

The Effects of Business Ownership on People's Lives

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Getting into entrepreneurship research

Looking back, I see that my interest in entrepreneurship stems from early childhood. My parents sold their house in London to start a business in the Kent countryside in the 1970s; but within a few years the business failed catastrophically, and the effects of bankruptcy plagued my family for years. My first degree, a BA in political and social science at the University of Lancaster, was not a natural springboard for management research, but a couple of years after graduating I applied for a post as an assistant in the Scottish Enterprise Foundation, a newly created centre at the University of Stirling. Tasked with pulling together a resource centre of books and papers about entrepreneurship, I became fascinated reading the accounts of small business ownership, but curious about the rather normative descriptions - so different from my own family's experience - and the narrow range of individuals that dominated the literature.

A few months after I started, Tom Cannon, the Professor of Management at Stirling who founded the Scottish Enterprise Foundation, invited me to join him in tendering for a research contract issued by the UK Department of Employment to undertake a study of female entrepreneurs. This project was my first experience of doing research and allowed me to spend a year interviewing seventy women who had started businesses. Meeting these women in their businesses or their homes, listening to their experiences, the reasons they had started up, the challenges and the triumphs they had faced, hearing stories of persistence, sometimes leading to success and sometimes failure, was a formative experience and helped lay to rest the ghosts of my own family's business failure. The

subsequent monograph '*Women as Entrepreneurs*' (Carter & Cannon, 1992) was one of the first published studies on this subject. Despite being young and unqualified, the experience of successfully managing an academic research project from inception through to final publication, and my fascination with listening to individual accounts of business ownership, encouraged me to pursue further work.

Shortly after this project had finished, Dr Peter Rosa joined the Scottish Enterprise Foundation as Research Director. Peter is an anthropologist by training, and brought research expertise and disciplinary rigour to the new domain of entrepreneurship. Seeing untapped potential in the study of female entrepreneurship, we successfully applied for a large scale research contract from the UK Economic and Social Research Council to undertake a more rigorous analysis of 600 (300 male-owned and 300 female-owned) British businesses in order to investigate the impact of gender and small business management. This study allowed us to move beyond descriptive accounts to systematically analyse the effects of gender on small business performance (Rosa, Hamilton & Carter, 1996) and gender differences in venture financing (Carter & Rosa, 1998).

While gender and performance had been linked, only a small number of studies of any substance had been undertaken and most shied away from direct examination of quantitative performance measures, employment creation or annual growth, tending to concentrate on qualitative measures of success or failure. Our study showed the complexities of the relationship between gender and small business performance, but found gender to be a significant determinant even after other key factors were controlled for. To a large degree, we found that gender differences in business performance were a consequence of initial resource decisions. Men and women use similar sources of finance, but women used less overall start-up capital – about one third of the starting capital used

by men. Interestingly, for the small number of men whose starting capital was as low as that typically used by women, the performance of their firms was closer to that of women-owned firms. Gender differences in the volume of initial capital used to start a business - with women using about a third of that used by men - has been a consistent finding of UK studies that have used matched samples. While there is now a well-rehearsed debate about gender, finance and entrepreneurial performance, the idea that gender differences are a function of variations in resource inputs – rather than differences in motivations or abilities – is fundamental and incontrovertible.

Getting on in entrepreneurship research

One of the tensions associated with being a woman engaged in research about women-owned business is that it pigeon-holes you into a particular category, where intellectual contributions can be easily overlooked. It was obvious that if I wanted to pursue a longer term academic career, I would need to broaden both my subject focus and deepen my expertise. I applied for a position at the University of Strathclyde in Glasgow, working as an assistant on a research project investigating the British food trade deficit and spent the next three years (1992-95) with farmers and produce growers, corporate retailers and food manufacturers, examining supply chain linkages in key food industry sectors. In three years I gained two major insights. First, farmers behaved like every other small business owner I had ever met - which, by this point, was a great many. Second, I realised how much I loathed working as someone else's research assistant.

