ABSTRACT
Research suggests that strong and weak ties have different forces for choice of entrepreneurial team members and could impact new venture performance. This research asks how strong ties affect resource flexibility in terms of team member's role modification and exit. We surveyed German incubator firms and found that strong ties increase the ability to modify working arrangements, but make it harder to exit the relationship. Both forms of resource flexibility had a negative impact on the entrepreneurial team's output performance, without significantly impacting the team's process performance. These results could help founders and venture capitalists compile more effective entrepreneurial teams.

Key words: Entrepreneurial team, Resource flexibility, Strong ties

INTRODUCTION
Researchers have been theorizing about entrepreneurial teams (Kamm, et al., 1990), exploring their existence (Ensley, et al., 1999), discussing their formation and evolution (Virany & Tushman, 1986; Clarysse & Moray, 2004; Ucbasaran, et al., 2005; Forbes, et al., 2006; Vanaelst, et al., 2006), and evaluating their importance (Hall & Hofer, 1993). The role of entrepreneurial teams as a success factor in the entrepreneurial process has been discussed since the mid 1980s (e.g., Dubini, 1989; Amara, 1990; Kamm et al 1990) and it is still an object of considerable research interest among entrepreneurship scholars (e.g., Ensley et al, 1999; Henneke, 2007; West, 2007). Research has found, for instance, that entrepreneurial team cognition influences the venture’s performance (West, 2007), team process variables influence team effectiveness (Chowdhury, 2005); team characteristics (Dubini, 1989) and social interaction (Lechler, 2001) are crucial to the venture’s success; and the team’s initial resources affect the firm’s survival (Aspelund, et al., 2004).

The research gap addressed in this paper concerns how the use of strong or weak ties in choosing entrepreneurial team members affects entrepreneurial team performance. For the purpose of this study, “[a]n entrepreneurial team is defined as 2 or more individuals who jointly establish a business in which they have an equity interest” (Kamm, et al., 1990, p. 7). Social networks of entrepreneurs have been
found to play an important role in the establishment, development and growth of small businesses (e.g., Brüderl & Preisendörfer, 1998; Greve and Salaff, 2003; Jenssen & Koenig, 2002; Johannisson, 1988; Lechner & Dowling, 2003). Previous research has further suggested that different types of network ties, commonly categorized to strong and weak ties (Granovetter, 1973), have different fortes in the entrepreneurial context (Jenssen & Koenig, 2002; Lechler, 2001). We postulate that the choice of strong or weak ties with entrepreneurial team members could be critical to the success of a new business. Strong ties may help the initiating entrepreneur mobilize resources faster. But the use of strong ties could create social obligations that reduce resource flexibility and may force the growing organization to cope with entrepreneurial team members in key roles that are outside their ability to perform. In contrast, the use of weak ties to choose entrepreneurial team members could increase the risk of exploitation by the unknown party.

In the first section of the paper we develop a theoretical model, which shows how strong and weak ties affect resource flexibility, entrepreneurial team process and output performance. The methodology used is described next, followed by the results of the empirical analysis of survey data from micro-sized German firms founded in incubators with entrepreneurial teams. Discussion of findings is then provided together with the preliminary conclusions.

THEORY DEVELOPMENT AND HYPOTHESES

Entrepreneurial Team Process and Output Performance

The entrepreneurial team’s capabilities are likely to have a large impact on organizational performance, particularly in the early stages of business development. Therefore choosing a good entrepreneurial team is one of the most important decisions in a nascent enterprise. These decisions are difficult due to the great need for trust between entrepreneurial team members and consequently the founding entrepreneur might first look for people s/he knows to join the team. But the tendency for successful new firms to grow beyond the skills and experience of the founding owners can create the need to replace members of the entrepreneurial team with more experienced professional managers. Unfortunately replacing team members who are also friends or family members could be difficult. Therefore, the use of strong ties for building the entrepreneurial team, while effective early in the business lifecycle, could be less effective if the business achieves its growth objectives. In contrast, using strong ties to choose entrepreneurial team members who are already family or friends could help the team to work better together, resulting in better performance. In this section we use a framework for work performance to analyze these issues and develop propositions.

