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Religious Institutions and Entrepreneurship Among Marginalized Groups

Ryan S. Coles

A thesis submitted to the faculty of
Brigham Young University
in partial fulfillment of the requirements for the degree of

Master of Science

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June 2014

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ABSTRACT

Religious Institutions and Entrepreneurship Among Marginalized Groups

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The phenomenon of entrepreneurship has become increasingly important to civic and private leaders all over the world. In response to calls by scholars to develop theory on entrepreneurship by conducting systematic analyses of how specific institutions shape the entrepreneurial process, the current study explores how Muslim and Mormon religious institutions shape entrepreneurship for their adherents. Through observation and in-depth interviews with Muslim and Mormon entrepreneurs, the study found that religious institutions from both faiths shaped several important entrepreneurial phenomena: decision making, confidence and support, opportunity creation, and opportunity recognition, as well as management and other entrepreneurial skills. The study shows the contribution of institutional theory to understanding entrepreneurship, and proposes several contributions to theory on entrepreneurship. First, the study contributes to theory on the relationship between religion and entrepreneurship by proposing additional theoretical logic for the relationship. Second, the study contributes to understanding why certain individuals are able to bypass the shame inherent in the social deviance that can accompany entrepreneurship by proposing the concept of extra-social legitimacy.

Keywords: entrepreneurship, institutions, marginalization, ethnicity

ACKNOWLEDGEMENTS

I would like to thank my graduate committee for their insights, guidance, and time. Every member of the committee was patient, encouraging, and instrumental in the completion of this project. I would especially like to thank my chair, Carol Ward, for the countless hours she spent working with me through phase of the research. Additionally, I would like to thank my wife, my parents, Ralph Brown, and the participants of this study. My wife, Chloe Coles, has been a tireless companion and confidant throughout this project. I consider her the most important professional colleague of my academic career. My parents, Scott and Pam Coles, for their love and support which enables me to pursue my dreams. Every notable accomplishment of my life is their fruit, not my own. Next, I would like to thank Ralph Brown. Ralph, without you my current life path, which is a better path than I ever dreamed possible, would not have been attainable. I will always carry you with me. Finally, I would like to thank every entrepreneur who participated in this study. It's the audacity of people like them that creates new economic prosperity for countless others. Carry on!

TABLE OF CONTENTS

Abstract.....	ii
Acknowledgements.....	iii
Table of Contents.....	iv
List of Tables.....	vi
List of Figures.....	vii
Introduction.....	1
Theory and Literature.....	3
Entrepreneurship and Institutional Theory.....	3
Religion and Entrepreneurship.....	9
Methods.....	11
Case Study Location.....	11
Data Collection.....	13
Data Analysis.....	16
Results.....	18
Institutions as Resources for Entrepreneurs.....	18
Skills.....	18
Opportunity recognition.....	26
Opportunity Creation.....	30
Extra-Social Legitimacy.....	32
Decision-making.....	33
Confidence and support.....	43
Summary of Results.....	48

Discussion.....	50
Limitations and Future Studies	58
References.....	60
Appendix.....	72

LIST OF TABLES

Table 1. Types of Institutions.....	76
Table 2. Types of Institutional Carriers.....	77
Table 3. Participant Overview.....	78
Table 4. Summary of Results on Skills.....	79
Table 5. Summary of Results on Opportunity Recognition.....	80
Table 6. Summary of Results for Opportunity Creation.....	81
Table 7. Summary of Results for Decision Making.....	82
Table 8. Summary of Results for Confidence and Support.....	83

LIST OF FIGURES

Figure 1. Current Conceptual Model.....	84
Figure 2. Common Services to Support Entrepreneurs.....	85
Figure 3. Proposed Conceptual Model.....	86
Figure 4. Proposed New Concept in a Conceptual Model.....	87

INTRODUCTION

“The process of receiving inspiration from a higher power has a very direct correlation with recognizing opportunity because without that higher power there is no one else that can even understand that [entrepreneur’s] idea, or change in the way they do things, or the market that they are trying to fill that no one has thought of before- isn’t that what an entrepreneur does? He does not follow the trail, he creates a new one- so the need for a higher power is automatic.” - Participant entrepreneur

The phenomenon of entrepreneurship has become increasingly important to civic and private leaders all over the world because they see the practice as having positive effects for societies. For example, Dr. Schechtman, an Israeli Chemist who won the Nobel Peace Prize in 2011, recently stated that, “entrepreneurship is the only way to maintain long-term peace” (Geromel 2012). In a similar vein, Mohamed Ali, a Somali Muslim who is the Executive Director of the Iftiin Foundation, pointed out in a TED Talk in 2013 that entrepreneurship is a powerful tool against terrorism, violence, and gangs (Ali 2013). Given these statements, it seems that if there is one thing that Muslims and Jews can agree on, it is that entrepreneurship is a key component to working through disagreements that have often led to violence and injustice. Scholars have also identified social mobility, competitive advantage, and social development as other positive effects of entrepreneurship (Quadrini 1999; Rocha 2004; Newbert, Gopalakrishnan, and Kirchhoff 2008). Given its positive outcomes, entrepreneurship is a phenomenon deserving of continued scholastic attention.

The current study explores how religious institutions shape the entrepreneurial process for marginalized groups. As pointed out in the commentary of the interviewee at the start of this study, entrepreneurs are often involved in that which is new or different, and this means that there are few people to whom they can turn to for support. The conclusion of this entrepreneur, therefore, was that “the need for a higher power is automatic.” This suggests that religious institutions may have an important role to play in shaping the entrepreneurial process, and in supporting entrepreneurs, individuals who endeavor to create new economic activity.

Importantly, researchers have discovered that regulatory government institutions may not be as central to supporting entrepreneurship, or the creation of new economic activity, as previously thought (Morris 2014). Thus, to better explain entrepreneurship, it would be theoretically useful to undertake a more systematic analysis of how other regulatory, normative, and cultural cognitive institutions shape entrepreneurship, rather than simply the systematic analysis of government regulatory institutions, which was undertaken by other scholars such as Estrin (2013). Accordingly, this study focuses on religious regulatory, normative, and cultural-cognitive institutions.

Taking a Durkheimian perspective, I focus on religious institutions because religion is viewed as the fundamental social institution of humanity, and as the social institution that gives birth to other social forms (Allan 2005). Thus, a more systematic analysis of how normative and cultural-cognitive institutions shape entrepreneurship should necessarily begin with religious institutions. This study also focused on marginalized groups because understanding how marginalized groups gain access to opportunities available to the larger society is a central theoretical question of sociology (Calhoun 2002; Allan 2005). Questions of marginalization and access is particularly important to entrepreneurial studies given that entrepreneurship is fundamentally about recognizing, accessing, and exploiting opportunities.

I gathered qualitative data on Muslim and Mormon entrepreneurs for several reasons. First, in contrast to previous European immigrant religions introduced to the American fabric, Islam has not followed a linear path towards respect and then upward mobility (Portes and Rumbaut 2006). Instead, the increase in Muslims has been met with more hostility (Portes and Rumbaut 2006), the ability of this marginalized group to access economic opportunity is interesting to investigate (Davis 1971). Mormons provide an interesting comparison to Muslims

because the population sizes of both faiths are similar, and both faiths are viewed unfavorably by the greater US society. Furthermore, Mormonism was one of the first religions developed within the new American Republic, and it is certainly one of the more successful religions native to the United States. Together, the groups can offer a sense for how religious institutions shape entrepreneurship for marginalized immigrant religious groups as well as for marginalized religious groups that are native.

Thus, the overarching research question for this study is: How do Mormon and Muslim religious practices shape the entrepreneurial process of their adherents? I will present data relevant to this question from an exploratory study conducted in Orange County, CA, among Muslim and Mormon entrepreneurs, two marginalized religious groups located in this area. Data for these groups indicate that unfavorable views of Muslims and Mormons are at nearly the same levels nationwide (Newport, 2007; The Coexist Foundation 2009), and the population sizes of Muslims and Mormons in Southern California are very similar. Therefore, Muslim and Mormon entrepreneurs in Southern California are ideal groups for which to explore the research questions for this study. In exploring how Muslim and Mormon religious institutions shape entrepreneurship for their adherents, I examined the specific religious practices and beliefs of each group that shape the entrepreneurial process, and how those practices and beliefs may also support entrepreneurs through the entrepreneurial process. The intention of the exploratory study is to provide testable propositions that can contribute to developing theory on entrepreneurship.

THEORY AND LITERATURE

Entrepreneurship and Institutional Theory

The current study uses the Schumpeterian view of entrepreneurship. Within Schumpeterian framework, an entrepreneur is one who disturbs “the economic status quo

through innovations” (Chell, Haworth, and Brearley 1991). Entrepreneurs disturb the economic status quo by creating a new market, reorganizing an existing market, utilizing a new resource, practicing new methods of production, or by introducing a new product or service (Goss 2005). Thus, according to the Schumpeterian view, entrepreneurship is not only about business creation, rather it is characterized by creating high growth economic activity through innovative organizational behavior that usually includes new venture creation (Henrekson and Sanandaji 2013). From a sociological perspective, Schumpeterian entrepreneurship is positive social deviance that leads to some kind of social change (Goss 2005; Calas, Smircich, and Bourne 2009). Entrepreneurial activity refers to the activities by which opportunities are discovered, evaluated, and exploited (Shane and Venkatraman 2000). Again, the heart of entrepreneurial activity is often new venture creation, and therefore, the analysis of entrepreneurial activity often includes concepts such as independent business ownership and self-employment (Gartner 1988; Low and MacMillan 1988; Shook, Priem, and McGee 2003; Parker 2009).

The legitimacy of entrepreneurship as a viable career path varies across space, time and social networks (Sorenson and Audia 2000; Romanelli and Khessina 2005; Khessina and Carroll 2008; Sine and Lee 2009; Tolbert, David, and Sine 2011). Research on ethnic entrepreneurship, in particular, indicates variation in the acceptance of entrepreneurship as a viable career path (Aldrich and Reiss 1976; Bonacich 1973; Waldinger, Aldrich, and Ward 1990; Light 1995). Within this body of research scholars have posited various hypotheses to explain variation in the acceptance of entrepreneurship among a variety of social groups. For example, models within neoclassical economics argue that human capital explains ethnic business start-up rates (Masurel, Nijkamp, and Vindigni 2004). Cultural practices have also been included in explanations for ethnic variation in the acceptance of entrepreneurship (Fawcett and Gardner 1994). For example,

cooperative and friendly cultures positively predict entrepreneurial rates, whereas cultures that value planning, predictability, and individual performance are not predictive of entrepreneurial rates (Stephan and Uhlaner 2010). According to the theory of ethnic market niches, differences in entrepreneurial engagement among ethnic groups are due to differences in opportunity structure, group characteristics, and ethnic strategy (Waldinger et al. 1990; Zhou 2004). These constructs also help explain the rate at which ethnic entrepreneurs move beyond their ethnic niche markets, and into more mainstream markets, if at all (Yoon, 1999). Finally, the social capital approach posits the importance of social networks. Specifically, the network associated with one's ethnic group serves as kind of incubator for ethnic entrepreneurship. For example, start-up capital, cheap labor, suppliers, and even loyal customer pools are often drawn from an ethnic entrepreneur's family, friends, and their co-ethnic community (Altinay and Altinay 2008; Dalziel 2008; Ensign and Robinson 2011).

Scholars have recently used institutional theory to explain entrepreneurship. Generally, institutions are widely held beliefs on appropriate organizational practice and structure (Meyer and Rowan 1991), rules and regulations (North 1990), norms on social interactions (Jepperson 1991), and taken-for-granted assumptions based on culturally constructed roles and scripts (Scott 2007). In short, institutions are broadly classified into three types (see Tables 1 and 2). Rules, regulations, and laws are classified as regulatory institutions (Scott 2007). Norms, obligations, and expectations are classified as normative institutions, and categories, scripts, and roles are classified as cultural-cognitive institutions. Additionally, institutions are carried, or conveyed, through symbolic systems, relational systems, artifacts, practices, and routines (Jepperson 1991; Scott 2007). Institutional theory analyzes the regulatory, normative, and cultural-cognitive forces that shape the behavior of individuals, groups, and organizations (Tolbert et al. 2011). Therefore,

the theory is more concerned with explaining behaviors associated with position, survival, and legitimacy than with explaining “efficiency-seeking behavior” (Roy 1997; Bruton, Ahlstrom, and Li 2010). Two central assumptions of the theory are that humans are limited in their cognitive abilities, and that humans employ heuristics in decision-making as a result of those limits (Bruton et al. 2010).

The distinctions in institutional “type” are important because normative and cognitive institutions can differ across regions even when the legal regulatory environment is the same (Audretsch, Bonte, Tamvada 2013). It should be noted, however, that institutions may overlap. In other words, an institution could have regulatory and normative properties, normative and cultural-cognitive properties, or properties of all three (Scott 2007). Furthermore, institutions have been shown to be predictors of organizational behavior (Meyer and Rowan 1977; DiMaggio and Powell 1983). In fact, institutional theory posits that the firm’s desire for legitimacy leads to conformity to the rules, norms, and culture of the firm’s institutional environment. Again, see Tables 1 and 2 below as an overview of the different types of institutions as well as the types of institutional carriers.

[Tables 1 and 2 about here]

Differences with regards to logic, affect, and basis for legitimacy are important to note given the study’s intention to explain entrepreneurship among marginalized groups. First, given that government regulatory institutions are not as important in shaping entrepreneurship as previously thought (Morris, 2014), one could suppose that engaging entrepreneurship is less about lack of instrumentality, and more about appropriateness and orthodoxy. One could also suppose that participation in the practice is less about fear, and more about shame and confusion. Finally, one could suppose that the basis for further legitimizing entrepreneurship among a population is less

about legally sanctioning the action, and more about making it morally appropriate as well as making it culturally supported, comprehensible, and recognizable. The context of marginalization could speed the process through which entrepreneurship becomes morally appropriate given that marginalized groups are usually disconnected from mainstream economic activity in some way. In another direction, differences in institutional carriers, particularly differences in activities, are important to note. Morris' work (2014) would suggest that government activities, such as monitoring and sanctioning, may not shape entrepreneurship as much as a population's religious routines, habits, scripts, and predispositions. This suggestion could be particularly true among marginalized groups whose access to mainstream opportunities may be cut off due to government monitoring and sanctioning.

