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Citation	The Routledge International Handbook of Innovation Education. pp.617 - 637
Issue Date	2013-03-25
Type	Book part
Textversion	Author
Rights	For personal use only. No other uses without permission.
Relation	This is an Accepted Manuscript of a book chapter published by Routledge in the Routledge International Handbook of Innovation Education on 25/03/2013, available online: https://doi.org/10.4324/9780203387146 .
Is version of	https://doi.org/10.4324/9780203387146 .

Placed on: Osaka City University

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An Irreplaceable Relationship in Career Capital Pyramid

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Summary: Recent studies on entrepreneurial activities and innovation have paid more attention to entrepreneurs as a team rather than the role of a single outstanding individual. This chapter addresses the importance of a relational aspect, which we term “career solidarity”, observed not only in the innovation process but also in the development process of high performance teams. Career solidarity requires the accumulation of career capital, which is composed of the assets of Knowing-whom, Knowing-why, and Knowing-how. By applying the lens of career solidarity, a best practice case from the Japanese film industry is explained. We propose that this irreplaceable relationship strongly influences entrepreneurial creativity through career development and the establishment of innovation dynamics.

Key words: Career solidarity, irreplaceable relationship, career capital pyramid, Knowing-whom, Knowing-why, Knowing-how, entrepreneur, innovation, network.

Introduction

This chapter focuses on the fact that, in recent accounts, entrepreneurship is more successful following team work rather than individual. This concept, called “new combinations of already existing elements”, was coined by Schumpeter (1971), and can also be applied in an entrepreneurship role. If the elements were easily available via simply purchasing, an entrepreneur would be able to achieve his/her plans alone. However, when elements are not easily purchased (e.g. specialized knowledge or skills), the entrepreneur must create new combinations through new partnerships. This is the reason working as an (entrepreneurial) team is required for entrepreneurship.

After acquiring the necessary resources (elements), which beforehand were very difficult to acquire but are now easily accessible, what will the team do? Will they dissolve their entrepreneurial team, seeking to become individual entrepreneurs? Is easier access to resources merely an advantage for entrepreneurial teams?

In this chapter, we advocate that truly successful and significant entrepreneurial teams have not only access to resources but, so to speak, their own irreplaceability, making their replacement by

other combinations impossible. Thus, instead of each newly combined element being modulated, each element, once newly combined, has an integrated value and knowledge that no longer can be degraded. In this chapter, we call these teams with integrated nature “career solidarity” (not the modular combined ones).

In this chapter we will, first, introduce and organize previous studies, discussing anew the superiority of entrepreneurial teams. Our focus here is on how entrepreneurial teams with career solidarity generate innovative ideas through their force as a team, not by the intentions (ideas) of individual entrepreneurs leading to successful results. Second, to consider how such career solidarity actually emerges, we use the long-term perspective method of the entrepreneur’s career. Generally, entrepreneurs are considered to go through their careers boundaryless. As for the characteristics of workers in the creative industries, they tend to form their teams throughout their careers by depending on the individual’s skills. Third, as a result of integrating previous studies, we present the framework of our analysis called the Career Capital Pyramid Model (CCPM). This CCPM can comprehensively explain individual entrepreneurs going through boundaryless careers, devoted employees climbing up the career ladder within a single company, and individuals forming their career solidarities. Fourth, we explain the integrated nature and the formation process of career solidarity by using the CCPM framework. Fifth, we describe, using the founder of a successful film production company in Japan as an example, the concept of CCPM and career solidarity to gain an in-depth understanding of the founder. In conclusion, we offer suggestions on the implications for future entrepreneurship using our frameworks and the concepts explained herein.

Entrepreneurial teams and their formation

One of the great myths of entrepreneurship has been the lone hero type, against a backdrop of economic, social, and other environmental forces prior to their achievement of innovation. However, recent entrepreneurial activity studies have paid more attention to entrepreneurial teams rather than a single outstanding individual (Ruef, Aldrich, and Carter, 2003). There is a good body of empirical studies on the relationship between the scale of entrepreneurial teams and corporate achievements, revealing that businesses established by teams are more successful than those started-up by individuals (Chandler, Honig, and Wiklund, 2005). There is also a study that attempts to define entrepreneurial activities in terms of whether or not some sort of organization has been newly created (Gartner, 1988), further evidence of the importance of team formation.