The major dimension of Smith’s framework for measuring work performance is closeness to organizational goals, which has three levels: behaviors, results and organizational effectiveness (Landy and Farr, 1983). Behaviors refer to observation of work behavior, such as the performance of work processes. In the knowledge work performed by entrepreneurial teams, some important behaviors include flexibility, information sharing, problem solving and creativity. Results refer to the output of work. Three major work outputs are time, cost and quality. Organizational effectiveness is an aggregation of results to reflect the organization’s success in achieving its goals. When considering entrepreneurial team performance it appears that the process behaviors would influence the output results, which would ultimately influence organizational effectiveness. Vyakarnam & Handelberg’s (2005) analysis of a large body of literature determined that, among other things, structural and process effects of teams link entrepreneurial teams and organizational performance. West (2007) found that collective cognition mediates between individual cognitions and firm actions and performance, indicating that team processes are likely to have an impact on performance. Therefore we propose that entrepreneurial team process performance (behaviors) will influence the team’s output performance (results). Therefore,

Hypothesis 1: There will be a positive relationship between the entrepreneurial team’s process and output performance.

Resource Flexibility

“Resource flexibility refers to the ability to dynamically reallocate one or more renewable resources in a production process.” (Daniels, Mazzola & Shi, 2004, 658). From a human resource (HR) perspective,
a resource can be defined as “any mechanism that is capable of playing the role of a supplier, a worker, an automated piece of equipment, or anything else that can execute a task” (Vairaktarakis, 2003).

Studies have shown that resource flexibility can reduce project duration (Vairaktarakis, 2003), increase work performance (Jensen, 2000) and firm performance (Senjem, 2001; Bahattacharya, 2000). But little has been done to investigate the effects of resource flexibility on team performance, particularly that of the entrepreneurial team.

In the workforce, resource flexibility can be achieved through numerical flexibility, i.e. the ability to vary the size of the workforce as evidenced by the contingent workforce, and functional flexibility (van Ham, Paauwe & Williams, 1987), i.e. the ability to perform a wider range of tasks as facilitated by cross training (Daniels, Mazzola & Shi, 2004).

In an entrepreneurial network resource flexibility is more likely to be evidenced by the ability to modify the work agreements with the entrepreneurial team member and the ability to exit the relationship if required (Young-Ybarra & Wiersema, 1999). The ability to modify the agreements within the entrepreneurial team, without creating dissatisfaction, means that the firm can be more dynamic and agile. For example, suppose a team member is recruited for her ability in technology development, but after the technology has been developed the firm needs to shift their emphasis to marketing and selling. If the team member can shift from technology to sales the business will have a better allocation of resources. Thus,

\[ \text{Hypothesis 2: There will be a positive relationship between resource modification and the entrepreneurial process performance.} \]

\[ \text{Hypothesis 3: There will be a positive relationship between resource modification and output performance.} \]

The other dimension of resource flexibility is the ability to exit the relationship. If the entrepreneurial team members can be easily removed from the firm this could create a lack of trust and low commitment to the organization. Part of the benefit of being an owner in the business is the right to stick with it through thick and thin. Unlike being an employee, who can be retrenched, sometimes without cause or notice, the business owner counts on keeping his or her interest and position in the business. Frances and Sandberg (2000) propose that turnover in the entrepreneurial team could improve or impair the venture’s performance. Therefore we posit,

\[ \text{Hypothesis 4: There will be a negative relationship between the ability to exit the relationship and entrepreneurial process performance.} \]

\[ \text{Hypothesis 5: There will be a negative relationship between the ability to exit the relationship and output performance.} \]

The Strength of Ties and the Acquisition of Resources

Granovetter (1973, p. 1361) defines the strength of a network tie as “a (probably linear) combination of the amount of time, the emotional intensity, the intimacy (mutual confiding) and the reciprocal services which characterize the tie”. Strong ties could be characterized as friends, or people who are very well known, while weak ties refer to acquaintances or “friends of friends”. Strong and weak ties have been proposed to have different fortes in the context of entrepreneurial networks (Jenssen & Koenig, 2002; Welter & Kautonen, 2005) and we postulate that a similar argumentation applies also in the context of entrepreneurial teams.