Reading the emerging literature on rural entrepreneurship provided little help in my day job. Major studies by scholars as eminent as David Keeble, (Keeble et al, 1992), Jim Curran and David Storey (1993) deliberately excluded farm businesses. The idea of rural economic growth as a function of inward migrants moving to pretty locations to start businesses, to me seemed to overstate the

impact of newcomers and overlook the economic contribution of farms and their role in rural economic development. It was an obvious next step for me to undertake a PhD, and I chose to focus on understanding this conundrum. At this point, I believe I made two smart choices. First, I made a deliberate choice not to do a PhD in gender, an obvious topic for me but an equally obvious career cul-de-sac, instead opting for a curiosity based study with the potential for intellectual depth and novelty. Second, I asked Peter Rosa to become my supervisor. Peter is an outstanding scholar, who would push me to produce the highest quality thesis but would give me the latitude to get on with the work without unnecessary interference; I trusted him to step in only if I were going off track.

Giving up a job to do a PhD - without a scholarship and paying fees – is not a decision open to all. Fortunately, my husband Tom agreed to cover our living costs and parents and friends helped with childcare. But it was also a very convenient decision, as our son was transitioning from full-time day care to primary school where short hours and a lack of wraparound childcare would have made full-time work very difficult. I gave myself two years to see what I could do with the project, expecting that I would have at least completed a good chunk before going back to work. What I didn't bargain for was that I would fall in love with my subject and find joy in my work. I felt the privilege of a rich intellectual life coupled with an easy family life, developed the good habits of working without interruption during school hours (and after-school children's TV), and completed my thesis by spring 1997.

I have often been embarrassed about spending so many years doing contract research before doing a PhD; it's certainly not the normal sequence of an academic career. In retrospect, I can see that years of interviewing small business owners had given me an understanding that could not be acquired through reading alone. Prior experience of contract research gave me a definite advantage

over most PhD students: I was clear about the goals of the project; knew how I wanted to approach the fieldwork and analysis; understood what I needed to learn to fill the gaps in my knowledge; approached my thesis as a project with a clear end point; and focused on writing an excellent and elegant thesis. I was also grateful for the luxury of being in charge of my own project and able to build a PhD based on curiosity.

Entrepreneurship and agricultural restructuring

The thesis led to five peer-reviewed articles. The first conceptual paper (Carter, 1996) directly addressed the historical and theoretical antecedents of the separation of agriculture and industry, not only within the contemporary small business literature, but also in the wider disciplines of economics and sociology, and in national and international regulatory frameworks. The reason farms commanded so little attention from small business researchers was largely because of the broad environment within which farmers operate. Economic development had reduced the relative importance of the sector, while widespread protection differentiated farms from other small businesses and added complexity to sectoral analysis. Although entrepreneurship scholars explained the exclusion of agriculture as a consequence of sectoral decline, this was clearly erroneous. Not only was agricultural decline over-emphasized in the small business literature, there are also inherent difficulties in linking sectoral decline with academic indifference. The two main characteristics of agriculture are its complexity and its diversity. These, together with scholarly specialization, were the real reasons why entrepreneurship researchers excluded the sector.

The exclusion of agriculture meant that entrepreneurship scholars had missed the profound changes that were taking place within the sector. Policy reform had pushed some farmers into seeking alternative sources of business income, while demand side changes had pulled others into more

entrepreneurial strategies. Farms faced a strategic choice to specialize in food production or to combine food with non-food activities. For farmers focused on food production but unable to compete on a cost-basis, three strategic responses were evident: value-added production; the exploitation of quality and delivery advantages; and specialized crop production, often accompanied by strategic alliances with retail multiples and food manufacturers. Farmers who chose to combine food production with non-food activities had a much wider set of alternatives, influenced by the local environment and market and the resources available at enterprise level. For farmers using their resources for non-food production, broad choices involved developing new uses for farm resources, including converting redundant buildings as new business incubators, and starting new businesses either on or off-farm. Of the 300 Cambridgeshire farmers participating in the study, about a third engaged in some form of off-farm business activity, on a spectrum from diversification to fully pluriactive. Most importantly, their multiple business ownership activities ensured that farms were significant contributors to new businesses and new job creation in rural areas (Carter, 1998; 1999).

Two ideas crystallised through this project. The first was the ability to draw parallels between the multiple business ownership activities of farmers with activities unfolding in other sectors. Studies showing the prevalence of serial and portfolio entrepreneurship had started to reveal this little understood phenomenon which, as Peter Rosa and Mike Scott (1995) demonstrated, had been hidden by the use of the firm, rather than the individual owner-manager, as the main unit of analysis in entrepreneurship studies. Data from the farm-based study was able to contribute to the contemporaneous debates about portfolio entrepreneurship (Carter, 1998), while a later paper with Monder Ram argued for a more processual approach to understanding the different contexts in which portfolio entrepreneurship occurs, the different contents that determine the form portfolio entrepreneurship takes, and the different processes that are used to bring it about (Carter and Ram, 2003).