Although earlier studies clarified that, as innovation leaders, entrepreneurs need a team or partnership, they did not look to the process between the formation of a partnership and the result. In particular, they paid little attention to the view that innovation is induced by diverse interaction processes between several individuals rather than the strong leadership of a single entrepreneur seizing a market opportunity and starting a business. As for the social and relational view of entrepreneur team formation, it characterizes the phenomenon as a result of interpersonal interaction in the business creation process and innovation. This underlying theory is similarity-attraction, which constitutes stable and consistent results of entrepreneurial efforts (Byrne, 1971; Jones, 1996; Morry, 2005).

Each individual obtains the resources and knowledge as the composite elements for innovation while the individual plays their career’s roles. Recently, the Architectural Approach has been mentioned to explain such connections between people and the relationships between organizations and individuals.¹ Various resources required for innovation are obtained one-by-one modularly and integrated later by entrepreneurs (Galunic and Eisenhardt, 2001). Meanwhile, preceding resource integration, studies have only pointed out the importance of the entrepreneurial teams’ configuration; a key cog in the combinations for innovations, such as the importance of obtaining knowledge and information in the field of new business and the significance of having personal

connections (Shane, 2004). However, little attention is paid to the fact that connections between people enable them to work together like management resource modules are not easily formed. Before continuing with the intention for entrepreneurial activities and the formation of business plans, we need to further discuss how an individual's career journey leads to the start of new business and ends up forming a new entrepreneurial team.

Entrepreneurs' career and network

Since Bygrave (1989) and Gartner (1988, 1999) stressed the need to focus on the process itself to select the various individual's independence and the start of their own businesses, Shaver and Scott (1991), Dyer (1994), and Shaver (2003) have instigated refinements of models concerning entrepreneurial career formation. Just as an entrepreneurial team can't be organized overnight, individuals must be considered from the perspective of their mid- to long-term vocational careers. However, entrepreneurial activities have rarely been stressed in the usual career researches. Career theory relied on developmental psychology's stage theory initially, therefore assuming that individuals formed a career in stages within a company.

However, with the transformation of social conditions around us, individuals forming a career agnostic in a particular company are actually growing in numbers worldwide (Moralee, 1998; Pink, 2001). What we seek now is to determine the circumstances of the network the individual entrepreneur's progress their careers whilst proactively making decisions.

Due to the impact of recent network theory, as an alternative to the internal corporate career, the debate regarding the boundaryless career has developed to capture a career tailored to an era of change. These studies are based on new concepts, such as the boundaryless career (Arthur, 1994; Arthur and Rousseau, 1996) and the protean career (Hall, 1976; Hall and Mirvis, 1996), and attempt to explain the reality of careers not limited within a particular company. With the trend for such studies, those individuals who choose independence by starting new businesses are proof of the existence of career agnostics within a company and, therefore, are finally open as a topic for discussion.

However, the problem of evaluation is even more serious in boundaryless careers since they are unable to go through an evaluation system within a single corporate entity. In such situations, the human network, which is project based, has become an alternative to the evaluation system for companies. Jones (1996), whose subject of study was the boundaryless career of filmmakers, identified four career stages common to successful filmmakers: (1) the career beginning, (2) construction, (3) direction, and (4) maintenance. In her study, she discovered more talented filmmakers had greater densities of the network throughout the career stages. While the human network here performs the evaluation of the capability for those filmmakers, it also provides the next work (project) commensurate with the evaluation by sharing the information among the network. Alternatively, those individuals who want a good evaluation learn the rules of the special systems within their industry. It must be essential for them to present their own career capitals in preparation for the opportunities of projects they specifically want to be involved in (Jones, 2002). Career capital is described in more detail in the next section. Through such mechanisms, reputation is born in the industries and communities beyond companies (the individual's career capital is evaluated) and a creative career gradually forms (DeFillippi and Arthur, 2002).

