Factors influencing entrepreneurial intensity in communities

Sibylle Heilbrunn

Abstract

Purpose – The purpose of this paper is to explore the factors influencing entrepreneurial intensity. More specifically, the study addresses the following objectives: propose a way to measure entrepreneurial intensity within the community context in order to determine entrepreneurial activity over a period of ten years, detect the factors influencing the entrepreneurial intensity, and finally locate Kibbutz communities on the entrepreneurial grid.

Design/methodology/approach – Kibbutz communities are the level of analysis. Using a comprehensive questionnaire, a sample of 60 Kibbutzim – constituting 22 percent of the population of Kibbutz communities in Israel – was investigated over a period of ten years. The same questionnaire was administered to the same sample Kibbutzim in 1994, 1997 and 2004. Collected data include number and types of enterprises, economic strength, organizational size and age, and features of organizational structure and culture.

Findings – Quantitative data analysis revealed a significant increase of entrepreneurial activity of Kibbutz communities in terms of frequency, degree and intensity of entrepreneurship. Organizational size and age have an impact on entrepreneurial intensity as well as the existence of an “entrepreneurial vehicle.” On the entrepreneurial grid Kibbutzim are moving from the incremental/periodic cluster towards the dynamic cluster, but few meaningful breakthroughs can be observed.

Research limitations/implications – More research is needed in order to understand the interrelationship between community environments and entrepreneurship. The major research limitation of this paper constitutes the fact that only Kibbutz communities were investigated.

Originality/value – The paper utilizes the concept of the entrepreneurial grid for an empirical analysis of community entrepreneurship.

Keywords Entrepreneurship, Communities, Israel

Paper type Research paper

Introduction

Entrepreneurship is positively associated with economic development (Rocha, 2004). Small- and medium-size businesses are a recognized major business trend in the twenty-first century, a trend existing also in the Israeli economy with a share of 11.8 percent entrepreneurs in the Israeli labor force (by data of the Ministry of Industry, Trade and Labor of Israel, 2005). Thus, research trying to explore the determinants of entrepreneurship at the individual, organizational and national level is of increasing importance.

With environments constantly changing and becoming more competitive, organizations have to be flexible, innovative and take advantage of emerging opportunities. Therefore, corporate entrepreneurship has gained growing academic interest. Several studies focus on the impact of corporate entrepreneurship on organizational performance (Kanter, 1984; Rule and Irwing, 1988; Guth and Ginsberg, 1990; Zahra, 1991). Some scholars explore the characteristics and determinants of corporate entrepreneurship in the framework of small- and medium-sized businesses

Wennekers and Thurik (1999) argue that corporate entrepreneurship improves productivity not only for the organization itself but is also a vehicle for national economic growth and development. This paper attempts to investigate entrepreneurship at the community level. The interrelationship of community development and entrepreneurship has been discussed in the literature. Recent studies state that entrepreneurship is a potential strategy for community development in poor communities (Peredo and Chrisman, 2006; Anderson, 2002). Following the embeddedness perspective (Granovetter, 1985; Williamson, 1985) entrepreneurship flourishes in communities with mobile resources, where successful entrepreneurs reinvest and success is perceived as a community asset and where change is looked upon positively, rather than negatively (Stevenson, 2000). This study attempts to explore entrepreneurship in Israeli Kibbutzim, a setting combining community and organizational features. Kibbutz communities encompass all spheres of life and can be described as economic, social and ideological entities with an organizational structure differentiated vertically and horizontally (Heilbrunn, 2005). The economic crisis of the 1980s led to processes of change which essentially altered the economic and social outlook of the Kibbutz (Seginer and Schlesinger, 1998). The average age of Kibbutz members as well as the percentage of Kibbutz members older than 55 years increased, the number of children decreased, the percentage of Kibbutz members within the Israeli society dropped from 2.8 percent prior to the crisis in 1994 to 2.1 percent in 2004 (Data of the United Kibbutz Movement), and Kibbutz industries were on gradual decline (Palgi, 2002). Kibbutzim vary as to their exposure to crisis and change, and basically two types of Kibbutzim emerge: collective and differential ones. The former, although also being exposed to processes of crisis and change, hold on to the main ideological features with income of members still allocated to the Kibbutz. The latter type – adopting a more capitalist/materialistic system (Gluck, 1998) – is now characterized by the fact that more than 50 percent of the family income is allocated to family itself (Richman, 2004). In spite of ongoing processes of change during the last decade, Kibbutzim can still be characterized as rather collectivistic in comparison to their external environment. Thus, following Tiessen (1997) it can be expected that in Kibbutz settings variety is generated via processes of adaptation and incremental change (Reich, 1987) and relatively small, equilibrium restoring (Kirzner, 1985) ventures emerge in an incubator like environment. Leverage of resources is accomplished via adherence to norms based on shared norms, values and goals of Kibbutz members (Wilkens and Ouchi, 1983).