The second idea was that the role of the farm household went beyond the provision of a flexible labour resource and encompassed an important role in the strategic decision-making of the enterprise. Within agricultural sociology the unit of analysis had evolved from the farm business, to the farmer (owner-manager), and had started to focus on the farm household. Although it would be several years before I was able to focus on entrepreneurial households, my farm-based study instilled a belief in the household as a missing element within entrepreneurship studies.

While my interests in entrepreneurship and farming were an unusual combination, I found a kindred spirit in Gry Alsos, who was completing her PhD at Nordland Research Centre in Norway, studying multiple business ownership in the Norwegian farming sector and developing very similar insights about multiple business ownership and the centrality of the household. I met both Gry and Elisabet Ljunggren on my first visit to the Nordland Research Institute in 2002; both became close friends and long-term collaborators who shared my research interests. Our first joint paper focused on the extent of resource transfer between farms and their newly created ventures and the subsequent effects on the performance of these new ventures (Alsos and Carter, 2006). We showed that substantial resource transfer takes place, mediated both by the resource richness of the farm and the degree of similarity in the activities of the farm and the new venture. The results showed a complex relationship between resource transfer and the performance (profitability) of the new venture. The transfer of physical resources tended to enhance, while the transfer of organizational and knowledge-based resources tended to reduce new venture performance.

Gry and I both regarded our interest in agriculture and rural economic development as a small niche within the entrepreneurship canon, a consistent side-line to more mainstream projects that were

easier to pursue in terms of funding, publications and impact. While this sector will never be at the fashionable end of the entrepreneurship research agenda, we were encouraged and a little flattered by the fact that an edited collection of research studies on entrepreneurship in agriculture and rural development attracted contributions from 46 contributors from across four continents (Alsos, Carter, Ljunggren and Welter, 2009).

The Lived Experiences of the Small Business Owner

In 1999 I was approached by the Federation of Small Business (FSB), one of the largest business associations in the UK, to undertake a survey of their membership. Unlike most research funders that optimise efficiencies by using sampling strategies, they were eager to ensure that all of their members had the opportunity to voice their opinions. Hence the questionnaire, relating mostly to the demographic characteristics of the membership, their attitudes towards business growth, and their opinions of topical policy issues, was mailed to all of their 175,000 members. Given the size of the sampling frame, the survey garnered a large number of responses (circa 19,000), and the resulting reports were widely disseminated to policy makers nationally and across the UK regions. The survey was repeated three more times at roughly two year intervals, each following the same format and garnering a similar volume of responses. In the pre-internet days of postal responses, the FSB biennial surveys were the largest business surveys undertaken in the UK.

If we had known in advance that this survey would be commissioned four times over a period of eight years, we would – of course - have insisted on designing a very different (panel) study, but we didn't know and could not have predicted the longevity of the relationship with the FSB. We learned other valuable lessons on the way. Firstly, the importance of ensuring that each survey led to academic outputs - several different people worked with me on these surveys over the eight years, but Colin Mason and Stephen Tagg, at the University of Strathclyde, were the core team who helped manage the project and co-authored the subsequent papers. Secondly, we became skilled in

maintaining academic independence while still building a strong relationship with the research funders - a small business lobby organisation led by activists and vigorous campaigners. The strength of this relationship was tested by survey results that demonstrated that the membership as a whole did not always hold the expected views about issues on which the organisation had collectively campaigned. Finally, we became adept at demonstrating the independence of the research team from the research funders when giving joint briefings to civil servants and politicians, maintaining a clear distance between the data and the funding organisation's views.

Four of the most important papers that emerged from these studies focused on issues of contemporary policy interest, including small business owners' attitudes towards new employment legislation and the introduction of the National Minimum Wage, as well as small business owners' need for external finance and the scale of financial discouragement within the sector. A further two papers provided contemporary descriptions of the experience of entrepreneurship, including the prevalence of multiple income sources, and the growing use of the home as a business location. Collectively these papers helped reveal the real world of the small business owner and illustrate the lived experience of business ownership.

