

Chapter 2

Exploratory and Exploitative Entrepreneurship

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ABSTRACT

Entrepreneurship is a developing issue that provides sectoral and economic development of today's world. New entrepreneurship ideas are constantly developing with digital innovations, technology, social, and political influences. The introduction of the entrepreneurship thought with an existing and beyond idea along with these effects will give a different perspective to this field. Sustainability problems that arise after the implementation of existing enterprise ideas reveal two important types of entrepreneurship introduced into the literature: exploratory and exploitative entrepreneurship. This chapter describes exploitative entrepreneurship, which focuses on the development and improvement of existing initiatives, and the types of exploratory entrepreneurship that are revolutionary beyond existing initiatives. The chapter that starts with the introduction section continues with the theoretical and conceptual framework, methodology, discussion, and conclusion sections.

INTRODUCTION

Risks and opportunities are two crucial factors in the development of entrepreneurship nowadays. The change in the requirements of the age and the endless needs of the consumers are increasing the competition, causing risks and opportunities to come to the fore. Social, political, economic, technological, and extraordinary events change the entrepreneurship approach (Pathak & Muralidharan, 2020). Different entrepreneurship ideas may be required when the outcomes of entrepreneurship, such as business, firm, company, process, product, and service, are not sufficient to meet today's needs. Different and new entrepreneurship ideas arise when existing entrepreneurship does not meet the needs. To meet and satisfy endless consumer needs, revolutionary new entrepreneurial ideas must be put forward and implemented. Because the level of competition increases with globalization, and creative ideas increase even more thanks to digital innovations (Wiesböck & Hess, 2020). The sustainability of organizations depends entirely

DOI: 10.4018/978-1-7998-6776-0.ch002

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on new entrepreneurial ideas in the context of new processes, markets, products, services, and sectors. Organizations that cannot adapt to change are doomed to disappear (Floridic & Sker, 2020). A new type of entrepreneurship introduced by this idea is exploratory entrepreneurship. This type of entrepreneurship is inspired by extraordinary situations, future expectations, superior competitiveness, endless consumer needs, and superior creative power (Foss, Klein, & Bjørnskov, 2019). This type of entrepreneurship is based on social exchange and organizational change management theories (Pudjiarti, 2018).

The implementation of the venture idea and creating a process depends on resources and capital in a significant manner. This dependency takes place with the ability to adapt to environmental changes, a sustainable strategy, and a functional organization. Possible risks in the implementation of the entrepreneurial idea in the face of extraordinary situations such as a pandemic, wars, social and political events, economic crisis may require the maintenance and improvement of the existing entrepreneurship idea. Thus, actions are provided to protect and improve the current situation instead of using resources for a new entrepreneurial idea (Smith, Sardeshmukh, & Syed, 2019). The improvement and protection of existing entrepreneurship maintain the commitment of the existing customer mass to innovative products and services by preventing possible losses. The type of entrepreneurship that this approach puts forward is exploitative entrepreneurship. The inspiration for this type of entrepreneurship is the loss of resources by risks, the sustainability of the organization, promotion, resource dependence, and intrapreneurship.

In the literature, types such as intrapreneurship, women's entrepreneurship, social entrepreneurship, corporate entrepreneurship are tried to be explained (Foss et al., 2019). These entrepreneurship types are based on the organization or individual who has an impact on the idea of entrepreneurship (Dwivedi & Weerawardena, 2018). Although conceptual definitions related to entrepreneurship point to the elements of entrepreneurship, they cannot present a detailed examination of existing or new entrepreneurship. On the other hand, the entrepreneurship types introduced to the literature are far from revealing the principles of entrepreneurship. Entrepreneurship is an important issue that needs to be examined in the context of the process, principles, elements, strategy, entrepreneurial characteristics, risk, and competitive characteristics. Therefore, in this chapter, it is aimed to define and explain the types of exploratory and exploitative entrepreneurship that are newly introduced to the literature. The aim of the chapter is to reveal the principles by determining the elements of both types of entrepreneurship.

In the Chapter, Exploratory Entrepreneurship is explained together with the principles of 4N4C2S. These principles include new processes, new strategies, new investments, new ventures, creative innovations, competitive initiative, crisis and conflict management, cre-activeness and proactiveness, superior risk-taking, self-renewal. Exploitative entrepreneurship is explained with the elements of the development of the current enterprise model, avoiding risks, ensuring the opportunity-cost balance, strategy and process improvement, proactiveness and reactiveness, maintaining resources. Both types of entrepreneurship are handled in the context of risk, opportunities, strategy, and level of competition. The targeted audiences of the chapter are academicians, practitioners, and policymakers working in the fields of entrepreneurship, business, management and strategy, organizational behavior.

RESEARCH METHODOLOGY

This study was prepared by a systematic review method including the analysis and synthesis of qualitative and quantitative data, one of the qualitative research methods. Identification, review and research, classification and data analysis, summarization, extracting data, discussion, and presentation processes

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