Using the concept of entrepreneurial intensity (Morris et al., 1994), which provides a possibility to determine quantitative measurement of entrepreneurship in terms of frequency and degree, entrepreneurial activity of Kibbutzim is measured over time. Within the entrepreneurial grid (Morris et al., 1994) scenarios of entrepreneurial intensity emerge. Kibbutzim can then be located within these scenarios at various points of time. The objectives of the study are:

- To propose a way to measure entrepreneurial intensity within the community context in order to determine entrepreneurial activity of Kibbutz communities over a period of ten years.
- To detect the factors influencing the entrepreneurial intensity.
- To locate Kibbutz communities on the entrepreneurial grid.
Theoretical framework

Entrepreneurial intensity

Morris et al. (1994) maintain that economic opportunities arise from organizational innovations. Entrepreneurs exploit opportunities (inputs) and create new ventures (outputs). Thus, within the framework of the organization, the rate of new product introduction distinguishes entrepreneurial from non-entrepreneurial firms (Kanter, 1985; Drucker, 1985; Schuler, 1986). Entrepreneurship is not an either – or phenomenon, but a question of “how often” and “how much” (Morris et al., 1994, p. 26). Thus, entrepreneurial intensity – for any given level of analysis – is a matter of degree, representing a quantitative continuum. The immediate outputs of entrepreneurship are new ventures – following Morris et al. (1994) I maintain that: “… it should be recognized that the set of necessary inputs is fairly definite, while the set of possible outputs may or may not happen.” Morris et al. (1994) established an input-output framework describing the intensity of entrepreneurship at the individual and the organizational level. Frequency (the number of entrepreneurial events) and degree (the extent to which events are innovative, risky and proactive) constitute the variables of entrepreneurial intensity (Heilbrunn, 2005). As shown in Figure 1, individuals, organizations or countries can then be placed into an emerging entrepreneurial grid, frequency of entrepreneurship presented at the x-axis and the degree of entrepreneurship represented at the y-axis.

Five possible scenarios emerge which the authors label periodic/incremental, continuous/incremental, periodic/discontinuous, dynamic and revolutionary. Thus, organizations can be placed within the grid: organizations launching many entrepreneurial events which are highly innovative, risky and proactive will fit the

![Figure 1. Five categories of entrepreneurial intensity](image-url)
revolutionary segment and organizations launching relatively few entrepreneurial events which rate low on innovativeness, risk-taking and proactiveness will fit the periodic/incremental segment.

Organizational factors of corporate entrepreneurship
Since, Kibbutz communities establish the unit of analysis of this paper, its theoretical framework is located within the field of corporate entrepreneurship, which is widely discussed in the entrepreneurial literature (Dess et al., 2003; Ireland et al., 2002; Zahra et al., 2000). A number of studies discuss organizational factors of corporate entrepreneurship (Dess et al., 2003; Zahra et al., 2000; Zahra and Nielsen, 2002; Kanter, 1986; Lumpkin and Dess, 1996). These studies can be further categorized into contingency approaches (Dess et al., 1997; Zahra, 1993a) and configurational approaches (Wiklund and Shepherd, 2005), both dealing with internal and external environmental factors influencing corporate entrepreneurship and firm performance.

Organizational resources
Slack resources or resource availability are an essential aspect of corporate entrepreneurship (Covin and Miles, 1999; Zajac et al., 1991; Hornsby et al., 2002). In the framework of Kibbutz communities three types of organizational resources are especially important, namely economic strength, membership size and age. For communities such as Kibbutzim, which often exist within socio-economic environments characterized by a very different ideological outlook, age, size and economic strength of the community are of critical importance and often determine survival. Storey (1994) states, that capital availability affects growth and Miles and Arnold (1991) found a positive relationship between size of the organization and corporate entrepreneurship but no significant relationship between age and corporate entrepreneurship.