The relationship between institutional environment and firm outcomes has been widely studied (Hoskisson et al. 2000; Ingram and Silverman 2002; Peng et al. 2009; Hiatt and Sine 2013). In fact, institutional environments are found to be the source of a firm's supply house, outputs, and even its meaning (Silverman 1971). Researchers have explored the effects of culture (Hiatt, Sine, and Tolbert 2009), economic environment (Meyer et al. 2009), state policies (Dobbin and Dowd 1997; Fligstein 2001; Henisz and Delios 2001; García-Canal and Guillén 2008; Vaaler 2008), and certification systems (Sine, David, and Mitsuhashi 2007) on various outcomes such as performance, foreign entry decisions, personnel strategies, and alliances. Thus, institutions can support or inhibit firm activity.

Building on the shared assumptions related to the human use of heuristic devices to guide behavior, the literature on institutional theory has two different streams: economic institutionalism and sociological institutionalism. Economic institutionalism is based on North's (1990) work, and focuses on regulatory level institutions. Within North's theory of institutions,

the critical mechanism is the system of rules and governance developed by individuals in an organization or society (Shepsle 1989). Regulatory institutions can constrain or empower certain behaviors through coercion and fear (Scott 2007). Estrin, Korosteleva, and Mickiewicz (2012) found a statistically significant relationship between regulatory institutions and national levels of young firms (firms founded less than 42 months prior to the administration of the survey). The authors' results indicated that entrepreneurs benefit from regulatory environments that enforce property rights, constrain corruption, and have low levels of government activism.

This study, however, also focuses on normative and cultural-cognitive institutions within the Mormon and Muslims faiths, an approach that is based more in sociological institutionalism, or neo-institutional theory. Neo-institutional theory is based on the works of DiMaggio and Powell (1983, 1991) as well as Meyer and Rowan (1991). Building on Durkheim's conceptual framework, scholars have argued that meanings are social facts that reside in institutions and that institutions are complexes of cultural rules (Silverman 1971; Meyer and Rowan 1977). Therefore, the rationalization of cultural rules through institutions provides the basis for organizational construction (Meyer and Rowan 1977). In contrast to the economic perspective, neo-institutionalists assume that decisions are made based on heuristics, and that individuals, groups, and organizations act on "conventions and preconscious behavior" (Bruton et al. 2010). The conventions and taken-for-granted behaviors upon which actions are based stem from social norms as well as the society's cultural scripts. Therefore, neo-institutionalists argue that choice and preference cannot be fully understood outside of the cultures in which they are embedded (Scott 2007). In short, neo-institutional theory focuses primarily on normative and cultural-cognitive institutions. Thus, the decision to engage in the entrepreneurial process is a social product that is shaped by the normative and cultural-cognitive institutional environment (Tolbert

et al. 2011). In fact, neo-institutional theorists argue that the institutional environment informs an entrepreneur's strategic decisions regarding opportunity and limitation (Baumol 1990, 1993; Bowen and DeClercq 2008; Boettke and Coyne 2009; Autio and Acs 2010; Aidis, Estrin, and Mickiewicz 2012). Thus, normative and cultural-cognitive institutions are important to consider in understanding the decisions and actions of entrepreneurs, including choosing entrepreneurship as a career.

Tolbert et al. (2011) defined a direction for future research on institutional theory and entrepreneurship by inquiring:

What are the social conditions that make entrepreneurial activity more easily accessible as an employment option within a group and that support such activity (i.e., that give rise to entrepreneurship as an institutionalized career path)? (1340)

Estrin et al. (2012) recognized a similar direction for future research on entrepreneurship: "There has been little systematic analysis of how various types of institutions affect different forms of entrepreneurial activity" (pg. 564). Recognizing Morris's (2014) assertion that government regulatory institutions may not be as central to the creation of new economic activity as previously thought, this study undertakes a more systematic analysis of the role of religious regulatory, normative, and cultural cognitive institutions in entrepreneurship, and therefore addresses an important gap in the literature

According to a "Durkheimian" perspective, religion is viewed as the fundamental social institution of humanity, as well as the social institution that gives birth to other social forms (Allan 2005). Thus, a more systematic analysis of how non-governmental institutions shape entrepreneurship should necessarily begin with religious institutions.

Religion and Entrepreneurship

Sociologists have long postulated that religion plays an important role in (and, therefore, is an explanatory antecedent to) economic activity and entrepreneurship. Weber's Protestant

Ethic theorizes that Calvinist thought gave rise to Modern Capitalism. According to Weber, man by nature did not possess the mindset for becoming successful capitalists. Therefore, the formation of modern capitalism required the formation of a new mindset that Weber calls the Protestant Ethic (Weber 1904). In other words, the Protestant cultural cognitive institutions provided the social scripts necessary for men to engage in the creation of high growth economic activity. A recent alternative to Weber's Protestant Ethic proposes an Islamic-based theory on the origins of capitalism (Coles 2013). In addition to explaining the rise of economic systems, religious belief has also been hypothesized in explanations of an individual's tendency to engage or not engage in the practice of entrepreneurship (Dana 2010). One explanation is that religious dogma imbues a desire for autonomy, and therefore motivates the individual to engage in entrepreneurship (Weber 1904; Choi 2010; Dana 2010; Nwankwo, Gbadamosi, and Ojo 2011). Additionally, religious space plays an important role in facilitating the formation of social capital, which is vital to the development of new ventures (Aldrich 1999; Waldinger et al. 1990). In fact, social networks have been found to "mitigate the effects of" institutional deficiency for entrepreneurs (Estrin et al. 2012). Figure 1 below indicates the conceptual elements in current theory that explain the relationship between religion and entrepreneurship.

[Figure 1 about here]

Thus, as shown by the conceptual model, religion enables entrepreneurship because the religious space facilitates the social capital required to create new economic activity, and because religious dogma imbues a desire for autonomy. The current study extends theory on the religion-entrepreneurship relationship by exploring how religious institutions shape entrepreneurship among marginalized groups. Focusing on marginalized groups is theoretically important because understanding how marginalized groups gain access to opportunities available to the larger

society is a central theoretical question of sociology (Calhoun 2012; Allan 2005). Questions of marginalization and access is particularly important to entrepreneurial studies given that entrepreneurship is fundamentally about recognizing, accessing, and exploiting opportunities.

In summary, this research responds to calls made by Tolbert et al. (2011) as well as by Estrin (2013) by conducting an analysis of how Mormon and Muslim religious institutions shape the entrepreneurial process for their adherents. Specifically, I explore how religious institutions shape the entrepreneurial process for Muslims and Mormons in Orange County, CA. My specific exploratory research question is: *How do Mormon and Muslim religious institutions practices shape the entrepreneurial process for their adherents?*

METHODS

Case Study Location

I conducted my exploratory research among Muslim and Mormon congregations in Orange County California. Again, I chose to undertake the study in Southern California given the similar sizes of the Muslim and Mormon populations in the state of California, particularly in southern California. The Islamic faith is the second largest religion in the world. Its presence in California dates back to the 1920s, most notably in Orange County and San Diego County where there were notable influxes in number of Muslims following the Gulf Wars (Zaragoza 2013). California ranks second in the US for the number of Mosques, and southern California, specifically, ranks second nationally for the largest number of mosques in a metropolitan area (Ostling 2013). Today there are over 700,000 Muslims in California (Barooah 2012).

Mormon presence in California dates to the mid-1800s. After the conclusion of the Mexican-American war in 1847, the Mormon Battalion, a Mormon based military unit in the United States military, occupied the Los Angeles and San Diego areas, but some Battalion troops

joined their families in the San Francisco and Sacramento areas. James Stephens Brown, member of the Mormon Battalion, was present at Sutter's Fort when gold was discovered in 1849.

Brigham Young, president of the LDS Church at the time, saw southern California as a "supply source" for the Utah Territory. As a result, a group of 500 Mormons were sent to settle present day San Bernardino County in 1851. Today, California is home to over 700,000 Mormons, which makes it the state with the second highest number of Mormons after Utah. Furthermore, California contains more LDS temples than any other US state except Utah.

Both religious groups have been historically marginalized in US society at different points in time. National polling in 2009 shows that 43% of Americans have a somewhat unfavorable to highly unfavorable view of Muslims, and national polling in 2007 shows that 46% Americans have a somewhat unfavorable to highly unfavorable view of Mormons (Newport 2007; The Coexist Foundation 2009). Reports show that, "Mormons still face a level of religious bigotry in the United States equal only to that faced by Muslims" (Goodstein 2011). Unfavorable views of Muslims during the recent decade are fueled by the terrorist attacks on September 11, 2001. In fact, 53% of Muslims in America say that it is more difficult to practice their religion after 9/11 than before it (The Coexist Foundation 2009). Unfavorable views towards Mormons have recently been fueled by the LDS church's stance against gay marriage. Unfavorable attitudes toward Mormons have been increasing of late in southern California. In 2008, supporters of the LGBT community marched on the LDS temple in Los Angeles in protest against the passing of Proposition 8, a proposition that limited marriage in California to heterosexual couples (Garrison and Lin 2008). Again, given the comparably high levels of unfavorable attitudes towards Muslims and Mormons, and given the similar populations sizes in the region,

southern California is a suitable place to explore how these two marginalized groups find support in the entrepreneurial process through their religious institutions.

Data Collection

My qualitative methods included participant observation and in-depth interviews. I conducted two observations in the worship space of each of the religious groups. Specifically, I observed the mosque on Brookhurst St. in Little Arabia, CA, as well as the LDS chapel on Loara St., which is just 2.5 miles from the Mosque. The proximity of the two observation sites is an attempt to control for the local context. Both religious centers are open to the public. The Mosque's stated purpose is to "educate the Muslim and non-Muslim community around it," and LDS Chapels state, "Visitors Welcome." The religious space of each religion, therefore, is open to the public. In each setting, I observed for religious practices as well as the presence of common business incubator services as reported in the *2006 State of the Business Incubator Industry* [see Figure 2]. I chose business incubator services as a template for observation and interviews because the services are designed to enable entrepreneurship. Thus, if business incubators could be observed in connection with religious institutions, this could facilitate understanding of how religious institutions shape entrepreneurship for Muslims and Mormons. However, the presence of some incubation services may not be observable. In cases where certain incubation services are not observable, in-depth interviews provided an opportunity to clarify whether an entrepreneur's religious practice were related to common services provided as support to entrepreneurs. Figure 2 outlines common incubator services for which I observed and discussed during interviews.

[Figure 2 about here]

In addition to observing for services related to business incubation, I also observed for connections between religious institutions and aspects of the entrepreneurial process: opportunity creation, opportunity recognition, risk-taking, venture formation, and growth. In-depth interviews were conducted with 5 entrepreneurs from each religion, and with at least one clergyman from each religion. Through the in-depth interviews with entrepreneurs, I inquired as to whether or not the entrepreneur draws on his religion's normative and cultural-cognitive institutions for support in the entrepreneurial process, and how the institutions shaped their experience throughout the entrepreneurial process. In the interviews with clergymen, I explored more about the programs that take place within each religion's sacred space, and I sought information that would help to understand the religious practices that make them possible. I used purposive, theoretical sampling to select subjects for in-depth interviews (Breckenridge and Jones, 2009). In other words, I recruited individuals that meet specific theoretically relevant criteria: Muslim or Mormon individuals who started a business, and currently work at the business that they started. Each in depth interview was about twenty minutes long. The conversation was recorded, and transcribed by the author. In summary, through participant observation and in-depth interviews, I explored potential connections between business incubator services and the entrepreneur's normative and cultural-cognitive institutions. Furthermore, during in-depth interviews I had the opportunity to further explore how an entrepreneur's normative and cultural-cognitive institutions shaped their experience through the entrepreneurial process. The table below provides an overview of the participant entrepreneurs:

[Figure 3 about here]

There are several characteristics of note in the overview of participant entrepreneurs. First, the sample is overwhelmingly male. It could be that the institutions of each religion limit

female participation in entrepreneurial activity. However, a larger sample may reveal something different about the incidence of female entrepreneurs in each faith. Despite this possibility, the sample does suggest that the study is limited in understanding possible differences in how the religious institutions shape the male and female entrepreneurial experiences. However, in analyzing the results of the female entrepreneur in comparison to the males in the study, the religious institutions appeared to shape her entrepreneurial experience in much the same way, but whether or not the institutions discouraged female engagement in entrepreneurship could not be conclusively drawn from the qualitative data in this study.

Other differences include that Mormon entrepreneurs in the sample are decidedly older, noticeably less educated, and the Muslim entrepreneurs in the sample were more engaged in non-profit enterprises than in more traditional industries, like the Mormon entrepreneurs. In each of these cases a larger sample could reveal a different story about the average age, education level, and industry type of Mormon and Muslim entrepreneurs. For example, national surveys do show that Mormons are “significantly more likely than the population overall to have some college education” (Religion and Public Life Project 2009). However, the lower levels of education of Mormons in this sample suggest that less-educated Mormons are more likely to engage in entrepreneurship. Furthermore, the theory of ethnic market niches may explain why Mormons were engaged in mainstream industries as opposed to non-profit niche markets. Given that Mormons are a native marginalized group with fewer salient differences with mainstream society (e.g., such markers as clothing, language, and even skin color), it is probable that the Mormon entrepreneurs can more easily move beyond their ethnic industry niches into more mainstream industries. Moreover, Muslims from immigrant families and communities were more engaged in non-profit ventures. This may be because opportunity structures are fundamentally different for

new immigrant groups (Portes and Rumbaut 2006). Muslims and Mormons are at different stages of integration into the American social fabric. In general, Muslims come from new immigrant groups who typically have greater need for fundamental social services like education, immigration services, or counseling. Entrepreneurs seeking to respond to these needs are likely to create relevant non-profit ventures

The age differences in the sample could also be due to greater barriers that I faced in interacting with the Muslim community. I found that first generation immigrants (older) were shy and less inclined to talk. In comparison, second generation immigrants were more open to talk, probably because they felt more integrated into the wider social fabric. Overall, it should be noted that the study does not intend to provide conclusions based on a representative sample of each group. Rather it qualitatively explored the range of relevant entrepreneurial experiences among a group of entrepreneurs who are knowledgeable members of each faith. Additionally, a second purpose was to generate testable propositions regarding the relationship between institutions and entrepreneurship among those under conditions of marginalization.

Data Analysis

Initial analysis of the observation and interview data occurred during data collection (Creswell 2007). For example, during an observation I jotted down impressions and personal insights that could serve as memos or codes later on during formal data analysis. During in-depth interviews I also jotted down impressions that could serve as memos or codes later on during formal data analysis. Data analysis occurred throughout, from preliminary analysis during data collection to more formal analyses after preparing, and organizing the raw data from the case study site.

