

Entrepreneur's Vision

The Role of Future Imagination

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Abstract

In recent years, the issue of future thinking and innovation has received much attention. With the rapid transformation in the society and technology, it is expected to have psychological and social impacts on individuals, people might lose grip of the image for the future and ability to adapt to the future. Scholars from pedagogy and futures studies aim to discover or invent, examine, evaluate and propose possible, probable, preferable and prospective futures, and emphasizes on the images of the future plays a crucial role in social and cultural change, indicating the importance of imagination in futures education and the process of realizing the future. Although the importance of imagining the future has been acknowledged in a number of academic disciplines, such as philosophy, psychology, pedagogy, anthropology, comparative literature and popular culture studies, however, little attention has been drawn in the field of business. As a driving force to creativity and innovation, we propose that imagination towards the future assists entrepreneurs form their start-up ideas and visions. Based on a case study, we concluded that future imagination plays an important role in creating vision and value for an organization.

Keywords: Entrepreneur, Vision, Future Imagination.

Introduction

With the fast changing market trends and technological development, businesses that are able to respond to the environmental changes are more likely to succeed and gain competitive advantage. Previous studies has shown that creativity and innovation has been considered as a critical ability in sustaining business competitiveness and productivity [i.g. 1], For startups, on the other hand, there might be other underlying motivations and processes. For example, Shukla [2] posits that entrepreneurs see gaps between the markets that can be partially filled by creativity and innovativeness. However, under turbulent conditions, being creative and innovative may not reflect success. Further, as the antecedent of creativity and innovation, imagination remained unexplored in organization studies. In the current study, we aim to explore the role of future imagination in building up entrepreneurial visions.

In previous researches, scholars emphasize the importance and increasing attention in entrepreneurship research [3]. According to Davidsson & Wiklund [4], entrepreneurs are individuals who carry out entrepreneurial initiatives in organizational contexts, often resulting in forming new firms or the rejuvenation and improved performance of established firms. Entrepreneurial initiatives would result in innovation, alter existing industries or even create new ones, and it promotes economic growth and benefits the society in many different aspects. Also, new ventures started by entrepreneurs offer a

unique and valuable context for testing the principles and theories of human resource management [5].

Entrepreneurship may take place in different contexts [6], and scholars have been interested in various aspects of entrepreneurship such as opportunity recognition [2, 7]; entrepreneur's characteristics [i.e. 8]; as well as analyzing entrepreneurship in different levels [4]. In a similar interest to our current study, Keating & McLoughlin [9] sets out to explore how context impacts the development of a new venture. On a resource-base view, they included entrepreneurial imagination as a construct that allows a new venture to change through connectivity and knowledge [10]. Through a longitudinal case study, they explored how the focal new venture imagined their future horizons and focused on how they allocate resources and venture capitals, confirming that imagining the future plays a crucial role in the start-up process. On a different approach, the current study expects to explore the relationship between future imagination and entrepreneur's vision, and contributes to entrepreneurial literature by providing a more comprehensive definition of future imagination.

Literature Review

Imagination and Future Imagination

From a futures perspective, Toffler [11] mentioned that with the rapid transformation in society and technology, individuals would be impacted socially and psychologically, as they might not possess the ability to adapt and imagine the future. Scholars from pedagogy and futures studies aim to discover or invent, examine, evaluate and propose possible, probable, preferable and prospective futures [i.e. 12], and emphasizes on the images of the future plays a crucial role in social and cultural change [13], indicating the importance of imagination in futures education and the process of realizing the future.

Imagination has different definition across different disciplines, including philosophy, psychology, pedagogy, anthropology, comparative literature and popular culture studies [14]. For example, ancient psychology's definition was "faculty midway between sense and intellect, it is seen as reproduction of sensuous impressions" [15, p.170]; philosophers and psychologists links imagination with imagery and images, as it is a way of consciously relating items to the real world [16, 17,18].