In the context of entrepreneurial networks, Jenssen & Koenig (2002) proposed that information acquisition is more effective via weak ties, while strong ties facilitate the entrepreneur’s access to motivational and material resources. In the early stages of the entrepreneurial process, entrepreneurs are more likely to turn to strong ties due to the availability of interpersonal trust and motivational resources such as mental, emotional and social support (Greve and Salaff, 2003; Johannisson, 1988; Welter & Kautonen, 2005). These qualities are also likely to make strong ties attractive when the initial entrepreneurial team is formed. Moreover, a trust-based and supportive working atmosphere facilitated
by strong ties in an entrepreneurial team is likely to contribute to a higher degree of resource modification. Therefore,

*Hypothesis 6: The stronger the tie between the entrepreneur and the team member, the easier it will be to modify the form of the relationship.*

However, seeking strong ties may not always be the most effective solution in entrepreneurial team formation if the skills and abilities of these individuals do not keep up with the changing requirements of the developing business. Similarly, recruiting only personally well known people may hamper business development in the long run because the firm might miss out on opportunities external to this network (Lageman, 2001; Raiser, 1999; Welter and Kautonen, 2005). In the context of entrepreneurial teams, such opportunities could be skills or new ways of thinking about the business and its products or services. For example, teams with strong ties have been found to be less innovative than those with weak ties or no prior relationships (Ruef, 2002). As the business grows and the need for new skills and insights leads to the point where current team members would be more effectively replaced with new people, another downside of strong ties becomes apparent. Strong ties may generate social obligations that are difficult to break, which could lead to lack of resource flexibility because the relationships are hard to exit.

*Hypothesis 7: The stronger the tie between the entrepreneur and the network member, the harder it will be to exit the relationship.*

**METHODOLOGY**

**Data Collection and Sample**

In order to collect data to test the conceptual model empirically, we developed a personalized online survey and measured the constructs and hypothesized relationships in October 2007. The survey instrument was targeted at the original founders of the firms and asked them to rate each and every member of their entrepreneurial team separately and to provide information about the subjectively perceived overall performance of the team. Responses with respect to individual team members were later aggregated to the team level.

The survey’s population consists of German companies located in business incubators. The rationale for the selection of this particular population is twofold: First, in view of the fact that incubator firms are typically technology-oriented and therefore require numerous different competencies to implement their business model successfully, we expect to find a multitude of entrepreneurial teams among such firms. Second, the overall German population usually turns out to be quite risk averse in international comparisons, leading to comparatively low entrepreneurial activity in Germany (Bosma & Harding, 2007). Because of this characteristic we expect German founders to rely heavily on strong ties when forming their entrepreneurial teams.

For the purpose of a preliminary analysis we drew a representative random sample of German incubator firms from a public database of German business incubators that includes up-to-date information on companies located in a specific incubator. Out of 178 randomly selected firms we were able to collect 53 responses (29.78% response rate); out of these 53 exactly 33 firms were founded by entrepreneurial teams and therefore form the basis of our analysis. The average entrepreneurial team in our sample consists of 2.96 members (SD 0.951); their respective firms were established 6.91 years ago (SD 4.282). 42.4% of the entrepreneurial teams are offering products and services in the information technology industry while the remaining 57.6% originate from various industries such as engineering, consulting or biotechnology. All firms with an entrepreneurial team’s are quite small, on average they provide work for 12 employees (SD 20.786), 75.8% of them achieve less than € 2 million in revenues and 81.8% report a balance sheet total of less than € 2 million. Since no firm in the sample exceeds € 50 million in sales or a balance sheet total of € 43 million, the sample can – according to the EU definition (European Commission, 2003) – be classified as a small and medium-sized enterprise sample mainly consisting of micro firms.