Similarly, entrepreneurs are considered to form their teams via a process that obtains important career capitals during these career stages. Alvarez and Svejnova (2005) presented the "united career" concept to explain the process of formation, development, and dispersal, regarding the interpersonal relationships of an organization's top managers. They examined partnerships, such as Whitehead and Weinberg of Goldman Sachs, or Ibuka and Morita, founders of Sony, pointing out the usability of considering such partnerships as a single career block instead of each individual's

Figure 37.1 Formation process of the united career (source: Yamashita and Yamada, 2010).

career as one unit. Mere “dyad relationships” of professional duties develop into “professional duo” relationships as individuals collaborate many times. “Professional duo” indicates the combination of moderately high degrees of integration in a business relationship between two parties. Dependencies between them enable complementary strengths through their organic links (Zaleznik, 1965). Alvarez and Svejnova (2005) propose three possible relationship types: keeping the function constant, ending in withdrawal, or development into a “united career”.

A stage model of partnerships is important when explaining an entrepreneurial team’s formation process. However, Alvarez and Svejnova (2005) only provide suggestive ideas, not concrete directions, about what individuals need to obtain to promote themselves to the next stage of entrepreneurial relationship development.² Thus, the concept of career capital is also necessary in building the integrated framework. Furthermore, studies suggest there are two types of entrepreneurial teams; teams easily explained in the development of stages by the clear division of their labors as shown in the Architectural Approach about product development and human resources (teams that are integrated human resource modules of management resources), and teams that are not sufficiently explained by the first type. Alvarez and Svejnova (2005) only discussed the latter type. The formation patterns of entrepreneurial careers and the nature of each team in the integrated manners have rarely been explained.

Career capital pyramid model and three patterns of career formation

Here, we present the career capital pyramid model and three patterns of career formation as integrated frameworks explaining entrepreneurs and their teams’ careers. The career capital pyramid model integrates the concept of career capital advocated by Arthur (1994), and stage models Jones (1996), and Alvarez and Svejnova (2005), created. The three patterns of career formation are classified by considering a new concept called “irreplaceability”.

Career capital pyramid model

Career capital³ can be roughly classified into three categories; Knowing-whom, Knowing-why, and Knowing-how (Arthur, 1994; Arthur, Inkson, and Pringle, 1999; Arthur, DeFillippi, and Jones, 2001). Knowing-whom recognizes who one has connections to; literally personal connections and the human network. Knowing-why recognizes what an individual wants to do with his/her career, including finding value and identity. Knowing-how recognizes how or what one should do to become skillful, by finding a way to improve their skills and techniques.⁴ Arthur *et al.* (1999) never specifically addressed these three career capitals in hierarchical systems, but we can better interpret them as a hierarchical framework by integrating the career stage model of Jones (1996) and Alvarez and Svejnova (2005).

In Jones' model (1996), building the human network (Knowing-whom) is a challenge for creative filmmakers early in their careers (career stages 1 and 2; beginning and construction). Only those who accomplish this challenge reach the next stage (direction) where they face another challenge: building their identities and values (Knowing-why). Similarly, only successful challengers proceed to the final stage (maintenance) confronting the last challenge, which is obtaining the knowledge and skills to realize their values. In the model by Alvarez and Svejnova (2005), two parties merely have a dyad relationship, like working together, during the first stages following formation of entrepreneurial teams. However, upon obtaining the Knowing-whom, their relationship transforms into the professional duo; a cooperative relationship within their organic links. If they agree upon Knowing-why, this professional duo relationship develops into a "united career" and their unique identities are shared.⁵

In the career capital pyramid model described above, individuals obtain Knowing-whom, then Knowing-why, and finally Knowing-how. According to this model, individuals cannot develop and obtain Knowing-why immediately alone. First they must obtain Knowing-whom, and then, through human networks, they can obtain Knowing-why. Equivalently, Knowing-why is necessary knowledge for the actualization of their values (Knowing-how).