Organizational features
Previous studies emphasize different aspects of organizational structure. Management support for new ideas and projects (Stevenson and Jarillo, 1990), participation in decision making (Barringer and Bluedorn, 1999; Kemelgor, 2002) and autonomy (Sundbo, 1999) are only some examples for structural organizational elements associated with corporate entrepreneurship. The conceptualization of organizational structure in the framework of Kibbutz communities demands for a fit with its organizational nature, taking into consideration that the traditional Kibbutz was ideologically collectivistic with equal allocation of rewards to all members regardless of their inputs. Topol (1996) suggests that “managerialism” is a pattern of Kibbutz organizational structure (such as the introduction of boards of directors, professional non-member managers, and the establishment of profit centers, etc.) and states that increasing “managerialism” represents a transformation process in direction of business orientation, a move towards a more balanced position on the collectivism-individualism continuum. Thus, organizational structure in terms of “managerialism” is expected to have an impact upon entrepreneurial intensity within the Kibbutz community setting.

Organizational culture. Organizational culture is described as a key factor of entrepreneurship within a firm (Covin and Slevin, 1991). Culture can encourage or discourage business-related risk-taking (Burgelman and Sayles, 1986) and
management support (Brazeal, 1993, Hornsby et al., 1993) and an appropriate reward system (Stevenson and Jarillo, 1990; Kuratko et al., 1990) also constitute elements of organizational culture fostering corporate entrepreneurship (Heilbrunn, 2005). Following Morris et al. (1992) a balanced emphasis between collectivism and individualism will result in higher rates of entrepreneurship than an overemphasis of either pole on the continuum (Heilbrunn, 2005). Thus, in order to account for the Kibbutz community setting in the framework of this study organizational culture is perceived in terms of induced mechanisms of change placing single Kibbutzim on an individualism-collectivism continuum (Getz, 1998). Accounting for the originally collectivistic nature of Kibbutzim and the speculation of Morris et al. (1992) a move towards a more balanced organizational culture would be expected to foster entrepreneurship within the community setting (Heilbrunn, 2005).

Institutionalization. Organizations have to integrate innovation as a strategic key element (Schroeder, 1986) within the organizational mainstream. Thus, the likelihood of corporate entrepreneurship to succeed depends not only on the effective management of single projects, but also on the effective management of new stream (Kanter et al., 1990). Zahra (1993b) argues the importance of support mechanisms such as procedures for dealing with new ideas and Hornsby et al. (1990, 1993) stress the need for loose intra – organizational boundaries. Therefore, community organizations must establish “entrepreneurial vehicles” (Kanter et al., 1990) in order to institutionalize the new stream within the mainstream (DiMaggio, 1988). Within the Kibbutz setting entrepreneurial vehicles take the form of entrepreneurship committees, entrepreneurship teams or managers.

The study
The level of analysis of this study is the Kibbutz community and not the individual entrepreneur. Using a comprehensive questionnaire, a sample of 60 Kibbutzim – constituting 22 percent of the population of Kibbutz communities in Israel – was investigated over a period of ten years. The same questionnaire was administered to the same sample Kibbutzim in 1994, 1997 and 2004. Collected data include number and types of enterprises, economic strength, features of organizational structure and organizational culture, and human capital.

Entrepreneurial intensity
Following Morris et al. (1994) entrepreneurial intensity is a combination of frequency and degree of entrepreneurship. Thus, the construction of a degree measure compatible with Morris et al.’s (1994) conceptualization, is necessary. The following procedure was applied: First the maximal degree of entrepreneurship for each Kibbutz is calculated. Table I represents the variable profiles of new ventures by types. Based on a former study classifying new business ventures in the Kibbutz framework (Samuel and Heilbrunn, 2001), the parameters of technology, knowledge, capital investment, infrastructure and novelty were chosen to represent the degree of innovation, risk and proactiveness (Samuel and Heilbrunn, 2001, p. 49). Table I shows the rational for the evaluation.

