

A Critical Review of Aspelund, Berg-Utby, and Skjevdal 2005, Initial resources' influence on new venture survival: a longitudinal study of new technology-based firms

Introduction

Aspelund, Berg-Utby and Skevdal introduce how their longitudinal study helps new tech firm survive under the cutthroat competitive environment. This critical review will recap this article and evaluate the longitudinal solutions they implemented in the study.

Summary

A firm remaining alive after establishing is the core anxiety for new tech enterpriser. For refiling these pains, Aspelund, Berg-Utby, and Skevdal investigated and analysed a longitudinal solution by seven sections. In the beginning, authors offer a background of the surviving matters of current new tech enterprises and confirm the positive impact of their study. In the Theoretical Framework section, they proposed 4 hypothesis that assumes more individuals, significant company experiences, the degree of heterogeneity and embedded radicalness can enhance the entrepreneurial survival probability. In the methodology section, they used the Cox regression model to calculate the longitudinal risk for the samples. In the Result section, authors use tables displaying the present survival status of company samples; they also illustrated the influences impacted by the variables they proposed before. Their result perfectly proved the high technical radicalness could assist company survivals. In the following Discussion, Limitations and further research and Conclusion sections, the authors analysed the results and talked about the further improvement of this study.

Evaluation

In this article, authors proved that good strategic management or an experienced boss is not the cures of enhancing survival, but the radical innovation is. However, the strategic management and experiences are seemed necessary to some occasions. The PP2 course emphases these two skills in the criteria which defined by Skills Framework for the Information Age (SFIA) (a qualified higher-level technological manager has successful business skills)[1]. For individual entrepreneurs, the strategic decisions will bring them a think-forward benefit [2]; such decision making can protect young innovationists from market competitions and finally survive [2]. In additional, radical innovation discussed in the article is more like a revolution which may eventually change the order of that market. Therefore, finding the valuable business resources, introducing cutting-edge ventures into the market, and increasing competitions can be the strategies [2, 3] that approach a radical technological business. This article uses actual data precisely analysed the effects of their hypothesis, as the limitations they mentioned, they proved the correlations between organisational performance with survival rate, however, the indicator is too unitary.

Conclusion

In conclusion, although this article summarised the factor that positively impact the survival is different from the other authors' conclusions; Their statistical data is fully convincing, moreover, the "readiness" idea agrees with the other papers that talk about strategical operations. This paper provides entrepreneurs a new vision of seeking survival.

Reference

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- [2] W. W. Kirkley, "Creating ventures: decision factors in new venture creation," *Asia Pacific Journal of Innovation and Entrepreneurship*, vol. 10, no. 1, pp. 151-167, 2016/12/05 2016.
- [3] A. K. Yetisen *et al.*, "Entrepreneurship," *Lab on a Chip*, 10.1039/C5LC00577A vol. 15, no. 18, pp. 3638-3660, 2015.