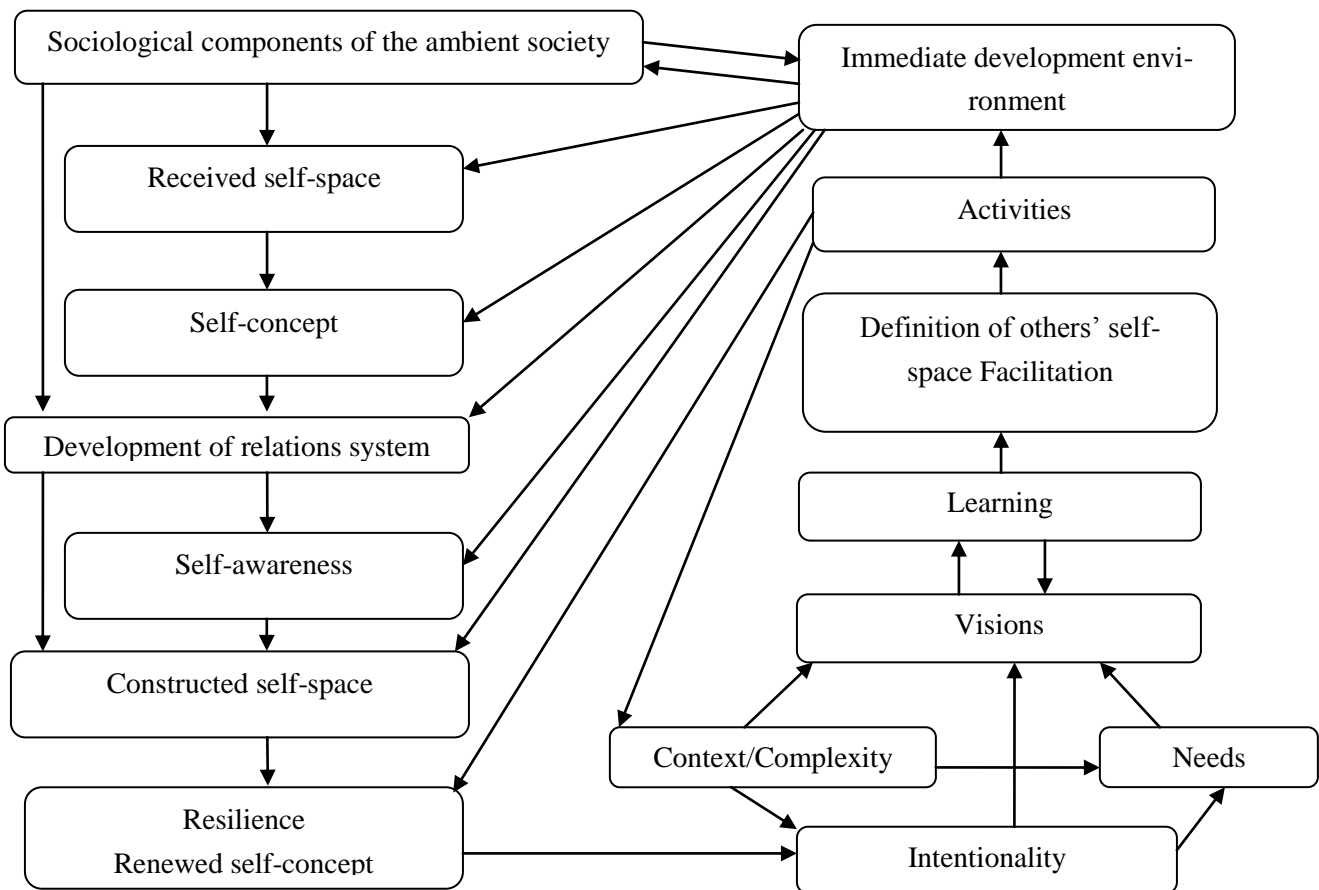
Self-space results from the social compromises and formal and informal conventions governing human relationships in a given society. The notion of psychological space has not been widely discussed in management and entrepreneurship literature. Yet, it plays a key role in explaining the type of entrepreneurial behaviour leading to differentiation and to innovation that we observed in our empirical studies of entrepreneurial actors. Figure 6 below summarizes the process of creating an individual psychological space or self-space. Each person functions within a given self-space that conveys certain characteristics of the sociological components making up the ambient society. However, it is influenced principally by the

individual's own relations system and immediate environment – in other words, by his or her family, culture, ethnicity, education and religion – and it determines both the development and the expression of the self-concept.

