

# ***Opportunity based-view in entrepreneurship and the role of prior knowledge and past experiences***

***By Amine Chelly<sup>1</sup>***

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*In this paper, we question the impact of entrepreneur's prior knowledge and past experiences on the process entrepreneurial opportunity identification process. Entrepreneurship literature, Austrian economics in particular, puts information at the heart of this question by explaining that while some entrepreneurs and not others identify opportunities is in fact due to the quantity (and quality) of information they already possess. We try to challenge these assumptions in the context of an exploratory study with a sample of Tunisian entrepreneurs.*

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## ***Introduction***

The growing interest for the concept of opportunity is very remarkable in the definitions given to entrepreneurship by several researchers these last years (Bygrave and Hofer, 1991; Churchill and Muzyka, 1994; Shane and Venkataraman, 2000). However, in spite of its theoretical and practical importance, researches on the concept of opportunity were conducted in entrepreneurship only during these last fifteen years. Indeed, if we look at the various number of articles published in the "Frontiers of Entrepreneurship Research" review, which constitutes one of the famous references in entrepreneurship research in the world, we notice that opportunity started to be regarded as being a research area only in 1997, after other areas like the entrepreneurial process or female entrepreneurship. However, studies on opportunities have already been presented at the Babson College conference before 1997, but without having a session clearly identified. Indeed, in 1990, there was only one article dealing with opportunity identification which is the work of Christensen and Peterson (1990). In 1991, the session was called "innovation and opportunity identification" in which we find two contributions, Vesper (1991) and Ray (1991). Opportunity identification would thus have received only little attention whereas it constitutes a critical element in the entrepreneurial process.

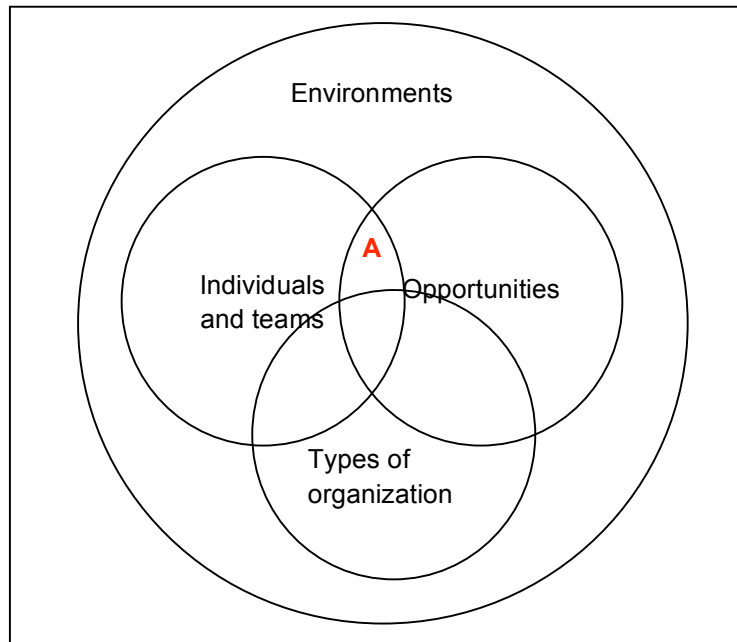
This tendency is confirmed by the work of Busenitz and al. (2003). Indeed, these authors noticed that "with the exception of the opportunities category, all of the other areas in and of themselves have received extensive research attention from other areas of management as well as non-management disciplines" (Busenitz and al., 2003: 297). This might suggest that opportunities could become the single field of entrepreneurship. According to Busenitz and al.

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(2003), research on the nexus of figure 1 is of a primary importance for the development of entrepreneurship as a field of research.

Figure 1: Conceptual domain of entrepreneurship as a field (Busentiz and al., 2003: 297)



The individual (or teams) - opportunities nexus (noted A in Figure 1) focuses on the process of recognition, evaluation and exploitation of opportunity. One of the most central question researches investigated in this area consists on answering why certain individuals, and not others, identify certain opportunities and not others (Shane and Venkataraman, 2000). The way this question is asked pushes us to try to understand the relationship that exists between certain individuals and certain entrepreneurial opportunities and vice versa.