Following empirical investigation, each type of venture receives a grade that is based upon an evaluation taking into account the “average” venture representing its type. Thus, for example, the majority of type 6 ventures – personal services such as
<table>
<thead>
<tr>
<th>Criteria for degree</th>
<th>Scope of evaluation</th>
<th>Prototype 1</th>
<th>Prototype 2</th>
<th>Prototype 3</th>
<th>Prototype 4</th>
<th>Prototype 5</th>
<th>Prototype 6</th>
<th>Prototype 7</th>
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<tbody>
<tr>
<td>Capital investment</td>
<td>High (3) Medium (2)</td>
<td>25</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
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<td></td>
<td>Low (1)</td>
<td></td>
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<tr>
<td>Technology</td>
<td>High (3) Medium (2)</td>
<td>25</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
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<td>Low (1)</td>
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<tr>
<td>Infra-structure</td>
<td>New (2)</td>
<td>2</td>
<td>2</td>
<td>1.5</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Old (1)</td>
<td></td>
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<tr>
<td>Novelty</td>
<td>National (2)</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Organiz. (1)</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Degree</td>
<td>Maxim. = 10</td>
<td>9</td>
<td>6</td>
<td>4.5</td>
<td>6</td>
<td>6</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Minim. = 4</td>
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beauty parlors and kindergartens (*) – are characterized by low-capital investment, low level of technology, are based upon existing infrastructure and novel in organizational terms only. Prototype 6 therefore received the degree 4. In accordance with the scope of evaluation, a venture can receive a maximal degree of ten points. Therefore, the maximal degree of entrepreneurship for a Kibbutz with ten ventures is 100 (10 ventures × degree 10). On this basis it is possible to calculate the actual degree of entrepreneurship for each Kibbutz by taking into consideration the number and the types of ventures of a Kibbutz. Following is the description of one example for clarification: Assume that Kibbutz Alpha has six ventures, two ventures of type 2, two ventures of type 4 and two ventures of type 6. The maximal degree of entrepreneurship for Kibbutz Alpha is 60 (6 × 10). The actual degree of entrepreneurship for Kibbutz Alpha = (2 × 6) + (2 × 6) + (2 × 5) = 34.

Entrepreneurial intensity is calculated as the number of ventures per Kibbutz plus the difference between the optimal degree and the actual degree of entrepreneurship. The difference between the optimal and actual degree of entrepreneurship stands for the exploited potential of ventures in terms of innovativeness, risk-taking and proactivity. Thus, the entrepreneurial intensity of a Kibbutz is a calculated combination of the frequency and the degree of entrepreneurship.

Factors influencing entrepreneurial intensity
The intensity of entrepreneurship in 2004 served as the dependent variable for the second stage of the study. Organizational resources and features established the independent variables and quantitative statistical measures were applied in order to detect the impact of the independent variables upon entrepreneurial intensity of the Kibbutz.

Organizational resources
Economic strength of the Kibbutzim was evaluated via expert-judgment of office holders (range of judgment from 1 – very weak to 5 – very strong). Organizational size was operationalized in terms of number of residents representing the actual size of the community. Organizational age is the number of years of existence of the Kibbutz.

Organizational features
Organizational structure is operationalized by means of an index including items that indicate implementation of business orientation and/or managerialism such as accounting procedures, board of directors, etc. The index includes 16 items and is the simple sum of items per Kibbutz, ranking from 0 (a negative answer to all 16 questions) to 16 (a positive answer to all 16 items). The Cronbach’s α result of the index is 0.7682, thus it can be considered reliable (Heilbrunn, 2005). Organizational culture is measured in terms of collectivism versus individualism. The index includes privatization trends in the consumption and work sphere as well as allocation of rewards (Getz, 1998, pp. 16-20). The index includes 12 items and is a simple sum of items per Kibbutz, ranking from 0 (a negative answer to all 12 questions) to 12 (a positive answer to all 12 items). The Cronbach’s α result of the index is 0.7438, thus it can be considered reliable (Heilbrunn, 2005). Institutionalization is a dichotomy variable – indicating whether or not the Kibbutz has established an “entrepreneurial vehicle.”
Findings

Entrepreneurial intensity and entrepreneurial activity of Kibbutz communities over a period of ten years

Frequency of entrepreneurship. Table I shows the descriptive statistics of frequency of entrepreneurship in terms of number of ventures per Kibbutz over the period of ten years (Table II).

The data reveal that there is a significant increase of average ventures per Kibbutz from 1994 to 1997, and a minor increase of average ventures per Kibbutz between the years 1997 and 2004. In all years there are Kibbutzim with no ventures, but the maximal number of ventures increases over the years, whereas in 1994 the highest venture number is 18 in 2004 one Kibbutz has 35 ventures. Also note that the total number of ventures in the 60 sample Kibbutzim more than doubled in a period of ten years.

Degree of entrepreneurship

Table III reveals a significant increase as to the calculated degree of entrepreneurship between 1994 and 1997. Minimum stays the same, but maximum increases meaningfully. Between 1997 and 2004 only a minor increase of calculated degree of entrepreneurship can be observed.

