

A Discussion on the Relationship Between Information and Communication Technologies (ICT) and Entrepreneurship¹

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ABSTRACT

Entrepreneurship has recently become one of the hot topics in several disciplines such as business administration, economy, sociology, etc. Thus, several studies in several fields focus on antecedents and consequences of entrepreneurial intentions and activities to get deeper insights about the phenomenon. Furthermore, another rising field of study is Information and Communication Technologies (ICT). Thus, the main objective of the present article was to discuss possible relationships between these two crucial concepts, namely entrepreneurship and ICT.

KEYWORDS

Entrepreneur, Entrepreneurship, Infopreneurs, Information and Communication Technologies, Netpreneurs

1. INTRODUCTION

Scholars in several fields discussed about a crucial question that whether the related field was transformed into a “scholar discipline”. Finding some examples for this type of discussion is possible in the fields of “business history” (e.g. Kurt, 2016), “organization theory” (e.g. Davis & Marquis, 2005), “strategic management” (e.g. Booth, 1998; Barney, 2002), etc. Furthermore, as in the example of “strategic human resource management” (Wright & McMahan, 1992), disciplinary status of certain integrated fields was questioned.

Fields largely accepted as a scholar discipline share certain common characteristics such as widely shared beliefs by a group of scholars on limits and fundamental questions related to the field and recommended methodologies for addressing these questions (Eryılmaz, 2016), etc. In addition to those mentioned-above, increased complexity in the theoretical and methodological infrastructure of a field may be another indicator (Phelan et al., 2002). These discussions on the fields stated above were similar in the field of entrepreneurship. As a result of some assessments, despite the doubts of certain scholars (e.g. Rauch & Frese, 2006), some studies (e.g. Vesper, 1988; Filion, 1998; George & Wadhwani, 2006; Urban, 2010) heralded that the field of entrepreneurship was institutionalized and achieved the status of “scholarly discipline.”

Information and communication technologies (ICT) is another popular subject. ICT is a prerequisite of the current era of knowledge. These technologies transform several societal dimensions such as political, social, technological, etc. dimensions (Yusuf, 2005). The impact of ICT is also inevitable on economic life. Thus, entrepreneurial intentions and activities, which are considered as one of the engines of economies by many scholars, will both affect and be affected by developments

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in the ICT. Therefore, the present study aimed to examine possible interactions between these two recent hot topics.

Initially, the present study will review the historical roots of entrepreneurship. Then, some factors, which are the antecedents and consequences of entrepreneurship, will be examined. In addition, brief information on ICT will be presented. In the third section, certain possible interactions between these two concepts will be discussed. Following this section, in the part of conclusion and directions for future research, the study will provide information on possible future trends in the field.

2. LITERATURE REVIEW

2.1. Entrepreneurship

2.1.1. Historical Roots of Entrepreneurship and Certain Definitions by the Pioneers

According to certain scholars (e.g. Stevenson & Jarillo, 1990), the concept of entrepreneurship was coined by *Richard Cantillon* (1680-1734), an Irish-French economist. He derived the concept of “entrepreneur” from the French word “*entreprendre*” that means “to undertake” (Matlay, 2005). Furthermore, Cantillon identified the origin of three main intellectual traditions (e.g. Austrian, Chicago and German) in the field of entrepreneurship (Hebert & Link, 1989) and named by Jevon as “the cradle of political economy” (Hayek, 2005). He also emphasized that entrepreneurial activity included buying at a certain price and taking the risk of selling for an uncertain price. For example, when an entrepreneur leases a farm from a landlord, money paid to landlord is definite. However, the price of products that would be harvested on that land cannot be known. The notion of uncertainty made him to identify even robbers and beggars as special types of entrepreneur. Finally, according to Cantillon, there are three classes of economic actors; the landlords, entrepreneurs and hirelings, and the entrepreneurs play the most central role among these classes in the economy (Hebert & Link, 1989).

A French economist, Jean Baptiste Say (1767-1832) improved the definition of entrepreneurship by Cantillon, adding a new element of “combining the factors of production” (Stevenson & Jarillo, 1990). In addition to these two pioneers, English political economist and philosopher, John Stuart Mill (1806-1873) professed that the main element that distinguishes an entrepreneur from a manager is risk taking (Carland et al., 1984). Similarly, Gartner (1989, p. 62) defined entrepreneurship as “the creation of new organizations”. Furthermore, Francis Amasa Walker (1840-1897), an American economist and educator, was another pioneer in the field. According to him, an entrepreneur was a person who was born with above average talent in the organization and coordination of factors of production. Walker considered that there was a difference between the investor who supplies the required funds for an investment and receives a certain amount of interest against these funds and the entrepreneur who profits from his/her managerial capabilities (Balachandran & Sakthivelan, 2013).

An Austrian-born American economist, Joseph Alois Schumpeter (1883-1950) also brought a breath of fresh air into the field. Schumpeter, who was inspired by certain intellectuals such as Böhm-Bawerk, Marx, Menger, Walras, Weber and Wieser (Hebert & Link, 1989), defined entrepreneurs as agents of change in an economy (Jones & Wadhvani, 2006) and considered the agents as a vehicle that improves the economy as a whole. According to Schumpeter, innovation is at the center of entrepreneurship. In parallel, Schumpeter defined “enterprise” as forming new combinations. Entrepreneur is the individual who invents these new combinations. At this point, Schumpeter seemed to feel that it was necessary to clarify the term “new combination”. According to Schumpeter, there may be several types of new combinations such as: 1) introducing a new commodity or service to the market; 2) utilizing a new production method; 3) entering into a new market that does not have information on the present commodity; 4) discovering a new input source (e.g., raw material / half manufactured goods) and finally; 5) changing the structure of market by creating or breaking a monopoly in the market (or industrial reorganization). For example, three years ago, a Japanese company announced that it will start to generate electricity using bamboo (Milliyet, 2015). This may

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