
An Exploration of Whether and How Venture Capital Firms Interact with External Stakeholders to Support their Portfolio Companies

Abhinav Ramesh

*A THESIS SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER
OF BIOSCIENCE ENTERPRISE*

THE UNIVERSITY OF AUCKLAND, 2022.

ABSTRACT

Venture capitalists are a key factor behind innovation in early-stage ventures. They not only provide financial support to portfolio companies but also non-financial value add in terms of reputation, networks and know-how. However, anecdotal evidence suggests that venture capitalists also provide more indirect support to portfolio companies: Lobbying for favourable policy, shaping customer expectations through advertising or shifting socio-cultural expectations and values. Yet, empirical insights into the underpinning dynamics of such support strategies are largely missing.

To address this gap, this research adopts a critical realist approach and draws upon seven semi-structured interviews with employees in VCs to investigate whether, and how, VCs provide indirect support to portfolio companies.

The results suggest that indirect support strategies are centred primarily around advocacy towards policymakers or educating stakeholders. Both were done either by VCs in isolation or through enrolling collective support. Additionally, surprising incentives to conduct indirect strategies came to the fore: Venture capitalists typically conduct these activities not to help their current portfolio companies but because it enables them to recruit new ones. This research also identifies barriers to implementing indirect support strategies: Time, capital, lacking relevant expertise, lack of specialist VC firms and the investment stage of the portfolio company. These exploratory findings provide foundational insights into bottom-up strategies conducted by VCs in New Zealand and overseas and provide a basis for future work that explores how VCs could expand their support repertoire.

Acknowledgements

I would like to thank the University of Auckland and Bridgewest Ventures NZ for giving me the opportunity to conduct this research.

To my academic supervisor Dr. Stefan Korber, thank you for persisting with me throughout this turbulent year and providing me with your constructive guidance throughout. To my industry supervisor Kathryn de Ridder, thank you for the opportunity to work in such a supportive VC firm and fostering not only investment-based analytical skills, but confidence faith in myself.

I would like to extend a special thank you to Divya and Meghna for all the instant coffees, café coffees, door-delivery sushi's and late-night chats that helped keep me sane throughout this journey. Arushi, thank you for the consistent Valorant drip-feed in the last few months.

And finally Drishti, thank you always for your ever-present support. Talking to you calmed me down and put everything into perspective.

TABLE OF CONTENTS

Abstract	i
Table of Contents	iii
List of Figures.....	vii
List of Tables	vii
CHAPTER 1: INTRODUCTION	1
1.1. Background.....	1
1.2. Purpose and Research Significance	2
1.2.1. Research Question.....	3
1.3. Methodology	3
1.4. Thesis Structure.....	3
CHAPTER 2: VENTURE CAPITALISTS AND THEIR VALUE-ADD	5
2.1. Venture Capitalists: Broad Definition, Structure, and Life Cycle Stage	5
2.2. Life-cycle Stage	6
2.3. VC Investment Process	6
2.3.1. Drivers	7
2.3.2. Investment phases.....	7
2.4. VC Support Strategies	8
2.4.1. Financial Value Add.....	8
2.4.2. In-house Commercial Support	9
2.4.3. Leveraging Expert Networks.....	10
2.4.4. Leveraging Reputation.....	11
2.4.5. Support Provided through Stakeholder Collaboration.....	11
2.5. Prevailing Relationships between VCs & other Stakeholders	12
2.5.1. Government	13
2.5.2. Professional Associations.....	14
2.5.3. Customers.....	14
2.5.4. Summary of the chapter	15

CHAPTER 3: THEORY: INSTITUTIONAL ENTREPRENEURSHIP & WORK.....	17
3.1. Broad Definitions: Institutions & Organizational Fields	17
3.2. Structure vs Agency	18
3.3. Field Conditions & Social Position	18
3.4. Actors of Change: Institutional Entrepreneurship	19
3.4.1. Institutional Entrepreneurs	19
3.5. Institutional Work.....	20
3.6. Strategies to Accomplish Institutional work:	21
3.6.1. Political Work	21
3.6.2. Enrolling Collective Support.....	22
3.6.3. Cultural Work.....	23
3.6.4. Knowledge Work	24
3.7. Target of Institutional work	26
3.7.1. Policymakers & Regulators.....	26
3.7.2. Customers.....	26
3.7.3. The Broader Socio-cultural Context	27
3.8. Summary of Chapter.....	28
CHAPTER 4: THEORETICAL FRAMEWORK.....	29
CHAPTER 5: METHODOLOGY.....	31
5.1. Qualitative Research Strategy	31
5.2. Research Paradigm and Design	32
5.3. Sample.....	34
5.3.1. Sample Size	37
5.3.2. Semi-Structured Interviews.....	38
5.3.3. Interview Questions	39
5.3.4. Data Processing & Analysis.....	40
5.4. Research Considerations	42
5.4.1. Reliability & Validity	42

CHAPTER 6: FINDINGS	44
6.1. Traditional VC Support.....	44
6.1.1. Traditional Support Strategies	44
6.1.2. Dependency on Investing Stage	46
6.2. Bottom-up Strategies: Incentives	47
6.2.1. Flywheel	47
6.2.2. Affecting Industry over individual PCs	48
6.2.3. A Market Need for Shaping	49
6.3. Bottom-up Strategies: Barriers	49
6.3.1. Not enough of a benefit to the larger portfolio.....	50
6.3.2. Stage of Investment.....	50
6.3.3. Specialist vs Generalist Investors.....	51
6.3.4. VC Lacking Relevant Expertise	51
6.3.5. Capital.....	52
6.3.6. Time.....	54
6.4. Targets of VCs' Bottom-up Activities	55
6.5. Bottom-up Strategies	56
6.5.1. Policymakers.....	56
6.5.2. Broader Socio-cultural Context	58
6.5.3. Customer	62
6.6. Bottom-up Strategies: The Role of Enrolling Collective Support	62
Collective Voice for Lobbying	62
Aiding in Knowledge Strategies towards the socio-cultural context	63
Social Movements & Petitioning	64
6.7. Bottom-up Strategies: Rhetorical Activities.....	65
CHAPTER 7: Discussion.....	69
7.1. Validating Traditional Support.....	69
7.2. Evidence of Bottom-up Support	70

7.3. Mechanisms of Bottom-up Support	74
CHAPTER 8: Conclusion	77
8.1. Research Summary	77
8.2. Practical Contribution	77
8.3. Academic Contribution	79
8.4. Future Research.....	79
CHAPTER 9: Appendices	80
Appendix A: Definitions	80
Appendix B: Interview Schedule	81
CHAPTER 10: References.....	83

LIST OF FIGURES

Figure 1 <i>One Iteration of the Process Flow of Investment Phases</i>	8
Figure 2 <i>Theoretical framework</i>	29
Figure 3 <i>Critical Realism Depths of Reality</i>	33

LIST OF TABLES

Table 1: <i>Table of Abbreviations</i>	viii
Table 2: <i>Sample Population</i>	37
Table 3: <i>Targets of Bottom-up Activity</i>	56

Table 1: Table of Abbreviations

Abbreviation	Definition
CVC	Corporate venture capital
VC	Venture capital
PC	Portfolio company
IE	Institutional entrepreneurship
IW	Institutional work
OECD	Organization for Economic Co-operation and Development
ROI	Return on investment

CHAPTER 1: INTRODUCTION

1.1. Background

The success or failure of an entrepreneurial venture cannot be understood without insight into the broader socio-economic context that supports new venture growth. One of the most important support actors in this context are start-up investors such as angels, crowd funders, accelerators, venture capital (VC) firms and corporate venture capitalists (CVCs) (Drover et al., 2017; Wallmeroth et al., 2017). This thesis will focus on venture capitalists (VCs) who have a prominent recorded role in driving entrepreneurial growth. Research suggests that portfolio companies (PCs) of VC firms generate revenues equivalent to about one-fifth of U.S. GDP even though VC investments total to less than 0.2% the U.S. GDP (Parhankangas, 2012). Furthermore, extant literature suggests that early ventures that are supported by VCs are more successful than start-ups that are not backed by VCs (Hochberg, 2012; Megginson & Weiss, 1991; Puri & Zarutskie, 2012; Spinelli et al., 2012; Tykvová, 2018; Welpé et al., 2010).

Existing literature suggests that VC's not only contribute capital to support PC growth but also non-financial value-add related to advice and support around corporate management, governance, operational issues and strategic decisions (Haagen, 2008; C. J. Lerner et al., 2014). These constitute 'direct' forms of value-add that are delivered by the VCs and their networks to the PC. However, extant literature hint that VC support PCs in more 'indirect' ways as well (Chesbrough, 2002; Dauderstädt, 2013; Gemünden et al., 1996; Hermans & Borda Reyes, 2020). These support mechanisms can relate to 'shaping' customer perceptions or regulatory frameworks in a way that creates favourable conditions for PCs. Yet, to the best of the author's knowledge, existing research has not explored indirect VC value-add related to shaping the broader context in which a venture operates.

Anecdotal evidence gathered by the researcher (e.g., through conversation at his internship company) suggests that VCs provide indirect support in multiple ways. In the New Zealand context, VCs mentioned being part of conversations with policymakers that helped shape the Callaghan Technology Incubator program put forth by the government. Others alluded to VCs in the U.S. that actively invest in advertising their PCs' products and services to better support them. This sparked the researcher's interest in the role VC firms play in supporting PC growth through interaction with government, customers or other stakeholders and the kinds of mechanisms and strategies VC firms utilise to provide bottom-up support to their portfolio companies.

Scholars often use institutional theory to explain how broader institutions shape organisations and vice versa. In turn, an institutional perspective was adopted to understand how VC firms provide indirect support to their PCs through engagement with government entities and other stakeholders (Baron, 1995; Feinberg et al., 2015; Lucea & Doh, 2012).

1.2. Purpose and Research Significance

This research effort aims to understand whether and how VCs provide indirect support to their PCs. Given this issue has not been discussed by extant research, this study will aim to identify the stakeholders with whom VCs interact and explore the indirect support mechanisms. From an academic perspective, this research adds to the growing body of literature that explores non-financial value-add of VCs and contributes a unique perspective on the nature of interactions with external stakeholders. From a practical perspective, VCs in all jurisdictions are always looking for better ways to deliver value-add to PCs.

Consequently, this research can enable VCs to better optimise their support strategies and sensitise them to the importance (and challenges) of more indirect forms of support.

1.2.1. Research Question

The research aims to answer the following research question: Whether, and through what mechanisms, do VC firms provide bottom-up support to their portfolio companies?

1.3. Methodology

A qualitative research strategy was employed within the critical realism philosophy as the goal of the study was to explore the existence and extent of VC's actions towards institutional stakeholders (Fletcher, 2017; Roberts, 2014). A mix of purposive, snowball and convenience sampling were used to interview seven participants, all of whom were included in the final data set for analysis. The sample consisted primarily of investment managers from VCs based in NZ and Australia and one participant with extensive previous VC experience in the U.S.. Data collection was conducted through semi-structured interviews. Following this, the data was then coded using software aid (NVivo) to extract overarching themes and key insights.

1.4. Thesis Structure

The thesis is structured as follows. This chapter (Chapter 1) introduced the background, purpose and methodology adopted for this thesis. Chapter 2 reviews the literature on what VCs are, how they typically invest, who they typically interact with, and how they provide support to portfolio companies. Chapter 3 reviews literature related to institutional work that serves as the primary theoretical lens for this thesis. Chapter 4 integrates this theoretical paradigm into the VC context to present the theoretical framework that will guide the empirical work. Chapter 5 elaborates on methodological choices related to research design,

data collection and analysis. Chapter 6 presents the results from the seven interviews. Chapter 7 discusses and contextualises these results in the light of extant literature and endeavours to answer the research question. The final chapter, chapter 8, outlines the practical and academic implications of this research, limitations and avenues for further research.

CHAPTER 2: VENTURE CAPITALISTS AND THEIR VALUE-ADD

A wealth of literature affirms the positive impact that the financial and non-financial value-add of VCs and other private equity (PE) vehicles have on PCs. Yet, the specific mechanisms through which value-adding services are implemented are not explored in great depth (Baum & Silverman, 2004; C. J. Lerner et al., 2014; Proksch et al., 2017). This chapter will endeavour to describe what venture capital firms are, how they operate and the different forms of value they add to PCs. Additionally, it will explore the relationships VCs have with entities such as government, professional associations, and customers to illustrate the forms of indirect support VCs can provide to PCs.

2.1. Venture Capitalists: Broad Definition, Structure, and Life Cycle Stage

VCs are entities that professionally manage assets, typically financial capital, from institutional investors. This capital is often directed into new ventures that have a strong potential to yield a high return on investment (ROI) (Hellmann & Puri, 2000; Kaplan & Lerner, 2016; Rin et al., 2013). Yet, these high potential ventures are inherently risky because they do not generate revenue and lack tangible assets (Bonini & Capizzi, 2019; Giaquinto & Bortoluzzo, 2020). As such, traditional sources of funding—like bank loans—are often not an option for early-stage ventures. Also, founders sometime lack the skills and capabilities needed to establish, manage and scale a venture (Cano, 2020; Mustafa, 2019). To overcome these challenges, VCs not only provide financial capital but also non-financial value-add to PCs (Wright, 2015; Zider, 1998a). The next section outlines (a) when in a venture's life PC are likely to add the most value; (b) in which phase of the investment value-add is happening; (c) the types of value-add that extant literature identified.