The view that excessive employment regulation constrains small business growth has been a persistent theme within business and policy communities, and a particular focus for many small business lobby organisations. A radically different view of the effects of employment regulation was presented by Edwards, Ram and Black (2004) who drew on case study data collected from eighteen small firms to propose four reasons why employment legislation did "not damage" small firms. The FSB survey (n=16,779) was an ideal vehicle to assess the robustness of their propositions. Our results provided empirical support for three of their four propositions (Carter, Mason & Tagg, 2009). Firstly, we found that perceived dissatisfaction masks actual effects – small firms may grumble but in reality very few had been affected by the new legislation, indeed a number of small firms actively

welcomed the new legislation. Secondly, as Edwards et al (2004) had proposed, regulatory effects are mediated by competitive conditions; although our results went further – we demonstrated that even resource-constrained firms reported few negative effects. Thirdly, we confirmed that regulatory impact on small firms is eased by informality and typically close working relationships between managers and employees within small firms. Where our findings dramatically deviated from Edwards et al (2004) was in their proposition that older laws, such as maternity provision, are ‘routinized’ and therefore do not affect small firms. In contrast, our large scale survey found that length of time as a business owner was more influential than the age of the legislation. Owners who had been in business for many years had experienced a longer ‘window of exposure’ and length of time in business increased their likelihood of experiencing both negative and positive effects. A second paper exploring the impact of the recently introduced national minimum wage similarly found that affected businesses were able to absorb the costs, although in some cases at the expense of a slight decline in profitability (Mason, Carter and Tagg, 2006). While the small business sector had been traditionally portrayed as politically conservative and resistant to change, these surveys helped reveal the vibrancy of the sector, a general willingness to implement change, and more diverse and nuanced political views that both understood and often embraced the idea of small firms as socially responsible employers.

The FSB surveys also allowed us to explore the nature and extent of credit constraints in small firms. Supplementing our dataset (n=15,750) with one from the US (n=3239), we showed that SME financial behaviour exhibits substantial financial contentment (Vos, Jia-Yuh Yeh, Carter and Tagg, 2007). In contrast to the prevailing wisdom that characterised small firms as credit constrained, we found that only 1.32% of firms reported a shortage of capital other than working capital as a problem. Financial performance indicators, such as growth, return on assets and profit margin, were not found to be determinants of SME financing activities, as might be expected in a ‘rational’ risk–return environment. The studies found that younger and less educated SME owners more actively

used external financing, while older and more educated ('wiser') SME owners were less likely to seek or use external financing. High growth firms also exhibited contentment, in that that they participate more in the loan markets than low-growth firms. A later paper explored a different facet of credit constraints, focusing on discouraged borrowers - firms that fail to apply for external finance because they fear rejection (Freel et al, 2012). We found twice as many businesses were discouraged from applying for a bank loan than had their loan request denied, and observed a number of distinguishing characteristics among of discouraged borrowers, including firm strategy, sector, prior entrepreneurial experience and banking relationships.

A further two papers from the FSB surveys provided insights into the economic and spatial conditions among small business owners. An analysis of multiple income sources among small business owners demonstrated that the economic activities of entrepreneurs are not confined to the ownership of a single firm, but encompass income generation from a variety of sources including wage labour, non-earned income - including social transfers and share dividends - as well as profits from secondary business ventures and property rental (Carter, Tagg & Dimitratos, 2004). Modelling multiple income sources using latent class analysis revealed seven different groups of entrepreneurs differentiated by their degree of engagement in enterprise ownership and income generation (n=18,561). We demonstrated the importance of multiple income sources in smaller firms and challenged prevailing assumptions that portfolio activities are expedited solely as a profit maximization strategy by growth-seeking entrepreneurs. Some used portfolio activities for wealth accumulation, but for others they are a survival mechanism. Similarly, while some new business owners retain employment only until the business becomes fully fledged and capable of replacing earnings, others retain their employment alongside running a business as a long term strategy. A later paper explored the extent and characteristics of home-based businesses, a growing but largely invisible proportion of the small business sector (Mason, Carter & Tagg, 2011). Again challenging

prevailing assumptions that their economic significance is minor, we found the majority of home based business to be full-time businesses with one in ten achieving significant scale.