Imagination, on the other hand, plays an important role in the creative process. Flowers and Garbin [19] suggest that creativity involves the generation, manipulation, and transformation of images to generate novel representations. And Vygotsky [20] indicated that imagination is the basis of all creation, based on previous real life experience, imagination links representations and images to the final product of human creation. Bacon [21] categorized imagination into reproductive imagination and creative imagination: reproductive imagination "calls up images of past experiences", it overlaps with memory [22], and creative imagination "summons things future and remote". As imagination is to imagine is to think of possibility, it is something one can try to do and either succeed or fail in doing [23], the emphasis in the current study will be put upon imagination towards the future, adding a temporal dimension to imagination.

From Temporal focus to Futures Thinking and Future Imagination

One approach to thinking about the past, present and future is temporal focus; it refers to the perception and attention one devotes to thinking about different time frames [24, 25]. According to Shipp et al. [25], past, present and future-focus individuals differ in their personality and attitudes, future information is important to future-focus individuals, and they tend to be more satisfied and committed to their job. Indicating that future thinking promotes goal setting, motivation and positive attitudes [25, 26, 27].

OECD [28] takes a broader view to temporal thinking, they define “futures thinking” as: providing a way to promote desirable futures and avoid the undesirable, by reflecting and examining all sorts of transformation over the next 10, 15, 20 or even longer periods. Thinking about the future helps illuminate what is possible, clears out the choices for decision-making and informs the assessment of alternative actions. In the current study, we reason that future imagination is a future focused imagination, and adopt OECD’s view that the desirable and possible future is the objective for future imagination. Further, we are concerned about the role of future imagination in start-up process, how it assists decision-making and shaping the vision of the organization.

Vision

For organizations, vision is an ideal that represents the shared values to which the organization should aspire [29], it is the desired future that strongly interconnect with the framework that underlies the organizations [30]. Vision can be seen as emergence of images or pictures [31], and it requires two major components: defining the organization’s core ideology and envisioned future [32]. An organization’s core ideology articulates the core values, which inform members the timeless guiding principles, and core purpose describes the organization’s reason for existence; envisioned future consists a long-term audacious goal and a vivid description of the desired future state.

Drawn from the aforementioned definitions, there are overlapping descriptions in future imagination and vision. As it both contains reproduced images in the future time frame, it can be inferred that the vision for an organization may derive from leader’s future imagination. Leaders utilize vision as forward-looking goals for their followers; it serves as motivation for follower commitment and garner group identity [33]. Therefore, the current study would like to investigate the relationship between future imagination and vision creation.

Methodology

Due to the absence of previous research on future imagination, we find it applicable to adopt a qualitative approach; we conduct a case study that utilize primary face-to-face interviews with the owner, accompanied with e-mail correspondence, news reports and online materials. Case study is considered as a strategy of evidence research, which provides rich empirical descriptions of particular instances of a phenomenon [34]. Our purpose is to explore the role of future imagination in the entrepreneurial process. According to Eisenhardt & Graebner [35], using numerous and highly knowledgeable informants who are able to view the focal phenomena from diverse perspectives limits bias. Also, choosing cases can be based on the unusually

revelatory, extreme exemplars or opportunities for unusual research access [34, 35].

The focal case is an online start-up based in China, one of the authors of this study knew the start-up from its early stage, providing good source for a longitudinal exploratory case study. Initially, there was a consideration to investigate multiple cases, however, we settled with a single case for two reasons. First, the entrepreneurs we approached were not in the early stage of their start-up, making it difficult to retrieve information from their start-up process. Also, start-ups from different industries showed different patterns, some other cases we approached were considered insufficient for the current study. Taken these considerations, we decided to present a rich and complete description from a single case research, which exploits opportunities to explore a significant phenomenon [35].

Results

We examined the data we collected from semi-structured interviews and various sources, followed an iterative process that involves removal or replacement of concepts that adds to our framework.