To begin the formal analysis, I conducted open coding of the data by hand. Hand coding the data served to familiarize myself with the data, which assisted in developing a coding scheme. I used several mental tools during the open coding phase in order to creatively label codes and categories. First, my research questions guided the development of codes during open coding (Corbin and Strauss 2008). Second, I made comparisons within observation and interview data, as well as across the observation and interview data. Third, I looked for links or relationships between institutions and business incubator services, as well as interactions between religious institutions and the entrepreneurial process as identified by Muslim and Mormon entrepreneurs. Other tools included the recognition of biases, use of personal experiences, considering alternative meanings to words used, and noting language and emotion expressed during interviews (Corbin and Strauss 2008).

Following my open coding of the data, I used Dedoose software to electronically code the data using the coding scheme that I devised through open coding. The primary purpose of the electronic coding process is to look more closely for patterns and themes regarding religious institutions and entrepreneurship. However, codes and categories continued to evolve during this phase of analysis. Therefore, I noted the frequency of each code and category and examined relationships between them (Creswell 2007). Throughout the coding process I contextualized the data by using Scott's institutional framework (2007) and considered the participants' frame of reference. Contextualizing the data provides a lens through which to interpret patterns and themes, and through which I developed the research findings.

This methodological approach supported exploration of the role of religious institutions in making entrepreneurship more accessible to marginalized groups within a society. The findings should serve to expand scholastic understanding of the sociological underpinnings of

entrepreneurship, inform religious leaders on the importance of their organizations in promoting the economic welfare of their congregants, and to advise individuals are undertake the entrepreneurial process.

RESULTS

The exploratory study yielded insights into how specific religious institutions shaped several phenomena relating to entrepreneurship: decision-making, confidence and support, opportunity, and skill. Specifically, the findings show that religious institutions were used as resources that helped entrepreneurs develop abilities to recognize opportunities as well as other skills related to the entrepreneurial process. Additionally, the institutions created the opportunity for individuals to create new economic activity and niche opportunities, which in some cases led them to “disturb the economic status quo” (Chell et al. 1991). Finally, religious institutions shaped decision-making and confidence in ways that gave some adherents an “extra-social” legitimacy making it easier to deviate from established norms and practices of industries in the business world. The following sections present analyses of the central themes and findings of this study.

Institutions as Resources for Entrepreneurs

Skills. As stated previously, religious practices were found to be resources for entrepreneurs in the development of skills needed for entrepreneurship. Table 4 below summarizes the findings in this section on the institutions, which were drawn upon as resources by entrepreneurs who participated in this study. The table outlines which institutions were drawn upon, the skill it produces as a resource, as well as which group drew upon the institution as a resource.

[Table 4 about here]

Overall, Mormon institutions shaped “skills” much more than Muslim institutions, but both Mormons and Muslims drew heavily on normative and regulatory institutions to develop skills related to management and entrepreneurship. For example, Mormon entrepreneurs gained public speaking and presentation skills due to being involved in a lay ministry from an early age.

It is really easy to watch what happens. Without a formal education, I did not have much. But the Church helped me in several clear ways. First, through the youth programs, there was constant public speaking, which made me comfortable when I was giving a seminar or working one on one with a client. I had comfort in doing those things. I was comfortable instructing, and I understood how to research and put together a product, talk, or presentation. (ET4Mor)

I am a member of the Church of Jesus Christ of Latter-day Saints. I became a member of that Church when I was 11 years old. Growing up in the Church back in that day, one of the things that I remember is that we used to have speech festivals. I was lured in to participate in one of those speech festivals, and it was the first time that I ever spoke in public. I had some adult members of the ward who helped me, and while I was deathly afraid, both before, during, and after, I recognized that somehow I would be using public speaking the rest of my life. In my current role, that has certainly been the case. (ET1Mor)

Given the practice of a lay ministry, Mormon youth are required to teach and speak publically, even to adults, from an early age. The practice gave these Mormon entrepreneurs the opportunities to develop the presentation skills that are often necessary when working with clients, investors, and other employees at business meetings. Thus, the practice of lay ministry was a resource that helped Mormon entrepreneurs gain essential skills related to business and entrepreneurship.

Both Muslim and Mormon entrepreneurs mentioned practices that aided them in time management, another essential business skill.

At the same time, the Church called me to be a seminary teacher, which is a very time consuming calling in that every single day you have to be prepared to teach high school students about the gospel. During my time as a seminary teacher, I was spending 4-5 hours a day studying for the church so that I could bring some meaning to lives of these young people, so that they could feel the spirit and purpose of those scriptures. It was amazing because I learned so much about myself, the gospel I believe, and time control. I learned that I do not need as much time as I think I need to produce business if my mind is clear and focused. I learned that I can multi-task through the gospel. My mind becomes quickened because the Spirit is with me, and why was the spirit with me? Because my focus, my study, and my efforts were turned towards the Lord. Here I was taking from 4:30am to noon everyday working on the gospel; those are my prime working hours as a money manager because the markets are open from 6:30 to 1pm. Thus, I had a one-hour overlap between the markets and myself in doing business. Yet, I was not only able to succeed that first year of my second business, but I was able to secure my clients’ wealth. All because my eye was focused where it should be. (ET4Mor)

In the case of this Mormon entrepreneur, the requirements of a lay ministry again helped him to develop skill in time management when he was required to juggle responsibilities of family, work, AND church. For Muslims, prayer was cited as a resource for time management among Muslim entrepreneurs, as demonstrated in this interview quote:

I honestly believe I don't keep the prayer as well as I should. Honestly I struggle with the practice part of my faith. But when I do the day seems a lot longer because you are breaking it down. And you have these five parts of the day where you just sit down and we believe in the one universal God. However, there are certain universal rules that apply across everyone that if you sit and calm down and shut everything off and take a breath or two, you will be more focused. You will process information better and faster. You will have a better output on things. You won't be slowed down at your day. It will seem more meaningful instead of just minutes passing by before you go to sleep and wake up and do it again. So it basically adds a blessing to your day. That's just about taking the time. (ET6Mus)

Muslims pray five times a day, and the practice helps Muslims break the day into five increments for time management. According to the comment above, "The day seems a lot longer because you are breaking it down," and "you won't be slowed down at your day" because the practice of prayer seems to help Muslim entrepreneurs focus and process information faster. Thus, both Mormons and Muslims found their practices to be resources in helping them develop time management skills.

The religious practices of Mormon entrepreneur were especially helpful in developing leadership skills. Three quotes below demonstrate different ways that their practices were resources for leadership development:

A couple of things. If you look that the practices of the LDS Church, the youth are taught from a very young age to speak, and they are also given responsibilities to run organizations. Our Church divides into what are called Quorums or Classes, and leadership is key. Both adults and youth are divided into Quorums and Classes, adults lead adult Quorums and Classes, and youth lead youth Quorums and Classes. Everybody is given the opportunity to preside, and as they preside they learn how to organize, how to instruct, how to teach, how to lead people, how to motivate people, how to move people to serve for the good of everybody, organize trips, assign, and be in charge of different things. I have watched this in action myself as I have been out in scouting. I have seen young men required to lead a group of youth back to camp on their own because adult leaders had to stay behind as a result of an injured scout. Even when they got lost, the youth bound together and said, "This youth is our leader, we will do what he says, we will stay together, and we will not bicker. We will follow protocol." They learn to follow, lead, and fulfill whatever role that they are given in that moment. (ET4Mor)

Mormon youth are given real responsibilities from a young age: they are responsible for the religious activity of their peers; they are required to plan events; and they are even called upon to lead others in times of crisis. Thus, leadership development was not limited to trainings, but included real experiences where the safety of others was at risk. In short, real leadership experience started at a young age for Mormon entrepreneurs, again due to the practice of lay ministry. The influence of the practice continues into adult years:

Oh absolutely. In my mind, it's all about people. In your Church assignments you learn that you need to lift, inspire, and give people a sense of comfort about who they are - that they are not less than who you are or who their peers are. I apply that at work, and I find that people seem to be willing to jump on board and be "all in." I think that Church assignments have taught me about speaking, motivating, and teaching people. My personal mission statement says that I fundamentally see myself as a teacher. I take that role at work. I was talking about this the other day with other entrepreneurs - my style of running a management meeting is different. In most management meetings, when you get the senior team together, people report on what their assignments were, and they plan things. However, I take 10-20 minutes to teach, and it is always the highlight of the meeting. It is not about me, it is just that they have never been taught themselves to go past administrative things, and to actually teach people principles of leadership, humility, work ethic, honesty, and integrity - and people respond to that. I would not have learned that had I not had the training particularly as a bishop. As a young bishop, everyone in the room was older than I was, but I knew enough about my faith and the scriptures so that every time I met with people, I took adequate time to teach. I think that it supported me in recognizing how valuable that was, and I have applied it in every one of my work environments, and people have responded well to it. (ET1Mor)

The excerpt above demonstrates that Mormon entrepreneurs readily apply ministerial leadership in the administrative world of business. For example, this Mormon entrepreneur used meeting models typically used in Church council meetings in his professional meetings. Specifically, he took twenty minutes to teach his team ethical life principles, a common practice conducted in Mormon leadership meetings. Thus, for this Mormon entrepreneur, who did not hold a college degree, the practice of lay ministries was a knowledge resource that he drew on as he set up processes within his own firm. Another excerpt supports the concept of Church service as a resource for leadership development among Mormon entrepreneurs:

There is no question about it. What they don't teach you in business school, you can learn at the Church of Jesus Christ of Latter-day Saints. You can teach people about business cases, analysis of business processes, studies of successful businesses, but what they do not teach necessarily, is how to grasp a power greater than your own, that flows through you to lift, motivate, inspire, affirm, and comfort people. I think that a great leader develops those things over time, and people want to align with you. They do not know what it is actually. In X Company, where we sold to X Capital, they used to call me the High Priest. We

had a Jewish Partner who was actually the CEO. When we would do a roadshow to sell to a variety of people, I was the one who gave the “color.” Other people would go through the financial aspect, but I would give the color, culture, and spirit of the company - that has a value in business. Aligning with a culture, or unspoken ethic or moral that people seem to gravitate to. You learn that in the Church. You learn how to get more from people. I learned as a Bishop that I was not the start of the show, I was the conductor and others have different critical roles. People like stepping up so you do not have to know everything; you just have to bring people to the table. That is sort of what the Church teaches you that you do not necessarily learn in Business School. (ET1Mor)

This participant demonstrates a very general view among Mormon entrepreneurs that the skill to bring people together around a common goal, and motivating them to accomplish that goal was taught and developed through the practice of lay ministry.

Mormon entrepreneurs were also quick to acknowledge the practice of serving a mission as one that also developed other skills such as venture formation and strategy- skills that are central to the entrepreneurial process. One participant’s comment speaks well to the impact of this specific Church service practice:

Lastly, many of our youth go on missions, which require them to leave their family for two years and depend on their scripture study, their Lord, and instruction from their leaders. On their missions they learn that they can talk to people on the fly, communicate, work, and work numbers like a business man would to answer questions like: How do I set up and structure an area? I have moved into a new area, it is this big, there is this many people, I need to communicate with these key people, I need to share this special gift with them, and I want them to know what is going on. They may be talking to people who may not even want to know what they have to say, at least they do not think they do until the missionary talks to them. These missionaries have to have the confidence to do that in a world they do not know, in a culture they have not seen, and in a language that they do not speak. When a person goes through those things, coming home, they are pretty entrepreneurial by nature by the time they are 19 or 20 years old. Their experience makes them entrepreneurial by nature in a way that other places cannot provide. (ET4Mor)

Thus, in addition to leadership skills, the practice of missionary services was a resource that helped Mormon entrepreneurs develop skills in venture formation (“How do I set up and structure this area?”), communication (“talk with people on the fly”), networking (“I need to share this special gift with them, and I want them to know what is going on”), strategy (“I have moved into an area, it is this big, there is this many people, I need to communicate with these key people”), engaging the unknown (“have the confidence to do that in a world they do not know, in a culture they have not seen, and in a language they do not speak”), independence (“leave their family for two years and depend on their scripture study, their Lord”), and data analysis (“work

numbers like a businessman would”). Finally, both Muslims and Mormons cited prayer as a practice that helped them with skills relating to goal setting and goal attainment. On participant’s comment explains the relationship well:

I think when you set goals as an entrepreneur, prayer is like a daily affirmation of goals that you are striving for. And it helps you to focus as you say and voice that. Whether you have Divine Intervention or inspiration or not, prayer helps you move forward on goals that you set. So yes, prayer is key for that. And then you have the moments where you’re in trouble and you need help. Business can be scary, and there’s times where you’re up against a wall. And those are times that prayer is there to help with that. (ET3Mor)

The practice of prayer was seen as a resource for helping entrepreneurs of both faiths “focus” and “voice” their goals. In this way, prayer was seen as a key to moving “forward on the goals you set.”

Interviewees also indicated that religious practices were helpful in developing abilities to retain and acquire clients. For example, the practice of repentance often was cited as leading to trust and client retention for Mormons. One entrepreneur tells of one such experience:

However, I will always do my best, and if there is a mistake then I will always stand up and take responsibility for it. I had another client say, “My CPA just told me that he could give software for \$300 that does what you charge me \$30,000 a year for, but I told the guy, no way because the integrity that X entrepreneur has is worth \$30,000 a year to me in order to make sure that everything in my financial life is watched over by somebody that I can trust completely.” That attitude of caring that I have tried to give to my clients has come back to me in a good way because they trust me. When we have had financial problems, or a business has gone bad that we have invested in, my clients have chosen to stay with me because they trust that I did the best that I could and that sometimes things go wrong. That comes, I believe, because I have always put their interests first, and they have felt that. (ET4Mor)

The entrepreneur’s religiously motivated repentance (“if there is a mistake then I will always stand up and take responsibility for it”) was a resource that created trust between the entrepreneur and his client, which served as the basis for client retention even though alternative options which could save the client tens of thousands of dollars. Religious norms of service and caring for others were also cited by both sets of entrepreneurs as the basis for trust leading to client retention and acquisition.

But things like that, you know the trust issue with our clients, because there are other restaurants that don’t do that. But everybody knows that this is the place you come and they don’t even ask how much things are. They just trust us. We are just known for that and that is probably something my dad just learned religiously. (ET6Mus)

In this case, religiously motivated attitudes of caring and service to others set this entrepreneur's restaurant apart from competitors. The trust created through the religious attitudes mentioned creates a trusting relationship. Another entrepreneur also made it clear that his religious practices and norms were the source of his skill at caring for others:

Without a doubt. When you consider our general principles and our 13 articles of faith, the things that we want to do and become, it is clear that we should always seek to help others. The promise is that we will find more freedom and joy from those types of relationships as opposed to relationships where we seek to take at the cost of another. One thing that has come from that, and you will see the benefits of living a gospel that teaches you to care for others, is that I have had the same clients most of my career. Most of my clients have been with me for 20 to 30 years, and I believe that it is that way because I have always done what is best for them with the faith that if I do, then they will stay. They have never had this feeling that I am taking from them, and I have received a benefit from that which has paid for itself many times over. (ET4Mor)

The entrepreneur's religiously developed skills, caring and providing service to others, are cited as the reason that most of his clients have stayed with his business for 20-30 years. The entrepreneur goes on to describe an example of the familial loyalty that he is able to create with his business clients:

[A certain client] has a daughter that is 41, and his other daughter and her do not get along well because the 41-year old daughter has a learning disability. He and his wife are the only family members that they have, and they are getting elderly. So he asked if we could spend time with their family so that she'd have a family to be with. Thus, that trust endears us much more to the client because it is not just the money management anymore; it's a family relationship that they feel. (ET4Mor)

This particular entrepreneur from the financial services industry was made a steward over more than the client's money; he was also made a steward over the client's legacy. Again, the entrepreneur attributes his ability to create that relationship to the normative and cultural cognitive institutions of his faith.

