Minority Entrepreneurship and Alternative Opportunities inside Established Organizations

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Research Abstract

Questions about racial disparities in entrepreneurship have garnered major attention in the literature. Past research has primarily focused on independentlyowned ventures, but individuals can also engage in startup activities via intrapreneurship – by launching and operating new ventures inside established organizations. We propose that these internal routes of new venture formation offer a more inclusive pathway for racial minorities than external routes. Specifically, focusing on African-Americans, we argue that minorities will disproportionately sort into intrapreneurship due to both demand-side processes with regard to discrimination and the supply-side processes concerning self-selection. Analyzing a longitudinal dataset that tracks a representative sample of American entrepreneurs from 2005 to 2011, we find evidence that blacks, relative to whites, are more likely to become intrapreneurs than entrepreneurs and that such tendencies are amplified when discrimination against minorities increases or when opportunities to launch independent startups become more limited. Overall, we offer evidence that organizations increase the inclusion of racial minorities in entrepreneurial ecosystems.

Key Words

Social Psychology < Entrepreneurship, Diversity in Organizations < Organizational Behavior, Demography < Organization and Management Theory

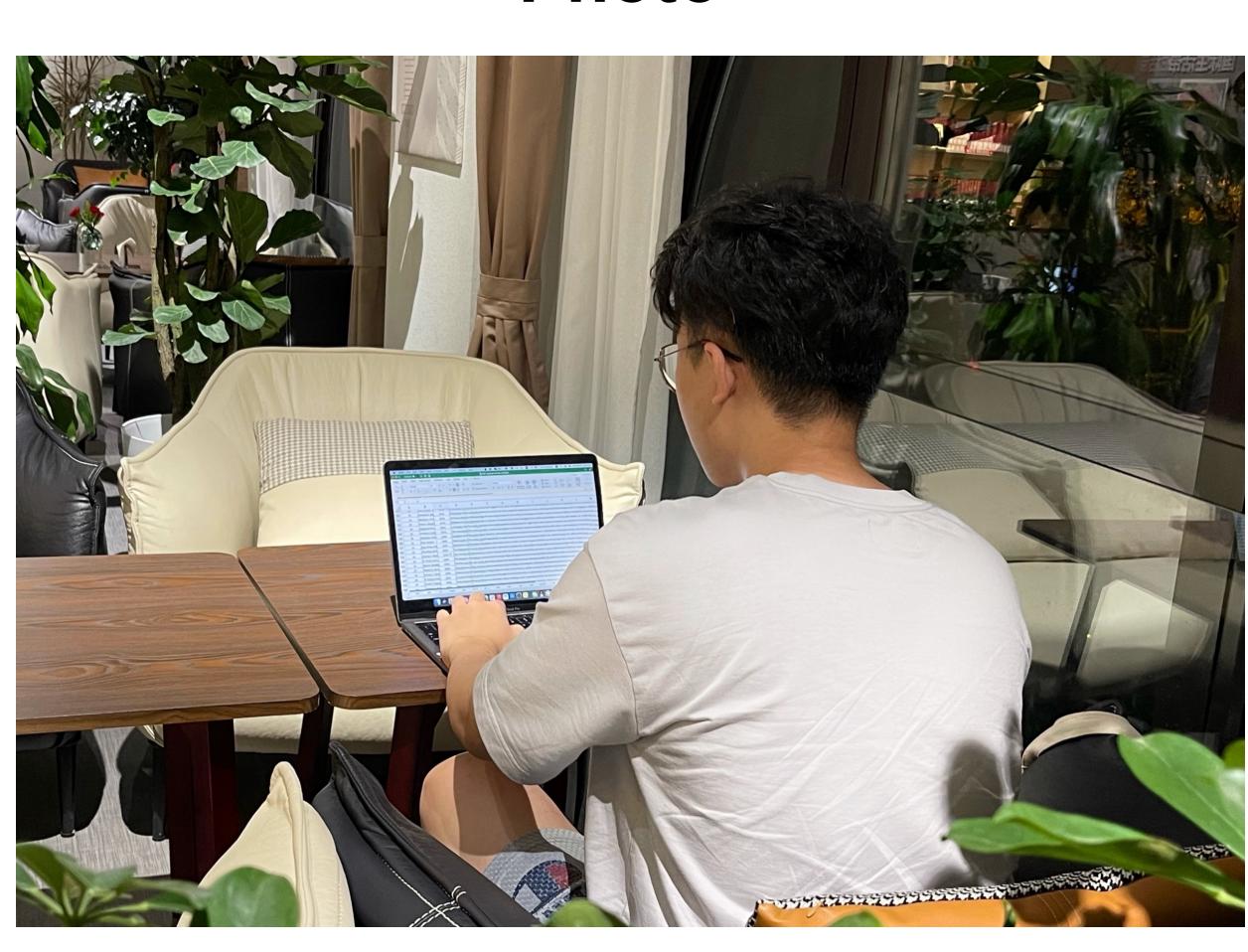
Snapshots of Working Progress



Photo

Pablo Muñoz, Gabr

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Main Contributions

Due to the COVID-19 pandemic, I worked with Professor Yang remotely, and I was primarily in charge of literature review and compilation.

Main Learnings

The topics that I have dived into include entrepreneurship, goal-setting, and gender differences at workplace. I also did regional literature review that include the U.S. and the South Korea. In this process, not only did I learn how to look for relevant articles effectively, but also how to quickly capture the important themes covered in different types of academic papers. This will be an asset when it comes to preparing for my own honors theses at Penn.

Acknowledgements

I would like to thank my mentor Professor Tiantian Yang for her patience, support and guidance throughout this summer. I'm thrilled to be able to work with her Fall 2021 to continue with the project.

During the ten-week remote experience, Professor Yang walked me through the big picture of the research and the assistance that she needs. We managed to review the work regularly and I was able to connect with another PURM participant for this project so that we can discuss problems that arise. I was extremely glad to be connected with a mentor and a peer throughout the summer, and for this opportunity to participate in cutting-edge research in the field of business management