Entrepreneurial intensity

Summing up, the data reveal an increase of overall number of venture in the 60 sample Kibbutzim over ten years, with a dramatic increase between the years 1994 and 1997 and a moderate increase between the years 1997 and 2004. The calculated degree of entrepreneurship per Kibbutz, indicating innovativeness, risk taking and proactiveness of the established ventures show a similar trend: a significant increase between the years 1994 and 1997 but no change during the years 1997 and 2004. Entrepreneurial intensity – a function of combined frequency and degree of entrepreneurship per Kibbutz, also shows a dramatic increase between the years 1994 and 1997 and a much more moderate increase between 1997 and 2004 (Table IV).

Factors influencing the entrepreneurial intensity

Stepwise regression analysis was applied in order to detect which of the independent variables influences entrepreneurial intensity. Stepwise regression removes and adds

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<th>Table II.</th>
<th>1994</th>
<th>1997</th>
<th>2004</th>
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</thead>
<tbody>
<tr>
<td>N (Kibbutzim)</td>
<td>60</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>Mean (Number of ventures)</td>
<td>4.37</td>
<td>9.03</td>
<td>9.27</td>
</tr>
<tr>
<td>SD</td>
<td>3.369</td>
<td>5.155</td>
<td>5.358</td>
</tr>
<tr>
<td>Sum of ventures</td>
<td>262</td>
<td>542</td>
<td>556</td>
</tr>
</tbody>
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<tr>
<th>Table III.</th>
<th>1994</th>
<th>1997</th>
<th>2004</th>
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<tr>
<td>N</td>
<td>60</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>Mean</td>
<td>22.8</td>
<td>48.03</td>
<td>48.63</td>
</tr>
<tr>
<td>SD</td>
<td>17.43</td>
<td>27.16</td>
<td>28.14</td>
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variables to the regression model for the purpose of identifying a useful subset of the predictors (Table V).

The results of the regression model indicate that organizational size, organizational age and the existence of an institutionalization mechanism are factors influencing entrepreneurial intensity. In order to further investigate those variables, which have been excluded from the regression model, correlations between the independent variables and the dependent variable were investigated. The correlation analysis revealed that organizational culture and structure correlate significantly with each other ($P = 0.648, \text{Sig.} = 0.000, N = 60$) but do not correlate with the dependent variable. Economic strength correlates positively and significantly with the dependent variable ($P = 0.413, \text{Sig.} = 0.001, N = 60$) and also correlates positively and significantly with organizational size ($P = 0.444, \text{Sig.} = 0.000, N = 60$). Thus, it seems safe to say that economic strength, which correlates positively with entrepreneurial intensity and with organizational size, establishes a kind of “hidden” variable. In other words, the Kibbutzim which are bigger in size are also stronger in terms of evaluated economic strength and have a higher profile of entrepreneurial intensity.

**Locating Kibbutzim on the entrepreneurial grid**

Figures 2-4 show the location of the 60 Kibbutzim on the entrepreneurial grid at the years 1994, 1997 and 2004, thus it is possible to observe the overall development of entrepreneurial intensity over a period of ten years. A comparison of the location of the Kibbutzim in 1994, 1997 and 2004 reveals that in terms of the grid, most Kibbutzim remain to be located within the periodic/incremental cluster at all times, thus representing a modest level of entrepreneurship with most entrepreneurial events being only nominally innovative, risky and proactive.

Nevertheless, the data also show a general upward movement of entrepreneurial frequency especially in 1997. In other words a group of Kibbutzim is moving into the

<table>
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<th>1994</th>
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<th>2004</th>
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<tr>
<td>N</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>Mean</td>
<td>24.5</td>
<td>51.3</td>
</tr>
<tr>
<td>SD</td>
<td>21.02</td>
<td>30.39</td>
</tr>
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<table>
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<tr>
<th>Dependent variable</th>
<th>Independent variables (predictors)</th>
<th>B</th>
<th>β</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurial intensity</td>
<td>(Constant)</td>
<td>–35.397</td>
<td>0.164</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Organizational size</td>
<td>0.061</td>
<td>0.311</td>
<td>0.008</td>
</tr>
<tr>
<td></td>
<td>Institutionalization</td>
<td>21.094</td>
<td>0.311</td>
<td>0.007</td>
</tr>
<tr>
<td></td>
<td>Organizational age</td>
<td>0.888</td>
<td>0.239</td>
<td>0.048</td>
</tr>
<tr>
<td></td>
<td>Excluded independent variables</td>
<td>β in</td>
<td>Sig.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Organizational structure</td>
<td>0.083</td>
<td>0.438</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Organizational culture</td>
<td>0.052</td>
<td>0.651</td>
<td></td>
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<td></td>
<td>Economic strength</td>
<td>0.186</td>
<td>0.127</td>
<td></td>
</tr>
</tbody>
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| $R^2$ | 0.404 |
| $N$   | 60    |