Mormon entrepreneurs even found the practice of genealogy to be helpful in client retention. For example, one Mormon entrepreneur told the following experience:

That is so funny because this last month, I had two clients on separate occasions come to me and say, "I know that you are a Mormon, but I am stuck in this situation and can you help me? I am stuck in a spot in my genealogy and I cannot move forward." With one of those clients we talked about it for a couple of hours, and we went through it, and she was very excited about how she can move forward. We spent an hour talking about her family, which migrated from Mexico, and filtered to California. I had another client, who was Catholic from Colombia, and he ran into similar issues. He hit a block wall because records were

not available. We actually gave him the address and phone number to the LDS Orange Stake Center, which is the largest genealogy office in Orange County. He lives by there, so we are going to go down together and do genealogy work. (ET4Mor)

Genealogy is a common religious practice among Mormons because they seek to perform religious ordinances for their ancestors with the hope that those ancestors can be sealed to them as family for eternity. Interestingly, this religious practice served as a resource for client retention. In this case, the reputation of Mormons as experienced genealogists aided in creating a stronger bond between the entrepreneur and the client because it gave the entrepreneur an opportunity to provide an extra service that was of value to the client.

Overall, entrepreneurs readily recognized that their religious practices proved useful in developing within them the personalities and skills needed to acquire and keep clients.

Oh Yeah. Any of these things help a lot. They see us as a different type of people. They not only see us as people that they can trust, but as people that can provide a look into different areas of the world or of spirituality... These practices have endeared my clients to me in many ways that are much greater than just a simple financial relationship. (ET4Mor)

In this case, religious practices set them apart, not only as trustworthy but also as people who could provide additional insights and points of view, especially with regard to spirituality. This allowed entrepreneurs to connect with clients on a spiritual level in addition to mental and emotional levels. The spiritual connection created an endearing relationship with clients who are also from different religious backgrounds:

Yeah, they give me an advantage because these people would not ever want to go anywhere else. While they may or may not have the same belief system that I do, they without a doubt trust that our firm will provide more than the financial services that other people in the industry supply; we supply a family life experience. (ET4Mor)

In addition to practices contributing to building the trust needed to keep clients, they were also seen as useful for helping entrepreneurs build trust among those they work with.

I think my faith teaches me about honesty and integrity. It teaches me how to treat people, and how to view people. Not just to objectify people to get your gain, but to value each individual person, which I think has enormous value in business actually. Because we are taught to view people as equals, we tend to be more authentic and genuine in your business relationships. I think that in the business world, people often try to formulate some sort of persona instead of just being real and allowing the natural goodness in you to come out. People have a tendency to trust me in my role as president of our company because I am

not looking to spin it, I am not looking to portray myself as something that I am not. I am comfortable with acknowledging that I do not have all the answers even though I am the boss. That view has actually come from my faith and my missionary experience. (ET1Mor)

I think so. I think that once they trust you, then they are willing to contribute more. I find that they are enlisted to give their best when they trust you. I think people want to be aligned with people who they enjoy and respect. It builds a team spirit: “since I trust you, I am going to participate on your team, I am going to give you my best effort, my honest opinion, and I am going to step it up a bit.” That has been my experience in terms of trust. I am sure it has many other manifestations in the business world. Clearly, I have noticed that people, once they trust you, they are willing to give you more when there is a mutual trust and respect. (ET1Mor)

The same principles that seemed to create trust between entrepreneurs and clients also create trust between entrepreneurs and co-workers. Religious norms led to more authenticity from the entrepreneur, which led to more authenticity and openness from others on his team, the outcomes of which are improved organizational citizenship and improved idea exchange.

In conclusion, religious institutions not only shaped the lenses through which these entrepreneurs viewed the world, but they were actually seen as resources for them. Furthermore, drawing on religious institutions not only seemed to provide good outcomes for the entrepreneurs, but also better outcomes for their clients and beneficiaries. Entrepreneurs from both faiths seemed to practice business with more honesty, generosity, and disinterest. While there are certainly instances where a person will utilize religious institutions to take advantage of others, it is most likely the case that religious institutions do more to promote ethics among entrepreneurs than inspire unethical behavior.

Opportunity recognition. Another skill that entrepreneurs from both faiths seemed to develop using religious institutions as resources was opportunity recognition. I highlight this skill apart from other skills given its importance in the entrepreneurial process. Again, table 5 below summarizes the results of this section.

[Table 5 about here]

Mormon institutions shaped “opportunity recognition” more than Muslim institutions in this sample. Furthermore, both Mormons and Muslims seemed to draw more on normative institutions and regulatory institutions than cultural-cognitive institutions. Moreover, as shown in the table, some religious practices, which developed this skill were unusual. For example, one Mormon entrepreneur saw activity in the Church’s Young Men’s program, a program for teenage boys ages 12-14, as a vehicle for opening teenagers’ eyes to opportunities.

Actually it’s a hobby. It’s one of those situations where a hobby turned into an occupation. And that’s why I always tell my kids, that it’s really important in your high school years and such to be involved in a lot of different things. And there might be certain things that you really enjoy and you can carry those on into a career... Oh definitely [referring to the Church as helping kids learn hobbies]. It opens their eyes to a number of them. In Young Men’s we are always doing a number of activities from mortuaries to Brother X’s gun shop, to mechanics, to college things. Brother Y would also take us up and show us the jail. We expose our boys to a lot of unique occupations and situations. I think that the Church is definitely an avenue for them to develop hobbies. Yes, we have taken multiple groups of Young Men there and actually gotten to see where they work on the cadavers and where they store the bodies. And that’s always an interesting night. (ET3Mor)

In the experience of this entrepreneur, exposure to different hobbies leads to exposure to different opportunities, and one of those hobby-based opportunities can turn into a new venture. The practices of Mormon young men engaging in Boy Scouts and job shadowing their leaders exposes them to various hobbies and, therefore, various opportunities. In this way, Mormon institutions aid adherents in opportunity recognition.

Several entrepreneurs of both religions cited prayer and scripture study as essential resources for recognizing and confirming opportunities for entrepreneurship. One Mormon entrepreneur’s experience demonstrates the concept:

Definitely, the answer is yes. From the day I returned from my mission, I made it a matter of prayer to always determine what I was meant to do, what I should do with my life, how I could best serve people with the talents I have, and prepare to support a family. During that four-month period, I did not do much in the way of writing resumes and job searching, I did a lot of soul searching. I went to the Temple a lot, spent time in nature, reading scriptures, and thinking. I know it sounds corny, but I did soul searching about what I wanted to do, accomplish, and what I was on this earth for. (ET5Mor)

Muslims and Mormons both search for what God wants them to do, and how they can fulfill what God wants them to do. Prayer and scripture study are practices undertaken by adherents of

both faiths in order to discover what God wants them to do, and how they can fulfill God's requests. The process is one of opportunity recognition because for adherents, seeking to know what God wants for them is seeking to know what opportunities they should take, and seeking to know how they can fulfill their duty to God is asking for help to recognize opportunities to fulfill that duty. Thus, the process involves opportunity recognition. Moreover, the process often leads adherents to engage in some form of entrepreneurship. For one Mormon entrepreneur the process led him to start a business in home products. The process also played a role in helping the female Muslim entrepreneur in this study to start her non-profit business. Thus, prayer, scripture study, and meditation are central ways that adherents of both faiths recognize and take advantage of opportunities.

For Mormons, the practice of convening church counsels is one way open their eyes to opportunities because it helps them understand the struggles of others. One Mormon entrepreneur communicated this poignantly:

But working in church counsels, I have seen people expose themselves to in ways that they would not expose themselves to anybody except in those private spiritual counsels. I have come to understand the struggles that they have, struggles that we may not ever see otherwise. I learned that many people are walking on this earth with difficult challenges, and on a day-to-day basis I could run into them, have a meeting with them, and not even know that they are struggling. However, by taking the time to recognize that most people have fears and concerns, it allows me to treat people differently because I never know who is struggling. So when I talk to people, I am careful to be forgiving on the things I do not understand, or on the things that I may not agree with. I also look at their needs, and I figure out ways to get them to trust that I will do the best I can for them regardless of who they are, or what they are doing. That has been a big deal for me, especially in the last five years. My eyes have been greatly opened because of positions that I have held in the Church. (ET4Mor)

Participating in counsels exposed the participant to people's deeper struggles that are often not expressed in any other settings. This experience exposes the participant to needs for services and products that may not be readily apparent to others because there are few settings in which individuals express their deep fears, needs, and shortcomings. Interview data indicate that exposure to individuals' deep needs in settings of religious counsel led several Mormon

entrepreneurs to develop ventures outside of church that are aimed at addressing those needs because often times Mormon entrepreneurs saw that more can be done outside of the official ministry to help others overcome certain struggles. In this way, the practice was a resource for recognizing opportunities to meet needs. Furthermore, the practice taught the participant to always be aware of other people's needs, and to constant look for ways to help them with their needs. Thus, the practice was also a resource for helping the entrepreneur develop a mindset opportunity awareness. Together, understanding people's core needs and fears, being aware of people's needs, and looking for ways to help them are skills that, for social as well as economic reasons, are central to entrepreneurs recognizing opportunity (Briggs 2013;Wilson et al. 2011).

In general, both Muslim and Mormon entrepreneurs cited religious cultural cognitive institutions regarding the role of humanity, and religious normative institutions regarding service and respect as helping them recognize opportunities. One Mormon entrepreneur specifically cited the practice of attending seminary as the venue for learning to recognize opportunities:

I also learned principles of human rights, human dignity, and respect. So I looked at people with an attitude of, "how do I help them?" and "how do I create something that will benefit them?" So it was in my nature to want to do that. Never in my business career did I add up a commission or fee until after the client became a client, and the work was done. To me it was just a matter of seeing commissions and fees as things that could get in the way of me doing what was best for my client. If I first do what is best for my client, then something will fall to the bottom line for me. So, the idea of serving people first, came from my Mormon background. (ET4Mor)

The principles of human rights, human dignity, and respect as well as the ingrained duty to search for opportunities to serve others also created in the mind of this Mormon entrepreneur an attitude that involves constantly searching for opportunities to create value for others. The case was similar for Muslims in that beliefs regarding the worth of a human being, as well as norms to serve others, were resources for creating a mindset within Muslims that lends itself to recognizing opportunities to create value for others. In conclusion, religious institutions served

as resources, which aided entrepreneurs in recognizing opportunities of various types which lead to creating enterprises that served to meet both social and economic needs.

In addition to recognizing opportunities, religious institutions seemed to help members of both faiths to pick which opportunities to pursue. One quote from a Muslim entrepreneur demonstrates this:

It isn't so much recognizing opportunities as it is eliminating paths. My faith may not always tell me what the best thing to do is, but it will surely tell me what not to do. And through that I can short list my opportunities or decisions down to a list of three or four and then it's just a matter of what my judgment is. Sometimes it works out, other times it doesn't. Sometimes you can end up doing a lot of good. And then other times you're in danger of screwing someone's life up. Things happen like that. But mostly it's eliminating a certain pathway or not (ET7Mus)

The participant's comments echo the comments of former Apple CEO Steve Job who advised, "You have to pick carefully. I am actually as proud of the things we haven't done as the things I have done. Innovation is saying no to 1,000 things" (Griggs 2012). Religious norms and religious practices shape the adherent's worldview, and serve to narrow the list of opportunities and decisions that an entrepreneur has before him or her.

Opportunity Creation

Religious institutions were also found to be catalysts in the creation of new opportunities as well as resources used by entrepreneurs to recognize opportunities. Table 6 below summarizes the results for this phenomenon.

[Table 6 about here]

Mormon and Muslim institutions shaped "opportunity creation" equally in this sample. However, Mormons seemed to draw more on normative and regulatory institutions while Muslims seemed to draw more on cultural-cognitive institutions. For example, one Muslim entrepreneur found that the religious, cultural-cognitive institutions that informed her worldview made traditional counseling service inadequate. In finding that they were inadequate, the

entrepreneur sought to create her own counseling service. This Muslim entrepreneur describes the experience as follows:

I did not have any experience. But I was always involved in non-profits and helping communities. It opened my eyes when I was in need myself of services that I could not find in my community. I went through a divorce and I did seek counseling, but I felt like they did not understand who I am. They did not understand my culture. They did not understand where I was coming from. And it was a challenge for me. I only attended two sessions and I felt they were not useful. So I decided to start something for the community for those who seek help or support. Or who are going through the same things that I went through and are struggling somewhere and they cannot find the answers. So I decided to start something to help them, but I started really small. Just a folding table and \$2000 from another organization. (ET9Mus)

Islamic cultural-cognitive institutions made traditional markets for counseling inadequate, thereby creating an opportunity to create an enterprise that fulfilled the counseling needs of Muslims, and recognizing that opportunity, the entrepreneur created a new market for services that fit the cultural-cognitive framework built by Islamic religious institutions. Another example of instances in which religious practices actually created opportunity was the mention of Ramadan as creating opportunity for one Muslim entrepreneur to start a restaurant.

Yeah, Ramadan is absolutely nuts here (Referring to being asked about Ramadan and opportunity creation). We are sold out every night. It's by reservation only. We have tables from the end of the shopping center to the end there. We have a tent outside and it's an all you can eat buffet. And we feed 150-200 people every night within 1 hour...Absolutely. People talk about it. They tell their other Muslim friends. The first year we did well. But after the first year we were packed in every night. And it's quite an amazing scene. And people that don't have a reservation will drive down and when they see the line, they don't realize the line goes by quickly and we turn tables very quickly because people eat and leave. (ET6Mus)

Ramadan is a 40-day period of fasting for Muslims. Daily, Muslims begin their fast at sunrise, and break their fast at sunset. Breaking fasts during Ramadan is a celebratory occasion for Muslims that is akin to a daily thanksgiving feast. The practice creates a large demand for food, and thus creates an opportunity for Muslims in the restaurant industry. Within the Mormon faith, interview data show that Wedding rituals created opportunities for Mormon entrepreneurs to provide Mormon specific wedding services. Additionally, the practice of serving missions has created a plethora of opportunities wherein Mormons have created clothing, packaging, and letter writing services geared towards LDS missionaries and their families. Finally, modesty standards

created opportunities for LDS women to create clothing services that provided gowns for LDS girls that met LDS modesty standards. Thus, normative and cultural-cognitive institutions in both faiths served to actually create the entrepreneurial opportunity.