**Measures**
The model consists of five constructs; process performance, output performance, resource flexibility (modification), resource flexibility (exit) and strength of ties. All constructs were measured reflectively with five-point Likert-scales ranging from low to high. The items together with their means, standard deviations and loadings are displayed in the Appendix.

Entrepreneurial team process and output performance are based on a scale of team performance by Zaheer, McEvily & Perone (1998). Entrepreneurial team process performance was measured in terms of information sharing, problem solving and creativity. This scale typically also includes flexibility, but that was removed to avoid measuring the same construct as the independent variable resource flexibility (modification). The scale had an Cronbach’s alpha of 0.761, loading on one factor. The team’s output performance was measured in terms of the founder’s evaluation of timeliness, cost and quality (See Appendix). The scale has a Cronbach’s alpha of 0.812, loading on one factor.

The Resource flexibility dimension of Modification was measured using three items from a scale by Young-Ybarra and Wiersema (1999) (See Appendix). This scale had a Cronbach’s alpha of 0.879, loading on one factor.

Young-Ybarra and Wiersema (1999) also assessed resource flexibility in terms of the relative ease of exit from an alliance. We modified this to reflect the context of the entrepreneurial team (See Appendix).

Strength of tie was measured based on Granovetter’s (1973) conceptualization as a three-dimensional construct. The scale had a Cronbach’s alpha of 0.899, loading on one factor.

Methods

After eliminating some outliers, missing values (Little & Rubin, 2002) were replaced utilizing the expectation maximization algorithm which became possible given that the MCAR-test returned non-significant results. We were not able to test for the effects of a potential non-response-bias because data was collected continuously and therefore early and late respondents were not clearly differentiable. The satisfying response rate of the survey, however, supports the assumption that the results are not affected by non-response. Additionally, we controlled for common method bias (Campbell & Fiske, 1982), i.e. the potentially negative effects of collecting dependent and independent variable using the same survey instrument. As suggested by Podsakoff and Organ (1986), Harman’s one-factor test was conducted. Seeing that no general factor emerged in the unrotated factor structure, more than one factor was identified and the largest factor only accounted for 42 percent of the variance, we found no signs of our results potentially being affected by common method bias.

Data were analyzed by means of the Partial Least Squares (PLS) approach (Wold, 1985; Chin, 1998). Similar to other methods of structural equation modeling (SEM), PLS renders the measurement of latent variables possible (Jacoby, 1978; Churchill, 1979). In particular, we decided for PLS due to its low requirements with respect to sample size and distribution of data. Whereas covariance-based methods of SEM require relatively large sample sizes (Jöreskog and Sörbom, 1982), PLS requires as the minimum number of cases only ten times the number of independent variables that affect the dependent latent variable with the most predictors in case that only reflective measurement models are employed (Chin and Newsted, 1999). In our model the entrepreneurial team’s output performance is the latent variable with the most affecting independent variables, i.e. three predictors, and therefore the model can be reasonably tested already with a sample of 30 cases. All statistical analyses were conducted utilizing either SPSS 14.0 or SmartPLS 2.0 M3 (Ringle et al., 2005).