Three patterns of career formation

The career capital pyramid model explains not only the formation process of entrepreneurial teams, but also the career development process for individual entrepreneurs. Career formation can roughly

Figure 37.2 Career capital pyramid model (source: Yamashita and Yamada, 2010).

be classified into three patterns: (1) comparative career formation, (2) isomorphic career formation, and (3) emergent career formation.

The reason career formation is classified into three patterns is due to differences in how individuals obtain Knowing-why. People in comparative career formation tend to create their own unique values through a strong awareness of the value differences in their human network, built in the Knowing-whom stage. People in isomorphic career formation tend to obtain Knowing-why by accepting values already shared in the human network. People in emergent career formation tend to bring out their own unique values spontaneously during communications, especially with significant members of their human network.

Furthermore, these three career formation patterns can be defined by the concept of the human network's "irreplaceability". Irreplaceability indicates the degree impossibility when obtaining the same Knowing-why from different persons in the human network.⁶ Since the human network is only an objective to compare differences of values in comparative career formation, there is not much difference in the Knowing-why, which is the final destination of whomever this happens to be. From this point of view, irreplaceability is low in comparative career formation. In isomorphic career formation, people belong to a particular community because they accept the values of their human network. However, the network's members needn't be a specific person as long as they are in the same community; therefore, irreplaceability is considered moderate. In emergent career formation, identical Knowing-why cannot be obtained without a specific person (since they create their own values during communications with specific people). Irreplaceability for emergent career formation is extremely high.

Comparative career formation

It is considered that many individuals who target boundaryless careers build comparative career formations (Arthur, 1994; Arthur and Rousseau, 1996). They do not accept a particular organization's values, instead forming unique values while traversing a variety of organizations. Conversely, because they do not depend on any specific human network, they must receive resources from various people to realize their own values. Therefore, the skills that they need for obtaining Knowing-how are often generic skills that facilitate communications with various people. Teams tend to be modular with low irreplaceability when forming the team; therefore there is always the possibility of forming a new team. The entrepreneurs or entrepreneurial teams that generally and typically come to mind are in this type of career formation. They are usually less constrained by the hierarchy of career capitals since their irreplaceability is low.

Isomorphic career formation

This explains career progression by accepting the values of particular organizations and is similar to the "legitimate peripheral participation" approach (Lave and Wenger, 1991). The Knowing-why obtained is usually traditional, sometimes with little transformation; therefore, newness with regards to individual's own unique values is scarce. The curriculum for "Knowing-how" is well maintained for efficient dissemination within the organization; therefore, people in this formation obtain Knowing-how relatively easily. However, the skills and knowledge are less generic; they have specialized to realize the unique organization's values. Therefore, one tends to remain within and pursue the isomorphic career formation once begun.

Table 37.1 Three patterns of career formation

	<i>Comparative career formation</i>	<i>Isomorphic career formation</i>	<i>Emergent career formation</i>
Knowing-how Knowing-why	Generic skills (Newness) High (Source) Newly developed in comparison among people communicated with (Irreplaceability)	Special skills (Newness) Low (Source) Socialized from organizations where people communicated with belong to (Irreplaceability)	Unique skills (Newness) High (Source) Cooperatively developed by emerging from people communicated with (Irreplaceability)
Knowing-whom	Low Extensive acquaintances beyond organization's boundaries	Moderate Colleagues of reference group within organization	Extremely high Significant others within organization

Source: Yamashita and Yamada, 2010.

Emergent career formation

The “united career” (Alvarez and Svejnova, 2005) is considered an emergent career formation consisting of a dyad relationship with extremely high irreplaceability. The Knowing-why here is fostered and shared between significant others in the dyad relationship. Resulting from collaborative work, their values spontaneously emerged and form a relatively clear step towards realization of “Knowing-how”. However, the team’s specialized Knowing-how is particular. In order for those in such a small team to obtain the Knowing-how, they require reasonable assessments from the people surrounding them.