The religiously inspired opportunities also seemed to be a vehicle for these ethnic entrepreneurs to “disturb the [the greater] economic status quo,” an important attribute of the Schumpeterian view of entrepreneurship (Chell et al. 1991). For example, although not interviewed for this study, one Mormon entrepreneur started out filling a niche as a clean DJ for Mormon dances and parties. Now the Mormon entrepreneur is the largest provider of music and party services to Orange County and LA County High Schools as well as a major competitor in wedding planning services. Additionally, the Muslim entrepreneur who started a restaurant in response to opportunities created by Ramadan and Friday Prayer has moved into marketing to mainstream markets, and now the restaurant has been featured as one of the best restaurants in the county. Finally, an important point learned during the course of qualitative data collection for this study is that the largest center of Islamic Finance is London, not Middle Eastern financial centers like Abu Dhabi and Lebanon. Apparently, the economic activity of Muslim immigrants in the UK “disturbed the status quo” in the UK’s financial industry thereby leading to the creation of a new market.

In conclusion, qualitative results suggest that religious institutions shape entrepreneurship by creating the actual opportunities that entrepreneurs exploit, and the exploitation of those religiously created opportunities often lead to disturbing the greater economic status quo.

Extra-Social Legitimacy

The term “extra-social legitimacy” was developed to describe a phenomenon frequently discussed while interacting with adherents of both faiths during the course of the study. In

interview responses entrepreneurs indicated that the needs for legitimacy were tied to some higher power as opposed to the social environment, and that by tying needs for legitimacy to something extra-social, the entrepreneurs from both faiths were able to deviate from established practices, try new things, or take risks. All actions associated with the Schumpeterian view of entrepreneurship.

Decision-making. Commentary from the interviews provided insights that suggest how Mormon and Muslim religious institutions inform decisions to take the risk to engage in entrepreneurship, as well as business related decisions. Table 7 below summarizes the results found in this section.

[Table 7 about here]

As shown in the table, Muslim and Mormon institutions shaped “the decision to engage in entrepreneurship” fairly equally in this sample. However, Muslims drew more on institutions which are cultural-cognitive in nature, and Mormons drew more on institutions which are regulatory and normative in nature. In other decision making, Muslim institutions shaped “business related decisions” more than Mormon institutions in this sample, and both groups drew on normative institutions and regulatory institutions more than cultural-cognitive institutions. Both Muslim and Mormon research participants indicated that their beliefs about the nature of God motivated them to engage in entrepreneurship. For example, one participant described God’s helpful nature, and cited that nature as reasoning for jumping into entrepreneurial activity:

When you are a believer, you always become a positive person. Because you jump into things hoping that God will help you. But if you are doing good work, God is always with you. God is always with you. Just jump, and He will help. Especially when you are doing good. And my philosophy with religion is that doing good is a religion, no matter what religion it is. Doing bad and not helping humanity is the Devil. And you can judge yourself every night, every day, every hour to see if I am doing good or doing bad. (ET9Mus)

This participant described a concept of God in which He is always present for those who are “doing good.” Given this view, the entrepreneur expressed no fear in deciding to “Just jump”

into the risks of entrepreneurship. Both Mormons and Muslims expressed similar views. Entrepreneurial risk-taking is less risky when there is at least perceived aid from an all-powerful entity. Their conceptualization of God also influenced their choice of projects on which to take risks. In the case of this entrepreneur's views, God's help is extended to those doing good work. While perceptions of good and bad may differ across religions, nevertheless it could be expected that religious entrepreneurs may be quicker to take risks on entrepreneurial projects that they perceive to be good because they believe that God will aid them. In this way, an entrepreneur's religious institution shapes his risk choices. For Muslims, the Islamic doctrine of Sunnah was also cited as shaping their decision to engage in entrepreneurship. Sunnah refers to the life of the Prophet Muhammad, and Muslims are encouraged to model their lives after his life. One participant alluded to this idea:

So you do find in Islam many people who were successful and actually many of the companions of the prophet worked in trade and they were business people, so to speak. And that doesn't mean they were attached to money. Rather they used what they got from their businesses to serve their religion and to help others. One of the great companions of the prophet and long term friend, Abu Bakr, was a very rich man...These examples absolutely influence a Muslim's decision to be entrepreneurial. In order to be self-sufficient, not that their goals are to make money, but truly they wanted to employ others as Abu Bakr did, and helping others. So if someone were to go on a business trip to make money, his goal was truly to benefit the society around him, not just for himself to get rich. The aspiration they had was truly to serve others. (ET10Mus)

Islam was founded by a merchant. Muhammad was born in the city of Mecca and was orphaned at an early age. He was raised by his uncle Abu Talib, and worked as a merchant during his early adult life. At the age of 25 Muhammad married Khadijah, a wealthy widow, and managed her trade caravan. Thus, skills like trade, negotiation, management, and money exchange were master skills of the Prophet.

Given that Muhammad and several of his companions were tradesmen, Muslims viewed entrepreneurship and commerce as a religious practice, in and of itself. In other words, entrepreneurship was not just a means to meet other religious normative institutions. For

Muslims, entrepreneurship and commerce is itself a norm because everything about the Prophet's life is a norm (or standard) against which you should measure your own life. In this way, the religious institutions of Muslims seem to sanctify the act of entrepreneurship. The decision to engage in entrepreneurship, therefore, is not only undertaken out of necessity or to pursue a good idea, but also to potentially maintain legitimacy before God as a true follower of the religion.

The concept of Pre-destiny also shaped Muslims' decisions to engage in entrepreneurship. Pre-destiny refers to the belief that God determines the events related to one's life in advance. How this concept shaped decisions to take the risk of entrepreneurship is demonstrated in the comment below:

Well how about we talk about faith and then you can take that broad perspective and apply that into business. Broadly speaking, a Muslim can be many things. But a Muslim cannot be two things. He cannot be a liar or a coward. Or I should say they can't be a liar or stingy. Because in essence we believe that any money that is going to come into my pocket is preordained. There is nothing I can do about it... So you can't worry about not spending because you're worried you're not going to have enough to feed your family. And we believe these things can happen but we believe that Islam translates into submission. So if you truly submit your fate onto the Lord and rely upon him, he will not fail you. And that is the core that goes into that in terms of money. (ET7Mus)

The participant's words are instructive with regards to how Islamic religious institutions shape entrepreneurship for Muslims. First, the Muslim view is that death, money, and other life events are pre-destined. At first glance, the concept would seem to limit entrepreneurship because it could limit drive and initiative. If God wanted a person to start a business, then it would happen, there is no need to put forth the effort to start one. However, the interview data suggest that the concept actually encourages entrepreneurship among Muslims because, "You can't worry about not spending because you're worried you're not going to have enough to feed your family." Thus, in the case of Muslims, fear of losing money due to venture failure is taken away because of the way in which their religious institutions, or beliefs and practices, shape their view on money, death, and divine providence. As a result, a decision to engage in entrepreneurship

seemed less risky. The participant also mentioned how the practice of Jihad shapes Muslims' practice of entrepreneurship:

And in terms of lying, it's because if you lie, it means one of two things. You have either done something wrong, or you're scared of telling the truth. And a Muslim cannot do anything wrong. And a Muslim cannot be scared of telling the truth. That doesn't mean that God expects you to stand up to the injustice and lose your head as a consequence for it. And if you don't do that you are going to go to hell. And God's merciful. But it's a lot better if you do. You know there is no stain on you if you don't. There is not stain on you if you just look the other way. Like jihad. There are five forms of jihad and it means, "struggle to fight the injustice." The first form is you fight it with your hands. That is, armed conflict, maybe pushing someone away. Maybe picking up a broken bottle off the street and throwing it away, that counts as jihad. The second one is with your mouth. So if you can't change it with your hands you tell people about it. And if you can't change it with your mouth then basically at least know it in your heart and mind. If you can't change the injustice at least recognize it in your heart and in your mind and recognize it as wrong... Now take all of that and put it to business. You cannot lie or cheat. You cannot cower away from a just fight. You have to stand up for the people. (ET7Mus)

Jihad is the "struggle to fight injustice," and if possible, it should be undertaken with one's hands or acts. Creating new economic activity is increasingly seen as one way that Muslims can "struggle to fight" against violence, terrorism, and inequality with one's hands (Ali, 2013). Ironically, while Jihad is invoked to justify the violent acts of extremists, it is also used as reason for moderate Muslims to engage in entrepreneurship in order to end violence and extremism. Thus, the practice of Jihad is a driving force motivating Muslims to take the risk to engage in entrepreneurship.

Other practices, such as consistent study of holy writ and religious service, have shaped the decisions to engage the risk of entrepreneurship as well. The practicing of studying holy writ shaped the decisions of both Muslim and Mormon entrepreneurs. For example, one Muslim entrepreneur commented:

[Affirming that scripture informed her decision to engage entrepreneurship] Yes, because whenever you read about how God's going to judge us, it's based off what we did in life to support humanity. To support the people he created. Because he cannot do it on earth so he sent people down here to help humanity. And those people, they work for him. And I'm hoping that I am one of them serving God on Earth. (ET9Mus)

In this case, reading scripture caused the participant to reflect on her works, and that led to her decision to take on the risk of entrepreneurship. While reading scripture, the female entrepreneur was reminded of her duty to support humanity. In remembering that duty to God, she reflected

on her own works, and decided that she could do more to fulfill that duty. For that reason, she decided to engage in entrepreneurship. Often adherents of both religions made similar connections between what they read in their respective scriptural canons and the decisions they faced in their own lives. Thus, the practice of reading scripture served to motivate adherents to maintain legitimacy with God, and extra-social entity.

Mormons often cited their experiences serving as lay clergy as shaping their decisions to take the risk of entrepreneurship, which is exemplified by one participant's comment:

However, because of my church experience, I became aware that people who make an enormous amount of money, whom I would hold on a pedestal because of their business success, had just as many problems as the commoners, which I was at the time. I became much more compassionate and empathetic to people who struggled. I recognized that people who make money, and have high religious positions, have children who struggled. I felt that I was on a mission actually. I felt that I was called to help struggling families to do this. That was a motivation to stay in the business and take a few risks actually. (ET1Mor)

Experience as a lay clergyman helped the entrepreneur gain a deeper understanding of the struggles that even the more successful church members had. The understanding gained from this religious practice led the participant to feel a spiritual calling to his industry of choice because he developed a commitment to do more to ease the struggles of others. As a result, the Mormon entrepreneur decided to take risks in the behavioral sciences industry. Thus, the practice of a lay ministry motivated him to engage in entrepreneurship, and it shaped how he picked the industry in which he would be entrepreneurial.

Both Muslim and Mormon entrepreneurs cited religious standards for self-reliance as shaping their decisions to engage in entrepreneurship, as demonstrated by the two quotes below:

When everybody was getting laid off in 07-08, and my company was being shutdown, it was an ugly situation. I thought, okay I have a family to feed, a mortgage to pay, and I have to do something. Quitting and getting a menial job was not going to work; it was not my personality. As a result, we have been hunkered down for the last few years. I am up at 1am doing emails until 3am, and I went out and got my broker's License. Now I have my contractor's license, my architect license, and I have my broker's license as well. I woke up early to study to get that because I knew that it was what I had to do. Again, our LDS faith and LDS culture of family lead to the idea that quitting was not an option, and having things handed to you for free without work was not an option as well. (ET2Mor)

And Islam and the Prophet Muhammad in general, they encourage the person to be self-dependent. Not to depend on others. Not to beg for money if he is able to go and get a job on his own or to have a certain career. This is definitely encouraged in the religion. For example in paying a zakat, which is a portion of one's wealth that he needs to pay to help the poor, the prophet said it is not acceptable to pay that money to someone who is able to go and work. (ET10Mus)

Both Muslim and Mormon entrepreneurs expressed that their religious norms regarding self-reliance shaped their decisions to take the risk of entrepreneurship. In most cases, when faced with the prospect of having no job, these Muslim and Mormon entrepreneurs created their own through entrepreneurship rather than choose aid of some kind. In fact, for Muslims it seems that no religious aid is even given if they are able to work. Therefore, in a case of unemployment, the adherents' belief that God encourages self-reliance is a motivator to choose entrepreneurship over aid. Again, the decision to take the risk of entrepreneurship is motivated by desire to maintain legitimacy with that which is extra-social.

In addition to shaping decisions to take risks and engage in entrepreneurship, religious institutions also shaped business related decisions, and how they are made. For example, cultural-cognitive institutions regarding the roles of God and spouse informed whom Mormon entrepreneurs sought for advice on difficult decisions.

I think every entrepreneur becomes cognizant of the fact that your business is bigger than you are, that you are not the only reason that the business exists. While you may have the skills to bring people together and accomplish things that may not have been achieved before, you recognize how fragile your position is, and how much you will need to depend on somebody else. Typically, when you are the leader of the band, you have to maintain some sort of leader-follower relationship while still being open and honest and vulnerable. However, the deepest concerns you can't share with the people that work for you, in my opinion. So you do that with your wife, whom, I am taught in my faith, is my very best counselor. You go to God. (ET1Mor)

The Mormon entrepreneur often conferred with his wife as well as with a higher power because his faith imbues in his mind the idea that one's spouse and God occupy roles as counselors in his life. LDS scripture teaches that God speaks to *both* the head and to the heart, not one or the other (LDS Doctrine and Covenants 8:2). Furthermore, the religion teaches that men are the head, and women are the heart of a family (Monson 2001). For this reason, a Mormon entrepreneur may be more likely to seek counsel from his wife as he seeks guidance from God on business decisions,

as is the case with this Mormon entrepreneur. Thus, religious institutions shape who the Mormon entrepreneur views as sources of wisdom regarding business decisions.