RESULTS

Among the members of the entrepreneurial teams in our sample, the mean values of the items used to measure the constructs indicate comparatively high values for the average strength of ties within a given team (Ø 3.697 – 4.152), low values for the ease of exiting these relationships (Ø 1.879), high values with respect to resource flexibility (modification) (Ø 3.818 – 4.023), and remarkably high values with respect to the team’s performance, be it process or output performance (Ø 4.030 – 4.515). All indicators show significant loadings of more than 0.7 so that no indicator has to be eliminated (Appendix).
Construct reliability (see Table 1) is assessed by calculating Cronbach’s α, Composite Reliability and Average Variance Extracted (AVE). All constructs show satisfying levels that are in line with the usual threshold values (Chin, 1998). Values for Cronbach’s α are way beyond the recommended threshold of 0.7 (Nunnally, 1978), values for composite reliability are even higher and AVE scores indicate that for every construct more than 50% of the variance is explained, thus exceeding the measurement error. Discriminant validity is assessed on the item level and the construct level. With respect to item discriminant validity, an inspection of indicator cross-loadings reveals that all indicators are loading the highest on their respective construct and that no indicator loads higher on other constructs than on its intended construct. It is therefore safe to assume item discriminant validity. On the construct level, the comparison of each reflective construct’s AVE and the squared latent variable correlations (Chin, 1998) suggests that there is indeed satisfactory discriminant validity (Cool et al., 1989). Table 1 presents the exemplary results of this test for the data. Overall, the evaluation of the reflective measurement models reveals that all constructs are of satisfactory reliability and validity.

With respect to the structural model, we estimated paths between the five latent variables utilizing the path weighting scheme, being the only PLS weighting scheme that explicitly considers the hypothesized directions of the causal relationships between dependent and independent variables (Chin 1998; Lohmöller 1989). Following common conventions, the abort criterion for the iterative estimation process was selected as a change of the estimated values of just 10-5 percent between two iterations. In order to determine the significance of each estimated path, a standard bootstrapping procedure (Yung and Bentler 1996) was applied with 500 resamples consisting of the same number of cases as in the original sample, i.e. 33. Potential sign changes during the course of the resampling were treated by means of the option “individual sign changes” in SmartPLS 2.0. Figure 1 depicts the results for the path model.

Overall, the PLS-algorithm results in acceptable explanatory power of the four dependent variables, with R2-values ranging from 0.13 to exceptional 0.62 for the entrepreneurial team’s output performance. All Q2-values are consistently higher than zero, indicating that the prerequisites of predictive relevance for the model are indeed fulfilled. With respect to the hypothesized relationships we find support for five out of seven hypotheses. H3 and H4 have to be rejected, even if the path coefficient for the relationship of resource flexibility (exit) and the entrepreneurial team’s process performance shows a negative influence as hypothesized. H4 has to be rejected due to insignificance. For H3, on the contrary, we find a significant relationship between resource flexibility (modification) and the entrepreneurial team’s output performance; however, this relationship turns out to be exactly reversed. H1, H2, H5, H6, and H7 all find statistical support with all of the respective path coefficients being significant at least at the 10%-level (H2). Furthermore, the effect sizes are medium to strong except for resource flexibility (modification), which affects the entrepreneurial team’s process performance only weakly. All in all, the model seems to explain the output performance of an entrepreneurial team quite well.
Table 1: Construct reliability measures and construct discriminant validity – Cronbach’s α, composite reliability, squared correlations (off-diagonal elements) and average variance extracted (bold diagonal elements)

<table>
<thead>
<tr>
<th>Construct</th>
<th>Cronbach’s α</th>
<th>Composite reliability</th>
<th>Strength of Ties</th>
<th>Resource flexibility: Modification</th>
<th>Resource flexibility: Exit</th>
<th>Process Performance</th>
<th>Output Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strength of Ties</td>
<td>0.899</td>
<td>0.937</td>
<td>0.833</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resource flexibility: Modification</td>
<td>0.879</td>
<td>0.926</td>
<td>0.482***</td>
<td>0.807</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resource flexibility: Exit</td>
<td>1.000</td>
<td>1.000</td>
<td>0.191**</td>
<td>0.218**</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Process Performance</td>
<td>0.761</td>
<td>0.852</td>
<td>0.177*</td>
<td>0.116</td>
<td>0.113†</td>
<td>0.659</td>
<td></td>
</tr>
<tr>
<td>Output Performance</td>
<td>0.812</td>
<td>0.888</td>
<td>0.189*</td>
<td>0.081</td>
<td>0.196*</td>
<td>0.527***</td>
<td>0.726</td>
</tr>
</tbody>
</table>