Prior knowledge (Shane, 2000; Shepherd and DeTienne, 2001) and entrepreneur's past experiences (Ucbasaran et al., 2003) were identified in the literature as being important factors for opportunity identification. Indeed, individuals are more alert to information that is related to their prior knowledge and/or information about fields they are interested in. While all individuals are not alert to the same information in the same field or to the same fields at the same time, an information asymmetry exists then between them. According to Hayek (1945), this information asymmetry is at the essence of entrepreneurship.

Based on a qualitative study with 25 Tunisian entrepreneurs (25 interviews with Tunisian male and female entrepreneurs issued from 9 different sectors) on the entrepreneurial opportunity identification processes, we try to show if prior knowledge and past experiences of Tunisian entrepreneurs have an impact on opportunity identification in a specific environment and culture. We also show which specific knowledge and specific experience play a role in the entrepreneurial opportunity identification process (recognition, evaluation and exploitation) within this group of entrepreneurs.

### **1. Entrepreneur's Prior Knowledge**

Entrepreneurship literature identifies entrepreneur's prior knowledge as a factor influencing entrepreneurial opportunities identification. This hypothesis is based on the importance given

to information. Indeed, the Austrian school proponents give it a great importance. Hayek (1945), for example, believes that entrepreneurship exists because of the amount and nature of information held by an individual. In other words, the asymmetry of information between individuals is the source of market imbalances and, therefore, the existence of entrepreneurial opportunities (Kirzner, 1997). Von Hippel (1994) also argue that individuals tend to locate the information that is related to what they already know. For example, if an individual has knowledge about a particular technical field, it will be, according to Von Hippel (1994), more sensitive to information concerning this and will not pay attention to information that relates to other areas they do not know.

In the same vein and based on Austrian economists, Shane (2000: 448) argues that "entrepreneurs discover opportunities related to information they already possess », it means opportunities related to their prior knowledge. Indeed, according to Shane (2000), having a prior knowledge triggers the identification of the value of new information. He distinguished three major dimensions of prior knowledge that are important for entrepreneurial opportunities identification: people's prior knowledge about market, the people's prior knowledge about how to serve markets and people's prior knowledge of customer problems.

In his qualitative study of eight different companies that were established on the basis of eight different opportunities from a single technological innovation from the MIT, Shane (2000) has tested and confirmed a number of assumptions which may be summarized as follows:

- All individuals are not equally likely to recognize a given opportunity : the reasoning is based on the idea that all individuals do not have the same information at the same time, Kirzner (1997);
- Each person's idiosyncratic prior knowledge creates a "knowledge corridor" that allows him/her to recognize *certain* opportunities, but not others (Hayek, 1945; Ronstadt, 1988; Venkataraman, 1997). "Prior information, whether developed from work experience, education, or other means, influences the entrepreneur's ability to comprehend, extrapolate, interpret and apply new information in ways that those lacking that prior information cannot replicate". (Shane, 2003: 452).

We conducted an exploratory qualitative study with twenty five Tunisian entrepreneurs to try to understand the role of prior knowledge and past experience on opportunity identification. Indeed, qualitative studies are especially suitable for exploration and construction of hypotheses about a phenomenon not yet well known (Miles and Huberman, 2003). A qualitative study by multi-site semi-structured interviews, lasting an average of two hours, was conducted with entrepreneurs from different economic sectors. This research has an exploratory issue; we felt it necessary not to limit it to one area.

The entrepreneurs interviewed in this study have been contacted through our strong ties network. Our sample includes twenty five entrepreneurs who have already established a business (twenty three cases) or under development (two cases) at the time of the study (December 2008). We recorded all our conversations and we worked from the transcriptions. In total, we conducted fifty hours of interviews with twenty five individuals. The analysis was performed using the NUD\*IST Classic software (Non-numerical Unstructured Data Indexing, Searching and Theorizing) in its 4<sup>th</sup> version (N4). This paper presents the results of our study on the role of entrepreneur's prior knowledge and past experience on entrepreneurial opportunity identification.