2.2. Life-cycle Stage

VCs invest in ventures through various life-cycle stages, though eventually all intend to increase the value of their PC and make a profit in selling them, an 'exit'. An exit could be a sale to an acquirer: Either a later-stage VC, a larger corporation or the wider public via an initial public offering (Cumming & Johan, 2008).

Not all VCs invest in all types of ventures. Early-stage VCs (approximately investing in pre-seed to seed stage PCs) are typically defined as firms that place more emphasis on the point-of-difference of a product and the high-growth potential of said product within its respective market (de Lange & Valliere, 2020; Elango et al., 1995). Later stage VCs (approximately Series A onwards) are more concerned with the attributes the management team of a particular venture possess, and so, feel the value-add they can provide is more operational in nature (Joshi, 2020; Lahr & Trombley, 2020).

A major difference between early-stage and later-stage VCs investing is their access to capital (Barry et al., 1990; Nitani & Legendre, 2016; Nitani & Riding, 2013). Typically, whether it is due to deliberate tactical choice or due to pure financial limitations, earlier-stage VCs have smaller fund sizes when compared to their later-stage equivalents (Nitani & Riding, 2013).

2.3. VC Investment Process

Discussing the VC investment process will help to contextualise the relevance of both traditional support strategies (discussed in 2.4) and the indirect support strategies of interest within the broader investment process undertaken by VCs. Exploring the drivers of VC investment process will, in turn, help to illustrate drivers of VC support strategies and hopefully add relevant foundations for the empirical enquiry on indirect support strategies.

2.3.1. Drivers

At the most basic level, the main target for VCs ROI - obtained by increasing the value of the equity stake VCs hold in a venture (Haagen, 2008; Kaplan & Strömberg, 2004; Sahlman, 1990). To achieve this, a VC firm identifies investment opportunities, and then structures and executes deals appropriately. A VCs' investment decisions are based on information collected on each candidate investment company and examinations of its management team, the PCs ability to develop products or services, the adopted business model, and the target market (Gorman et al., 1989; Zider, 1998b). Once the deal is closed, the investment is actively monitored. Both traditional and more indirect support strategies would be conducted in this once the deal is closed and the investment is being monitored.

2.3.2. Investment phases

In regards to VC investment phases, various scholars distinguish between different phases through which an investment progresses (Bruno & Tyebjee, 1985; Fried & Hisrich, 1994; Klonowski, 2007). The most commonly occurring traits of a typical investment process seem to be: Deal generation and completion, staggered due diligence, pre-approvals, post-investment activities and monitoring, and exiting which brings the investment to an inflection point. Typically, VC support strategies relate to post-investment activities and monitoring.

Figure 1

One Iteration of the Process Flow of Investment Phases.



Source: Author

2.4. VC Support Strategies

To take investments to a successfully deemed exit, VC firms support their ventures through various support strategies apart from the financing of capital, generating the VCs value-add (Baum & Silverman, 2004; Bengtsson & Sensoy, 2011; Bengtsson & Wang, 2010). This VC-support manifests through either board membership or continuous consulting-type management support to increase the probability of the venture achieving or surpassing its targets (Alperovych & Hübner, 2011; Bernstein et al., 2016; Hellmann & Puri, 2000; C. J. Lerner et al., 2014; Schefczyk & Gerpott, 2001). Characteristically, VCs would help with new corporate and commercialisation strategies, restructuring or introducing new organizational structures to the venture, recruiting technical staff and management and further fundraising (Banks et al., 2012; Dimov & De Clercq, 2006; Wallmeroth et al., 2017). The next sections outline the key types of value-add that the literature identifies.

2.4.1. Financial Value Add

VCS are integral in garnering finance from not only other members within the VC firm but also external 'non-venture capital' investments. This 'non-venture capital' investment may come from corporations and financial institutions, which is considered an essential element of strong VC backing i.e. being able to provide the capital infusions to "sustain cash-flow

positive operations” (Pratch, 2005, p. 14), thereby alleviating monetary restrictions on the venture (De Clercq et al., 2006; J. Lerner, 1994; Pratch, 2005; Proksch et al., 2017).

A popular method VCs employ is co-investing with public stakeholders such as government bodies, which ultimately is done to overcome financial restrictions and reduce each other’s overall portfolio risk (Grilli & Murtinu, 2014; J. Lerner, 1994). A standard relationship between government and VC firms seems to be characterised as follows. The government first identifies a resource allocation insufficiency towards VC firms, following which an allocation of capital is made in the form of public-private matched funds. That is, the government acts as a limited partner and co-invests to overcome capability gaps while allowing the VC firm to be autonomous in the fund’s operations (Callagher et al., 2015; Huang, 2021; New Zealand Government, 2006). This type of financial support is typically driven by the government and is standard practice in many countries. The Innovation Investment Fund Program, Early-Stage Venture Investment Fund and various Sovereign Wealth Funds in Australia, Singapore and the US respectively follow similar logic in first recognising the integral nature of the VC industry followed by implementing policies to allocate resources towards the industries growth (New Zealand Government, 2006; NZ Treasury, 2019).

2.4.2. In-house Commercial Support

VCs provide many in-house functions to their PCs. One such function is being a strategic voice for a ventures key decisions early-on, often surrounding marketing, product development, and organizational growth directions (De Clercq et al., 2006; Pratch, 2005). In addition to this, VCs also provide a more informal voice, perhaps advising the entrepreneur on strategies to improve company morale and other interpersonal relationships that might

be better sought from an external perspective rather than from within the venture (De Clercq et al., 2006; Haislip, 2010). Another predominant, and perhaps more grounded function VCs provide in-house would be their involvement in the hiring and sometimes re-hiring process of management and executives within the venture based on performance (Haislip, 2010; Hellmann & Puri, 2002).

2.4.3. Leveraging Expert Networks

Access to relevant expertise by the VC can allow for external governance, managerial and technical talent that matches the needs of the PC. Early-stage VCs often group their investments in the niches of technologies-to-customer segments that the VCs and their expert contacts understand well (Bygrave, 1987; Joshi, 2018; Pratch, 2005; Wright et al., 2006). Supporting this, Chesbrough (2002) and Chemmanur et al. (2014) who take a more quantitative approach, comment on the 'superior' industry and technology expertise brought about by a 'technological fit' between PC and the VC firm's current operational capabilities, allowing better 'nurturing' for PCs (Dimov & De Clercq, 2006; Ivanov & Xie, 2010). Especially, to applicable technologies, VCs can offer their existing arrangements and idle manufacturing capabilities found in their other, complementary PCs to add value to the PC in question (Dauderstädt, 2013; Ivanov & Xie, 2010). Additionally, VCs provide contacts who can provide supplementary financing and potential acquisition prospects, critical assistance providers and even customers, who the VC, through diligent market research will segment into priority customer groups that the PCs products need to reach to ensure maximum market uptake (Klonowski, 2007; Pratch, 2005; Sapienza, 1992).

2.4.4. Leveraging Reputation

Similarly, a key function of VCs is their ability to leverage both the reputation accrued through a successful track record of supported PCs, and access to vast contacts with relevant expertise that their PCs would have otherwise not reached (Bengtsson & Wang, 2010; Pratch, 2005). In fact, entrepreneurs often opt for a VC that values them lower but are more reputable (Hsu, 2004; Köhn, 2018). The legitimacy extended to the PCs is sometimes seen as more value-adding than the actual tangible services provided in comparison to competing VCs. Reputation becomes relevant when personnel from a new venture are trying to convince important stakeholders within the wider institutional context to engage in interactions with them. In particular, it can help “the recruiting of top management, getting initial sales from key customers, attracting other investors, attracting investment bankers, and winning acceptance in the public market for an IPO” (De Clercq et al., 2006, p. 13). This notion is echoed by Drover et al., (2017), framed through the concept of ‘certification effects’ which is referring to the positive, legitimacy-building effects an alliance with a reputable VC can have on a PC, particularly their share value and terms of exits during further funding rounds. Leveraging reputation can extend to ‘co-branding’ where the PC uses the VCs brand on their products, co-marketing and distribution through the VC's existing arrangements and contacts, thereby lowering costs for the PC (Dauderstädt, 2013).

2.4.5. Support Provided through Stakeholder Collaboration

A major component of these previously mentioned support types provided by VCs seems to consist of interacting and externally collaborating between PCs and other stakeholders (Dauderstädt, 2013; Gemünden et al., 1996). Coined as ‘external communication’, Dauderstädt (2013) describes this collaboration with stakeholders as all communications external to a company’s border of self. The study labels stakeholders outside of a company

as either 'professional peers', 'corporate environment' or 'wider public', in order of decreasing proximity to the company. Professional peers refer to other PCs along with external personnel and entities such as lawyers and law firms, research institutions and financial institutions whilst the corporate environment refers to the suppliers, manufacturers, R&D partners and the customers. Finally, the wider public refers to all other stakeholders and the main goal of communications with whom, of note, is considered to be done to create a "favourable public and governmental environment" (Dauderstädt, 2013, p. 96).

This suggests that VCs could not just be utilising their own networks and reputation, but also interact and perhaps influence stakeholders beyond their immediate proximity to better service their PCs. However, Dauderstädt (2013) also concedes that this aspect in the literature is very sparsely explored, citing that the majority of the VC literature does not discuss communication strategies in any great depth if at all. This further supports this thesis' endeavour to understand the 'indirect' interactions between VC's and broader stakeholders to support their PCs.

2.5. Prevailing Relationships between VCs & other Stakeholders

In this chapter, the role of VCs as liaisons between PCs and entities such as government, customers, and professional associations will be expounded upon, explaining what type of relationship the VCs share with each player, briefly establishing the prevailing nature of their relationship as it's documented in literature as well as possible propensities towards conducting indirect, bottom-up support.

2.5.1. Government

As previously mentioned, interactions between the government and VCs in regard to co-funding are initiated by the government recognising venture capital (VC) as integral in some economic function, for example, propelling innovation, followed by the government then recognising a gap in the allocation of resources within the ecosystem or industry. This then drives action by the government to set up funds addressing said resource gaps (Callagher et al., 2015; Isaksson et al., 2007; Keuschnigg, 2004; J. Lerner et al., 2005; New Zealand Government, 2006). Yet, this notion of government support is reflective of a rather deterministic, top-down view of institutional context, where ventures are at the whim of governmental regulations.

However, there is evidence of communication from VCs and professional associations to government stakeholders when it comes to making submissions on laws passed within the VC ecosystem (Australian Government Treasury, 2016; British Private Equity & Venture Capital Association, 2022; CAANZ, 2021; MBIE, 2018). These are often treated as recommendations or feedback-style suggestions which are relayed to parliament (New Zealand Parliament, 2022). For instance, before the passing of an amendment bill, the NZ government reached out and received submissions regarding the bill from many traditional VC firms, technology incubators and TTOs, along with professional associations and even other subjects of government (MBIE, 2018). Similarly, this activity can be found in Australia as well. A recent example is a policy consultation made by the Australian Government to the regional VC space in 2016 regarding focusing capital investment in FinTech (Australian Government Treasury, 2016). In this regard, given the evidence VCs communicate on legislative action that affects change on the industry level, it would seem to allow scope for VC firms to advocate for policies to be shaped in their PCs interests,

supporting the enquiry of further possible indirect, bottom-up activities from VCs to aid their PCs when interacting with government.

2.5.2. Professional Associations

Professional associations could act as entities that VCs could lean on to enact bottom-up strategies. VCs already utilise such associations to enhance their traditional, direct support strategies. For example, the National Venture Capital Association amongst many others, offers VCs coaching, incentives related to legitimacy, and access to broader networks in return for membership (Bruton et al., 2005; Tamaki, 2013). This aligns with extant research on the role of professional associations that employ mechanisms such as advocacy, advertising and incentivising functions to benefit the industry or the ecosystem (Hiatt, 2010; Rao et al., 2000). For example, professional associations affiliated with early-stage investing, for example, the Angel Association New Zealand and the British Private Equity & Venture Capital Association, both advocate to the government through submissions for policies to better serve their cumulative members' interests similar to VCs in the previous section (Angel Association New Zealand, 2019; British Private Equity & Venture Capital Association, 2022).

2.5.3. Customers

In PCs with a more traditional ethos, the conventional mode of operation followed is to set up their business according to assessments of the value they can deliver to the customer or target market, often letting the said customer be a key driver in their product or service development and innovation (Chesbrough, 2002; Dauderstädt, 2013; Fetterhoff & Voelkel, 2006; Gassmann & Enkel, 2004; West & Lakhani, 2008; Wouters et al., 2018). For example, Martin & Schouten (2014) discusses the emergence of 'minimoto' markets. This product

segment was created by adults altering minibikes designed and manufactured for children. This customer innovation was identified as an expression of customer need, resulting in businesses striving to satisfy it. Within the VC context, these types of interactions often lead VCs to direct their support to PCs by adapting to market needs and attitudes which would guide uptake of the potential product or service. This seems to indicate a top-down relationship between customers and VCs, largely dictated by the customer.

Though this customer-led business development appears to be the prevalent mindset in venture capital and the broader early-stage investing space, there are instances of CVC firms deciding to shape customer expectations and wants instead, hinting at a scope for bottom-up, market-shaping, approach within the VC space (Chesbrough, 2002; Nagdev et al., 2007; Tong et al., 2021). For example, the CVC wing of Intel aimed to boost customer demand for their microprocessors by investing and co-investing in numerous early-stage firms that would flourish and produce an ecosystem of supporting products requiring their microprocessors (Chesbrough, 2002). This was done to foster customer demand within the entire product ecosystem. This shows how a venture capital vehicle can be used effectively to shape customer expectations. It also encourages empirical investigation of its presence in the traditional venture capital space.