These three career formation patterns have very different natures, but are not necessarily exclusive. Whether pursuing comparative career formation or emergent career formation, some degree of nature of isomorphic career formation will exist as long as the individuals belong to a particular organization. It is, however, unlikely that an individual will have all three aspects equally, most are committed to just one.

Isomorphic career formation seems to have fewer links to entrepreneurs as far as their careers are concerned since people in isomorphic career formation must inherit existing values. In other words, people in this formation are not suited to entrepreneurship. Comparative and emergent career formation, which present their own unique values, are considered more appropriate when explaining the careers of entrepreneurs or entrepreneurial teams. Thus pursuit of these two career formations may lead to entrepreneurship.

Career solidarity generated from irreplaceable relationships

In this chapter, we assume that results produced by entrepreneurial teams are more successful than those from individual entrepreneurs. As explained above, entrepreneurs’ careers are classified into two formations: comparative and emergent. While the former is suited to explaining the success of individual entrepreneurs who establish intrinsic values (Knowing-why) which lead them to innovation alone, the latter is more suited to explaining the successful results of entrepreneurial teams which entwine the values of specific people of high irreplaceability. However, we would like to say that our interest leans more towards emergent career formation in line with the assumptions mentioned above.

Here, let’s think again about irreplaceability, an essential feature of emergent career formation. To examine and recapture irreplaceability’s importance we must delve into the relationships of social structures behind organizations’ divisional structures (roles and explicit contractual relationships). In the field of new knowledge and value creation, the difficult to substitute social relationships are the source, making it difficult to imitate while producing results of high originality and creativity. The irreplaceability within this kind of dyad relationship results in major differentiation compared to other common combinations. It may occasionally be constrained by convention but in many cases leads to a competitive advantage.

In terms of business administration studies, when we think about the relationship for the division of labor, labor division is usually considered in terms of improving productivity through the specialization of tasks and development of personal skills. This is a result of designing to producing greater quantities of better quality products with the same effort. That is, it has been assumed that the division of labor only brings the specialization of occupational abilities and power (Fayol, 1916). This comes from the viewpoint that people are replaceable resources like modifiable modules.

To discuss the relationship between entrepreneurs on interdependent terms with high irreplaceability (occasionally seen in the past among successful entrepreneurial teams) Methodological Relationalism is espoused, instead of the view of organizations based on traditional economic division of labor. Using this, we would like to redefine the phenomenon of career development and

deployment for creative individuals (like entrepreneurs) who rely on a highly irreplaceable relationship, raising anew the concept of career solidarity.

Career solidarity as addressed here is the concept of a united career developed by Alvarez and Svejenova (2005). They never discussed irreplaceability or Methodological Relationalism, however they focused on the size of successful innovation results produced by not-easily substitutable dyad relationships. However, they never systematically described how the united career differed from other perspectives on careers, nor discussed in detail what kinds of elements develop dyad relationships into the next stage. Therefore, the united career was difficult to use as a framework for analyzing individuals' careers. Based on the discussions so far, we would like to redefine the concept of career solidarity as follows in this chapter: career solidarity is the foundation for a social relation that is difficult to substitute and whose actors who are significant to each other can co-create and share their values, forming their creative careers. The development process of career solidarity is organized and shown in Figure 37.3.

As Alvarez and Svejenova (2005) and the framework of the career capital pyramid show, in the level 1 dyad relationship (the dyad relationship of the occupations), the actors have their roles linked via personal connections. This means that level 1 is the stage described by "whom do you know (Knowing-whom) not what do you know" and it is important to recognize significant others. After opportunities that lead the actors to recognize significant others for their career capital development, the dyad relationship proceeds to level 2, the foundation for the professional duo relation, during certain projects or organizational situations. Here, some actors engage in the search for their occupational identities and values at a deeper level with these significant others. Career solidarity is established here if the parties form emergent values (Knowing-why) together, enabling the dyad relationship to reach level 3 (the unmaturing career solidarity). The united career's development process as explained by Alvarez and Svejenova (2005) finishes at this point. However, career solidarity matures as the parties obtain further individual unique skills and practical experience, progressing to level 4. This further stage makes it possible for them to survive creatively in their careers (matured careers solidarity).