## 1.1. The Role of Prior Knowledge about Markets

According to Von Hippel (1988), the most important prior knowledge about markets should include information on relationships between suppliers, sales techniques, or capital investment.

Cooper (1981) emphasized on the role of knowledge in a given area as a major factor affecting the identification of business opportunities. He was the first author to suggest that prior knowledge would help to use people's experience in a specific area. Specific experience in a field is important because people can scan the market with alertness and find disequilibrium that can be corrected by creating a business (Kirzner, 1979). Moreover, according to recent research on the concept of "entrepreneurial alertness" developed by Kirzner (1979), it appears that the latter depends in part on knowledge and therefore the information possesses by each individual (Yu, 2001; Dimov, 2003).

Without possessing some knowledge about a certain domain, it is very difficult to interpret the signals of the information in the industry because the information processing is linked to existing knowledge structures such as knowledge about a particular sector (Manimala, 1992; Shane and Venkataraman, 2000). Past experience and prior knowledge of a field are needed to identify entrepreneurial opportunities that others fail to identify (Kaisha and Gilad, 1991). Knowledge about a domain is useful to select the useful information, give it a meaning and make the appropriate judgments. Human beings do not just collect information; they interpret and try to act as rationally as possible. However, people are also guided by the knowledge they have gained from their processes of perception, interpretation and action (Woo, Cooper and Folta, 1992; De Koning and Muzyka, 1996). It would appear from the foregoing that entrepreneurs who have less experience would miss important information, didn't understand all what they perceive and make inconsistent decisions.

Extract 1 shows that prior knowledge of the entrepreneur NA about the IT consulting market was critical to identify an opportunity and exploit it by creating his company in this market. Indeed, the information accumulated by NA was acquired thanks to his past experience in IT consulting companies at different positions.

"It was a professional context which, in my case, helped me by the fact that I have taken the time to work in an IT consulting firm, a similar area where I wanted to create a business in France and Tunisia. In both cases, I stayed 2 or 3 years, which means that finally I wasn't navigating in an unknown field, but I was surfing in an area where I saw all the things I wanted to do. Therefore, I knew about many processes such as customers' relationship management process, customer's problems solving processes. I also understood the steps to successful software development and the difficulties of organization and noticed the different tools we could use." (Interview 1 NA)

### Extract 1 – The role of prior knowledge about markets

Extract 1 also shows that the intention of the entrepreneur NA to create a business in the IT field existed prior to his various jobs. He was, therefore, fully aware of information collection he was making through his experiences to achieve this goal. As he said himself: "I saw what I wanted to do." The accumulated knowledge is targeted and the information was sought and evaluated according to a precise objective: create a business in the same field where he has past professional experience.

Extract 2 illustrates our thoughts. Indeed, the entrepreneur RZ's experience has also served to get knowledge for the maturation of his business idea. These two examples support the hypothesis that prior knowledge about markets has an impact on entrepreneurial opportunity identification.

*“Q: What was the impact of your past experience on your business idea?”*

A: After my graduation, I started to work. I stayed one year in Morocco. I worked in Tunisia. I worked for Levi's at the beginning, and then I spent four years with the biggest company of clothing at that time in Tunisia. Prior to establishing my business, I accumulated a seven-year experience.

From the beginning, my objective was not to get a job with high wages and high responsibility such as “a manager”. I searched for positions that allowed me to learn about the production process. My goal was to know about everything about the garment and textile sector that interested me and where I wanted to begin later”. (Interview 17 RZ)

### Extract 2 – Past experiences, sources of market knowledge

While entrepreneurs identify opportunities related to information they already possess (Shane, 2000), it is equally true that some entrepreneurs also identify opportunities which are not related to the field they already know or where they have accumulated professional experience. Extract 3 illustrates this argument.

*“Q: What were the reasons that decided you to start your business?”*

A: The idea came when I was a banker. I have been a manager in a big local bank in Sousse (the third big town in Tunisia) for five or six years, then regional director for five or six years. I started my career at the bank in the medium-term credit. This is precisely the service which deals with credit granting for businesses.