Table IV. Entrepreneurial intensity of ventures of sample Kibbutzim over a period of ten years

Table V. Results of step-wise regression model
dynamic cluster as a result of increase in entrepreneurial frequency and degree. In 2004 no major changes in comparison to 1997 can be seen, except for one Kibbutz now located in the revolutionary cluster. In terms of Morris et al. (1994) this is a community with a very high level of entrepreneurial intensity, encompassing
many innovative ventures. Via the framework of the entrepreneurial grid it is possible to see the development of entrepreneurial intensity of the Kibbutzim over time. Although the majority of theses communities remain within the periodic/incremental cluster, an upwards tendency towards the dynamic cluster can be observed, indicating an increase of frequency and degree of entrepreneurial activity. It thus seems that Kibbutz communities are adapting to environmental changes and investing in strategies potentially increasing community development.

Discussion and conclusion
In this paper, I proposed a method to measure entrepreneurial intensity in order to determine entrepreneurial activity of Kibbutz communities over a period of ten years. The concept of entrepreneurial intensity encompasses not only the number of entrepreneurial events, but accounts also for the level of innovativeness, risk-taking and proactiveness. The findings of the study revealed a significant increase of entrepreneurial intensity especially between the years 1994 and 1997. This increase can be explained by external and internal factors influencing the Kibbutz movement during the period in question. The macro-level socio-economic environment in Israel became constantly more competitive, and at the same time, Kibbutz communities underwent processes of change towards a more individualistic organizational climate. The growing entrepreneurial engagement by members of the community reflects the need of the individual within the community to take responsibility for his/her economic future and also reflects the need of the community to generate variety in order to survive in a changing, competitive environment. Kibbutz communities increase the frequency of entrepreneurship over the years but do not manage to increase the degree of entrepreneurship at the same time (see the grid location). This might be due to
the fact, that they can still be characterized as rather collectivistic in comparison to their external environment. Thus, variety is generated via processes of adaptation and incremental change (Reich, 1987) and relatively small, equilibrium restoring (Kirzner, 1985) ventures emerge. The Kibbutz community acts like an incubator with leverage of resources accomplished via adherence to shared norms, values and goals of Kibbutz members (Wilkens and Ouchi, 1983). Life-style rather than high-growth entrepreneurship (Henderson, 2002) emerges which fits the community setting well.

In a previous research on Kibbutz communities, analyzing only the frequency of entrepreneurship, institutionalization established the explanatory independent variable. The presence or absence of an “entrepreneurial vehicle” influenced the number of entrepreneurial events (Heilbrunn, 2005). In this study, the intensity of entrepreneurship was analyzed, taking into account not only the quantitative but also the qualitative aspect of entrepreneurial events. Now organizational resources in terms of size, age and economic strength influence the entrepreneurial intensity of the Kibbutz, meaning that the stronger the community in terms of these resources, the more entrepreneurial activity can be observed. Nevertheless, although these resources allow for entrepreneurial activity to take place, they do not necessarily increase their degree in terms of innovation, risk-taking and proactiveness. Thus, more than resources are needed in order for the Kibbutz movement to move towards the revolutionary cluster of the grid, indicating high frequency and degree of entrepreneurship.

The findings of this paper contribute to the corporate entrepreneurship literature by utilizing the model proposed by Morris et al. (1994) in the framework of communities, thus enabling the analysis of development of entrepreneurial activity over time. The notion of entrepreneurial intensity takes into consideration not only frequency but also degree of entrepreneurship, thereby differentiating quality of entrepreneurial outcome.

In accordance with the results of the study, policy makers should consider measures aimed at increasing qualitative rather than quantitative aspects of entrepreneurship, mainly in terms of improving institutionalization in terms of entrepreneurial vehicles. Further research should investigate entrepreneurial intensity in communities other than the Kibbutz. Various kinds of communities could then be compared as to their location on the entrepreneurial grid and as to the factors influencing entrepreneurial intensity. The fact that in the framework of this study only Kibbutzim were investigated constitutes its main limitation.

References


Further reading

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