Religious institutions even influenced decisions regarding business financing, pricing, and business value propositions. This quote from a Muslim Entrepreneur illustrates how their religious institutions influenced business finance decisions:

We weren't in debt at all when we started the restaurant. But some of the religious practices we do adhere to. Like we don't mess with the prices. That's something that my dad won't touch. Some customers might not even notice, but my dad won't touch them. He sticks to being honest. And at the same time, we are very generous with our food. Like if someone comes to us and says, "I don't have much but I want to eat," we will give him a full meal. My dad's philosophy is, give and you will get back. Or you know if somebody comes and they want a coke, but they don't have a buck on them, we say to just remember it next time. If somebody wants something extra, we don't charge for it. And because of that, everybody feels like this is their kitchen. It feels like they are coming to their mom's house or something. (ET6Mus)

Islam prohibits commercial deals that include interest, and it discourages its adherents from taking on debt. Such norms seem to dictate how entrepreneurs seek financing for their business, or rather, how they will not seek financing. In the case of Muslim entrepreneurs, they will most likely refrain from a common practice of financing their businesses through loans, and they will most likely seek to incur little, if any, debt. The example illustrates how an extra-social legitimacy could be a force in encouraging individuals to deviate from other common practices in the business community.

Furthermore, religious norms regarding generosity and hospitality influenced this Muslim entrepreneur's value proposition. In this case, the entrepreneur's value proposition is authentic Middle Eastern food, and his religious norms are a motivation to give large portions of food, frequently give away meals, and have a flexible system for charging clients. In short, the religious norms shape the nature of the entrepreneur's value proposition, and in the process, create a familial ambiance that adds to the value of this entrepreneur's service. Finally, religious norms even shaped decisions regarding pricing for Muslim entrepreneurs. In the aforementioned

quote, the Muslim entrepreneur said that, “We don’t mess with prices.” However, another Muslim entrepreneur was more detailed on Islamic dictates regarding pricing:

We try not to be greedy. We try to be as affordable as possible because at the end of the day... In terms of faith, my Lord has defined the percentage of profits I can earn. Most of those are 20%. For the average capitalist that’s nothing, but even for the average person it’s very little, but if you are doing 20% across the board and so is everyone else. We aren’t all selling something, but we are all buying something. I’m charging you 20% for this. Life is going to be more affordable. And that kind of controls inflation even. (ET7Mus)

Norms in Islam dictate the specific percentage of profits that Muslim businessmen should charge, which is no more than 20% profit. These norms may influence the pricing decisions of Muslim entrepreneurs. Religious norms relating to health further influenced product decisions for one Muslim entrepreneur:

Sometimes the day before we are already sold out for the next day. Part of it is we don’t serve alcohol. Everything is halal [food that meet Islamic standards]. And we don’t have entertainment so the people that are religious know that this is the restaurant to come to, so that helps. (ET6Mus)

Again, religious norms influenced decisions regarding the nature of the value proposition as well as the culture of the business for Muslim entrepreneurs. In the case of this Muslim entrepreneur, the norms dictated what types of dishes and beverages are served and which types are not served. Furthermore, Islamic norms motivated the decision to exclude entertainment from the restaurant, thus, influencing the company culture.

In another direction, Mormon understanding of human agency was found to shape decisions about the sale strategies of Mormon entrepreneurs, as represented by one interview:

I do not use the word sell, because I think we go into a home, educate people, and let them know their choices. I give them the best option, and let them decide what they can do with it (ET5Mor)

Human agency, or a right to choose for oneself, is a central tenet of Mormon theology. Furthermore, Mormons view their lives as a time to gain experience and learn. This interview excerpt illustrates how these concepts shape the sale strategies of Mormon entrepreneurs. Mormons do not sell, rather they “educate” the client on their “choices,” and “let them decide

what they can do with it.” Again, we see that religious norms influence the business decisions of entrepreneurs and, in this case, the entrepreneur was quite conscious of these norms.

Both Muslim and Mormon entrepreneurs discussed how practices related to observance of religious holy days shaped decisions regarding business hours of operation. One Mormon entrepreneur’s experience demonstrates this:

For example, there were things that happened early in the business, like I spent \$2000 on a home show. The previous owners were real big on doing home shows, and it was a Friday- Sunday deal. It was the kind of thing where you had to be there to own it because people come up, you explain the product, and you get leads and referrals. So I had a decision to make as to whether I was going to go and man the booth on Sunday. I actually had another guy that was helping me, and he offered to go and man the booth on Sunday. So I had to decide whether we would be a business that works on Sunday, even though I just spent this money to have a booth there. Was I going to shut down the booth and miss out on the best day of those three days at the conference? We made a decision that we would keep the commandments, honor the Sabbath day, shut down the booth, and come what may, you know? That is maybe just one example of how we try to follow the counsel of our faith to keep the commandments, and trust that the Lord would take care of us. (ET5Mor)

Norms prohibiting work on certain days of the week influenced decisions regarding the hours of operation, and such norms were followed even at company cost. Even more interesting is that the entrepreneur decided to maintain legitimacy with his higher power at the cost of potentially losing legitimacy among his peers and clients in the industry. This entrepreneur felt that greater success would come to his business by maintaining legitimacy with God over maintaining legitimacy with the company’s social environment. In other words, extra-societal legitimacy was more important than societal legitimacy.

Overall, both Muslims and Mormons also pointed out that their respective religion’s holy writs provide the general frameworks for all types of human activity, including providing frameworks for business related decisions in economic activity like entrepreneurship:

Scripture study is history. And I think anytime that you study history, it can help you in your present. It helps to see a bigger picture when it comes to goals. So, once again I think that reading scriptures gives you perspective. And as a businessman it grounds you. It’s just like going to seminary before school. You always have what you felt that morning to help strengthen you through your school day. And that’s the same thing as reading scriptures. You know something might come up and instead of having something off the wall or something that’s off color come into your mind, you can have scripture moments that will pertain to the situation you are in. And so I think it’s a grounding situation for business people. (ET3Mor)

The practice of studying scripture gives perspective that grounds the decisions that entrepreneurs make. One way that it gives perspective is that, as indicated in the quote above, the experiences of characters in the scriptures are often connected by the entrepreneur “to the situation [they] are in.” In this way, the scriptures become a “grounding situation for business people” as they make operational decisions regarding their enterprise.

A Muslim entrepreneur further corroborates the link between the practice of scripture study and business decisions:

We just believe that the Quran is the literal word of God. We use it as the words that God spoke upon Gabriel and that he delivered verbatim to Muhammad. So that’s the only other difference. Basically it’s the teachings of an economic, social and political structure for the community. You can practice it on your own as an individual or as a house and family surrounded by infidels. Or it can be for a global population. So, it doesn’t really matter. And that is the miracle of the Quran. It’s eternal and for everyone at any time. (ET7Mus)

For Muslims, the Quran outlines an economic, social, and political structure, and the Quranic structure can be applied to a community, individual, house, or even a business. Thus, the practice of studying the holy writ so that God can constantly inform business related decisions has particular importance for Muslim entrepreneurs.

In contrast, one Muslim’s comments indicate that religiously informed entrepreneurship could also be limiting:

In our community there is a lot of organization around religion. Christians are organized, the Muslims are organized, but it took a lot of events in the Middle East to get them to work together. (ET8Mus)

According to the comments of this Muslim participant, religious norms dictated forms of organization and interaction, and did so in a way that limited interaction across faiths. While there is greater interaction between Arabs of different faiths now, greater interaction was the result of political events in the Middle East. Again, the comments suggest that religiously informed entrepreneurship may limit commercial interaction across faiths. However, the behavior could also be the result of Arab notions of faith rather than the faiths themselves.

In conclusion, religious institutions shape decisions to take the risk of engaging in entrepreneurship as well as daily business decisions regarding financing, sales, and operations. Overall, the religious institutions of both faiths provided a framework for entrepreneurial behavior. When the religiously prescribed framework was counter to common business practices, entrepreneurs of both faiths tended to follow their religious frameworks. Thus, their concern with maintaining extra-societal legitimacy seemed to allow them to easily deviate from established business practices and norms.

Confidence and support. Religious practices were also vehicles of support and confidence for entrepreneurs. For entrepreneurs, religious practices were a way to connect to support offered by a superior being as they sought to make new markets, provide services in a different way, and create new economic activity. Table 8 below summarizes results for this section.

[Table 8 about here]

Mormon institutions influenced “confidence to be entrepreneurs” more than Muslim institutions in this sample. Again, for this phenomenon Mormons drew more on normative institutions and regulatory institutions than cultural-cognitive institutions while Muslims drew on each type of institution more equally. Furthermore, Mormon and Muslim institutions shaped the phenomenon of “business support” equally in this sample; both seemed to draw on normative institutions and regulatory institutions. The comments of one participant highlight the extra-societal nature of how institutions shape this particular phenomenon,

You know, a lot of people have been very successful without faith and religion, and great for them. However, I would rather err on the conservative side, and rely on a superior being to carry me through difficult times. When times get tough, I do not want to be there by myself. I do not know how people do it. (ET2Mor)

When participants felt connected to a superior being, they were confident that they could engage in the risk of entrepreneurship because they believed that some extra-societal power would

support them during difficulties related to the entrepreneurial process. Specifically, practices were vehicles for giving individuals confidence to be entrepreneurs, for giving emotional support during entrepreneurial challenges, and for giving actual business support. For example, Mormon entrepreneurs typically cited the practice of serving missions and participating in lay ministry positions as giving them confidence that they could be entrepreneurs.

Before my mission, I did not know what it meant to put everything on the table. My mission taught me that. I have tried to maintain that belief that I have more to give, and I have got to discipline myself more so that I can accomplish more. Seriously, every day of my life, there is not a day that goes by that I do not reflect on my missionary- something learned or gained. It is a reference point, you know? I did it then, and I can do it again. (ET1Mor)

The comments of this Mormon entrepreneur reflect the attitude of other Mormon entrepreneurs with respect to the practice of serving as missionaries. Missions taught the Mormon entrepreneurs how to be willing to put everything on the line to accomplish a goal or carry out an idea, and that experience served as a reference point for Mormon entrepreneurs. For many Mormons, few things are harder than creating new religious activity, and therefore, one could confidently create new economic activity because they have already been successful at creating something much harder. Mormon entrepreneurs saw participation in other religious service related to the practice of lay clergy the same way that they saw serving LDS missions:

But religion definitely helped with things. It gave me the confidence to be able to do it. I think when you have leadership opportunities in religion, I think it helps you develop and understand your potential. And so the leadership opportunities I had in church transferred well into a business environment. So I was able to have the confidence to do here what I did there. (ET3Mor)

Again, success in creating religious activity translated into confidence in creating new economic activity for Mormon entrepreneurs.

Both Muslim and Mormons found confidence through the practices of prayer as exemplified by one participant's comments.

I found that if I take time out of the day to pray and meditate, that I am much more effective. The world would teach work-life balance as things you do to spend more time with other things that are important, which I believe. However, I think that throughout the day, my faith actually achieves the best work-life balance because you stay connected to what you believe is the source of your talent, your strength, wisdom,

and of humility. I lock the door every day, and take a moment to say a prayer and read my scriptures. I honestly believe that I gain more strength and wisdom. I believe that I am better at my job when I do those kinds of things. (ET1Mor)

The practice of prayer and meditation was a source of strength for entrepreneurs because they saw it as a way to connect with a higher power. In connecting with that higher power through prayer and meditation, entrepreneurs felt more confident in performing their roles. Religious practices were also vehicles for finding emotional support during entrepreneurial challenges. In many cases, the practices of reading verses of scripture gave entrepreneurs strength, as mentioned by one Muslim participant below.

Yes. Some verses from the Quran, like the prophet said if someone was about to get involved in a certain task, whether it is a business deal or a test, they should recite “al fatihah,” you know verses from the Quran. He should do it with the intention that it would make it easy for him to work that business deal or the like. So things like that it is a known practice that many Muslims will follow. They will recite verses to make the task have a good beginning. (ET10Mus)

While both Mormon and Muslim entrepreneurs found emotional support from scripture during entrepreneurial challenge, several Muslim entrepreneurs actually cited scripture prior to performing work related tasks in an effort to gain confidence that the task will go well from the beginning. Attending religious services also provided emotional support because they were able to draw strength from social interactions in the religious setting.

Well I have done a few jobs for people in the ward. Brother Z, who is LDS, works for me. I have not really tried to push my business on people that I know. I try to let them come to me if they need it. I tell people what I do, but I try not to sell people that I have a relationship with. However, I would say that people in the ward have been encouraging and complimentary to the fact that I have gone out to start my own business, and that is really helpful, I think. (ET5Mor)

The practice of attending religious services led the entrepreneur to find encouragement from his peers at Church. The encouragement proved helpful to the entrepreneur as he faced the challenges associated with entrepreneurship.

Overall, the practices also served to connect participants to a superior being. In doing so, their needs for legitimacy seemed to become extra-societal. Their search for extra-societal legitimacy allowed them to bypass needs for legitimacy within society, deviate from established

rules and, therefore, be innovative entrepreneurs. Two quotes, one from a Muslim and the other from a Mormon, illustrate this phenomenon:

Of course, when you're a believer, the best partner with you is God. And I asked a lot of people to help give me the push to start this organization and I was driving the car and I asked God and said, "Please be my partner with this." And that's the best partner, right? I am doing work for him. And since that day we have been really going up. (ET9Mus)

For this Muslim entrepreneur, the best partner in a new venture or new idea was God. God was seen as the best partner because God is all knowing and all-powerful, and the institutionalized role of God in the life of the believer is to be a source of providence, support, and guidance. God is supposed to help a believer see things that non-believers do not see and know things that non-believers do not know. For this reason, religious entrepreneurs often sought legitimacy with God at the expense of legitimacy in their company's social environment. The comments of a Mormon entrepreneur further illustrate this point:

Well, let's talk about what an entrepreneur is. Does an entrepreneur have a study guide as to what they will do? Do they have a corporate structure? Or is an entrepreneur out there somewhere "mavericking" a concept, a business, or an idea? So who does he have to mentor him except for a higher power? So my answer is YES, the process of receiving inspiration from a higher power has a very direct correlation with recognizing opportunity because without that higher power there is no one else that can even understand that person's idea, or change in the way they do things, or the market that they are trying to fill that no one has thought of before. Isn't that what an entrepreneur does? He does not follow the trail; he creates a new one, so the need for a higher power is automatic. (ET4Mor)

As stated above, entrepreneurship almost always includes deviation from some social norm in the pursuit of creating new forms of economic activity. Why are entrepreneurs capable of bearing the possible shame that often accompanies deviation from normal practices? The results of this study suggest that the reason is that entrepreneurs' need for legitimacy is often tied to something extra-societal. In this case, Muslim and Mormon entrepreneurs' need for legitimacy is tied to God. As explained by the Mormon entrepreneur above, finding opportunities or ideas that are different than others is the result of seeking inspiration from God, and God becomes the only partner and counselor when a person is trying something new because God knows everything

and, therefore, is the only one that can understand what the entrepreneur is trying to do. Thus, “the need for a higher power is automatic.”