Why in the plastic industry? When I decided to start my own company, I asked myself: "in which sector?" I search a lot of information: I went to public institution where I found sectoral studies; I looked at the bank which companies had permanent cash and were in full development. I was in fairs, international trade fair in Italy, Tunis, etc. Finally, I selected 4 or 5 business ideas: one in the copper sector, another in the paper, a third one in bicycles and finally it was the idea the plastic”. (Interview 23 NB)

### Extract 3 - Different knowledge lead to opportunity identification in a different sector

The entrepreneur NB, who was originally a banker, did not initially know about the area of plastic. Once his intention to start a business affirmed, he has selected four business ideas that had nothing to do with his previous experience. In this case, it isn't his prior knowledge that allowed him to identify an opportunity, but the new information and knowledge he has accumulated consciously to start his company. However, it is clear that his experience as a banker has helped him in the evaluation and implementation of his business plan. By prior knowledge we mean, here, the technical knowledge specific to a particular sector.

It appears from these examples that it isn't *always* prior knowledge about markets that is the unique factor to opportunity identification. There are other skills that have nothing to do with the area in which individuals start a business and are also crucial. We make a proposition that continue the work of Shane (2000):

*Proposition 1: some entrepreneurs identify opportunities related to the knowledge they already possess while others identify opportunities related to the knowledge accumulated through their deliberate search for useful information.*

In our sample of twenty five entrepreneurs, we found that there are sixteen entrepreneurs who have identified business opportunities in relation with their prior knowledge about markets. These sixteen entrepreneurs have established businesses in the same area where they had their last work experience. However, nine entrepreneurs in our sample have established their businesses in areas they did not know before, and in which they had no work experience before. It is clear that this sample is not representative, but these data (prior knowledge about markets has played a role in opportunity identification in sixty six percent of respondents) show that, in fact, entrepreneurs tend to identify opportunities related to knowledge about markets they already possess.

## **1.2. Identifying Solutions to Customer's Problems**

Shepherd and Detienne (2001: 142) have shown that "prior knowledge of customer problems is positively correlated with the number of opportunities discovered and the innovativeness of those opportunities." Indeed, direct contact with customers allows an individual, potential entrepreneur, to discuss with people about problems they encountered by using a technology or a product sold by the company where he worked or a service that has not been satisfied.

This knowledge is of great importance for an entrepreneur to think about the solutions to consumer's problem. This information is possessed by some entrepreneurs and not by others (Shane, 2000). Indeed, not everyone had the same experience and met the same customers. On this point, the role of strong and weak ties network is very important to give the entrepreneur information about the problems they face with a product or service (Chelly, 2006). Therefore, the greater the relational network of the entrepreneur is extended, the greater the chance of having relevant information. This information asymmetry (knowledge of consumer's problems) has led to opportunity identification. Some individuals are more likely than others to discover opportunities because, precisely, they have knowledge that others do not (Hayek, 1945, Kirzner, 1979).

We haven't observed in our study a situation where prior knowledge about customer's problems was *the* important factor to opportunity identification, although in some cases, entrepreneur's knowledge of customers themselves was reported as an important variable to opportunity identifying (See extract 4). This result could be explained by the specificity of Tunisian culture. Indeed, the Tunisian culture is not a customer-oriented culture. Tunisian companies have ignored their customers and especially customer satisfaction for a long time. As the Tunisian market was not very competitive, it wasn't necessary for Tunisian firms to consider solutions to customer's problems. The situation was such that the existing products in the market were sold without much difficulty and without high marketing budget. This situation has changed significantly since the signing of a free trade agreement between Tunisia and the European Union. Faced with this situation and to ensure their survival, Tunisian companies have decided to be more responsive to their customers by offering products that meet their expectations. Only few Tunisian companies have successfully upgraded and moved towards their customers while the majority kept the same strategy which is for *only* profit. We find this way of thinking while interviewing our sample of entrepreneurs even though some of them (those who have completed their training abroad) declare that they take into consideration their customers' needs.