A handful of researchers have examined the concept of self-space (Hall, 1984; Latane and Liu, 1996). To understand the concept properly, we need to refer to certain other concepts, including liberty and its extension. The volume of standards and regulations existing within a society reflects the level of freedom or the formal self-space allocated to each individual, and may even reflect the informal self-spaces allocated to citizens by each other.

As an individual grows into adulthood, he or she gradually constructs a new personal psychological space, based on his or her desired personal context and self-awareness. The same applies to would-be entrepreneurs. It is not uncommon for entrepreneurial actors to leave their families, move to other regions or even emigrate in order to build the space they need to develop on their own terms. This is a key factor in explaining how space is arranged to allow the self-concept to form and renew itself during a process. For example, a would-be leader needs a minimum amount of space to grow and achieve self-expression. If that space is not provided by the milieu, the person will move elsewhere. The self-space allocated to people from other cultures appears to be greater in most multi-cultural societies than the space people from the same culture allocate to one another.

**Figure 5: Self-space, self-concept, resilience, visions and activities**





The constructed self-space will determine the extent to which self-concept can be developed. Intentionality, which is dependent on needs and contexts, will condition what can be envisioned and the learning required for action. Before they are able to take action, many entrepreneurial actors will need to select other people to facilitate the creation of an entrepreneurial activity system. The activities carried out will, in turn, influence the process of constructing the self-space and self-concept, which will change as a result. There is also a sustained inter-relationship between the epistemological system – i.e. the representations system – and the ontological system, due to the resilience that develops as the identity is formed and continues to evolve as a result of interactions with others (see Figure 5 above). We have also observed that entrepreneurial actors generally define the same type of self-space for other people that they have constructed for themselves.

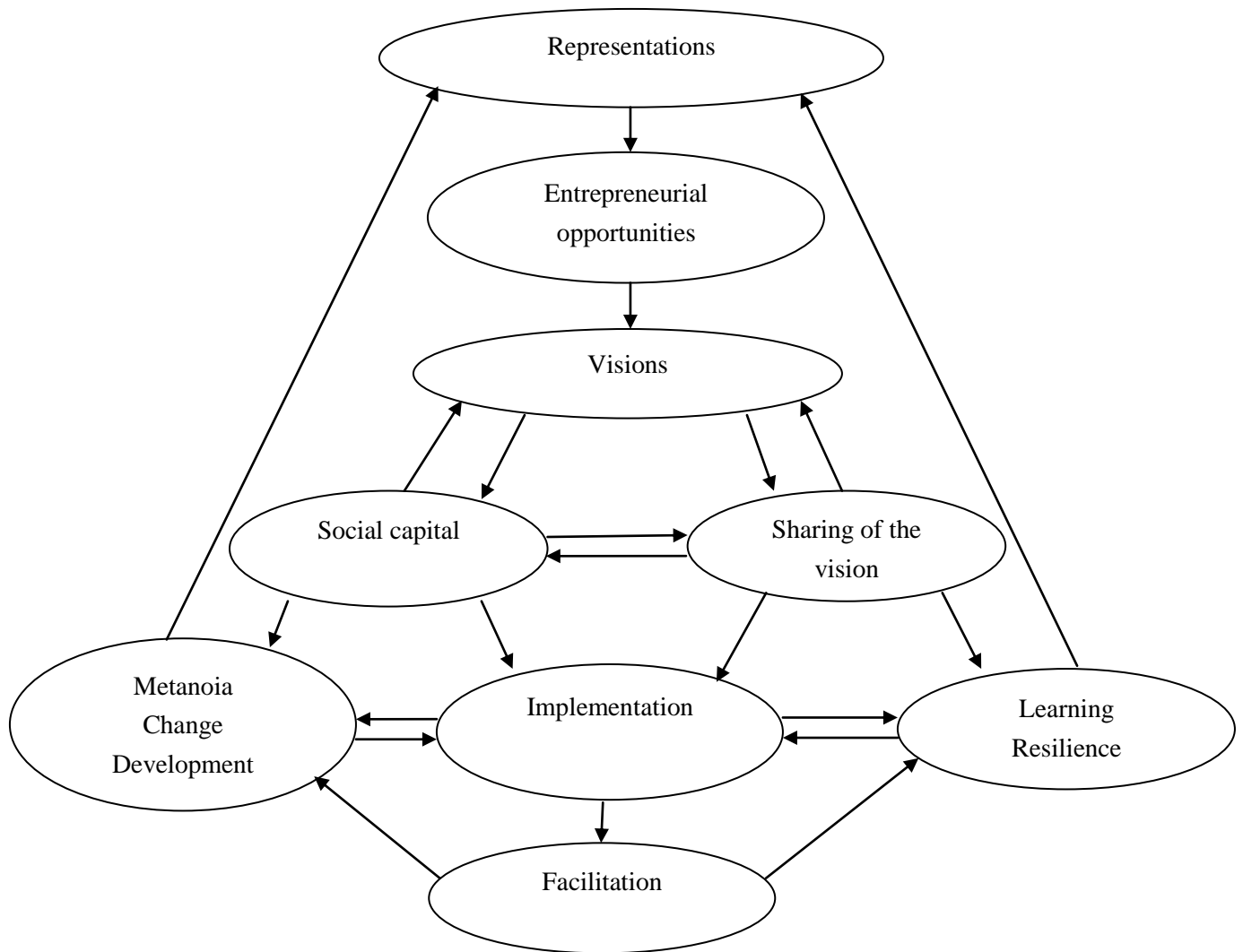
In the next section, we will look at some methodological topics and prospects for future research into representations.