While the FSB surveys provided a vehicle for large scale survey data, case study data provides more detailed and richer insights into the lived experiences of entrepreneurs. Working with my Norwegian colleagues, Elisabet Ljunggren and Gry Alsos, we went back into the field to collect detailed information from four (farm) case companies located in some of the most remote and rural regions of Norway and Scotland. In contrast to previous studies that focused on the individual or the firm, we explored the role of the entrepreneurial household in the process of business creation, development and growth (Alsos, Carter & Ljunggren, 2014). While entrepreneurship studies typically view entrepreneurial growth as an outcome of personal ambition and business strategy, we revealed the importance of the entrepreneurial household and the household strategy in determining business growth activities. This was evidenced through the tightly interwoven connections between the business and the household, the use of family and kinship relations as a business resource base and the ways in which entrepreneurial households mitigate risk and uncertainty through self-imposed growth controls.

Women entrepreneurs: still not accessing finance

Early in 2002, one of the major UK banks approached me to explore the reasons why so few funding propositions came from women. Promised access to bank personnel for data collection, Eleanor Shaw and I secured Economic and Social Research Council funding to explore in more depth the reason why women use less finance than men when starting a business. This study, which took place over the next two years, built on prior work showing that women typically start businesses with lower levels of overall capitalization, lower ratios of debt finance, rely more on personal savings and informal finance sources, and make virtually no use of venture capital or angel investment. Gender differences in finance usage were most commonly explained as resulting from structural

dissimilarities between male and female owned businesses. But this explanation was not entirely satisfactory; several studies reported residual gender differences even after structural factors had been controlled. Researchers had started to consider whether differences in patterns of finance usage could be explained by supply-side practices which inadvertently disadvantage women business owners. Others suggested that demand-side risk aversion constrained women from applying for funding. We sought to bring some clarity by examining both demand side and supply side perspectives, focusing on both the sex of the loan applicant and the sex of the bank loan officer as key elements of the gender, entrepreneurship and bank lending nexus. Using experimental and qualitative methodologies, we collected data from 35 bank loan officers (19 female, 16 male) employed by the bank. We replicated the experimental protocol originally used by Fay and Williams (1993), to investigate whether the loan assessment criteria used by male and female bank loan officers differed either by the sex of the bank loan officer or the sex of the loan applicant. Repertory grids were then used to draw out personal constructs, and single sex focus groups with bank loan officers allowed us to compare the loan application processes used by male and female bank loan officers presented with applications from male and female entrepreneurs.

We found no evidence of systematic bank discrimination; but a focus on the 'character' of loan applicants which is integral to the lending process allows subtle, engrained and unconscious gender differences in lending decisions (Carter et al, 2007). Female bank loan officers were as likely as male bank loan officers to draw gender distinctions between business owners (Wilson et al, 2007). We concluded that supply-side and demand side factors interact to co-produce the lending decision. The aspirations and expectations of women business owners and the perceptions held by bank loan officers of women business-owners and 'female-type' businesses both affect the loan decision. Quite unexpectedly, gender differences emerged between male and female bank loan officers. Female bank loan officers had less effective personal networks for introducing new business loan applications and less strong connections with bank credit controllers who sanctioned deals – they

followed bank rules but failed to bring in deals. We recommended changes in the training of bank loan officers, but also showed the need to ensure women business owners have sufficient capital to start and sustain their business.

This study attracted substantial attention from policymakers and banks, and we worked with the UK national and devolved governments and internationally with the EU, helping to hone the economic case to support women entrepreneurs. The importance of women business owners in economic development and growth has been widely accepted in policy circles, as has the need to develop innovative solutions to improve their relative access to finance. Eleanor Shaw and I were invited to write the evidence base for the UK Government's Women's Enterprise Taskforce (Carter and Shaw, 2006), and I was invited to join the Taskforce (2007-2009). The need for a specific focus on women's enterprise, particularly finance arrangements, was seen within the UK Enterprise Strategy (2008) and Women's Enterprise Taskforce Report (2009). In Scotland, I chaired a series of workshops for the Scottish Government which culminated in the publication of the Scottish Government's Women's Enterprise Draft Framework and Action Plan (2013), the first government strategy of its type, and later joined the Council of Economic Advisers to the First Minister, Nicola Sturgeon. Among banks and finance providers this work led to a greater awareness of women's access to business finance. The role of government in correcting this 'market failure' was seen in the creation of a government backed £12 million co-investment fund for women, introduced to help support high growth, women-owned ventures following the Women's Enterprise Taskforce Final Report.