2.5.4. Summary of the chapter

The main aim of this chapter was to characterise VCs and their operations with some basic granularity. This was to allow a foundational understanding of them as entities before exploring their indirect support strategies through interactions with external stakeholders. There is a likely propensity for later-stage VCs to be involved in this due to factors such as better access to capital and the technology being further along and presumably less market-

led consequently. To maximise a PC's potential and by extension their ROI, VCs provide many direct support strategies, mainly through self-evident financing, but also allow PCs to leverage their expert networks, their reputation and their in-house functions. The prevailing relationships between VCs and various entities such as government, professional associations and customers seem to be prevalently documented as top-down dictatorial relationships with the stakeholders guiding the interactions. However, there is evidence and indications that more active, bottom-up shaping, could be present in VCs' interactions with them. Thus, it raises the question as to whether VCs extend such indirect support to their PCs and through which mechanisms this is accomplished? In the next chapter, institutional theory is introduced as an appropriate lens to explore this research interest.

CHAPTER 3: THEORY: INSTITUTIONAL ENTREPRENEURSHIP & WORK

This chapter aims to lay a theoretical grounding for the empirical investigation through the lens of institutional theory and its sub-theories, institutional entrepreneurship (IE) and institutional work (IW). These streams of literature are deemed especially suitable to theorise bottom-up, indirect, shaping-type activities of VCs towards other stakeholders to help their PCs.

3.1. Broad Definitions: Institutions & Organizational Fields

Institutions are defined as “rules and shared meanings [...] that define social relationships, help define who occupies what position in those relationships, and guide interaction by giving actors cognitive frames or sets of meanings to interpret the behaviour of others” (Fligstein, 2001, p. 108). Moreover, closely aligned organizations interact within organisational fields (Furnari, 2016; Winch & Maytorena-Sanchez, 2020; Zietsma et al., 2017). Meaning, organizations are distinct from institutions because they are essentially entities such as ‘individual corporations’ who are both guided and influenced instead by their institutional environment or field (Ahlstrom & Bruton, 2006; Bellah et al., 1991).

One of the most well-known ways institutional fields are categorised are as cognitive, regulative and normative processes, or ‘pillars’ (Kostova, 1997; Osinubi, 2020; Scott, 1995; Trevino et al., 2008). Broadly, these describe the forces applied to actors within an institutional environment.. Regulative pressures can rather intuitively refer to the laws and regulations passed by governments and regulators that can be enforced to restrict but also promote certain actions. Cognitive pressures generally refer to the way people’s shared perception of things are altered or realigned typically through through media but also through speeches and other forms of persuasive mass communication with the public.

Normative pressures are really the assumptions of what is the social norm or generally accepted public beliefs that place pressure on actions taken in an environment. These institutional pressures are what unify organisation under common systems by giving them that previously mentioned shared framework of meaning (Delbridge & Edwards, 2007; DiMaggio & Powell, 1983; Fligstein, 2001; Isaksson et al., 2007).

3.2. Structure vs Agency

Key studies from the 1980s through to the 1990s seem to drive the reintegration of the role of agency, through the role of the institutional entrepreneur (Dimaggio, 1988) within the newer institutional thought (DiMaggio & Powell, 1983; Hirsch & Lounsbury, 1997). To elaborate, the paradoxical nature of the concept, 'embedded agency', trying to reconcile "the inherent contradiction between individual and collective interests" (Holm, 1995, p. 2). The embedded agency paradox could then be thought of as a problem of central actors perhaps having the capital to effect institutional change, but due to benefitting from the predominant institutional setting, would not be likely to cause change. Conversely, disadvantaged, peripheral, dis-embedded actors have the incentive but lack capital and resourcing in turn (Garud et al., 2007; Hardy & Maguire, 2008) to afflict change.

3.3. Field Conditions & Social Position

Field conditions and social position matter because the distinction of mature vs emerging fields can indicate where IE & IW is more likely to occur. Also, the social position bears relevance as VCs are more in the centre and thus more likely to shape institutional environments. IE literature tends to focus on where actors are situated in relation to the institutional environment or field. Actors are usually deemed to be either central or peripheral in 'social position' relative to an institutional setting (Battilana, 2006; Battilana et

al., 2009; Greenwood & Suddaby, 2006). Central actors are typically considered established and integral to or 'embedded' within the institutional structure, with some framing them as 'incumbents' (Stryker, 2000) to whom preserving existing institutional arrangements would prove far more advantageous (Dimaggio, 1988; Leca et al., 2008), leading to an implication that they are often entities of resistance to institutional change.

3.4. Actors of Change: Institutional Entrepreneurship

The theoretical field of institutional entrepreneurship forms a potential answer to the embedded agency paradox. This chapter will aim to define what an institutional entrepreneur is, in relation to agency, institutional field position and manoeuvrability therein. Additionally, it will also endeavour to describe strategies utilised to uphold or change institutions. Namely, through institutional work and how it builds on and compliments the theories and possible gaps present within IE literature.

3.4.1. Institutional Entrepreneurs

An institutional entrepreneur is essentially described as an individual that breaks the established rules and practices, installing alternative rules and practices of their seeking in their place (Battilana et al., 2009; Garud et al., 2007). Complimentarily, institutional entrepreneurs are also described as actors who are adequately resource-equipped, and possess the skills to leverage these advantageous resources, in order to realise the change in institutional practices they wish to enact (Dimaggio, 1988; Fligstein, 1997). Briefly, by resources, the literature refers to both financial assets and social relations that provide information and political support (Greenwood et al., 2002a; Greenwood & Suddaby, 2006; Leca et al., 2008). In this same vein, institutional entrepreneurs are thought to effect change

more from the periphery of the institutional field as there are less institutional pressures there (Battilana & D'Aunno, 2009; Greenwood & Hinings, 1996; Haveman & Rao, 1997).

3.5. Institutional Work

A theory within institutionalist thought that would complement institutional entrepreneurship is institutional work (IW). IW is defined as “the purposive action of individuals and organizations aimed at creating, maintaining and disrupting institutions” (Fuenfschilling & Truffer, 2016; Lawrence & Suddaby, 2006, p. 215). It is interpreted that IW brings attention to the ‘actors’ actions as the centre of institutional dynamics” (Lawrence et al., 2013, p. 1024) whilst simultaneously attempting to dissuade emphasis in the literature from the oversimplified institutional entrepreneur and their ability to drive change (Weik, 2011).

IW’s focus is similar to IE in that it aims to recording the relationship between institutional structure and agency (Lawrence et al., 2013), however with added granularity. The granularity afforded by IW is regarding the possible activities of actors. These activities can each address the normative cognitive and regulative pressures previously mentioned in IE (Perkmann & Spicer, 2008). Therefore, IW can be integrated within the IE framing of what an actor is, without contradiction. When one considers that IW may not be intended to replace IE but to work as a bridging concept that can connect the two, the similarities act to support each other along with the distinctions between the theories acting to fill each other’s gaps (Baker et al., 2019; Lawrence et al., 2011; Weik, 2011).

To sum, IW strategies are employed by actors that are purported to have effects on the institutional environment (Battilana & D'Aunno, 2009; Hardy & Maguire, 2008; Suddaby & Lawrence, 2006).

3.6. Strategies to Accomplish Institutional work:

To explore the IW conducted by VCs, the activities coined by Suddaby & Lawrence (2006) were used as a base for the framework. These activities can be applicable to different potential IW strategies, namely political work, enrolling collective support, cultural work, and knowledge strategies and rhetoric activities that may underpin them (Perkmann & Spicer, 2008; Suddaby & Lawrence, 2006). Commonly, they all are targeted at shaping interactions with institutional stakeholders. How IW activities fit into these different strategies will be elaborated upon below.

3.6.1. Political Work

Political work strategies typically consist of mobilizing relevant actors to provide community support for establishing rules and regulations (Perkmann & Spicer, 2008). As such IW activities that operate under a political work strategy are generally: advocacy and defining.

Advocacy, broadly refers to an actor garnering political and regulatory support through actions such as lobbying for valuable assets, working to encourage certain programs and critiquing existing laws and regulations and suggesting new reforms (Lawrence & Suddaby, 2006). These are often done to benefit of the actor's own interests, with a focus on either reconstructing rules and policy and reassessing currently laid legislative and regulatory boundaries (Becker et al., 2021; Boon et al., 2022). This would then result in potentially shaping or reshaping markets through the creation of new policies and regulations (Coskuner-Balli et al., 2021; Robinson & Mazzucato, 2019). Within the more VC-focused context, these strategies could present as previously mentioned in chapter 2.5.1, as submissions to government policy consultations that affect a PC or a group of PCs, but also,

they could manifest as verbal and perhaps more informal discussions (Minkler et al., 2006; Stout, 1990; Tsuda, 2006) with policymakers and regulators (Schroeder & Lovell, 2012).

Additionally, defining activities can fall under political work. These consist of establishing social and professional boundaries that help define who is able and permitted to conduct a certain practice (Lawrence & Suddaby, 2006). In a practical sense this refers to actions such as certifications that provide membership to individuals and organisations and allow them to conduct activities.

3.6.2. Enrolling Collective Support

An actor who is enrolling collective support is someone who can liaise and collaborate with a range of other players within an institutional field to promote their interests (Botzem & Quack, 2005; Perkmann & Spicer, 2008). One way this could be enacted is through social movements, which often also have the capability of mobilising collective institutional work by multiple actors which can influence institutions (Baker & Nenonen, 2020; Becker et al., 2021; Bögel & Upham, 2018). The example given by Becker et al. (2021), is a cycling referendum categorized as a public social movement which the public uses to advocate to state government to provide better cycling infrastructure, resulting in the creation of a new institution, the Mobility Act. The key to driving effective social movements, is the conducting of IW activities such as the creation of a collective identity, who possess shared behavioural norms and goals and can effectively and cohesively enact collective change (Fielding et al., 2008; Hargrave & Van De Ven, 2006; Hogg & Reid, 2006; Meis-Harris & Kashima, 2020).

Another key aspect of social movements is to be able to take this collective action as a collective identity and direct it effectively towards target actors and is termed as networking

or creating coalitions (Clune & O'Dwyer, 2020; Markard et al., 2016; Rohracher, 2002). In this light, professional associations can similarly mobilise collective action and create the collective identity which represents the interests of the constituent members and is needed to drive forward IW with relevant actors and shape markets (Baker & Nenonen, 2020; Evers, 1985; Greenwood et al., 2002a; Marques, 2017; Schneiberg & Lounsbury, 2008). As such, they can influence collective actions towards external, relevant actors to shape the market by influencing constituent members to direct resources and capital to shape economic and political goals of interest. Individual VCs could network with these associations to leverage the IWs they in turn conduct collectively on behalf of VCs, as a whole, to support their PCs.

3.6.3. Cultural Work

Cultural work strategies can be thought of a way to frame practices in a way that interests institutional actors, often through promoting discourse (Benford & Snow, 2000; Pelzer et al., 2019; Perkmann & Spicer, 2008). As such, rhetorical or discursive activities, as methods of affecting institutional change or maintaining it, have been widely mentioned in the literature (Greenwood et al., 2002b; Leca et al., 2008; Maguire et al., 2004; Seo & Creed, 2002; Suddaby & Greenwood, 2005). Discursive activities that aim to bring about institutional change seem to be segmented into identifying the existing problem with the current institutional field and then rationalizing why a proposed change is a more legitimate alternative to existing arrangements (Greenwood et al., 2002b; Leca et al., 2008; Maguire et al., 2004; Suddaby & Greenwood, 2005). Discursive activities are often identified through the formation of institutional terminology, specifically distinguishing and repetitive terms and contextual passages that aim to 'articulate and manipulate institutional practices – coined as 'institutional vocabulary' (Suddaby & Greenwood, 2005; Suddaby & Lawrence, 2006). These actions such as speaking, writing and visual aids tie together 'organizationally related' ideas

and legitimize them, being called 'organizational discourse' (Grant et al., 2004). For example, Debenedetti et al., (2021) assessed that French carmakers such as Renault, Peugeot and Citroën utilised persuasive strategies like scientifically worded articles, tree-based imagery and logos, and short sentences in their slogans to communicate their respective organisations' efforts to be more environmentally friendly.

However, though an exploration of institutional vocabulary would help add granularity to the results in the VC context, of the four domains of organizational discourse laid out in Grant et al. (2004), a focus on rhetoric instead, with an emphasis on rhetorical approaches and persuasive strategies instead of specific institutional vocabulary would be more appropriate for this thesis' enquiry (discussed further in 5.3.3).

3.6.4. Knowledge Work

Knowledge strategies, typically refer to educating activities as they are described in institutional work (Lawrence & Suddaby, 2006). They mean to cultivate new knowledge within institutional actors to hopefully encourage new practices and rules being formulated, enacted, and adopted (Lawrence & Suddaby, 2006). Broader literature speaks to these knowledge strategies also being used to shape environments and market through education of other actors, to increase the legitimacy of new practices and rules (Baker et al., 2019; Sugarman, 2002). Educational activities may be conveyed through informal means such as tacit observation and conversations, or more formalised sessions run by education providers (Perkmann & Spicer, 2008; Woywode, 2002). In the broader literature, Närvänen et al. (2021) discusses how CogZum, a mobile app service for shopping and inventory management, educated its customers on how to view industry date labelling to better adopt new food waste reduction practices through educational courses and blog posts adjacent to their app

offering. In regards to fitting this within the VC paradigm, Gherhes t al. (2021) argues that VCs have directed significant help to strategically facilitate the generation of knowledge along with its dissemination due to the capital allowing the accruing and effective utilisation of relevant resources. However, whether this is largely targeted directly at PCs or instead and more relevantly, possibly aimed towards other stakeholders to then deliver value to the PCs, is to be empirically investigated.