***p ≤ 0.001  **p ≤ 0.01  *p ≤ 0.05  †p ≤ 0.1 (two-sided test of unsquared correlations)
DISCUSSION

This research indicates that both strong ties and weak ties have advantages and disadvantages in the formation of entrepreneurial teams. Strong ties increase the team’s resource flexibility by increasing the acceptance of modifications to work arrangements. The ability to modify working arrangements can greatly benefit a new enterprise, particularly in the face of changing work requirements. Working owner-managers that can fill a range of roles can reduce the firm’s wages bill, ease cash-flow constraints and reduce the “burn rate” of investors’ funds. For example, as the nascent business transitions from new product development into market entry, team members sourced for their engineering expertise may need to transition into selling or customer service roles. This appears to be easier with entrepreneurial team members sourced through strong ties than weak ties. Possibly business partners introduced to the team for their skills in a technical area are less willing to work outside their professional boundaries than family or friends, who may join the firm for more personal reasons.

This greatly increased resource flexibility in terms of role modifiability comes at the cost of greatly reduced resource flexibility in terms of the ability to exit the working relationship. Working relationships between entrepreneurial team members sourced through strong ties, such as those with family members and friends, are much more difficult to severe, should the need arise. For example, it would be much harder to ask a relative to leave the firm they helped start than someone brought in for their technical expertise.

In contrast, weak ties are associated with less ability to modify working arrangements but they do provide greater resource flexibility in terms of the ability to exit the relationship. Thus, if the initial members of the entrepreneurial team do not have the skills, experience, or willingness to grow with the enterprise, they can more easily be replaced. Venture capital firms often insist on the replacement of entrepreneurial team members when their perceived abilities do not keep pace with the fast growing firm. While this may be an easy decision for the VC to make, it would be much harder for the founder, when the team member is well known on a personal level.

These initial advantages of strong and weak ties lead to other impacts on team process and output performance. Our results indicate that higher resource flexibility in terms of modification of team roles had a barely significant positive impact on team work processes, such as information sharing, problem solving and creativity. We also found that the exit form of resource flexibility was not significantly associated with the entrepreneurial team’s process performance, although it did indicate a negative relationship between the variables. While it is possible that these relationships could gain significance in a larger sample, it appears that resource flexibility in terms of either modification or exit does not have a large impact on the entrepreneurial team’s process performance. Maybe team members that have strong ties are highly committed to the enterprise and those with weak ties apply professional standards, reducing the impact of modification and exit on team processes.

In contrast, both modification and exit had strong negative impacts on team output performance. The negative relationship between modification and team’s output performance was predicted by our hypotheses. This means that the greater the ability to modify the team members working relationships, the lower the team’s output performance. We did expect to find that the greater the exit flexibility the lower the team’s output performance. Our results indicate that resource flexibility of both types is negatively associated with entrepreneurial team performance. This is very different from the findings in regular working teams, where resource flexibility is assumed to increase work output performance (Milliman, von Glinow & Nathan, 1991; Jensen, 2000; van Ham, Pauwew & Williams, 1987; Daniels, Mazzola & Shi, 2004; Senjem, 2001; Bahattacharya, 2000). It is possible that change in general has a negative impact on entrepreneurial team performance in the early stages of enterprise growth. The ability to change team members’ roles and expel members from the team may both have a negative impact on the team’s performance, if not on the team’s processes. Maybe changes of this sort are disconcerting to others dealing with the firm, such as the firm’s first few customers, or interfere with the formation of strong relationships with critical suppliers. The fact that both modification and exit decrease team output performance means that other variables could mediate their relationships with output performance. As it stands no indication is given to suggest that strong ties are preferable to weak ties, or vice versa. More research is needed to look more closely at the relationships between entrepreneurial team members and how they impact on the team’s processes and output performance.
The results of this study need to be considered in the context of its limitations. The main limitation of the study in its present stage is the small sample size, even though it is technically sufficient for the present analysis. For future data collection we have added two additional items to measure resource flexibility in terms of ease of exit from the relationship.