Case study

Here, as a career solidarity example, we introduce a successful team led by Shoji Masui, who established a small film company in Japan. First, we briefly describe Masui's career, then add an explanation of his case within the career capital pyramid framework and the concept of career solidarity (emergent career formation).

Figure 37.3 A new analytical framework: the formation process of career solidarity (source: Yamashita and Yamada, 2010).

The career of Shoji Masui

Masui started working for a small film company, Daiei, in the 1980s following graduation from university. While obeying the company's policies, he accumulated experience as a producer of adult films and TV drama productions and gained opportunities to meet many people. Among these, he built a strong rapport with the director, Masayuki Suo. When Suo wrote a comedy movie screenplay about a temple priest, Masui asked the company for a production budget of over 100 million yen to produce it. Daiei agreed since it was a small budget. The movie's quality was good but was not widely distributed and therefore didn't gain any popular recognition. Next, Masui produced another small budget movie with Itsumichi Isomura, Suo's protégé. Thus, Masui gained experience producing general movies for Daiei. In 1992, Masui produced a comical movie about a Japanese university's sumo club, with screenplay by Suo. This movie was distributed by a leading film distributor, Toho, thus reaching a much larger audience enabling recognition of Suo's talent such that he won film awards in Japan that year.

Masui realized the limitations of his team's production activities arose from belonging to Daiei. He thus left Daiei in 1993 and established a production company called Altamira Pictures with Suo and Isomura. The new company's first screenplay, written by Suo, was titled "Shall we dance?" As Altamira Pictures had insufficient funds at that time, Daiei contributed the production funding. It was estimated that 500 million yen was necessary based on past experience (a standard amount for production expenses on a movie published at the national level in Japan), but Daiei paid only 400 million yen for the production budget and 30 million yen for the project fees. To cover costs, Masui asked Suo for minor changes to the script, attempting to maintain the production within budget. This movie, again distributed by Toho, enabled Masui to appoint the advertising salesperson he had worked with previously, establishing a respectful relationship. Therefore, he expected the promotional work to follow Altamira Pictures' viewpoint. This was important as Suo intended "Shall we dance?" to be a romance film while Daiei and Toho were considering promoting it as a comedy. The advertising salesperson promoted the movie as a romance film in response to Masui's expectation despite pressure from Toho. As a result, many middle-aged audiences, not usual theater-goers, attended and "Shall we dance?" became a blockbuster in Japan in 1996.

However, the production budget of 400 million yen was not insufficient resulting in the project fees of 30 million yen (saved as working capital for the company) being spent. While the movie became a big hit, with Daiei making large profits, Altamira Pictures stayed in the red. Masui had met with Fuji Television broadcasting station's representative when looking for an equity partner. Due to the relationship of respect between Altamira Pictures and this representative, Fuji Television agreed to collaborate with Altamira Pictures as an equity partner. Since then, a number of films have been made using this collaborative system, enabling Masui to successfully bring not only Suo, but also Isomura, to the public. Altamira Pictures is now a leading Japanese independent film production company. However, they still making movies only with close peers.

Description of the case

The occupational career of Masui began at Daiei. He can be said to have pursued an isomorphic career because, despite not knowing the basics of film making, he initiated a network in the production field, taking advantage of the opportunity when producing an adult film for the company. He was able to obtain a lot of knowledge and experience there. This illustrates that people choose isomorphic career formation not because of their originality, but as a result of accepting that existing ideas and knowledge are necessary at the starting point of their occupational careers. In fact, many entrepreneurs in Japan start their careers as an employee of a large company (Takahashi, 2005).

The meeting of Masui and Suo, a significant other in the community of producing adult films, transformed his career into an emergent career formation. Their relationship was bound through understanding that they would perform better in collaboration as opposed to working with a variety of others. This stage signifies that they had already obtained the career capital of Knowing-whom and their career solidarity had reached level 2.