Brief Overview of the Case

The focal case is an online company that creates a web service that provides game experience to users' life events. By providing some quests online, users can complete several tasks on the checklist, share it with friends and make comments, adding a role-playing game experience and social networking feature to things they do in real life. For example, quests like "Take a Walk", or "Become a Early Riser", upon completion on each quest, users will receive a badge that represents social network status, as well as showcasing to friends in your personal online network. The site is named one of the "most promising start-up" by Ushi.cn [36].

Their Future Imagination and Vision

The idea came from their CEO, it was inspired from a task app on his iPhone. Then he approached 3 other co-founders with his idea in August 2010, soon after they stated looking for funding and building product prototypes.

So August, middle August, September, we had the prototype within a month. Basically as soon as the idea was launched, soon as we're approached, he already started building something. Was a little slower than we initially estimated, but, you know we had something usable, I think October, November, it was pretty quick. It was more fully functional in December. (Page 2, line 11-16)

Their imagination of the online service was pretty simple, during that time LBS (location based service) was popular online, instead of checking into a location like other web applications, the service provided by the focal case was check into an achievement.

The idea was very simple, just to integrate things you do. And add achievements to it and make it social so that you can share. (Page 1, line 20-21)

I thought it was very simple thing, you do something, because I do a lot of Xbox, I just did something, you know according to this goal step by step and I get an achievement, that I can share with people. (Page 4, line 20-22)

All four founders of the website had their full-time jobs and joined this start-up part-time. All of them worked in the online and games industry, so they had knowledge and were sensitive to the online market from their personal experiences, these help create the future imagination and build the vision for the website.

We wanted to make a game that was more real and compelling. I mean your friends couldn't care less, if you're growing a plant or something (@Farmville). But our first premise is that your social graph is positive and they are going to support you. The younger generation is very socially integrated and supportive through Facebook or Twitter. [36]

The expected future for the site is to be more integrated to mobile devices like smartphones or iPads. Then develop a revenue generation model, which they already had in mind during the founding stage.

We would like to get companies to engage, and its long-term engagement, people earning points and achievements. So that's where I'd like to see it go. (Page 4, line 4-5)

Discussion

The current research aims to explore the role of future imagination in the creation of vision for start-ups. From the case of an online game company, we found that their future imagination was rather simple, based on the founder's past knowledge and projections for future trends, they developed the vision together as a guideline of where the service would become. The implications and limitations are discussed in the following section.

International and Managerial Implications

The importance of vision and its effects on organization level performance has been confirmed by scholars, and visions for a new venture are established according to the entrepreneur's values and ability [i.e. 37]. In an attempt to find out the role of future imagination in the start-up process, we found that possessing the ability to imagine the future helps create the future goal of a new venture, and past experience and knowledge contributes to imagination and formation of new strategies, products or services.

During turbulent times when technologies are developing so fast, organizations are faced with unforeseeable challenges in the dynamic market environment. New ventures and entrepreneurs promote economic growth by identifying new opportunities [38], nurturing the ability to imagine the future is critical to entrepreneurship. For organizations, we propose that it would be useful to incorporate future imagination as a part of their education and training, in order to bring innovation and the ability to respond to the fast changing environment.

Limitation and Suggestion for Future Research

The current study includes one single case, although it provides rich information about the start-up process, whether it is generalizable across other industries and organizations require further investigation. A second limitation is that our focal case is still in its incubation stage; the size is rather small, further observation can be made to investigate how future imagination and vision evolve with its development. We recommend that future research can continue to probe the future imagination process on not only new ventures, but also in established organizations. How it affects strategies and organizational change in predicting and imagining the future can be worth perusing for further research.

Conclusion

Imagination is not only the basis of creativity [20], but also underwrites personal transformation and social change [39], and temporal focus contributes to organizational and strategic decisions [40]. Taken together, the current study made contributions to literature by incorporating the notion of imagination, temporal focus and future thinking and proposed that future imagination is an important ability that should receive more attention in organization and entrepreneurship studies. At the incubation stage of a new venture, entrepreneurs had in mind of what the venture would become, its position on the market and the roadmap for reaching the goal [37]. The results offered potentially new insights into the importance of cultivating future imagination for entrepreneurs or managers.

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