APPLYING THE GENERAL THEORY OF ENTREPRENEURSHIP TO FRANCHISING

Jenni Torikka
Ph.D. Student, Researcher
University of Jyväskylä School of Business and Economics
University of Jyväskylä
P.O. Box 35, FI-40014 University of Jyväskylä
Finland
Email: jenni.m.torikka@jyu.fi

To be presented at the 25th Annual International Society of Franchising Conference
Boston University
Boston, Massachusetts, U.S.A.
June 16-18, 2011
Applying the General Theory of Entrepreneurship to Franchising

Abstract

This essay takes an entrepreneurship viewpoint toward franchising and centres on the entrepreneurial process of franchisees. The applicability of the general theory of entrepreneurship presented by Shane (2003) is explored in the franchising context. Shane introduced a model of the entrepreneurial process in response to the failure of prior research to provide one. According to Shane, prior research has tended to look at only part of the entrepreneurial process, with the result that no general theory of entrepreneurship has been developed. Studies that consider franchising as a form of entrepreneurship are rare, as are studies on the entrepreneurial process of a franchisee. This conceptual study examines whether Shane’s framework is applicable to franchising, and why. The proposals put forward here have implications for franchising researchers, franchisors, people interested in becoming franchisees, and for organisations planning to franchise their business.

Keywords: entrepreneurial process, entrepreneur, franchisee, franchisor