“I did a market survey before and I had an idea of my future customers. I contacted most of them before they actually launch the business. I explained the situation and they have welcomed the idea and told me they would help me in placing an order with me and that's what happened”. (Interview 23 NB)

#### Extract 4 - Knowledge of consumers, an important element for the entrepreneurial project

### **1.3. Identification of How to Serve the Market**

According to Shane (2003: 452), "new information about a technology might be complementary with information about ways to serve markets, leading the discovery of entrepreneurial opportunities to require prior information about these processes." An entrepreneur's ability to recognize an opportunity in a new technology might be enhanced by prior knowledge about how the new technology could be used to create a new product or service (Shane, 2000).

In his study, Shane (2000) has validated the hypothesis that individual's prior knowledge on ways to serve markets influences their discovery of ways to use new technology to supply a market. In our study, we haven't achieved results on this type of knowledge. This is perhaps due to the lack in our sample of entrepreneurs in the high technology sector with which this hypothesis could be discussed. We think that this result is a particularity of the Tunisian economy where technological innovation is rare. However, these statements are qualified with the advent of Internet. Indeed, this new technology has allowed some Tunisian entrepreneurs to identify opportunities and create businesses which offer new services for customers who are not geographically in Tunisia but throughout the world.

The impact of prior knowledge of the different ways to serve the market is weighted according to the environment and culture of the entrepreneurs' country (Chelly, 2006). Indeed, we believe that such prior knowledge is useful only in connection with a new technology as shown by Shane (2000). It must first be available and accessible to potential entrepreneurs so they can increase their prior knowledge of ways to serve markets.

Prior knowledge and past experiences are interrelated because the information is acquired or possessed before. Knowledge may come from the experiences of everyday life or other experiences that we will analyze in what follows.

## ***2. Entrepreneur's Past Experiences***

Entrepreneurship literature has often noted the impact of past experience on opportunity identification. We argue that past experiences include work experiences, entrepreneurial experiences and associative experiences. We will shed the lights on the impact of these variables on opportunity identification within our study.

### **2.1. Work Experience**

As presented in the previous section, experiences are an important factor for the entrepreneurial opportunity identification. Indeed, previous work experience enables the entrepreneur to have information about the market in which he/she operates. According to Venkataraman (1997), this information is idiosyncratic and enables some entrepreneurs and not others, identify opportunities in relation with information acquired during their past work

experiences. We are not going to present the results we have already presented in the previous section dealing with the impact of prior knowledge on entrepreneurial opportunity identification since we believe that market knowledge is the result of the entrepreneur's experience. However, we find other types of experience which we argue that plays a role in entrepreneurial opportunity identification.

## 2.2. Past Entrepreneurial Experiences

Past entrepreneurial experiences can have a positive or negative impact on the entrepreneur and the way he/she identifies a business opportunity. In their study on a sample of entrepreneurs who have already had a previous entrepreneurial experience, Ucbasaran and al. (2003) have shown that entrepreneurs who had past entrepreneurial experience identify opportunities that are more innovative than opportunities identified by those entrepreneurs without past entrepreneurial experience. They also showed that habitual entrepreneurs tend to think that opportunities often emerge with problems encountered and an identified opportunity often leads to another. According to Gaglio (1997), knowledge accumulated by entrepreneurs during their past entrepreneurial experiences runs their attention, their expectations and interpretation of market stimuli.

Past entrepreneurial experience enables entrepreneurs to acquire routines and ways of doing things that allow them to focus on finding relevant information and useful in a specific area (Ucbasaran and al., 2003). In addition, Ronstadt (1988) argues that the best opportunities occur only when an individual is involved in a business where flowing much of the information on contacts, viable markets, products and strategic resources available. This information is acquired when the individual is "at the heart of a company" and when he/she is him(her)self engaged in an entrepreneurial process of business creation.

Extract 5 shows that the entrepreneur DL's past entrepreneurial experience, even if they failed, were rich in knowledge and information resources. He has indeed accumulated knowledge and experience that allowed him to be more efficient in managing his latest entrepreneurial project. The knowledge he has acquired isn't technical or related to the industry, but rather of knowledge about the process of starting a business. Repeating the process of setting up a business after failing earlier allows an entrepreneur not to make the same mistakes even if it is true that failure can be a source of demotivation. The case of the entrepreneur DL is representative of this situation since he says "I do it faster" because he "knows what to do and where to go."