Economic well-being in the entrepreneurial household

One of the questions that entrepreneurship scholars have failed to address is an understanding of what an individual can expect in the form of financial rewards when starting a business. In a similar vein, and similarly unknown to entrepreneurship scholars, how does an entrepreneur manage to pay a mortgage without a regular monthly income? If the answer to the first question is 'very little' and

the answer to the second question is 'their spouse pays', then it seems to me that the entire subject domain of entrepreneurship has been built on sand. Rather than valorising the heroic entrepreneur (mostly men), we should start paying a bit more attention to the spouse who pays the bills and, in doing so, subsidises their partner's entrepreneurial activities. Is it coincidental that the growing number of entrepreneurs (mostly men) seen in practically all developed economies over the past few decades has occurred at the same time as women's growing and sustained participation in employment? If so, it has been fantastically convenient for large numbers of households that combine business ownership and waged work. Entrepreneurship scholars do not know the answer to these questions because firm-level and individual-level analyses fails to see the entrepreneur as contextualised within a (family) household, and strategic business decisions as arising from household priorities and preferences. Neither, in my view, are entrepreneurship scholars sufficiently interested in the effects of business ownership on the lives of entrepreneurs and their families.

Labour economists have tried to address the question of how much entrepreneurs earn with some sophisticated studies of self-employed incomes. These show low median earnings and highlight the financial irrationality of entrepreneurship compensated by non-pecuniary factors, such as autonomy and satisfaction. For entrepreneurship scholars to accept these results unquestioningly is to admit that the entire subject domain is simply a collection of studies of people fiddling about, earning nothing, but being very happy (Scott Shane, are you reading this?). More importantly, these results don't explain at a fundamental level how entrepreneurial households manage to survive and, often, prosper given their uncertain and irregular financial rewards.

Increasingly curious about these questions, it seemed to me that we could only start to address these issues if we move away from using narrow measures (such as incomes) and instead focus on a broad set of indicators that collectively contribute to overall economic well-being. Entrepreneurial rewards are multifaceted and include different types and amounts of rewards at different stages of

the business life cycle. These are determined not just by business rationality, but are influenced by household needs that evolve over time. In Carter (2011), I argued that the analysis of entrepreneurial rewards requires an approach that captures the processes of reward decision making over the business life cycle while contextualizing reward decisions within the entrepreneurial household.

Over the past couple of years, as part of the UK Enterprise Research Centre, I have had the opportunity to examine entrepreneurial rewards through a different lens. Rather than focus on incomes derived from business ownership, a highly problematic measure that is prone to under-reporting and mismeasurement, we have focused on household wealth, looking at the stock of economic resources in the form of accumulated personal assets. Mining the UK Wealth & Assets Survey, a large scale panel survey of approximately 20,000 households, we found that entrepreneurial households own twice the wealth of employee households, and that the household wealth of business owners with employees is greater than the household wealth of the self-employed with no employees (Mwaura and Carter, 2015). While this work is at an early stage, the idea that entrepreneurs may be 'income poor but asset rich' makes more sense than the prevailing view that entrepreneurs are 'income poor but very happy'. Working with Dr Samuel Mwaura, the ERC Post-doctoral Fellow at the Hunter Centre for Entrepreneurship at Strathclyde, and my PhD student, Aniela Kuhl, we are undertaking detailed case studies of thirty diverse households to explore how they manage to construct and sustain a sense of economic well-being over the long term. In doing so, we are also able to explore the effects of business ownership on the lives of the immediate family living within the household. These are the questions that I believe require research attention, and it is my intention to spend the next few years focusing solely on understanding these issues.

Looking Backward and Forward: Advice to Young Scholars

In the years since I started my career, academic research has become increasingly professionalised and credentialised. It is no longer possible to start an academic career in the same haphazard and unqualified way that I did. Clearly, this is progress. But it's also a disadvantage, as I now see that the years spent in the field before my PhD gave me a deeper level of understanding than is generally possible today. My advice to young scholars is to invest time in the field and get to know and understand the real lives of small business owners. You will see practices that are not written about in academic papers, which may prompt you to develop new lines of enquiry, and this experience will provide a 'pole star' that will keep you grounded in real lives and sustain you over a career. Similarly, the growing pressures on young academics to produce papers in very high quality journals have not been helpful to academic endeavour. Social science requires that you are a human being, not a robot. Developing a sense of intellectual independence, and bringing in your own research contracts, can help protect you from the worst excesses of university managers.