These institutional work strategies, be it through political or cultural work, enrolling collective support or knowledge strategies, collectively allow this exploratory study to be guided by a theoretical specificity as to the possible bottom-up, environment-shaping actions taken by VCs. Allowing for coding to be done according to these strategies.

3.7. Target of Institutional work

The IW strategies mentioned in the previous section are directed towards institutional stakeholders. IW targets institutional actors that represent or imbibe values of each of these pillars (Chaney & Ben Slimane, 2014). In light of this, the key stakeholders would likely be (a) Policymakers and regulators; (b) customers and (c) the broader socio-cultural context.

3.7.1. Policymakers & Regulators

Policymakers and regulators can be conduits for regulative pressures. Rather intuitively, this refers to the laws and regulations passed by governments and regulators that can be enforced to restrict but also promote certain actions (Greenwood & Hinings, 1996; Kostova, 1997; Scott, 1995). It is well established in the extant literature that there are regulatory pressures on VCs (Callagher et al., 2015; Isaksson et al., 2007; J. Lerner et al., 2005). For example, taking Callagher et al., (2015) discusses the integral role of government in developing the VC markets, specifically speaking about how government needs to form varying taxation and IP policies for different stages of the VC markets. IWs such as lobbying, and advocacy would be targeted towards them as these can only apply towards such stakeholders who can enforce legislative action. VCs could conceivably be conducting these IWs towards legislative bodies to benefit their PCs.

3.7.2. Customers

To recall, institutions can be described as social structures that help define social interactions and the actors within them (Fligstein, 2001; Searle, 2005). Consumers can be considered an institutional stakeholder as such consumers or markets, are also social structures which help define the relationships between the market (Baker et al., 2019; Lawrence et al., 2011) and institutional entrepreneurs. In Baker et al., (2019), customers are described as the market

willing to pay for circus, and the pressure they place on the circus industry through their changing consumer expectations as the institutional market pressure. As such, customer segments could be a recipient of IW strategies. Utilising these IWs to shape customer expectations and demand can be seen as 'market shaping', where the customer is analogous to the market. Once again, Baker et al. (2019) describes market-shaping activities through the lens of market creation. Since the thesis is focused on how VCs as actors can deliver indirect support to their PCs, focusing on market creation would be more prudent. As it pertains to customers, the paper states that market shaping through the use of IWs can firstly involve adopting an external orientation and responsiveness, meaning having an openness about the actions of other actors, namely customers within the context of existing practices, to facilitate change. Secondly, mimicry, as previously mentioned, can be used to co-opt what customers are already receptive to ease uptake, and can be integrated with educational strategies. Finally, the educational activities in addition to rhetoric activities could be used as a normative tool to legitimise and diffuse new practices that customers should adopt or be familiar with.

3.7.3. The Broader Socio-cultural Context

The broader socio-cultural context is distinguished as a separate social structure from customer expectations. This is because customer expectations are akin to market pressures; directly related to a product or service. Whereas, the pressures of the broader socio-cultural context are akin to the generally accepted social beliefs and values (Benford & Snow, 2000) associated with them; namely normative pressures (Greenwood & Hinings, 1996; Scott, 1995). For example, in the broader literature, large corporations have historically had very powerful and persistent pressures placed upon them by the broader social-cultural context to adopt CSR policies and programs (Banerjee & Schroering, 2020; McDonnell et al., 2015;

Sage, 1999). If one were to look at the case of Nike, the broader public pressurising them to halt the sweatshop labour would've actually risked increasing the price of the final product for the customer, but were boycotted anyway due to the unethical nature of Nike's labor practices. These broader expectations and values are not tied to a product or service and instead, have other social and cultural drivers. Hence, this places the broader context as an institutional stakeholder, distinct from customers.

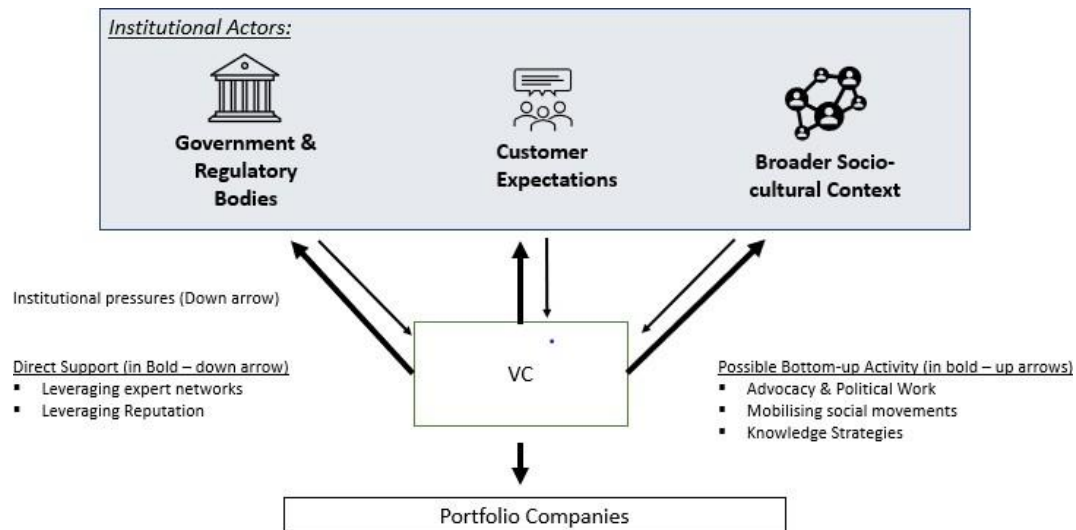
3.8. Summary of Chapter

Institutions are rules, norms and practices upheld by actors whereas organizations are the physical corporate, public or social entity which are typically said actors. IE literature describes the institutional entrepreneur as an actor capable of change through manoeuvring and influencing the institutional environment. In this light VCs were postulated to be less central to such institutionally prevalent actors and thus consistent with the literature in being an actor capable of IE. Considerations were with reference the life cycle stage of the VC, conceding that later stage VCs would likely be more inclined to manoeuvre the institutional environment and conduct indirect support strategies. IW aims to add specificity to the support strategies VCs may engage in, bridging the theoretical gaps IE leaves. VCs may engage in political work, enrolling collective support, cultural work and knowledge strategies when engaging with institutional stakeholders. These institutional stakeholders may include, policymakers and regulators, customers, and the broader socio-cultural context.

3.9. Theoretical Framework

Figure 2

Theoretical framework depicting the relationship between VCs, PCs, and external stakeholders, highlighting both prevalent top-down interactions and possible bottom-up interactions.



Source: Author

This section will aim to explain the theoretical framework (Figure 2. pictured above), integrating the theoretical groundwork laid out in chapter 3 within the VC context to explain how the thesis' enquiry is grounded in a theoretical perspective.

Institutions within the VC context would be the rules, norms and practices upheld by stakeholders such as government and regulators with their legislative and regulatory stipulations, customers through their institutional market pressures, and the wider public with normative pressures such as social values and expectations they would press upon VCs (Pan et al., 2020). Additionally, the concept of an organizational field adds grounding to the term 'VC industry' or 'early stage investing space' which by this description refers to VCs, the PCs they support and relevant stakeholders they interact with.

VCS, in the context of this thesis' investigation could be considered institutional entrepreneurs. Especially, as the enquiry is focused on the ability of VCs to influence the institutions upheld by external stakeholders. However, the majority of IE focuses on the ability of the institutional entrepreneur ability to enact institutional change. Therefore, it is important to point out that VCs conducting bottom-up strategies that perhaps actively reinforce certain institutions is under investigation as well and is an equally valuable insight.

VC firms as actors could engage in a range of work that affect institutions. Some of these actions are material ones such as drawing political support and lobbying, networking, defining, educating and advertising, along with more abstract descriptors such as framing and mimicry (Boon et al., 2019; Lawrence & Suddaby, 2006). In the VC space however, there seems to be limited literature (Gherhes et al., 2021) explaining these sorts of informal institutional works when it comes to VCs interacting with stakeholders with the intent to support PCs. Therefore, this hints at a need to characterise such informal and implicit institutional work strategies along with more intentional and purposive ones. VCs' propensity for institutional work in terms of their indirect or bottom-up strategies is one of the primary focuses of the thesis' research question: Whether, and through what kinds of mechanisms, do VC firms utilise with external stakeholders to provide bottom-up support to their portfolio companies?

CHAPTER 5: METHODOLOGY

This section aims to communicate and rationalise the methodology this thesis will employ, including the research paradigm and design, methods, and data analysis. This is an exploratory study which aims to investigate which mechanisms and strategies VC firms utilise to provide bottom-up support to their portfolio companies. This was materialized using a qualitative research strategy. Primary data was collected via semi-structured interviews with seven participants. These included general partners, managers and associates of VC firms, essentially those who would have likely engaged with, and be able to speak on, their firms possible bottom-up activities. Interview questions were focused on the topic of customary VC support, mechanisms of bottom-up VC support framed through IW and it's embedded discursive activities, the role of enrolling collective support, drivers of IWs both being initiated and more easily adopted, and barriers to IWs being implemented.

5.1. Qualitative Research Strategy

As the literature review has revealed, there is a paucity of information on how VC's utilize institutional work to support their portfolio companies and this thesis will lend itself to address this gap. In fact, studies that granularly discuss about VC support strategies, have displayed a strong bias towards quantitative rationale in their data collection (Dimov & De Clercq, 2006; Hellmann & Puri, 2000; Norton & Tenenbaum, 1993; Suman et al., 2012). However, since the nature and the kind of interaction between institutional actors is the main focus of this research, a qualitative approach is deemed most suitable given its value in understanding about the interactions, behaviours, beliefs and anecdotal experiences of participants (Fossey et al., 2002; Horsburgh, 2003; Walle, 2015).

Crucially, as opposed to a quantitative research approach, a qualitative enquiry would generate non-numerical data, which is innately more aligned with qualitative research approach (González-Díaz et al., 2022). For this exploratory study, a qualitative focus is also beneficial because of a smaller sample size, which was due to unavoidable accessibility barriers. However, previous studies have suggested that smaller sample sizes can still yield rich and useful qualitative data. These sample sizes may not be as statistically significant as would be required by a more quantitative methodology but are significantly more detailed and insightful in their results (Boddy, 2016; Malterud et al., 2015). Additionally, in order to gather unbiased information on how VCs conduct institutional work, assumptions about these processes will be kept to a minimum.

5.2. Research Paradigm and Design

The qualitative approach is strengthened by a critical realist methodology. This methodology adopts the view that ontology, the nature of reality, cannot be reducible to epistemology, one's knowledge of reality, in the real domain (Fletcher, 2017; Lawani, 2020). That is, it endeavours to interpret and comprehend the world with the aid of theory, using theory to get closer to reality and analyse causal links. However, the theoretical knowledge never supersedes the reality found in the real domain.

Critical realism is commonly utilised to investigate queries around agency and social structures (Neergaard & Ullhøi, 2007), a very appropriate fit for this thesis which questions the agency of VCs as institutional entrepreneurs within the social structures of the various institutional pressures. Furthermore, in critical realism, events that transpire and the causal mechanisms that underpin them are considered separate. As a consequence, reality is broken down into 3 layers (see Figure 3): the empirical domain where reality occurs as we

experience them, the actual domain where events occur independent of human experience of interaction, and the domain of the real where causal mechanisms can be found (Fletcher, 2017; Steinmetz, 1998). The main tenant of critical realism is to comprehend social events and experiences through said causal mechanisms. Investigating whether VCs provide bottom-up support, and the mechanisms which VC firms utilise with external stakeholders to provide bottom-up support to their portfolio companies, encourages critical realism as a methodology to underpin this research.

Figure 3

Critical Realism Depths of Reality

	<i>Domain of Real</i>	<i>Domain of Actual</i>	<i>Domain of Empirical</i>
Mechanisms	X		
Events	X	X	
Experiences	X	X	X

Note: Adapted from “Critical Realism and Historical Sociology. A Review Article.” By G.Steinmetz, 1998, *Comparative Studies in Society and History*, 40(1), 177. <https://doi.org/10.1017/S0010417598980069>

As previously mentioned, critical realism is commonly utilised to investigate queries around agency and social structures. Additionally, however, in qualitative research, it aims to understand human actions and the meanings that both individuals and collective groups give to their social environment (Roberts, 2014). Contextualised within this thesis, the thoughts and inputs of VC investment personnel was pursued to unearth a deeper understanding of their role in shaping and constructing their social and cultural environment. Data collection in a critical realist context is typically done through semi-

structured interviews. Though unlike more positivist approaches, the research question and extant literature only loosely guide the interview's line of query. The semi-structured, non-scripted nature of these interviews creates the space for participants to speak about what they feel is most appropriate, allowing more opportunities for deeper understandings to unravel themselves (Harrell & Bradley, 2009; McIntosh & Morse, 2015).