## **ENTREPRENEURIAL REPRESENTATIONS, TOPICS, APPROACHES AND RESEARCH METHODOLOGIES**

Generally speaking, university education transfers knowledge, while management training transfers expertise and entrepreneurship training transfers self-awareness and action-related skills. It is usually in entrepreneurship programs that students experience the highest levels of anxiety, because during every course they have decisions to make that could affect how they organize their own lives and the lives of the people around them. They need to learn mental models that will allow them to think and organize their actions using a minimum of resources. This is not the case for learning in other subjects, which will have less impact on their lives when it is applied.

Entrepreneurial actors will experience periods of intensive reflection and activity, which will often result in fundamental changes in how they live and how they perceive themselves. Metanoia – in other words, a change of mindset (Senge, 1990) – inevitably occurs as a result of entrepreneurial learning. In many cases, it becomes an everyday element in their thinking, especially in the months immediately preceding the start of their entrepreneurial activities. The resilience they acquire and their new self-space and self-awareness will change how they think, sometimes to a significant degree. Entrepreneurial actors need a great deal of flexibility in their thinking processes if they are to be able to adjust to ever-changing contexts. Not only do they experience frequent changes, but they are also agents who initiate change. This is illustrated in Figure 6 below.

**Figure 6: Entrepreneurial system: representations, visions and metanoia**



The elements shown in Figure 6 clearly illustrate the need for research into entrepreneurial representations, via the topics proposed in Table 1 among others. The table is by no means an exhaustive list, but suggests the main elements about which entrepreneurial actors must think as they prepare to take action.

**Table 1: Entrepreneurial representations and proposed research topics and methodologies**

<b>Entrepreneurial representations and research topics</b>	<b>Entrepreneurial representations and research methodologies</b>
Self-representations maintained by entrepreneurial actors	Retrospective History Life stories Biographical analyses
Evoked representations of potential career paths	Cognitive mapping
Notions of craft, hierarchy, boundaries, sector, market, anxiety, learning, resilience, success	Systemic approaches Interpretative approaches Quantitative methodologies
Representations of the entrepreneurial craft and crafts related to entrepreneurial success	Cognitive mapping Systemic approaches
Representations of the environment and of the sector	Perceptive and comparative methodologies
Representations of entrepreneurial opportunities	Approaches using creativity
Projective, visionary thinking	Projective approaches Systemic approaches
Shift from dream to vision to action	Systemic approaches Approaches using creativity
Entrepreneurial processes	Qualitative approaches and methodologies
Construction of self-space and others' space Definition of intersections between self and others	Relationship approaches
Relationship between thinking and action	Constructivist methodologies
Entrepreneurial culture and reciprocity	Humanist approaches Constructionist approaches

We cannot overemphasize the importance of the right fit between the research topic and the chosen methodology (Filion, 1999a). Clearly, qualitative methodologies will generally be the best fit for research into representations. However, many of the related topics could be investigated using quantitative methodologies or a combination of quantitative and qualitative methodologies.

## CONCLUSION

The core element of entrepreneurship is a proper grasp of the entrepreneurial act. One of the key elements explaining the entrepreneurial act is the entrepreneurial actor's thinking prior to the act, but paradoxically, it is also one of the elements that have received the least attention from researchers.

The first section of this paper situated the subject, while the second proposed some potential research topics and the third offered some thoughts on the proposed research topics and appropriate research methodologies. The main purpose of proposing topics that have received little attention from researchers in the past was to try to show that there are still unexplored areas in the field of entrepreneurship, and especially in areas that could be addressed using reflexive approaches and methodologies. A considerable amount of work still remains to be done to design new research methodologies that are more suited to the topic of entrepreneurial representations. Perhaps researchers themselves need to practise metanoia and develop new mental models of their own.

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