Academic careers are built over the long term. Overnight success is for popstars and celebrities; academics play the long game. I am constantly amazed at the age of some of our top researchers, despite their youthful good looks (it's true; working in universities keeps you young). Glory and success that comes to a 60 year old is based on a career and expertise built over 40 years. While it is great to be a specialist, doing the same thing for forty years is boring and hard to sustain. Be prepared to develop, over the course of a career, two or three areas of expertise that you can work on at different times. I started by studying women entrepreneurs, lost interest after a few years, but have periodically – usually when someone gives me large grants – revisited gender-related themes. It's a strategy that works well over the course of a career, as one theme becomes popular and in demand as another theme dips in popularity, and helps maintain your own interest levels.

For women, I offer special advice: avoid the trap of studying subjects - specifically gender - that will make it easy for colleagues and tenure committees to dismiss your work. As a younger woman, I

knew that there was nothing my male colleagues liked more than seeing me doing gender-based studies – they knew it kept me out of competition. Unless you intend becoming a gender specialist working within a gender studies department, it is my belief that studying gender is a fast way into a dead-end career. If you chose to ignore this advice (as I myself have done), at least be prepared to develop a few more strings to your bow, so that your expertise cannot be so easily dismissed. In other words, be smart about the choices you make. As a woman, you may also worry that you cannot have children and make career progress. Of course you can. Check out the careers of other successful academics. The philosopher Baroness Mary Warnock has five children – now in her 80s, she’s still working in the House of Lords. Play the long game.

Increasingly I see that entrepreneurship academics are encouraged to provide policy implications and advice and to work closely with policymakers. The UK’s Research Excellence Framework (REF), the quinquennial review of academic research in British universities, has introduced policy and practitioner impact as a new measure of research quality. This has led many university managers to encourage young academics to actively seek policy impact. On several occasions in recent years at conferences and academic symposia, young academics have asked me how to go about influencing policymakers. I have worked on many policy-relevant projects, have given policy advice on numerous occasions, and continue to work with policymakers at quite senior levels. In my view, chasing policy impact for its own sake is a fool’s errand. Policy impact (whatever this is) is arbitrary and unpredictable - this is partly the fault of policymakers, but academics are also culpable. Academic researchers are both over-enthusiastic in drawing ill-formed policy recommendations based on single studies and astonishingly poor at communicating the entirety of the evidence base. If policy-based research is a route that you find interesting or attractive, my advice is to focus on producing relevant and high quality research that is purposefully designed to contribute to evidence-based policy, and to develop skills that will allow you to provide expert information about the

evidence base in an accessible manner. In this way you will be able to contribute to your specific research area and also to the much needed development of evidence-based policy.

Finally, a word about methodology. As this chapter shows, I have spent time both on small-scale case studies and on developing and mining large-scale survey data. I started my career with the idea of a researcher as a craftsman and methodologies as tools of our trade. To be a master craftsman requires that we understand which tool is appropriate for the job in hand. Increasingly, researchers have become methodological specialists; however, I see this as an important development for two specific reasons. First, we now have access to very large scale datasets that can run to several hundred thousand cases and include various analytical levels – individual, household, and company datasets are increasingly used to inform our understanding of entrepreneurship. The analysis and interpretation of these datasets requires expert data management and statistical skills and a degree of specialisation that exceed the usual abilities of a generalist researcher. Second, case research has become similarly specialised, requiring increasingly sophisticated analytical techniques and higher quality expectations with regard to reliability and validity standards. The analytical depth that can be gained from small scale qualitative case studies in the right hands is as rich and meaningful as the largest empirical datasets. For these reasons, I believe that the notion of researcher as a skilled generalist is becoming increasingly redundant. However, I remain resolute that there is nothing morally superior about particular methodological approaches; the only judgement to be made is in the quality of the work. The methodological development that I am most excited about is the growth of evidence-based approaches where researchers have been able to undertake meta-analyses that provide accurate insights into causal mechanisms. In this regard, the work of Dr Nina Rosenbusch at Wilfrid Laurier University and her co-authors has been particularly exciting. Evidence-based approaches, built on systematic review and ‘gold standard’ research trials are a particular challenge for social science, but where it is possible to undertake evidence-based work there is potential for fundamental advances in the study of entrepreneurship.

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