

DIALOGUE

Socially Situated Cognition: Imagining New Opportunities for Entrepreneurship Research

To date, entrepreneurial cognition has been explained largely in terms of what social cognition researchers commonly term *boxologies*: seemingly static representations of abstract, disembodied cognitive structures (e.g., biases, heuristics, scripts, etc., as described in Mitchell et al., 2007). It is noteworthy, therefore, that in their recent article Cornelissen and Clarke argue, consistent with more dynamic views of cognition research (e.g., Smith & Semin, 2004), that individuals use "sensemaking" through reflexivity in inductive reasoning "to create and justify a rationale for a novel venture" (2010: 551). These authors suggest that sensemaking reflects "an act of turning circumstances 'into a situation that is comprehended explicitly in words and that serves as a springboard to action'" (2010: 542; citing Taylor & Van Every, 2000: 40). We seek to extend Cornelissen and Clarke's contribution by discussing how their analysis of sensemaking through explicit language can also illustrate the components of a broader explanatory process emerging within entrepreneurship research.

Recently, an approach that integrates social psychology and situated cognition research, termed *socially situated cognition* (SSC), has emerged (Smith & Semin, 2004). This approach explains how social objects not only constitute the content of thought but also shape the process underlying thought and behavior. The SSC approach is centered on four themes: (1) cognition is action oriented, (2) cognition is embodied, (3) cognition is situated, and (4) cognition is distributed. As briefly outlined below, when so organized, recent entrepreneurship theory and research (e.g., Cornelissen & Clarke, 2010) can be seen in a broader light and new directions for research can be envisioned.

Action-oriented mental representations may be observed in a perceiver's positive or negative evaluation of, or motivation toward, an object or concept (Smith & Semin, 2004). Cornelissen and Clarke argue that sensemaking is action oriented, emphasizing "a direct relationship among the language, cognition, and enactment

of entrepreneurs" (2010: 539). Examples of action orientation in the entrepreneurial cognition literature include action-based metacognitive processing (Haynie, Shepherd, Mosakowski, & Earley, 2010), time-pressured entrepreneurial behavior (Mitchell & Shepherd, 2010), effectuation of new value through acting on what is available (Sarasvathy, 2001), and action-oriented entrepreneurship (McMullen & Shepherd, 2006).

The **embodiment** theme suggests that cognition depends on the physical brain and body, where, in essence, the body shapes the mind (Smith & Semin, 2004). Cornelissen and Clarke explain that "the inductive creation of metaphorical meaning is directed and constrained . . . [where] human motor actions involving physical movement or physically holding or manipulating an object" shape metaphorical induction about a new venture (2010: 547). An ongoing debate in the entrepreneurship literature that implicates the embodiment thesis can be seen in the question of the extent to which genetics influences entrepreneurs' engagement in entrepreneurial activity (e.g., Nicolaou, Shane, Cherkas, Hunkin, & Spector, 2008). Also included in this developing literature is the work of White, Thornhill, and Hampson (2007), who discuss hormonal influences (such as higher testosterone levels) to suggest nature (versus nurture) in willingness to venture.

The **situated** view argues that the immediate and interactive conversational context, relationships with other individuals, and our broader memberships in social groups represent three interpersonal levels at which cognition and action are situated: (1) communicative context, (2) relational context, and (3) group context (Smith & Semin, 2004). Cornelissen and Clarke can be seen as drawing upon the notion of communicative context in asserting generally that inductive analogical or metaphorical reasoning links brain and environment to produce ideas for novel ventures and, more specifically, that "material circumstances and objects may trigger or anchor verbally produced conceptual images or scenarios for a venture" (2010: 543). Relational context appears in the entrepreneurship re-

search, which suggests that social networks (De Carolis & Saporito, 2006) and mentorship (Ozgen & Baron, 2007) affect opportunity identification. At the group context level, Shepherd and Krueger (2002) explain how group perceptions of opportunity desirability and feasibility affect entrepreneurial intentions.

The idea of *distributed* cognition suggests that cognition is distributed across social agents (e.g., group processes; Smith & Semin, 2004) and the environment (e.g., cognitive tools; Smith & Semin, 2004). Cornelissen and Clarke draw upon the idea of distributed cognition in the dynamics of sensemaking with their notion of “the social context of speaking and interactions with others affecting the construction of meaning about a new venture” (2010: 542). They assert that social context interacts with processes of language use and cognition through entrepreneurs’ sensemaking to others essential to a venture’s success. In the entrepreneurship literature West (2007) has developed the notion that collective cognition is distinct from individual cognition and has emphasized its importance in shaping an entrepreneurial venture (both in terms of firm action and firm performance). Similarly, results supporting the notion of consistency in entrepreneurial cognition across cultures (Mitchell, Smith, Seawright, & Morse, 2000) illustrate distributed cognition as shared expertise.