It is not clear in this example how they obtained Knowing-why, that is, how they created their own values. However, although Masui left Daiei, becoming independent, and managed his own team during the promotion of "Shall we dance?" he tried to maintain Masui and Suo's values despite conflicts with sponsors and distributors. It may be meaningless to pursue the Knowing-why since it differs between people. What is important here is whether the specific team members created shared values, to be protected throughout their careers. It may be assumed that the establishment of Altamira Pictures or production of "Shall we dance?" indicates obtaining their Knowing-why and a career solidarity of level 3.

If only the unique values of the team are established it will not be successful. It is necessary to find the means (Knowing-how) to actualize the values. By appointing a familiar advertising salesperson, they attempted to protect their work, possibly indicating Knowing-how. However, Altamira Pictures went over budget, a long-term issue, as a result of trying to enhance the quality of their work (protect their values). This led to financial struggle and jeopardized their values. Ultimately a solution was found via a collaborating equity business partner who was legally contracted. This partner understood the values of their team; the most important Knowing-how they obtained. Generally, while Knowing-whom (obtained in level 2) and Knowing-why (level 3) are built inside a team, Knowing-how (level 4) seems to be related to influences from outside the team. Masui and his team reached level 4 by obtaining an external partner which enabled them to realize their values while continuing their career solidarity.

Conclusion and implications

With the assumption that entrepreneurs receive more successful innovation results when acting in a team, we have introduced and discussed a careers perspective that has not been discussed significantly until now to foster such entrepreneurs. We presented the concept of the career capital pyramid as a framework accounting for the careers of creative individuals, including entrepreneurs, as well as the concept of career solidarity or a strong team in the career capital pyramid that leads irreplaceable dyad relationships to create their own unique values. Based on these discussions, we would like to make suggestions regarding entrepreneurship.

First, according to the career capital pyramid framework, individuals who work creatively as entrepreneurs need to pursue either comparative or emergent career formation. However, since collaborative experience is necessary for both formations and obtaining at least a basic knowledge is required in any business, they must still undergo a preparatory training period. As shown in the case study, isomorphic career formation through working for a large company during early career periods might be a typical preparatory training method. A pitfall for individuals who wish to become individual entrepreneurs may be the acquisition of superficial occupational skills too quickly, while underplaying the experience of isomorphic career formation in these early career periods. This kind of attitude neglects personal connections within the communities and companies they belong to, inhibiting acquisition of Knowing-whom, the career capital foundation. As a result, they cannot receive the values of their communities, let alone create their own unique values.

In contrast, individuals less aware of being individual entrepreneurs tend to drag out the isomorphic career formation, losing the chance to exercise creative activities. Prolonged isomorphic career

formation makes them experts in the communities they belong to, enabling them access to power and influence but they are not able to challenge anything new. The first challenge for the career of an entrepreneur is not merely to form a wide human network in the community/company one belongs to, but to seek the Knowing-whom from outside the community/company, or to only seek significant others by narrowing the search range.

Next, we have advocated in this chapter that forming a team is more advantageous for an entrepreneur than acting alone. However, here we would like to add that emergent career formation is more desirable than comparative career formation (so to speak, building career solidarity is desirable), if he/she wants to form an entrepreneurial team and expect to be very successful. What he/she has to be careful of here when building career solidarity is to decide first “whom to do it with” (Knowing-whom), not “what to do” (Knowing-why). “What to do” will be spontaneously produced later, during collaboration with the partner. However, it does not mean that all they need to be partners is closeness to each other. The framework of career solidarity shows that the dyad relationship in level 2 already turns into the professional duo, and the professional duo, because their perspectives are very similar, assumes that they work together much more smoothly than in pairs with others. Whether being able to find a partner who satisfies this assumption is the big challenge when an entrepreneur builds his/her career solidarity.