5.3. Sample

Participants for this study were selected using a combination of non-random purposive, snowball and convenience sampling (Crossman, 2020; Horsburgh, 2003; Pathak et al., 2013; Sharma, 2017). A preliminary list of potential participants was formulated using pre-established networks of Bridgewest Ventures NZ. This short-listing was done using information available in the public domain and on websites of the VCs, the participants worked for. Deliberations and consultation with academic and industry supervisors, Dr Stefan Korber and Kate de Ridder were also embarked upon. Participants in this study were comprised of limited partners, investment managers, associates, and general managers. These participants were categorized broadly into 2 groups, early stage and late-stage VC professionals. Since almost all participants invested in both ends of the investment spectrum, it became a more informal matter of gauging through the interviews as to where their investment portfolio leaned more towards.

VCS could be considered more peripheral within the institutional field of the 'VC industry' or 'early-stage investing space' to more central actors such as governments and regulators, customers, and the wider public who enforce regulatory, market, and normative pressures respectively. As previously mentioned in section 2.2, the stage of a VC can impact institutional pressures placed on it. For example, an earlier stage VC might find more

market pressures placed on it by customers and their expectations due to the technology or venture being unproven and needing to satisfy an existing market need, leading to very little scope for market shaping activities. Additionally, according to the literature in section 2.2, the access to capital for earlier-stage funds is often more constrained than for later-stage funds, thus acting as a limiting factor for such indirect support to take place.

Therefore, perhaps later-stage VCs sit in a goldilocks zone, strategically outside the agency paradox, where they are most-likely more 'de-embedded' and peripheral from the institutional pressures experienced by earlier-stage VCs. This can be due to less capital constraints and the venture being further along, thus promisingly allowing for possible market shaping and other indirect support to take place. Whether or not they benefit from leaning into the established institutional practices instead of trying to conduct institutional manoeuvring through bottom-up support, is something that will need to be empirically investigated. Due to literature of VCs utilising IWs being limited, there was little basis within the strict VC context that suggested that the funding-stage within which a VC operates has an impact on its ability and inclination to conduct IW. However, the literature surrounding VCs and their interactions with government, professional associations, and customer, in addition to other post-IPO companies, indicated instances of larger, later stage VCs aiming to shape the context to further their business objectives.

The researcher chose to approach management and executive-tier participants across VC funds as they were observed to be personnel who could speak to the firms' possible bottom-up support through IW as they possess the most influential decision-making powers within the organization due to their equity positions (Wright & Lockett, 2003). An exception was made in one VC funds case as the executive was indisposed and unavailable in the near

term, and given the limited time frame of the thesis, the executive's associate was interviewed at his nomination. This was done because insights from that VC were very much sought after and so it was felt that it was better to interview the nominee as opposed to omitting that firm altogether. This employed snowball sampling (Harrison, 2020), where the researcher initially reached out to executive management, but because they were indisposed, was put in touch with other willing and knowledgeable individuals who fit the criteria of being likely exposed to bottom-up strategies and being able to speak on them. Further description of the sample will not be presented in order to protect the right of the participants to remain anonymous in accordance with the ethics mandate by the University of Auckland Human Participants Ethics Committee.

After the target population of the sample was identified (see Table 2), industrial supervisor Kate de Ridder sent invitations to prospective participants via email with details about the research and the researcher. This was done in accordance with the University of Auckland Human Participants Ethics Committee's guidelines. The email invitations also included further steps for prospective participants to follow if they were willing to take part in this study. A total of seven participants of the short-listed pool responded to take part in this study. Six participants were from New Zealand and one was from Australia. It is worth noting that the residence or location of the participants, whether in New Zealand or Australia was not a selection parameter. However, the participants who ultimately took part in the study included VCs that had invested across a wide range of sectors. This variability was maintained to avoid any sector-skewed bias towards involvement or lack thereof, with IWs. All the seven participants were included in the final data for analysis since all of their responses were detailed and presented rich insights.

Table 2: Sample Population

Participant	Role	Stage of Fund
1.	Investment Manager	Seed to Series A
2.	General Partner	Seed to Series A
3.	Associate (former operations manager)	Pre-seed to Series A
4.	Investment Manager	Seed to Series B
5.	Investment & Community Manager	Seed to Series B
6.	Investment Manager	Pre-seed to seed
7.	Venture Partner	Pre-seed to seed

5.3.1. Sample Size

Interviews were conducted with seven participants. It was felt that these seven would provide enough rich and contextual information to commence the empirical work. Additionally, the size is enough to account for inter-individual differences in perceptions in addition to the depth and quality of data necessary for a comprehensive exploration of the research question. Due to real-life limitations brought on by COVID-19 imposed lockdowns, relatively small pool of VC firms reachable locally within the New Zealand and Australian jurisdictions, and the inherently tight time frame of the thesis, the number of participants that could be contacted and recruited were constrained to seven interviews.

5.3.2. *Semi-Structured Interviews*

When employing semi-structured interviews, there exists the benefit of a more relaxed conversational style of data collection (Harrell & Bradley, 2009; Qu & Dumay, 2011). This is most conducive to an inquiry that requires deep, rich and contextual answers in regard to a subject (McIntosh & Morse, 2015). Therefore, even though the questions have been standardized, they do allow for strategic interjections to be made by the researcher to ensure the pre-set topics are covered and are consistently addressed despite the potential variability in interviewees.

As compared to a structured interview, semi-structured interviews do not need large samples as the researcher is not looking for generalizable objective data to be added to a population model (Qu & Dumay, 2011; Walle, 2015). Though typically structured interviews boast high levels of participant responses, semi-structured interviews don't need large sample sizes and therefore can often afford to have lower response rates (Qu & Dumay, 2011). They also need not follow a rigid script which can allow for researcher and interviewee to sometimes reach clarity on a position before proceeding.

However, whilst structured interviews need not require high interviewing proficiency, semi-structured interviews more often require the interviewer to be thorough with the topic in order for them to be poised enough to interject (probe) or move on seamlessly to elicit the rich data they need (Basias & Pollalis, 2018). Interview questions and possible probe points were discussed and revised with academic and industry supervisors along with a concurrent internship with Bridgewest Ventures NZ which allowed the researcher to build the necessary expertise to manoeuvre said interviews.

Another concern with the conversational, informal nature of the interviews, is that candidates may in their comfort, disclose otherwise guarded, and perhaps even commercially sensitive material. To mitigate this and encourage the fostering of a comfortable environment from the outset, the disclosures made in the participant information sheet guaranteed the confidentiality of both the participant's identity in the event of them choosing or declining to participate and their data disclosed in the interview. When compared to more structured interviews, due to the lack of a rigid structure, they are consequently less replicable. Though as previously mentioned, generalisability is not the aim of this interview format, but instead to draw contextual and meaningful inferences from the participants that would otherwise be hidden or missed in a more rigidly structured enquiry (Antwi & Hamza, 2015; Qu & Dumay, 2011).

5.3.3. Interview Questions

Three main topics grounded the interview questions. These were, the predominant VC support PCs currently receive, top-down vs bottom-up activity between stakeholders and VCs, and barriers and incentives to conducting such activities. However, the interview schedule was not strict, allowing the participants to speak beyond or adjacently to the topics put forth. Rapport with the participants was built through initial questions enquiring about their background and details of their role, with further questions and prompts utilised to probe the questions more at the heart of the research. Further investigations were conducted by asking a leading question followed by probes and follow-up questions when it was felt the conversation was not quite covering the topics as expected. For more details see appendix B for the full interview schedule.

Questions regarding rhetorical activities were shifted from focussing on enquiring about the specific vocabulary used to broaden persuasive methods participants may use. This is because it would be difficult to discover specific 'institutional vocabulary' in the context of this thesis as the method for primary data collection is through semi-structured interviews. This is why an exploration of institutional vocabulary would help add granularity to the results, of the four domains of organizational discourse laid out in Grant et al. (2004) - dialogue, rhetoric, narratives, and tropes, a focus on rhetoric instead, with an emphasis on rhetorical activities instead of institutional vocabulary, would be more fruitful for this research.

To briefly elaborate, rhetorical activities can also be built to analyse 'broader scenarios of change' (Heracleous & Barrett, 2001). This would fit well with interview-style primary data collection. Adding to this view, rhetorical analysis aims to find patterns in regard to interests, assumptions and objectives rather than emphasizing discovery of specific repetitive phrases of words or speech. This is pertinent because, an important consideration is that a lot of actions carried out by actors are done unconsciously, with a lot of institutional structures being maintained without iterative reflection on each decision (Beunen & Patterson, 2019; Greif, 2014). Hence in a practical setting, asking the participant representing a VC to recall specific phrases and nomenclatures they may have used whilst conducting IWs to help their PCs might produce poorer results than asking them questions more centre around the broader interests and objectives surrounding those actions.

5.3.4. Data Processing & Analysis

Interviews were roughly auto transcribed using the video recording software Zoom. Following this, the transcriptions were edited manually, but as minimally as possible, to

match what was said on the original video recording of the interview. These transcriptions were then anonymised to be consistent with the ethics agreement. Participants were given the option to reflect over their transcripts (member checking) to add or redact statements, contributing to the reliability and validity of the data (Burnard, 1991; Rose & Johnson, 2020). None of the participants asked for their interview data to be redacted or withdrawn.

Transcripts were then analysed using NVivo, a software for qualitative data analysing. They were coded using a predominantly deductive approach (Herting & Lennart Schmidt, 2020; Hyde, 2000), utilising pre-established literature and the theoretical framework to guide coding of the participant data. A review of the prior literature surrounding VCs support, institutional entrepreneurship and institutional work guided the theoretical framework and by extension the pre-formation of codes prior to the interviews. These broad codes consisted of 'traditional VC support', 'barriers', 'incentives', 'targets of bottom-up activities', 'bottom-up strategies' and 'the role of enrolling collective support'. The content of each transcript was then thoroughly read through and deductively assigned to each relevant code with further sub-codes being delineated as deemed appropriate through an abductive approach (O'Kane et al., 2021; Skjott Linneberg & Korsgaard, 2019; Thomas, 2006). An amalgamation of deductive and inductive approaches allows both resident and new notions to bolster each other, through the interweaving of pre-existing theory, empirical evidence and the researchers analytical input (Azungah, 2018; Tucker et al., 1995). These codes and sub-codes are presented in chapter 6 as findings, and then discussed in chapter 7.

5.4. Research Considerations

5.4.1. Reliability & Validity

In qualitative research, how reliable a study is, depends on its trustworthiness (Rose & Johnson, 2020). This means that the methods and practices used to conduct the research need to be able to be understood in their entirety (Golafshani, 2003; Morse et al., 2002). As such, by explicating the methods of the research paradigm and design in addition to the data collection, such reliability issues have been minimized. Additionally, as previously mentioned semi-structured interviews do not follow a strict script and so, are in practice, not highly standardized. Thus, they lack high reliability in the traditional sense of the word (Harvey-Jordan & Long, 2001; McIntosh & Morse, 2015). However, despite the unregimented nature of the interviews, a consistent set of questions were utilised with all participants to mitigate this reliability issue.

Internal and external validity are important when considering the quality of conclusions made from the research (Cooper & Schindler, 2006; Smallbone & Quinton, 2003). These forms of validity mean to make sure the conclusions drawn are firstly internally consistent and externally understandable and applicable to a broader sample respectively. However, as previously mentioned, critical realism seeks to comprehend social events and experiences through said causal mechanisms. Therefore, generalizability is not a primary concern. In this light, purposive sampling and snowball have been used to choose participants with deep industry knowledge, which in line with the interpretivist approach, and prioritizes the potential richness of the insights over the replicability of the study. This use of purposive sampling improved the internal accuracy and validity of the study's conclusions (Crossman, 2020; Sharma, 2017).

Furthermore, triangulation of data occurred. Triangulation is a method used to assess the trustworthiness of qualitative data. Simply put, triangulation is the process of corroborating the results of an investigation with multiple other methods and sources to reduce the likelihood of non-causal associations in addition to any unaddressed bias due to the qualitative method being utilized (Daniel & Onwuegbuzie, 2002; Flick et al., 2004). In the discussion section of this thesis, the triangulation of data is conducted with empirically investigated interview data being corroborated with the data available within the literature.

CHAPTER 6: FINDINGS

This chapter presents the results from the empirical research. These are derived from the seven interviews conducted which are categorized into four sections. Key findings will be discussed in regard to: (a) traditional VC support (b) incentives to conducting, and (c) barriers against conducting indirect support, (d) instances of VCs conducting indirect support strategies with government, customers, and the broader public; and (e) rhetoric or discursive activities underpinning these indirect support strategies. These findings will be discussed comparatively between sections and in relation to the extant literature and the research question in the following discussion chapter.

6.1. Traditional VC Support

Participants were enquired about traditional support due to establish a baseline and consensus between both researcher and all the participants as to what traditional support strategies were. This was done with the hopes that, once this was established and agreed upon, both parties could then discuss and characterize bottom-up strategies with more clarity.

6.1.1. Traditional Support Strategies

Many participants conveyed providing support to their PC beyond financing them:

“Capital is one aspect that a lot of venture capitalist can support a company with, but it’s only one part of the equation. VCs often try to provide value add to their investee companies beyond the capital invested.”

Participants generally communicated that one form of support they provided to their PCs was in helping them build their business shortly after taking them on as PCs, providing them with what this thesis aggregately terms, broader commercial support. When

explicating how they provided this broader commercial support, many participants explained that they are often involved in both the hiring process for key management and also provide a generalist and sector specific business development style support for the firm when they are still nascent and unable to hire those for those roles yet:

“We also help with hiring- so we actually sit on some of the interviews with the founders for key hires that the company is looking to take on the next key roles, so CTO CEO CMO type roles.”