*“Q: What have you learned from your past entrepreneurial experiences?”*

*A: This is something relatively simple. This does not scare me today. I tried to do it in France. People will make a mountain but it is not difficult, it is a matter of time and patience. We must have in mind how we will get there. Now, after my experience, I'm fast because I know what to do and where to go. I also learned to pay attention to my partners, even my close friends. We should never do business with friends or family members. The experience I had in France taught me that. It is best to do business with persons from your week ties network. You will have much less chance to get angry with them”. (Interview 18 DL)*

Extract 5 - Lessons from past entrepreneurial experience

Extract 5 also shows that the entrepreneur DL's past entrepreneurial experience introduced a new element on his perception of the partners in an entrepreneurial project. Indeed, the

entrepreneur DL concluded his previous failures that associates should not be members of his strong ties network (Granovetter, 1973) because affective confusion could be a source of problems. Although this element is not directly related to entrepreneurial opportunity identification by the entrepreneur DL, it is, nevertheless, important because the entrepreneur DL has learned from his failure and his future will be influenced by his past entrepreneurial experience.

We believe, therefore, that past experiences influence the entrepreneurial process of entrepreneurial opportunity identification even if it is knowledge gained through these experiences which is the most important. We also believe that past entrepreneurial experience provide the entrepreneur by know-how information, practical and procedural knowledge (Huybens, Dubruille and Bonami, 1993) very useful for starting a business.

### **2.3. Associative Experiences**

Individuals' associative past experiences are, in some situations, at the origin of a business idea and influence, therefore, entrepreneurial opportunity identification. In our interviews, we have not directly confirmed this proposition. However, we noted, in some cases, that associative experiences of some Tunisian entrepreneurs had an impact on their intention to create a business to the sense that these experiments are involved in the demystification of the entrepreneurial act and makes the individual to business creation. In other cases, the associative experiences have an indirect impact on the identification of entrepreneurial opportunities. We did not find in the literature in entrepreneurship works that have highlighted explicitly associative experiences as a factor influencing the process of identifying entrepreneurial opportunities.

As part of participation in an association, the entrepreneur may be required to assume responsibilities within the association, to take initiatives, to discuss decisions regarding the strategy of the association and to participate in searching for new ideas. In short, participating in the life of the organization. Extract 6 illustrates this point.

*“Q: If I understand you did not find the idea of starting a business when you were young?”*

A: That's true. I was only thinking of that. In fact, when I was at school, I spent all my time at the “Junior Enterprise”. When I say “my time” it means is 70% of my time. The JE is the Junior Enterprise. It is the best school in the world to hone ones entrepreneurial spirit. Indeed, this is where I became interested in entrepreneurship and, above all I began telling myself that I wanted to create something.” (Interview 6 HZa)

*“Q: What this experience brought to you?”*

In the Junior Enterprise, we really hit the whole system. We had all the real problems to solve like cash problems. In addition, in this kind of association, you always have problems with the former office because it is always poorly organized. We were rubbed to all of governmental institutions because we had employees in the association. This experience has given us a taste of what a company can be.” (Interview 21 MMah)

#### Extract 6 – Lessons from past associative experiences

Entrepreneurs HZa and MMah's association experiences are specific and have finally played an important role in their decision to create a business. Indeed, the association “Junior Enterprise” is very important for students in business schools. This association is a miniature

of what entrepreneurs face in “real” business. As the entrepreneur MMah said: “the experience of the Junior Enterprise has given us a taste of what a company can be.” Being in contact with the various authorities has contributed to the entrepreneur MMah’s knowledge development in terms of non-technical know-how. The entrepreneur HZa’s experience in the same kind of association has also been successful in terms of knowledge accumulation. The entrepreneur HZa says that the Junior Enterprise is “the best school to hone ones entrepreneurial spirit.”

Other kinds of associative experiences, apart from the Junior Enterprise of the major schools, have a stronger impact on the entrepreneur in the sense that they affect in some way opportunity identification. The entrepreneur SS’s experience is a perfect example. Indeed, his experience with Tunisian Boy Scouts allowed him to learn how to behave in society, to share, to take responsibility at an early age, and be empowered to become independent. The education he received from the scouts opened his eyes to an element which has proved, later, the key to its business idea. Extract 7 illustrates this point.