On the other hand, individual entrepreneurs who pursue comparative career formation usually decide “what to do” earlier than “whom to do it with”. For this type of entrepreneur, “who to do it with” is not regarded as Knowing-whom but as Knowing-how. Their own unique values have already been established and, therefore, the only reason they need a team is to actualize their values. In this case, anybody can be their team member as long as they have the knowledge and resources required, in other words, the members are sufficiently replaceable. The typical image of entrepreneurs or entrepreneurial teams we envision is most likely this type, but the future of this type of entrepreneurial team often seems difficult. Individual entrepreneurs give each team member a specific role and expect them to perform it well; however, they often come to speak and act beyond their original roles since there is no clear job description for each member. Such attitudes sometimes urge modifications or changes to the values themselves. Since the individual entrepreneurs who pursue comparative career formations often adhere too stringently to values determined by them, they then tend to disband their teams and switch partners. Why would they do such a thing? It is because their teams are replaceable. However, it is very rare that an individual’s intention leads to innovation without being affected by the surroundings (Yamada and Yamashita, 2006). Such events are possible only by a handful of geniuses and it is not realistic to assume any team can mimic this. Therefore, individuals who have pursued comparative career formations need to respect any new values that emerge naturally in their teams without obsessing with their own values. This necessitates that they stop regarding their partners as replaceable and start pursuing an emergent career formation, in other words, their career stance needs to transform to one of career solidarity.

This chapter introduced a perspective with career solidarity and the career capital pyramid model as a new direction in entrepreneurs’ career development. Its structure consists of three routes to accumulate career capital as discussed above. This chapter highlighted that career solidarity is highly related to innovation and creativity in entrepreneurs’ success. If innovation educators are concerned with quality and impact of entrepreneurs’ teams, this new perspective based on entrepreneurs’ career solidarity and career capital pyramid model will help to examine it and distinguish from the extant dominant view of the modular-combination type of entrepreneurs’ team.

Notes

- 1 Lepak and Snell (1999) advocated the theory of human resource architecture in order for people to confront the idea that all personnel (human resources) are not necessarily strategically important. This theory takes a skeptical stance against many studies that have highlighted the value all general employees give to the competitive advantage of their companies.
- 2 Alvarez and Svejnova (2002) discussed the relationships between entrepreneurs' creative visions and the traditional isomorphic pressure. As a measure of avoiding institutional pressure from the environment, individual artists create symbiotic careers (partnerships) with their protective stakeholders, e.g. producers, establishing their own companies. Through these actions, they create a nested structure that corresponds to the pressure and draws the audience and critics to their side. Finally, they are able to exert their creativity in the context of wide industrial communities, achieving innovation.
- 3 Lave and Wenger (1991) explains their theory of legitimate peripheral participation as being similar to the hierarchy of the career capital; the values (Knowing-why) are accumulated in the human connections (Knowing-whom), and next will be the acquisition of the skills and techniques (Knowing-how). However, each element in the theory has never been considered separately. The theory has never paid attention to the flow of the process for the acquisition of the values (Knowing-why) nor to the creation and practice of the new innovative know-how. Therefore, the theory differs from our point of view in terms of the patterns of entrepreneurial career formations that we explain in this chapter.
- 4 Skills in this context include the intellectual proficiency mentioned by Koike (1988). Intellectual proficiency formation indicates development of the ability to deal with changes and abnormalities. This ability is cultivated by the internal promotion and long-term selection found in Japanese long-term employment.
- 5 Alvarez and Svejnova (2005) (Figure 37.1) stopped at the point where the relationship of a united career could end. However, as Jones (2002) mentions, there should be another stage sustaining the relationship. Knowing-how must be sought after this stage.
- 6 Relationships with high irreplaceability can be regarded as the source for a deeper level by delving into the relationships of social structures behind the organization's divisional structures (roles and explicit contractual relationships). In the field of innovation, the concrete social relationship is the source thus making imitation difficult while producing highly original and creative results. Module-like roles and knowledge that can easily be procured on the markets make it difficult for dyad relationship to innovate according to the concept, "preciousness is the irreplaceability of individuals".

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