“So, we might help develop market strategy, we might do some market validation, actually calls on customers for them, we can just basically be a part-time business development function for the company until they get to the point where they can hire that into the company themselves.”

All participants explained the importance of utilising and sharing their industry connections to their PCs. What those networks comprised of had overlaps between participants, usually comprising of introductions made to service providers such as lawyers and accountants and relevant regulatory personnel that could help with either the operational side of the PC:

“One of the key in terms of other parties, is other service providers- and so your lawyers, your accountants, your insurance person, your cyber security, to your health and safety auditor. And there are a whole bunch of service providers who, if you just left the company up to it, they would have to spend a lot of time doing the research to figure out who they should approach, and even then they may not know if that person is good or not. So we have our like sort of trusted providers who we will recommend to the companies- we don't make a decision for them.”

Alternatively, introductions made to relevant technical and market experts that they were connected with and who could assist the PCs with various aspects of their technology-market fit:

“It’s also you know [that] we really want to understand the market quite well and leverage our networks there to try to understand whether there is a market need or it is a pipe dream.”

A specific function of typical VC support that was repeatedly mentioned by many participants was taking board positions within their PCs. Participants mentioned oversight associated with those positions as consisting of helping to set up some of the operational processes, in most cases to ensure the success of subsequent funding from external investors:

“The main one that is almost a given for most active investors is through governance. So, we would typically expect to have a board seat, and especially in the earliest stages of the company we’re there it and make sure that the governance processes have been set up well that you know the company has those processes in place so that when it gets to the next round of investment there aren’t questions about whether or not you know something’s being done poorly or being done dodgily”

6.1.2. Dependency on Investing Stage

Participants agreed that VCs look for different factors in potential PCs depending on the progress the company has made. As a consequence, the above-mentioned traditional VC support strategies are adjusted based on the stage of both the VC firm and the investment and by extension what the investee company would be in need of:

“We have finite resources and capacity in time and with series A and series B investments we’ve got more money on the line right we’re on the hook so we want to drive that return more whereas with the seed investments, we often don’t take a board

seat and it's for a couple of reasons, like sometimes they don't have a board it's just too much for them to handle and they've got better people involved or you know we just trust to read the board minutes[...] and that's, not to say we don't do anything, of course, we of course we do, but we for sure by design focus more of your 'role with the sleeves up' type of work for series A and series B"

The above highlights that due to finite capital and resources, VCs often tend to spend more of their resources and investment in oversight personnel on later stage PCs as opposed to earlier stage due to more investment having already being accrued in those later stage ventures, hinting that bottom-up strategies may likely be employed by VCs more in later stages than in earlier stages.

6.2. Bottom-up Strategies: Incentives

Once traditional support methods were established as a baseline, it instilled confidence in being able to enquire and identify the existence and extent of bottom-up activities conducted. To better understand whether VC's conduct bottom-up activities, participants were asked to describe the circumstances that would be most conducive to performing these strategies. In their responses, participants spoke both about what incentivised these strategies and gave more clarity into what manner of bottom-up strategies these incentivising factors typically foster.

6.2.1. Flywheel

Some participants agreed that bottom-up strategies, particularly those aimed at the broader context, were driven by a want to augment recruitment of potential companies rather than to service their current PCs:

“Yeah I think it’s a bit of a flywheel to some extent[...] everyone knows that you’re doing great job you’re adding great support sure you’re doing the right things to help grow the company [...] you know other people that might be able to support and so then that in turn fuels the success of the portfolio and as the portfolio is doing well people think God that’s a great fund, I want to be in there. So you know, it is for sure all connected to the brand yeah”

6.2.2. Affecting Industry over individual PCs

A prevalent and recurrent theme that emerged from the participants was that their bottom-up strategies were driven by a need to grow the ecosystem and industry as a whole, be it the early-stage deep technology innovation sector, or the venture capital sector as a whole:

“Yeah, we’re deeply involved in the start-up ecosystem right it’s like if it’s thriving our own businesses thriving[...]”

“[...]to continue to be a voice that support some of those and when necessary, to steer the conversations towards topics that we see important within the horizon. We do so not necessarily exclusively for our portfolio companies, but PARITICPANT VC FIRM take a slightly more nationalistic approach to addressing some of these larger topics.”

“so, we might not go and actively write a blog about this specific company. More so maybe an industry sector, we would probably do yeah”

“[...] and that’s an area where the VCs do get heavily involved – in trying to help create the environment for innovation so it’s not specific to a company, but it’s very important to me.”

When asked why they would not conduct these types of activities for the benefit of their own PCs they listed various barriers hindering that course of action. These will be expounded upon in section 6.3.

6.2.3. A Market Need for Shaping

An incentive to conduct educative strategies for the market mentioned was due to perceived prevalent misinformation that could harm the PCs product upon release, hence making active measures to reshape the market perception in their PC’s favour became a driver:

“So what we realized was obviously the market had no idea, like everyone became experts in COVID but didn’t really understand what we were doing and don’t understand why so there was a whole exercise of creating a story that didn’t feel like you were telling people what they didn’t know so the story had to be crafted in a really, really nice way that didn’t feel like you were like jamming it down their throats because people don’t like being told what they don’t know”

However, the participant conceded that this particular instance was done in her and her colleague’s tenure at the PC rather than on behalf of the VC, hence technically not an instance of VCs conducting bottom-up strategy.

6.3. Bottom-up Strategies: Barriers

Following up incentives for bottom-up strategies, participants were asked to speak on whether they felt that there were significant hurdles to VCs conducting bottom-up

strategies. This was enquired in an effort to add depth and reasoning behind any scarcity in, or dissuasion towards, bottom-up strategies being conducted. In their responses, participants typically spoke about barriers at an industry or ecosystem level, and more infrequently spoke about VC firm specific barriers as well.

6.3.1. Not enough of a benefit to the larger portfolio

Similar to the previously established incentive of the bottom-up strategy benefiting the broader ecosystem or industry, participants agreed that a barrier was also the lack of benefit of such actions, to the wider portfolio of companies within the VC firm. Key sub-barriers that were identified were the size of the portfolio:

“You know, we take in about ten companies twice a year and the range that we cover there, I mean there’s I think we’ve been doing so it’s been seventy or eighty companies that have come through so far [...]”

And importantly, the dissimilarity of PCs within a VCs portfolio meant was specifically mentioned as a dissuading factor from committing to certain bottom-up strategies:

“[...] and probably there aren’t two that are quite close to being the same type of company there is a massive discrepancy in the food value chain and and how it spreads both vertically and horizontally. It’s just too wide a range for us to be specifically working on, you know, trying to develop education in what, one key small area when, in fact, you know every company that comes through is so different to the next.”

6.3.2. Stage of Investment

The stage of the investment was seen as a risk factor, discouraging bottom-up strategies on both earlier stage technologies and ventures. This was due to the highly nascent and volatile

stage of the product, meaning their bottom-up strategies may not be applicable or reflective of the end-product at a later stage:

“It doesn’t make sense to lobby at that stage and the thing is, when you’re looking at these really early-stage investments, the product as you invest in is very likely are unlikely to be the product at the end when it enters the market, so it doesn’t necessarily make sense to lobby at that stage. I think when you’re looking at lobbying, we were looking at late seed to series A and that’s when we’ve done it from within that portfolio company.”

“I think it’s just it is really resource intensive thing for still a very high risk, stage of company.”

6.3.3. Specialist vs Generalist Investors

One participant speculated that there was a lack of investors focused on specific sectors, at least within the New Zealand context, leading to less bottom-up strategies. This could be seen as an inverse argument to the dissimilarity between PCs mentioned in 6.8.2, which would be mitigated if all the PCs were from one industry:

“I think, also in New Zealand, we find that we have generalist investors, we don’t have very many specialist investors. So, if we had like an investor that was just like “we will focus on Web three” they probably would be in their advantage to spend a lot more time trying to convince people that Web three is the important, next-big-thing because they will become the customers of the companies that they invest in right.”

6.3.4. VC Lacking Relevant Expertise

It was generally the sentiment that VCs did not feel confident or comfortable conducting bottom-up strategies in areas which they lacked expertise:

“In the medical world, artificial intelligence and health is one aspect that we are still trying to understand, let alone regulate. As investors, it is difficult to provide value add, or attempt to influence policy (e.g., engagement with FDA) in areas that we do not have sufficient experience in.”

Consequently, they felt it more apt to offload that responsibility to the key hires within PCs who they felt had the expertise and passion to execute them better:

“If you’re a CEO or the CEO of the portfolio company that you’re invested in, they are the ones who actually knows that. In which case, you make an introduction to the policy maker, and you get out of the way and because if you are there you might just stuff it up if you say the wrong thing, right. So, unless it’s an innovation or investment, where we are actually knowledgeable in expert we would just leave it to the people who actually know what you’re talking about”

However, one participant conveyed being hired into a PC as a key hire due to their expertise, rather than introducing the PC personnel to a network contact:

“[...] and at that stage, we were effectively managing the company, but we were quite key in terms of just being support. We had a form of executive director on at that stage and I was operations manager at that stage as well.”

This, however, was a one-off notion and not something other participants echoed.

6.3.5. Capital

Another recurrent barrier that emerged was capital, or more so the lack of capital, to allocate to such bottom-up strategies:

“I think what we’ve learned is that, trying to educate customers is a very long and expensive process”

Many compared their lack of surplus capital to allocate towards bottom-up strategies by citing the role of a dedicated community manager in larger VCs as a hallmark of having more capital to devote to bottom-up strategies like shaping the broader community context:

“I think VC FIRM might be the only one in New Zealand that has somebody who has been in a community role right and that’s just because they’re the biggest and they can afford to do that. And so, for a lot of the other VC funds, I would say, you know there’s not nearly that level of strategy to be putting resource towards influencing policy at a government level.”

Some participants mentioning how the lack of capital directly affects their persuading power in a lobbying context:

“One of our investment partners is LARGE CORPORATE ENTITY and they do what is it twenty billion in sales- they’re someone in a stronger position to influence government, then we are with twenty start-ups, seed stage start-ups, coming out we don’t have much leverage with in terms of government policy coming through and an ability to change it “

As a result, participants often went on to suggest that such bottom-up strategies would be more ubiquitous in industries and jurisdictions with more capital at play. In particular, one suggested the private equity market:

“Because they’d like invested a hundred million dollars to buy a company and the thing that’s preventing them from making it really successful is regulatory change. They might have more of a reason to go lobby themselves as opposed to leaving the company to do it.”

Others suggested Australia and the U.S. markets given their larger economic size:

“It’s quite typical to be honest. I think in New Zealand it’s a little less mature than that in general. I’d say other than Blackbird because they lean on the Australian like functions, I’d say we probably like give the deepest support in that respect and that’s just because of the size that we are, we’ve got the resource to do that, but I would say, if you look to the U.S., those are very, very common activities yeah”

6.3.6. Time

Another key emergent barrier was the time factor involved in conducting bottom-up strategies. The main concern was that due to the long-life cycles of such strategies, particularly in relation to bottom-up strategies aimed at government policymakers, the benefits may come too late to the typical PC with much shorter life cycles:

“Yeah, but I would say that, like formal submissions would be a minority of the interaction that VCs have with policymakers in that space and VCs are often time poor and they don’t want to engage with those procedures.”

“The experience across the organization, would be the government’s is so slow to move- by the time they make a decision the start-up could be dead”

“I think, partly it’s time and people don’t want to invest their time into something that they can’t see is going to be helpful or provide a return for them like not necessarily financial return, but just know that there’s not going to be a benefit”

In particular, one participant contextualised this same concern through the frame of pharmaceuticals:

“Where we invest in, we’re so early stage that we are years from market launch. It takes years to develop a drug so it’s a bit hard to lobby for reimbursement or coverage of a new breast cancer drug many years ahead of launch. It makes no sense.”

Alternatively, being time-poor day-to-day and thus being operationally constrained from conducting bottom-up activities was also cited as a barrier:

“This is just my theory I don’t know if you will see many people who’ve lobbied. Because it is really time intensive and actually it’s for the company to do, maybe that you’ll see VCs have come up with strategies and put the right people in front of the companies, but I don’t think that you will see the actual VC staff doing it for the company.”

6.4. Targets of VCs’ Bottom-up Activities

Bottom-up activities were often conducted with a few stakeholder types. Participants generally agreed that these consisted of government bodies, customers, and the broader public (see table 3).

Table 3: Targets of Bottom-up Activities

Government	<i>"We were talking to people within the government, so the opposition party that the leader of the current party. We talked to the Prime Minister we've talked to the scientific advisory team we're also talking to foreign governments as well alongside that."</i>
Customers	<i>"Look, if you're if you're a VC, it's sort of you it's in your best interest and it's probably your job to promote the companies that are in your portfolio. Right, so if you have a consumer product company that makes some drink, you're going to serve that at home, all the time when people come by - oh my God, this is great your take some along with you - because they're promoting it right, that's natural"</i>
Broader Public	<i>"So, we were engaging with a marketing firm a PR agent, who was educating the general population[...]And also you what you did see as a little bit of the public perception changing[...]"</i>

Source: Author

6.5. Bottom-up Strategies

6.5.1. Policymakers

Participants generally agreed that they would engage in policy submissions, typically to better aid the industry as a whole rather than benefit a specific portfolio company of theirs:

"Formal submissions, I can think of one where I think in recent times, where there was a question around what the next R&D tax incentives needs to look like, what are the next policies that government needs to consider to foster the next innovation, growth. We are very happy to try put forward submissions, formal submissions with our advice and opinions on those fronts."