Finally, religious practices also provide actual support to the business. Both Muslims and Mormons noted holy day practices within sacred space as vehicles that lead to client acquisition.

I mean, after Friday prayer it is ridiculously packed here. And Thursday through Sunday we usually run out of food. And we serve specials because there is only so much you can cook in a small restaurant. We just don't have the space or the refrigeration you know. So that's how they hear about it. It was through the mosque. People go to pray on Friday and they come here to try the food together. And then those guys invite their friends. (ET6Mus)

In this case, the practice of attending the Mosque on Fridays supported the entrepreneur's restaurant business because among the congregants in the Mosque word spread about the quality of the food at the entrepreneur's restaurant. Thus, the practice contributed to the Mosque becoming a marketing hub for this entrepreneur. The experience was similar for Mormon entrepreneurs:

First of all, the answer is yes, but I have never picked up a church directory and used it as a marketing tool. A wise man that I met in my industry, who is a member of the church, told me that it was not a good idea. I believed that practice. I do not want people at church to think that I am at church to get business. On the other hand, because I never did, but was willing to teach openly, and participate in callings, people would come to me. For example, I taught classes for the finance merit badge in scouts all of the time. People eventually ask what you were doing, and as needs arose, they would come to me for help. So I do have clients who are Mormon, but I have more clients that are not Mormon, and I still think that my relationship to the Church has been of great value because people know clearly who I am. (ET4Mor)

Although unintentional, the practice of teaching and sharing at church did, in fact, lead to client acquisition through Church. Thus, religious institutions served as sources of confidence for Muslim and Mormon entrepreneurs. Their religious practices gave them confidence to be entrepreneurs, and emotional support during entrepreneurial challenges as well as business support.

In conclusion, religious institutions shape entrepreneurial decision making, and serve as resources for confidence and support. Within the institutional shaping of these two entrepreneurial phenomenon, also emerges a concept which I call “extra-social legitimacy.”

Again, extra-social legitimacy refers to instances where an individual's needs for legitimacy are tied to something outside of his or her community. In this case, some participants had their need for legitimacy tied to God. The concept distinguishes itself from legitimacy tied to religious institutions or cultural norms in several ways. First, in instances of extra-social legitimacy, the individual feels that his/her idea or course of action is something that can only be understood by an extra-social entity. One Mormon entrepreneur's comments illustrated this concept really well:

...without that higher power there is no one else that can even understand that [entrepreneur's] idea, or change in the way they do things, or the market that they are trying to fill that no one has thought of before- isn't that what an entrepreneur does? He does not follow the trail; he creates a new one- so the need for a higher power is automatic. (ET4Mor)

In addition to the feeling that an idea can only be understood by an extra-social entity, the quote also suggests that the individual who has extra-social legitimacy actively engages with the extra-social entity in developing the idea, implementing the idea, or in following a particular course of action. Second, in instances of extra-social legitimacy, the individual feels a unique call from an extra-social entity to develop an idea or pursue a course of action. Two quotes, one from a Mormon and the other from a Muslim, illustrate this point:

I felt that I was on a mission actually. I felt that I was called to help struggling families to do this. That was a motivation to stay in the business and take a few risks actually (ET1Mor)

Because he cannot do it on earth so he sent people down here to help humanity. And those people, they work for him. And I'm hoping that I am one of them serving God on Earth (ET9Mus)

In both cases, the entrepreneurs discussed being called by an extra-social entity to engage in their entrepreneurial work. Given the extra-social nature of the calling, the individuals' sense of responsibility to fulfill that obligation is now tied to the extra-social entity as opposed to society. Thus, their needs for legitimacy begin to be tied to something extra-social.

Summary of Results

Overall, the Mormons in this sample cited institutions that were regulatory and normative in nature as shaping their experience, much more than citing institutions which are cultural

cognitive in nature; 79% of the institutions they cited were normative or regulatory in nature, and 21% were cultural cognitive in nature. Muslims, however, had a different balance, citing the types of institutions more evenly; 63% of the institutions that they cited were normative or regulatory in nature, and 37% of the institutions they cited were cultural-cognitive in nature. It cannot be completely assumed that normative institutions or regulatory institutions shape the entrepreneurial experience more than cultural-cognitive institutions given that several cultural cognitive institutions are by nature taken-for-granted ideas about the world that are often not consciously recognized until an outsider may point it out to an adherent. Moreover, cultural-cognitive institutions are often umbrella institutions upon which normative and regulatory institutions are based. However, the results may indicate that the Mormons draw more heavily on their normative institutions than Muslims do throughout the entrepreneurial experience.

Furthermore, Muslim and Mormons overlapped on 30.5% of normative regulatory institutions mentioned during interviews, and they overlapped on 38% of the cultural-cognitive institutions mentioned during the interviews. The overlapping institutions were the proscribed script of God, the study of holy writ, standards for self-reliance, observance of religious holy days, covenant connection with God, the proscribed script of men and women, prayer, and standards of service. The practice of studying holy writ was the most cited practice across all entrepreneurial phenomena discussed. The proscribed script of God, prayer, and standards of service were tied for being mentioned the second most often across the entrepreneurial phenomena. It is also notable that “business support” and “opportunity creation” were two phenomena for which there were no overlap of Muslim and Mormon institutions.

DISCUSSION

The study makes several contributions to relevant theoretical frameworks and to practice. First, the findings of this study affirm the usefulness of Institutional theory in explaining phenomena related to entrepreneurship. In response to calls made by previous scholars to undertake a systematic analysis of how different types of institutions shape entrepreneurship (Tolbert et al. 2011; Estrin 2013), the current study explored how Muslim and Mormon religious institutions shape different entrepreneurial phenomenon such as risk related decisions, opportunity, skill, and confidence. Overall, responses from participants strongly indicated that religious institutions are valuable explanatory concepts for understanding entrepreneurial phenomena. Specific elements or dimensions of Mormon and Muslim religious institutions encouraged adherents to take the risk of entrepreneurship; other institutions provided opportunities to create new economic activity; and they aided in recognizing opportunities. Both Mormon and Muslim religious institutions were viewed as resources for opportunity recognition, leadership development, communication, strategy, and new venture formation. Muslim institutions provided clear frameworks for business financing decisions, pricing, and business ambiance. Finally, both Muslim and Mormon religious institutions gave entrepreneurs confidence to be entrepreneurs, created opportunities for entrepreneurship, and provided support throughout the entrepreneurial process. Thus, the study further provides new support for the contribution of institutional theory in explaining entrepreneurial phenomena. More specifically, the study provides a systematic analysis of the contribution of religious institutions in explaining entrepreneurship.

The context of the study further clarifies the contribution of institutional theory. Overall, the context of marginalization influences the intensity with which religious institutions shape

entrepreneurship, with the institutions shaping entrepreneurship more intensely when the group is more marginalized. However, the study also reveals that native vs. immigrant religious marginalization influences how religious institutions shape entrepreneurship in different ways. Again, Muslims were a marginalized *immigrant* religious group while the Mormons were a marginalized *native* religious group. The study findings suggest that religious institutions shape entrepreneurship in different ways for those two types of marginalized religious groups. For example, Mormon entrepreneurs were engaged in more typical for-profit activity while Muslim entrepreneurs were engaged in more non-profit activity. Those differences highlight immigrant needs for social services that are probably not present within a native marginalized religious group. Furthermore, the educational differences highlight the possibility that institutions lose their resource characteristics among native religiously marginalized individuals who are more educated. Thus, the context of religious marginalization further refines the contribution of institutional theory in explaining entrepreneurship.

The study also proposes several contributions to theory on entrepreneurship. First, the study provides other explanations as to why religion enables entrepreneurship. Previous explanations for the religion-entrepreneurship relationship are that religion enables entrepreneurship because religious dogma imbues a desire for autonomy (Weber 1904; Choi, 2010; Dana, 2010; Nwankwo et al. 2011), and because religious space facilitates social capital (Waldinger et al., 1990; Aldrich, 1999). Additionally, the current study suggests that religion enables entrepreneurship because religious institutions can serve as resources for the entrepreneur. One entrepreneur's comment illustrates the explanation:

Zero. I left school early to start a business. The biggest regret of my life... So you have to make up for it. You have to read more, etc. I learned that there is a price to pay, and you either pay it in school or you pay a much harder price out of school to make up for it. Now, people have no idea that I am not a physician or that I am not a PhD in my profession - no one has clue, but I had to work hard over a long period of time so that I could up my game in everything. From simple math so that I could read a financial statement and talk

to investors about my books. You have to learn somewhere, and I took the stupid road actually. Without my mission I would have been working at some hourly wage job. The Church became the only resource that I could hold on to that I could utilize. Which I utilized well, too well actually. You end a mission, think you can do anything, and I applied that. Things have worked reasonably well. (ET1Mor)

Religious practices, or institutions, were themselves resources for developing management and entrepreneurial skill, for recognizing opportunities for entrepreneurship, and for confidence.

Thus, the institutions themselves served as knowledge resources and skill resources.

Traditionally, institutional theory has been used to give context to resources in an environment which are used for new venture creation (Oliver 1997). However, the results of this exploratory study suggest that resource dependency theory (RDT) could also be used to explain how institutions shape entrepreneurship given that participants are drawing on normative and cultural-cognitive institutions as resources. According to resource dependency theory, entrepreneurial decisions are partly grounded in what an entrepreneur must do in order to have access to the resources which are critical to his/her new venture (Pfeffer and Salancik 1978). Therefore, an organization's power over another is directly linked to the other's dependence on that organization's resources. If adherents view the institutions embodied in a religious organization are seen as critical to an entrepreneur's venture, then the religious organization will have power to shape the entrepreneur's experience. Furthermore, given that entrepreneurs in marginalized groups are drawing on their religious institutions as resources, and given that normative and cultural-cognitive religious institutions are hard to imitate, valuable to a number of adherents, and often rare, the resource based view of the firm (RBV) would suggest that certain religious institutions could give entrepreneurs an advantage in the practice of entrepreneurship.

The resource- based view of the firm postulates that a firm's competitive advantage is derived from its skills, assets, and other resources (Barney 1991; Grant 1991; Lado, Boyd, and

Wright 1992; Collis and Montgomery 1995). Furthermore, the resource based framework links resources that are valuable, rare, difficult to imitate, and non-substitutable (VRIN) to competitive advantage and performance (Barney 1991). Again, given their marginalization, and small numbers compared to the rest of the US population, Muslim and Mormon religious institutions as resources could be viewed as resources that are valuable, rare, difficult to imitate, and non-substitutable. The institutions, therefore, not only support the entrepreneurs from these marginalized groups (i.e. resource dependency theory), but also could give them actual advantages in creating new economic activity (resource based view of the firm). In another direction, this study also suggests that religion enables entrepreneurship because the religious institutional practices actually create opportunities to develop new economic activity for the marginalized groups that adhere to them. Thus, the study refines middle range theory on the Religion-Entrepreneurship relationship by proposing two additional theoretical explanations for the religion-entrepreneurship relationship within the context of entrepreneurship among marginalized groups. An overview of these contributions to theory on entrepreneurship are displayed in Figure 3 below:

[Figure 3 about here]

In summary, for marginalized groups, religion also shapes entrepreneurship because the religious institutions themselves are actual knowledge and skill resources that help individuals from these marginalized groups create new economic activity. For that reason, religion has power to shape the entrepreneurial experience of their adherents. Moreover, given the rarity of the institutions which are used as resources, the resource-based view of the firm would further suggest that the institutions could provide an advantage for these adherents in the entrepreneurial process. Thus, I make the following propositions for further quantitative testing:

Proposition 1: Religion shapes entrepreneurship because normative and cultural-cognitive institutions of the faith are resources for the entrepreneur.

Proposition 2: Religious institutions of marginalized religious groups create a religious-based advantage for entrepreneurs

Proposition 3: Religion enables entrepreneurship because normative institutions of the faith create opportunities for entrepreneurs.

Furthermore, not only do the religious institutions create niche opportunities for marginalized groups to create new economic activity, and those opportunities may not be recognized by those who do not adhere to these particular sets of institutions. Following the logic of disruptive innovation theory, the ventures of ethnic entrepreneurs could be more disruptive than non-ethnic ventures. According to the theory, the disruptiveness of a venture is a variable concept with the following attributes (Govindarajan and Kopalle 2006; Christensen 2007):

1. Introduces a different set of features and performance attributes relative to the existing products
2. Often offered at a lower price
3. The combination is originally unattractive to mainstream customers
4. A niche customer segment sees value in the innovation's new attributes
5. Over time, developments raise the new value proposition's attributes to a level that is sufficient to satisfy mainstream customers, thus potentially attracting more of the mainstream market share, or even killing an old market completely.

Again, mainstream firms tend to initially ignore the marginalized market niches due to low profit margins in the remote market. However, once the new venture gains a strong hold in the niche customer segment, it is able to move into established markets, take away market share from mainstream firms, and it could eventually drive incumbent firms out of the market (Govindarajan and Kopalle 2006; Christensen 1997). Disruption theory closely follows the empirically substantiated path of ethnic entrepreneurs described by the theory of ethnic market niches. The ethnic entrepreneur begins by providing a niche value proposition within his ethnic

market, a niche proposition, which may be unimportant to mainstream society, and then moves to more established markets. In short, the two causal stories closely resemble each other.

However, while both causal logics would suggest that the ethnic entrepreneur eventually moves into mainstream markets, disruption theory would further predict that they are likely to disrupt existing markets. Results from this study suggest that ethnic entrepreneurs are more likely to be disruptive. For example, one Mormon entrepreneur recounted how he started as a paid DJ for Mormon youth dances and birthday parties in Orange County and developed sets of activities and dance games that added value to his work as a DJ for Mormons. Eventually, however, this Mormon entrepreneur moved to mainstream markets, and his firm is now the largest provider of party planning services in the county. One Muslim entrepreneur who was interviewed for this study, started a restaurant due to demand created by the practice of Ramadan. The ethnic entrepreneur's restaurant is now rated as one of the best tasting restaurants in the county. In each case, the value propositions had feature that were different relative to existing value propositions (Arab food and dance games adhering to Mormon standards), the value propositions were originally unattractive to mainstream customers, and the ventures started in niche markets. However, over time they gained value among mainstream customers, which resulted in taking large market share from competitors (the Mormon DJ example) as well as creating a new market (creating a market for Arab food in Orange County). Given that the Schumpeterian view of entrepreneurship conceptualizes an entrepreneur as one who disrupts "the economic status quo," it seems that institutions from marginalized religions often shape entrepreneurship by creating the opportunities that could often lead to disrupting "the economic status quo" (Chell et al. 1991). Therefore, I make the following proposition for quantitative testing:

Proposition 4: Ventures created in response to opportunities created by institutions of marginalized religions have a higher likelihood of disrupting existing markets.