“\* What have you learned from your experiences?

Since I had 6 years-old, I joined the Boy Scouts of Tunisia because my mother died when I was young. In Boy Scouts, I learned to work in teams, to share with others, to show solidarity, to think too. It allowed me to quickly become a very sociable. When I was young at the boy scouts, they call me on “manager” because I was planning all the time our exits and I had a little leadership. This training in the Boy Scouts made me aware of my abilities as a manager and my abilities especially as a good speaker who can communicate with others. So I kept the spirit of communication. When I started thinking about launching my own business, I always favored ideas that revolved around communication. If you want the training that I had in scouts served me well to guide my thinking and ideas to what I can do best: communicate”. (Interview 4 SS)

Extract 7 - L'impact des expériences associatives antérieures sur l'idée d'affaires

Having an associative experience like the Boy Scouts is a trainer for an individual in the sense that the individual incorporates it at an early age. Scouting's mission is to build the personality of the child to develop his talents and vision of the world in a context of sharing and mutual assistance with all the young scouts. For the entrepreneur SS, the experience of scouting has been the source of his business idea. Indeed, he has learned not only the importance of communication with others to survive and to enjoy in a group, but also to distinguish it from other members who compose it: “I had a little leadership.” Thus, when he had the intention to create a business, his thinking was "naturally" turned to the communications’ sector. The Boy Scouts experience was not a direct source of business idea, but it has, indirectly, an impact on the raising, on the one hand, the taste of entrepreneurship, of leadership, and on the other hand, the importance of communication between individuals.

It would therefore seem that associative experiences of Tunisian entrepreneurs in our sample have no direct impact on entrepreneurial opportunity identification. However, we can make a proposition about the impact of prior associative experience on the intention to create a business. We therefore believe that:

*Proposition 2: Earlier commitment in associations increases individuals’ desirability for starting a business.*

### 3. Discussion and Conclusion

As we have seen, past experiences have an impact on entrepreneurial opportunity identification within a sample of Tunisian entrepreneurs. It must be noted that all past experiences do not have the same impact. Indeed, past experiences, which provide the business knowledge and especially information that other entrepreneurs do not necessarily hold (Venkataraman, 1997), undoubtedly influenced the identification of business opportunities. The knowledge accumulated by the Contractor to provide market information that are, in some cases, it will identify a business opportunity that others will not because they do not have the same knowledge and information as it. Past professional experiences confined, however, the entrepreneur in a single field which hampers its ability to identify opportunities in other sectors (Minniti and Bygrave, 2001). Like prior knowledge of markets, past experience is a variable that influences entrepreneurial opportunity identification.

As for Prior entrepreneurial experiences, we cannot generalize our results because of the small size of our sample of entrepreneurs. However, we can say that these factors influence the entrepreneur in his/her approach to the entrepreneurial process. Indeed, the experience of a first or several creation (s) of company (s) allows the entrepreneur not to repeat the same mistakes, to be faster in solving problems that meeting entrepreneurs who have already had business experience to acquire new skills and greater ability to process information through cognitive resources accumulated during the past entrepreneurial experience. We therefore believe that the entrepreneurial past experiences influence *how* entrepreneurs identify business opportunities.

We have not validated the fact that whether associative experiences of Tunisian entrepreneurs have an impact on entrepreneurial opportunity identification. However, these associative associations have had, in some cases, an impact on the desirability of establishing a business for Tunisian entrepreneurs.

It appears from this discussion that prior knowledge and past experiences in our sample of Tunisian entrepreneurs have an impact on business opportunity identification process but at different levels. Indeed, some issues remain unresolved and further research should be conducted to understand the impact of these variables on entrepreneurial opportunity identification process. Should we, indeed, through support of entrepreneurs pushing them to seek information that is related to what they already know to increase their chances of identifying entrepreneurial opportunities or, conversely, should we encourage them to discover other areas they do not know to identify new opportunities people in the area have not yet identified.

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