OPPORTUNITIES FOR ENTREPRENEURSHIP RESEARCH

By providing in their article a process theory of how sensemaking, through the use of explicit language, can be influential in the formation of novel ventures, Cornelissen and Clarke (2010) develop theory that, we suggest, is illustrative of an integrative whole—the SSC perspective. In this way they provide a catalyst for the continuing emergence of “postboxology” entrepreneurial cognition research. When interpreted through the SSC lens, existing entrepreneurial cognition research may thus serve as a scaffold on which future research in this stream can be comprehensibly and comprehensively built. In the case of Cornelissen and Clarke (2010), as we have described, sensemaking through human-action-based language may be conceived as a device that entrepreneurs use to direct and self-regulate their thinking processes in a social

context (action oriented and embodied), a way that entrepreneurs may approach and in turn be influenced by a situated communication context (situated), and a tool entrepreneurs use to facilitate collective meaning and action in the development of shared expertise vis-à-vis their new venture idea (distributed).

In sum, it seems that Cornelissen and Clarke (2010) have been effective in suggesting that understanding sensemaking through language is important to entrepreneurship research because they (1) provide helpful theory and (2) illustrate the importance of the SSC approach to entrepreneurship research. As illustrated herein, the SSC perspective supplies a broad and integrative organizing framework that can be used to position, more coherently, diverse streams in entrepreneurship research. The challenge for further pursuit of the SSC view in studying entrepreneurship—entrepreneurial cognition research in particular—is understanding how cognitive, motivational, and emotional regulatory abilities of entrepreneurs interact together within specific social situations, with specific social actors. This is a research opportunity worth imagining.

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Ronald K. Mitchell (ronald.mitchell@ttu.edu)
 Brandon Randolph-Seng
 (b.randolph-seng@ttu.edu)
 Texas Tech University

J. Robert Mitchell (rmitchell@ivey.ca)
 University of Western Ontario

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Language, Communication, and Socially Situated Cognition in Entrepreneurship

Mitchell, Randolph-Seng, and Mitchell start their commentary on our article by critiquing traditional models of cognition and information processing as offering up largely static theories and accounts of “abstract, disembodied cognitive structures” (p. 774). They hint at the growing body of work on socially situated cognition and embodied cognitive science as a way of removing the shackles of such traditional models and conceiving of a new cognitive agenda in

entrepreneurship. We support this turn; indeed, our article (Cornelissen & Clarke, 2010) started from many of the same commitments as work on socially situated and embodied cognition (as highlighted by Mitchell et al.). And while we agree with the broad gist of this movement, we also feel that it is important to highlight the role of language and communication in this agenda. Specifically, we believe it is important to recognize the formative role of language in conceptualizing venture opportunities and in influencing stakeholders about the feasibility of a venture, rather than discounting its influence or reducing it to a secondary process or outcome in relation to supposedly more basic cognitive processes at the level of individuals or groups. We unfold this emphasis on two levels: (1) the dynamic and active interrelation between language and thought, labeled *sense-making*, and (2) the important role of language as a key mediating mechanism or device in influencing the cognitions of others, including, say, investors and other prospective stakeholders of a venture.

SENSEMAKING, OR THINKING-FOR-SPEAKING

A starting point for our article was the importance of embedding entrepreneurs in a social context and recognizing the role of that social environment in creating and justifying opportunities for ventures. Consistent with this approach, we argued that “while the inner thoughts and imaginations of entrepreneurs matter, they are not spoken or even necessarily speakable,” and we should therefore direct our gaze, as researchers, to “the point where . . . ideas take form in the stream of the entrepreneur’s experience, with external speech reconfiguring ideas to fit the demands of spoken language” (Cornelissen & Clarke, 2010: 542). The linguist Slobin (1996) calls this “thinking-for-speaking,” which refers to how individuals organize their thinking to meet the demands of linguistic encoding on line, during acts of speaking with others. As he notes, “Whatever else language may do in human thought and action, it surely directs us to attend—while speaking—to the dimensions of experience that are enshrined in grammatical categories” (1996: 71). Within this process, thought and language are intimately and dynamically connected at the point where individuals verbalize their