If the proposal holds to empirical testing, then the theoretical coupling [theory on ethnic market niches and disruption theory] could make disruption theory more predictive, which is a recent critique of the theory (Lepore 2014).

The study also contributes to theory on entrepreneurship by suggesting a concept that could help explain why certain individuals are able to bypass the possible shame that accompanies deviation from established economic paths and creating new ones, a hallmark of Schumpeterian entrepreneurship (Goss 2005). Comments from participants in the study suggest that individuals are more likely to bypass public shame and deviate from established practices when their needs for legitimacy are not tied to the social environment, but instead are tied to something extra-social. In the case of this study, participants' needs for legitimacy were tied to their faith's conceptualization of God. One example of this concept from the results was one entrepreneur's decision to not participate in his industry's institutionalized practice to market at home conventions on Sunday. In this instance, the entrepreneur chose legitimacy with his God over legitimacy with the firm's social environment. Again, deviation was easy because of the extra-social legitimacy seeking displayed by the entrepreneur. In short, the study suggests that Extra-social legitimacy leads to bypassing shame, which leads to support for deviating from established industry practice, which in turn could lead to innovative entrepreneurship. A summary of this contribution to theory on entrepreneurship is displayed in Figure 4 below.

[Figure 4 about here]

The proposed concept of extra-social legitimacy leads to a fourth theoretical proposition:

Proposition 5: Entrepreneurs are able to bypass the shame that often accompanies deviation from norms because their needs for legitimacy are extra-social.

In conclusion, the study makes five contributions to theory on entrepreneurship. First, it suggests that resource dependency theory helps explain why religious institutions shape entrepreneurship among marginalized groups. Second, given the marginalized nature of the institutions, it could be suggested that the institutions could be resources that give the entrepreneurs actual advantage in the entrepreneurial process according to the resource-based view of the firm. Third, it suggests that religion enables entrepreneurship because the religious institutional practices create opportunities to develop new economic activity. Building on that contribution, the study suggests that disruption of the economic status quo may be more likely to occur among ethnic minority or marginalized entrepreneurs because opportunities created by religious institutions are niche markets where, according to theory, disruption usually begins. Fifth, it suggests that the concept of extra-social legitimacy helps explain why certain individuals are able to bypass shame, deviate from established practices and create new types of economic activity. Thus, the study makes clear contributions to theory and shows the contribution of institutional theory in explaining engagement in entrepreneurship among these marginalized religious groups.

The current study makes contributions to practitioners as well. First, the study should serve to help venture capitalists and other investors in early-stage entrepreneurship. Venture capitalists and other investors are constantly making decisions regarding which ventures to fund, and they are also constantly guessing where levels of entrepreneurship will be high. The current study findings suggest that an entrepreneur's religious background could indicate to investors the entrepreneur's approach to venture formation, leadership, management, and financing. The entrepreneur's religious/cultural background could also indicate their resilience during challenges as well as their personal creative processes. Furthermore, it could be that investors, on

average, are likely to find higher levels of entrepreneurship where certain religious institutions are stronger. Second, the study could be useful to religious leaders as they seek ways to make their religious norms and doctrine relevant to their congregants. While this study was limited to Muslims and Mormons, it could be that religious practices and beliefs from other faiths serve to support believers in their economic pursuits. Finally, the study could be practically relevant to entrepreneurs as they seek for resources of all types to aid them in their pursuits to create new economic activity.

Limitations and Future Studies

The current study has several limitations. First, the study has a small sample size, and is intended to explore the experiences and views within two religious groups who occupy a similar environment. These findings, therefore, are limited by this context and scope of the research. The next research step would involve developing a research design that could include larger samples from different religious groups and geographic areas and would allow for quantitative testing of some of the theoretical propositions offered. Systematic analyses of other religions help to substantiate the proposed ways in which religious institutions shape entrepreneurship generally, as well as distinctly. Finally, the current study's sample included only one female. While her experience was not notably different from other entrepreneurs in the sample, it is still very likely that religious institutions shape the entrepreneurial experience differently for men and women given that religions often prescribe specific gender roles. For example, it could be that religious institutions regarding gender roles could shape industry choices of men and women entrepreneurs. Thus, future studies should include more woman entrepreneurs in order to explore whether religious institutions shape the entrepreneurial experience differently for men and

women as well as what role gender may play in the understandings, approaches and strategies that entrepreneurs use.

The presence of only one female entrepreneur in the sample also suggests that certain religious institutions limit access for entrepreneurship among women. Thus, future studies should also include non-entrepreneurs in the sample in order to explore how religious institutions possibly limit access to entrepreneurship among certain groups within the faith. In future studies, the context of marginalization should not be forgotten. The context of marginalization can further highlight how religious institutions potentially limit entrepreneurship for women or groups. For example, it could be that the effect of religious institutions on women's participation in entrepreneurship declines when the woman is a member of an immigrant marginalized group, but has no effect on the relationship for women in a native marginalized group. The study sample points to this possibility given that the one female entrepreneur in this sample was from the immigrant marginalized religious group. Thus, the context of marginalization should continue to have relevance in future studies on these topics. Finally, future studies are encouraged to quantitatively test the propositions for theoretical development put forth in this study.

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APPENDIX

Observation Guide

Observe and note religious practices, these include but are not limited to:

- rituals
- sermons
- commemoration or veneration of Deity
- festivals or activities within the sacred space
- prayer
- music
- service projects
- weddings
- funerals
- meditation
- commandments
- standards
- religiously based social interactions

Observe for the presence of Business Incubator Services:

- Help with business basics
- High Speed Internet Access
- Networking Activities
- Marketing Assistance
- Help with accounting/financial management
- Help with presentation skills
- Links to higher education resources
- Comprehensive business training programs
- Help with business etiquette

Finally, observe for connections between the observed practices and observed business incubator services.

Interview Guide- Entrepreneur

Pre-Interview Guide

1. Name
2. Gender
3. Religion
4. Race/Ethnicity
5. Level of Education
6. Business Industry
7. Business size (Number of Employees)
8. Married:
 - a. Number of Kids:

Interview Guide

1. Tell me about your faith
2. What are some of your faith's important Standards? For you, what are the purposes of those standards?
 - a. Rule of Conduct? For you what are the purposes of those rules of conduct?
 - b. Rituals? For you, what are the purposes of those rituals?
3. Are your religious practices important to you in your life? Why?
4. Why did you decide to start your own business?
 - a. Did your faith motivate you in this endeavor? How?
 - b. Tell me about the process
 - i. how did you get the idea?
 - ii. What were your challenges?
 - iii. Was the church a support throughout the process? How?
 - iv. Did your religious practices help you throughout the process? How?
5. I now want to mention a few common services provided by business incubators, and I would like you to tell if you have found them informally through your religion [church or mosque]:
 - a. Links to Strategic Partners
 - b. Access to investors
 - c. Mentors
 - d. Identifying management labor
 - e. Help with financial management
 - f. Access to loans
 - g. High speed internet access

- h. Assistance with product commercialization
 - i. Help with regulatory compliance
 - j. Intellectual property management
6. Do your religious practices affect your entrepreneurial activity? How?
- a. Do you feel that your religious practices gave you an advantage as an entrepreneur? Which Specific Practices? How?

Interview Guide- Religious Clergy

Pre-Interview Guide

1. Name
2. Gender
3. Religion
4. Race/Ethnicity
5. Level of Education
6. Ecclesiastical Position

Interview Guide

1. Tell me about your faith
2. What are some of your faith's practices?
3. Are your religious practices important to you in your life? Why?
4. Does your religious organization have programs to assist your members when they are in financial need?
 - a. If so can you explain them to me?
5. Are there religious practices within your religion that you think would be helpful to entrepreneurs?

Table 1. Types of Institutions (Scott 2007).

	Regulative	Normative	Cultural-cognitive
Basis of Compliance	Expedience	Social Obligation	Taken-for-grantedness, Shared understanding
Basis of Order	Regulative rules	Binding expectations	Constitutive schema
Mechanisms	Coercive	Normative	Mimetic
Logic	Instrumentality	Appropriateness	Orthodoxy
Indicators	Rules, laws, sanctions	Certification, accreditation	Common beliefs, shared logics of action, isomorphism
Affect	Fear, guilt/innocence	Shame/honor	Certainty/confusion
Basis of Legitimacy	Legally sanctioned	Morally governed	Comprehensible, recognizable, culturally supported

Table 2. Types of Institutional Carriers (Scott 2007).

	Regulative	Normative	Cultural-cognitive
Symbolic Systems	Rules, laws	Values, expectations, standards	Categories, typifications, schemas, frames
Relational Systems	Governance systems, power systems	Regimes, authority systems	Structural isomorphism, identities
Activities	Monitoring, sanctioning, disrupting	Roles, jobs, routines, habits, repertoires of collective action	Predispositions, scripts
Artifacts	Objects complying with mandated specifications	Objects meeting conventions, standards	Objects possessing symbolic value

Table 3. Participant Overview.

Participant	Gender	Age	Religion	Education	Industry
ET1Mor	Male	40-60	Mormon	High School, some college	Behavioral Sciences
ET2Mor	Male	40-60	Mormon	Bachelors	Architecture
ET3Mor	Male	40-60	Mormon	High School	Construction
ET4Mor	Male	40-60	Mormon	High School	Financial Services
ET5Mor	Male	20-39	Mormon	Bachelors	Home Products
ET6Mus	Male	20-39	Muslim	Bachelors	Food Services
ET7Mus	Male	20-39	Muslim	Bachelors	Insurance and Immigration Services
ET8Mus	Male	20-39	Muslim	Bachelors	Non-profit, inter-faith work
ET9Mus	Female	40-60	Muslim	Bachelors	Non-profit, counseling and immigration services
ET10Mus	Male	20-39	Muslim	Bachelors	Non-profit, education

Table 4. Summary of Results on Skills.

Institutions	Skills
Muslim and Mormon	Prayer and goal setting/attainment Prayer and Focus Standards for service/caring for others and client retentions/acquisition Proscribed script of men/women and trust between co-workers
Mormon	Lay clergy from a young age and public speaking/ presentation skills Lay clergy service and time management Leadership through crisis Church meeting norms affecting Business meeting agendas Lay clergy service and building consensus Lay clergy service and motivating others Full-time missionary service and venture formation, networking, strategy, engaging the unknown, independence, and data analysis Repentance and client retention Genealogy and client retention
Muslim	Prayer and time management

Table 5. Summary of Results on Opportunity Recognition.

Institutions	Opportunity Recognition
Muslim and Mormon	Prescribed script of men and women Studying Holy Writ Prayer Standards for Service
Mormon	Young Men’s Weekly Activity Church Counsels

Table 6. Summary of Results for Opportunity Creation.

Institutions	Opportunity Creation
Mormon	Weddings Full-time Missionary Service Standards for Modesty
Muslim	Islamic scripts for men and women Ramadan Friday Prayer

Table 7. Summary of Results for Decision Making.

Phenomenon Related to	Institutions		
	Muslim and Mormon	Mormon	Muslim
Decision to Take the	Prescribed script of	Prescribed script	Sunnah
Risk of Entrepreneurship	God	of Spouse	Pre-destination
	Study of Holy Writ	Lay Clergy	Jihad
	Standards for self- reliance	Service	
Business Related	Observance of	Human Agency	Islamic Prohibitions
Decisions	religious holy days		on interest and
	Studying Holy Writ		debt
			Hadith proscribing
			appropriate pricing

Table 8. Summary of Results for Confidence and Support.

Phenomenon related to Entrepreneurship	Institutions		
	Muslim and Mormon	Mormon	Muslim
Confidence to Be Entrepreneurs	Prescribed script of God Studying Holy Writ Covenant connection with God	Full-time Missionary Service Lay Clergy Service Prayer Attending religious services	Recitation of scripture
Business Support		Teaching and sharing at Church leads to unintentional Marketing	Attending religious services leads to Marketing

Figure 1. Current Conceptual Model.



Figure 2. Common Services to Support Entrepreneurs.

Most Common Business Incubator Services

- Help with business basics
- Networking activities
- Marketing assistance
- High-speed Internet access
- Help with accounting/financial management
- Access to bank loans, loan funds and guarantee programs
- Help with presentation skills
- Links to higher education resources
- Links to strategic partners
- Access to angel investors or venture capital
- Comprehensive business training programs
- Advisory boards and mentors
- Management team identification
- Help with business etiquette
- Technology commercialization assistance
- Help with regulatory compliance
- Intellectual property management

Figure 3. Proposed Conceptual Model.

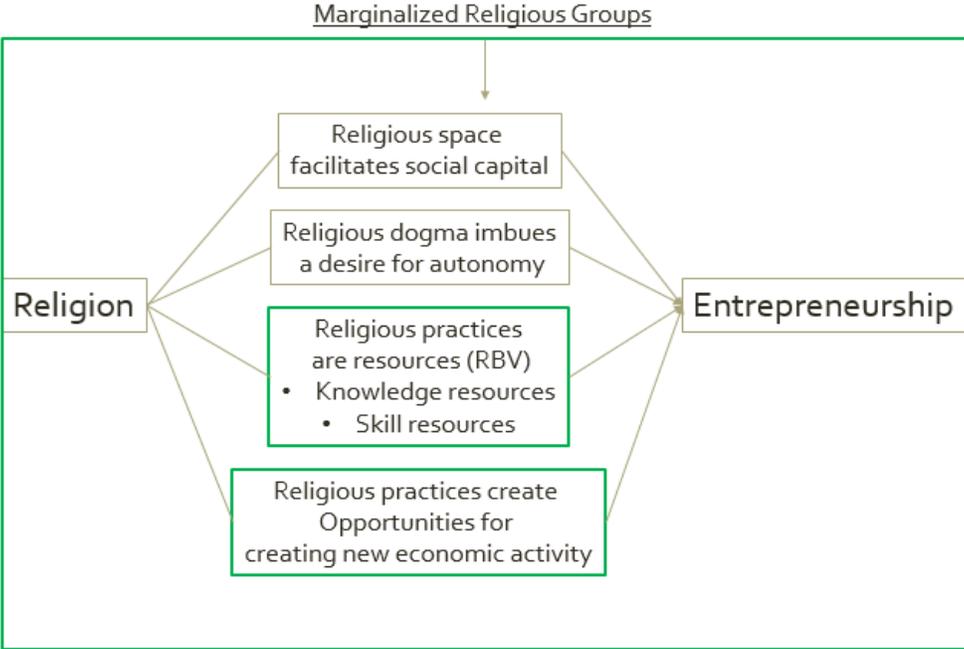


Figure 4: Proposed New Concept in a Conceptual Model.