However, participants who did in fact advocate for their PCs specific benefit, conveyed that policy submissions to government would be too formal an approach because they felt that it made the interaction to confrontational:

“It was more informal, it wasn’t the situation where we would do that, but it was more trying to get the government to fund us and consider this as a solution to the pandemic. It didn’t make sense to have an aggressive approach, we needed their support, and I think we wanted to do it in a more informal basis.”

“We had regular communications with the Ministry of Health. So it wasn’t that we weren’t talking to them at all, it just didn’t make sense to have petitions around it, it just meant we wanted to do it in a way that was a little bit more collaborative.”

Other participants shared that they have utilised entities dedicated to lobbying and connecting to the government, albeit in the U.S. jurisdiction:

“I reached out to somebody who runs what is in the U.S., we call a lobbying company, government relations company. Because I wanted to get connected into the government[...] I want to be able to influence and understand policy direction”

Compared to formal policy submissions, many participants opted to conduct advocacy through more informal means, sometimes setting up, or making sure they are a part of, workshops and committees to facilitate an environment where policy-based conversations can occur:

“We’ve been in like workshops as well, where we get like people [government and industry personnel] when it comes to government we tried to be on committees and boards where commercialization strategies, investment, research collaboration, all those things are being discussed and where they’re building policy for next five years or ten years[...] something which is the government’s way to help accelerate commercialization and investment in science and technology[...]

“So, through that if PARITICPANT VC FIRM COLLEAGUE, our team member, is on the tech incubator committee - she can influence that change, you can influence the type of company- she can question, she can direct.”

Other participants chose a slightly more targeted approach to these informal conversations and made sure they were speaking directly with the relevant personnel, often in the hopes of generating momentum around a specific topic:

“It’s a lot faster and easier for them to just have an informal meeting with the appropriate people in government.”

“We were talking to people within the government, so the opposition party, the leader of the current party, so making sure that if you’re giving the opposition leader is something, it was it was something that they would like to feed off and push on to the current leaders. We talked to the Prime Minister. We’ve talked to the scientific advisory team we’re also talking to foreign governments as well alongside that, and so it was all about stimulating a conversation.”

The above quote highlights a participant’s experience speaking to government to generate more conversation and by extension education to both the government internally and the wider public they would then reach out to. This was due to it being directly beneficial to a PC’s product uptake if the market and government were more educated on the topic.

6.5.2. Broader Socio-cultural Context

Media was a recurrent conduit for educating the broader context on various topics. One participant cited infrequently utilising the media to deliver their opinion on policies they felt were worth pushing for:

“We’ve also gone directly through media. Where if we believe that certain policies are good, we’re happy to put an opinion piece to support the policy.”

Other participants explicitly asserted that media usage to educate and influence the broader context was a consistent strategic choice of either their VC firm or a firm they knew about in order to help their PCs. This was done either through having a network within the journalism sector:

“VC/ACCELERATOR/CONSULTING FIRM is well known in the investment community for being the best at doing marketing. And Okay, but it’s, not because they like putting social media ads out, its more because they’ve got lots of journalists that they can go to, and they can reliably get stories about them in the Herald and on Stuff (company) and that sort of thing right so that’s a strategic choice that they’ve made to rely on those sorts of sources.”

Or conducted through the aid of networks in marketing or public relations sectors:

“And so, what we were doing was we saw it was important that the company was having these conversations and educating the market from the outset and it was probably the most hands on experience we’ve had as a fund in a while, so we were engaging with a marketing firm, a PR agent, who was educating the general population around the importance of community testing”

Unlike the above quotes, other participants maintained that their media use was more to simply raise awareness, and to clarify sometimes rather niche and obscure topics, rather

than influence the broader context's decisions. These actions were typically carried out through blog posts and other online article-type actions:

"It's unlikely to sort of change customer behaviours- it might build awareness which is kind of what we're doing it for right so a customer who might otherwise not have known about our portfolio company might find out about it because they've read about a blog post that we put up that was like talking about cellular agriculture right and like people just didn't know what cellular agriculture was right and we're just like trying to help explain it and demystify it"

Though not a bottom-up strategy, an insight that arose is that media is also used to educate the broader context, particularly possible future founders, on what the VC firm provides its support to help them determine their alignment with the VC firms culture:

"We do lots of posts on LinkedIn I think the most valuable are our investment notes, so people can kind of get into thinking about how we do things which will help companies to self-select right, how to understand what we look at which will maybe make our screening processes faster and so on"

"And then somebody goes oh okay, this might be relevant for my company and what can I do with that, and then they start going on Google and they find one of our portfolio companies right like that might be an option but yeah I would say that it's more awareness, rather than actively trying to change people's behaviours"

The above quotes emphasise that VCs use media for raising awareness and education in a bid to and improve their deal flow and garner better quality of PCs as compared to providing some sort of benefit to their PCs.

Engaging the broader public through educational initiatives was something found to be common amongst most participants. However various participants referred to different stakeholders when considering the broader public or socio-cultural context. Some were referring to tertiary education and research institutes:

“A number of us do give seminars or lectures to medical research institutes and universities, on how to commercialize, provide some ideas of what we see, what we do.”

Whilst others widened the parameters defining the broader socio-cultural context, referring to any PC that wasn't their own considering congregations where start-ups and founders gathered to be the broader context:

“We also speak at events so if there are start-ups there, we might go in and give examples of how we have invested and support our portfolio company. So, there can be a learning for other companies and they can come to us, after that, even if we don't invest in them.”

“This is more of a marketing thing but we're thinking of doing a session during tech week, which is coming up in May, so we're thinking of doing a session on[...] and other people keep asking us how did you do it? So that this way we can just sort of share experience to support other founders, and the space.”

6.5.3. Customer

When questioned about the prevalence of market or customer shaping activities by VCs, it was found that it is in reality, both sector and jurisdiction contingent. A few participants who did agree that there were such actions by VCs consistently mentioned its prevalence in the fintech and blockchain-based sectors, along with it being consistently mentioned to occur predominantly in the U.S.:

“Let’s take say fintech, for example, where they may have two or three VCs who are very actively double down on a strong fintech product and they’re actively plugging the fintech product within the market space just to ensure that it gets the traction that required it’s probably not a strategy that we do it’s not one that fits I guess our style of investments”

“Certainly not in New Zealand, I think it would be a different matter if you’re talking about Andreessen Horowitz [in the U.S.] and what they’re doing with advocating for web three right like that’s a different ball game, in that they are seen as like thought leaders”

6.6. Bottom-up Strategies: The Role of Enrolling Collective Support

Participants were asked what role the building of collective support networks had in aiding with the previously mentioned bottom-up strategies, if any.

Collective Voice for Lobbying

A key role that was reiterated by most participants was the ability of coalitions, often through professional associations, to act as the collective voice for a group of VCs, legitimizing the viewpoints they may have to external stakeholders:

“And so, we can have an opinion as a fund, but certainly it is more meaningful and powerful if it does come from a wider collective, so you know if we do it through the AANZ then that becomes a thousand people’s opinions as opposed to just like three people’s opinions.”

It was found that primarily these collective supports are geared to augment VC’s advocating efforts towards policy making stakeholders:

“It’s primarily with respect to the to the government. that’s their role. And again, this is in the US context, especially where every or every group has some organization, whose primary responsibility is to represent them to government and be a lobbyist”

Pertinent reasons that came to the fore as to why they were able to augment advocacy, was due to their established networks within government and their ability to circumvent the government occasionally:

“The government at that stage wasn’t open to engaging with private businesses, they were giving a lot of academics funding to do work but weren’t giving any private businesses anything, so this business association was really well connected in the newspapers and really connected in the government and they had the ears of the government.”

Aiding in Knowledge Strategies towards the socio-cultural context

Such coalitions were also found to be helpful in coordinating educational seminars and sessions between the VC and Angel investor industries in educating the context beyond their firms, reaching potential founders:

“And so, for example, this angel investment round is quite messy it’s hard for us to invest as VCs so we work closely with angel groups around education and you know, helping founders become investment ready for the next stage- again governance stuff as well.”

Social Movements & Petitioning

The general sentiment was that formal social movements such as petitioning occur predominantly in the U.S. more so than other jurisdictions:

“[...]so they had done that, so there are a couple of ones- I don’t think it’s like the US where they petition a lot yeah.”

“Well, I mean the weird part is that some investors and again, this is not reflected in New Zealand, but it, [petitioning], is in the US- some investors, some of the VCs- the people that are investors have become influencers in their own right.”

A possible reason for this was suggested by a participant to be the more developed, established nature of networks in the U.S. when compared to other jurisdictions:

“Compared to the United States, especially and even, I would say, with Europe and some other markets, the ecosystem around entrepreneurialism around start-ups and innovation, which includes the entrepreneurs, it includes the universities, it includes the government, it includes the investors, the VCs, it’s much less mature and so it

doesn't have the same connections and interactions that it does say in the US[...]it's just there's a network it's more developed and that's just not true in New Zealand."

Though the participant maintained that generally, VCs and the firms that represent them typically generate movements around their business needs, rather than broader social-cultural needs:

"The difference is that it's organized around a specific business need right, which is venture capital. Okay, so it's in some ways, I mean now I'm expressing almost a political opinion, but in some ways it's less democratic than what you were using as an analogy of petition or a social group."

This above quote offers a different perspective by questioning the stance of whether VCs can truly claim to conduct social movements.

6.7. Bottom-up Strategies: Rhetorical Activities

In trying to ascertain the underlying rhetorical approaches used in conducting their bottom-up strategies, participants were asked to elaborate on what they felt were the underlying persuasive strategies utilised in these bottom-up approaches. The prevailing sentiment was that the persuasive approach was about informing and educating the stakeholder about an issue, who were most of the time policymakers:

"It is about raising awareness, usually the lobbying happens in the group so not like an individual person goes in – the government will be like, oh PARTICIPANT VC FIRM has problem with this there"

“I’m just trying to think about the overall goal, but it was first was educate them about what all this does and why you would want that product first[...].”

“You can say hey government your policies don’t work in the space look at the type of companies coming through and then she says the mirror and terms of what the market actually looks like and here are the things you’re missing out on- now policy people can see it because they’re not in the environment, so we can actually we might not be able to set the final policy but we can influence it[...].”

Occasionally, apart from informing the stakeholder about an issue, enquiring with them about what it would take for the stakeholder to better cooperate was also incorporated into their persuasive strategy:

“So, the overall goal was for us to educate them and then get them on our side to understand why they would want this then we asked them what you need next for you to take us on board and then so they defined what they needed from us, and then we tried to emulate that[...].but this was only reflective of the strategy of the time”

This persuasive, informing and educating strategy was reliant on an assumption of the policymaker stakeholders' compulsions to oblige:

“[...].what we can do is be direct and provide the voice of the market in that session and when a group of VCs say the same thing they have to listen, and they have to figure out a way to sort of deal with it now”

“And it was an aspect of the general public and the businesses who are really hurting from COVID preventing international travellers and people moving around the

country. So, it was in their best interest to be provide a solution - like a there's a problem and "hey government, this is the solution we're suggesting to the problem."

One participant shed light on persuasive strategies used in the U.S. context, expressing that, educating or raising awareness is not an accurate assessment of what VCs, at least in the U.S., do. Instead, suggesting that due to the large number of PC companies VCs possess and the capital flow associated with that, they can leverage that in conversations with policymakers as persuasive tools:

"You're getting into a very complicated and very murky area in the United States Government, in the United States political scene. So the first thing they will, if you ask them, they will all say we're just there to educate. But the reality is they're trying to influence them, so the boundary between education and influence is a little bit murky. You know the VCs have a lot of influence, I mean if you talk about at the state level the VCs can say well I'm not going to recommend any of my portfolio companies coming put their business in Florida if they don't like what a Florida governor is doing."

A key hurdle to understanding these rhetoric persuasive strategies more in-depth, is, in the context of advocacy, particularly, that most times these personnel are not directly involved in the policy change conversations over the time span of the advocacy, which often times can take many years:

"That yeah, I think it's really case by case basis, actually, and because I haven't been directly involved in it for. Like a couple of years or a year and a half or whatever, and it might be useful to reach out to somebody that's like more involved currently do you know"

This long-time span of advocacy as a barrier has been elaborated upon in section 6.3.6 as it acts as a barrier to conducting bottom-up strategies as well.

CHAPTER 7: DISCUSSION

This chapter discusses the key findings in relation to the literature surrounding VCs, and institutional work. It endeavours to answer the research question *'Whether, and through what kinds of mechanisms and strategies, do VC firms utilise with external stakeholders to provide bottom-up support to their portfolio companies?'*

The empirical research shows that VCs may in fact play a role but utilise varying mechanisms and strategies to provide bottom-up support to different stakeholders, which are in turn affected by numerous incentivising and dissuading factors. The discussion will be structured around answering the following two questions in order to then answer the amalgamated research question. These are: (1) whether bottom-up support is conducted and, (2) the mechanisms of institutional work and bottom-up strategies used to conduct them.