**CONCLUSION**

A crucial skill of entrepreneurship is the mobilization of resources to exploit opportunities. Entrepreneurs who can recruit entrepreneurial team members with the needed resources and influence them to dedicate their resources to the nascent enterprise will be more likely to survive and be successful. Researchers have proposed that the quality of an entrepreneur’s social network could be a competitive advantage and determine the success of the new enterprise. Choosing a strong tie from the social network over a weak tie from outside the network increases the ability to modify working arrangements, but makes it harder to exit the relationship. Both forms of resource flexibility were found to have a negative impact on the entrepreneurial team’s output performance, without making significant impacts on the team’s process performance.

This research contributes to understanding the tradeoffs between known and unknown entrepreneurial team members. Understanding the effects of strong and weak ties on resource flexibility and team performance will help new business startups and entrepreneurship program developers.
### Appendix: Means, standard deviations (SD) and loadings of the construct variables

<table>
<thead>
<tr>
<th>Constructs and items (all measured on 5-point Likert-scales)</th>
<th>Mean</th>
<th>SD</th>
<th>Loading</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strength of tie</strong> (based on conceptualizations in Granovetter 1973, 1985)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I knew this person (before s/he joined the enterprise team)</td>
<td>4.152</td>
<td>0.834</td>
<td>0.910***</td>
</tr>
<tr>
<td>We had common acquaintances (before s/he joined the enterprise team)</td>
<td>3.697</td>
<td>0.918</td>
<td>0.943***</td>
</tr>
<tr>
<td>We were in contact (before s/he joined the enterprise team)</td>
<td>3.818</td>
<td>0.983</td>
<td>0.884***</td>
</tr>
<tr>
<td><strong>Resource flexibility: exit</strong> (Young-Ybarra and Wiersema, 1999)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>It would be easy to exit this relationship</td>
<td>1.879</td>
<td>0.819</td>
<td>1.000***</td>
</tr>
<tr>
<td><strong>Resource flexibility: modification</strong> (Young-Ybarra and Wiersema, 1999)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In unexpected situations this person would probably agree to modify our agreement rather than hold us to the original terms</td>
<td>4.023</td>
<td>0.977</td>
<td>0.918***</td>
</tr>
<tr>
<td>Flexibility in response to changes is a characteristic of our working relationship</td>
<td>3.848</td>
<td>1.004</td>
<td>0.931***</td>
</tr>
<tr>
<td>This person expects adjustments in the ongoing working relationship to cope with changing circumstances</td>
<td>3.818</td>
<td>0.846</td>
<td>0.844***</td>
</tr>
<tr>
<td><strong>Entrepreneurial team’s process performance</strong> (Zaheer, McEvily &amp; Perone, 1998)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our entrepreneurial team provides timely and relevant information</td>
<td>4.030</td>
<td>0.847</td>
<td>0.889***</td>
</tr>
<tr>
<td>Our entrepreneurial team finds practical solutions to problems</td>
<td>4.515</td>
<td>0.667</td>
<td>0.745***</td>
</tr>
<tr>
<td>Our entrepreneurial makes creative suggestions</td>
<td>4.242</td>
<td>0.792</td>
<td>0.795***</td>
</tr>
<tr>
<td><strong>Entrepreneurial team’s output performance</strong> (Zaheer, McEvily &amp; Perone, 1998)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our entrepreneurial team delivers on time</td>
<td>4.121</td>
<td>0.857</td>
<td>0.900***</td>
</tr>
<tr>
<td>Our entrepreneurial team stays within budget</td>
<td>4.182</td>
<td>0.950</td>
<td>0.827***</td>
</tr>
<tr>
<td>Our entrepreneurial team performs to high quality standards</td>
<td>4.212</td>
<td>0.781</td>
<td>0.829***</td>
</tr>
</tbody>
</table>

***p ≤ 0.001 **p ≤ 0.01 *p ≤ 0.05 †p ≤ 0.1 (one-sided test)

### REFERENCES