7.1. Validating Traditional Support

In order to distinguish between the sought-after bottom-up or indirect support, and more traditional forms of VC support, participants were asked to describe how they would typically support their PCs. This was to validate what they considered traditional support to be. Once traditional support had been established as a base, indirect support strategies could then be ascertained with more clarity by comparison. As such, participants' accounts of what they considered typical support included providing finances, broader commercial support such as marketing and business development functions, leveraging networks, and governance. Mostly, this is in line with the literature which describes broader commercial support (De Clercq et al., 2006; Hellmann & Puri, 2002; Pratch, 2005), leveraging of networks and governance (Chemmanur et al., 2014; Dauderstädt, 2013; Joshi, 2018; Wright et al., 2006)

provided by VCs similarly. Notably, no participant explicitly mentioned legitimizing effects or reputation-based effects that PCs could utilize through being affiliated with them, though it was mentioned in the literature (Bengtsson & Wang, 2010; Drover et al., 2017; Köhn, 2018).

7.2. Evidence of Bottom-up Support

Once the traditional, top-down support was established enquiry towards validating the evidence for bottom-up support were conducted. According to institutional literature (Baker et al., 2019; Benford & Snow, 2000; Chaney & Ben Slimane, 2014; Scott, 1995), stakeholders who enforce and maintain institutional pressures are the ones on whom institutional work, the theoretical grounding for bottom-up strategies, can take place. According to said literature, likely stakeholders would be policy makers and regulators, customers, and the broader social context. The research findings regarding the stakeholders agreed with those proposed by the extant literature with participants mentioning various instances of current and potential bottom-up activities with said stakeholders, not mentioning others despite probing.

Significant literature in the traditional sense has echoed that VCs are sceptical of providing capital-intensive support to early-stage VCs which are high risk in nature. Karpa & Grginović (2020), in discussing about determinants of investments have stated that the capital providers are highly inclined to make investment in a specific company only when the ROI is sufficient or more in comparison to the investment risk involved. Consequently, investing in a company in its early life cycle stage is a risky endeavour owing to its lesser chances of a successful exit. The same is noted by Hall & Lerner (2010), who emphasized on the financial constraints as a major barrier for early-stage companies and technology. The sentiment presented in these studies also significantly resonates with the findings of this

research with regard to the barriers to bottom-up strategies. A general theme across participant responses was the reiteration of the sheer risk involved when investing in early-stage VCs. Given this already existing risk, pursuing exclusive bottom-up strategies was considered as adding costs, thereby detracting from their ROI.

Additionally, as observed in the empirical work conducted by Veugelers (2011), the managerial support, provided by VCs to early-stage companies, normally expect returns from PCs over a 'certain threshold'. This focus on the 'big wins' tends to make the VC investments, specifically how they invest, more selective owing to the significantly high risk involved. This selective approach of VCs in pursuance of the 'big wins' is corroborated by the evidence collected in this research where the VCs were conservative in pursuing bottom-up strategies for early-stage PCs because of either cost or time involved in three main avenues; (1) time-consuming and cumbersome effort of pursuing advocacy with different stakeholders such as the government and regulators, (2) costs associated in educating customers through advertising and lastly, (3) the expense involved in dedicating personnel to any such activity in general.

In comparison to this, as is established by multiple studies (de Lange & Valliere, 2020; Joshi, 2020; Lahr & Trombley, 2020; Nitani & Legendre, 2016), VCs in this research also expressed that it was much more rewarding to deliver capital-intensive support to later-stage ventures whilst it was sufficient to connect earlier stage ventures with relevant potential customers as opposed to making an exclusive traditional or bottom-up effort for the early-stage PCs.

Interestingly, 'availability of time' emerged as over-arching barrier to conducting bottom-up strategies. In the study conducted by Alakent et al. (2019), it was noted that while VC-backed companies may variously benefit from favourable policy alignment, however, it was a task vastly undertaken by the VC-backed companies themselves as opposed to VCs investing in such lobbying themselves. This was attributed to the nature and duration of involvement of the VCs with their PCs. The authors emphasized on the nature of VCs investment in PCs being to exit in a short span of time with a high return on their investment. In addition to this, it was highlighted how time and resource intensive advocacy with stakeholders can get and that is one reason why VCs do not take to it themselves. This observation aligns with the findings of this research where it was indicated that the VC were either too time-poor day-to-day to undertake it themselves, or the product development in their sector typically took too long to warrant any sort of bottom-up activity such as advocacy to augment its commercial success.

Additionally, as per popular literature on traditional support strategies, VCs often work towards being involved in the hiring process (Haislip, 2010; Hellmann & Puri, 2002), and collaborating with stakeholders sometimes beyond their established networks (Dauderstädt, 2013; Gemünden et al., 1996), in a bid to facilitate driving of potential bottom-up interactions by the PCs instead of the VCs themselves. This is of course, unless the VC firm possesses personnel with expertise who can be hired into the company in a key management role, and thus enable the VC to, in a sense, contribute to the conducting of the bottom-up activity. This was the case for one participant; however, this was not a finding that achieved saturation in the empirical research. In fact, it was indicated that the VCs often lacked internal expertise in the specific sector or the area in which their PCs operated in and

so, they normally resorted to hiring knowledgeable key personnel within their PCs who could make introductions to key bottom-up targets.

In terms of incentives for conducting bottom-up activities, the broader traditional literature as discussed in section 2.5 directs attention to the prevailing relationships between government, collective body stakeholders and VCs in the wider ecosystem and drivers of traditional support (Battilana & D'Aunno, 2009; Weik, 2011). This literature guides us to the popular practice of pursuing negotiations with government and other stakeholders as well as lobbying in favour of the entire industry of PCs as a collective. This sentiment was reiterated by multiple participants of this study who favoured conducting bottom-up strategies to bolster a beneficial environment for the industry as opposed to a targeted effort made exclusively for a PC. Thus, any implementation of bottom-up strategies can be located within the larger traditional top-down support structure given that these drivers are already being facilitated through the prevailing institutional structures and relationships. Whereas, taking extra steps or conducting any bottom-up activities would be considered as acting against prevailing institutional pressures.

Hence, though stakeholders were validated, it seems largely that there are various barriers against conducting bottom-up activities, from factors such as time and capital, to lacking expertise and the investment stage a PC resided in. Additionally, the drivers that promote any instance of conducting such activities were largely adjacent to the enquiry and for broader motivations such as the entire early stage investing or VC ecosystem or, at its smallest scale, something that benefited at least the sector within which a PC or a group PCs

operated within. However, one participant conveyed conducting bottom-up activities for the benefit of a specific PCs, though this was not recurrent in other participants.

7.3. Mechanisms of Bottom-up Support

The institutional work literature (Becker et al., 2021; Boon et al., 2022; Coskuner-Balli et al., 2021; Robinson & Mazzucato, 2019; Suddaby & Lawrence, 2006), discusses political work and advocacy as garnering the support of policymakers and regulators. Within the VC context it was suggested to take shape through policy submissions or informal discussions (Minkler et al., 2006; Schroeder & Lovell, 2012; Stout, 1990; Tsuda, 2006). This was found to be concurrent with the empirical research as recurrent themes kept appearing of VCs conducting advocacy through policy submissions or alternatively, if that was considered too confrontational, informal conversations, workshops and committees aimed to breed collaborative spirit. Utilising dedicated lobbying companies was method of advocacy mentioned as well, a possible strategy to circumvent the barrier of VCs being time-poor that was previously mentioned. Though vesting and defining activities as they are mentioned in the literature (Coskuner-Balli et al., 2021; Lawrence & Suddaby, 2006), were not conveyed empirically.

Cultural work and specifically rhetoric strategies to achieve them have been described as identifiable by analysing the underlying persuasive strategies used by an organizational actor such as VC (Grant et al., 2004). In the empirical research, these persuasive, discursive strategies used, were mainly centred around informing and educating the stakeholder in question. However, a minority of the research findings voiced that, informing and educating the stakeholder was not accurate and that instead VCs were more directly influential through leveraging their immense capital and job-creating abilities as

persuasive instruments. This was usually found to be targeted government stakeholders, unlike more typical stakeholders like the broader social context of traditional cultural work literature (Benford & Snow, 2000; Pelzer et al., 2019; Perkmann & Spicer, 2008). However, Broccardo et al. (2019) argues that actors need to be flexible as a priority, in regards to both the type of institutional work (political, cultural, or other) or the stakeholders involved, stressing that there is no rigid principle where one type of work gets assigned to one type of stakeholder(s). On occasion, the persuasive strategy also involved further enquiring about steps that can be taken to be more persuasive. These persuasive strategies were found to be contingent that policymaking stakeholders had an obligation to oblige.

Knowledge strategies within the institutional work literature (Lawrence & Suddaby, 2006; Sugarman, 2002; Woywode, 2002), typically presents as practices ranging from informal conversation and observations to more formalised education and such as workshops and public engagements and seminars. These strategies are aimed at shaping or increasing the legitimacy of new rules and understandings. These would ideally be targeted towards the broader context or customers (Baker et al., 2019; Greenwood & Hinings, 1996; Lawrence et al., 2011; Scott, 1995). The research findings semi-concurrently presented knowledge strategies as largely aimed towards the broader context rather than customers. 'Market shaping' as described by Baker et al. (2019) or the postulated combining of rhetoric persuasive strategies and educational strategies was not prevalent in the empirical findings. These strategies were done predominantly through either media such as blogs, and specialised news forums or through networks in the public relation sector. The aim of the knowledge strategy was purportedly to promote or simply raise awareness about sector wide or industry wide problems as opposed to promoting or raising awareness about

something specific to a PCs. Although, some of the empirical evidence pointed to definitions for the broader context to point towards any PC that wasn't the VCs own, leading to congregations of external PCs to sometimes be treated as the broader context.

Advertising strategies were described as an institutional work activity (Lawrence et al., 2011; Suddaby & Lawrence, 2006), but the broader literature (S. Hiatt, 2010; S. R. Hiatt et al., 2009; Rao et al., 2000) suggested that in a VC context, this might typically occur through collective bodies rather through by VCs themselves. The findings suggested, rather anecdotally, VCs do in fact advertise products and the sector to try and influence customers directly for the benefit of their PCs. Though this was purportedly restricted mainly to the U.S. and specifically within the fintech and blockchain sectors. This was, however, not a lived experience of all of the participants of the research but rather an occurrence that they knew of.

Actors can augment their IW through enrolling collective support (Baker & Nenonen, 2020; Becker et al., 2021; Perkmann & Spicer, 2008). The research findings concurred that enrolling collective support augments IW through providing a collective voice and legitimising the aim of the institutional work and bottom-up strategies. Within the empirical context, this manifested when lobbying to government bodies, where this legitimisation granted the bottom-up strategy an otherwise unavailable audience with government personnel. This also appeared as augmentation of knowledge strategies towards the broader social context, albeit driven by a need to educate the ecosystem rather than to benefit any VC's PC specifically. Once again, social movements and petitioning through collective entities was anecdotally mentioned to be occurring prevalently in the U.S. jurisdictions.

CHAPTER 8: CONCLUSION

This chapter outlines the research contribution, research limitations and subsequent opportunities for future work.

8.1. Research Summary

The research endeavoured to answer the research question by first exploring whether bottom-up strategies were conducted by VCs, and then how and through which mechanisms they conducted them. Through a critical realist methodology, this has led to confirming various bottom-up strategies and their targets, in addition to incentives and barriers that drive a VC's approach. These strategies typically involved advocacy towards policymakers and educating the broader context, both individually or through the enrolment of collective support. VCs were driven to conduct these strategies by either an effort to recruit new PCs or to help the broader early-stage ecosystem as opposed to their specific PCs. In contrast, VCs were often dissuaded by the time-consuming and capital-intensive nature of a lot of bottom-up strategies, particularly advocacy and educating consumers. Furthermore, the investment stage of a PC, especially the earlier the stage, was a deterring factor due to the perceived risk. Additional barriers to indirect support were the lack of relevant expertise or lack of specialisation in a particular sector which led VCs to have less confidence to conduct bottom-up strategies.

8.2. Practical Contribution

There is a breadth of literature on venture capital and innovation. However, these studies typically look at direct VC support and there is little literature on how VCs can provide indirect support to their PCs. This holds especially true in light of shaping and leading

interactions with external stakeholders such as government, customers, and the broader context. This thesis addresses this gap and provides an exploratory, foundational insight into how VCs could expand the way they provide support.

The venture capital industry and the early-stage ecosystem in Australasia are small but developing rapidly. The networks and interactions between VCs and other stakeholders are becoming increasingly mature. Recently, the New Zealand government appointed a Start-up Advisors Council comprised of individuals who have deep experience in venture capital and angel investing to support start-ups (Woods & Nash, 2022). It is hoped that would allow VCs, amongst other stakeholders, to have a stronger, formalised voice on matters of policy and allow for potentially more efficacious advocacy efforts. In this light, the findings of this thesis support the increased importance of VCs as active participants in transforming entrepreneurial contexts and highlight the need for more collaborative relationships.

The comparative nascency of the Australasian markets when compared to the UK and U.S. markets, means that the data available to characterize indirect VC support is restricted. This thesis can begin to help bridge that gap. The exploratory nature of this study may be a useful starting point for research in further regions, such as the U.S., where participants have mentioned that a lot more bottom-up activity occurs to support PCs directly. It has become apparent through the findings of this research that VCs within Australasia are reticent to conduct bottom-up strategies to directly support their PCs. Instead, they opt to do so for the betterment of the ecosystem. The nature of VCs and how and why they conduct indirect support in these regions may be completely different to the Australasian setting.

8.3. Academic Contribution

The results of this thesis contribute to the growing body around venture capital support. However, the body of work surrounding VC indirect support, framed through institutional work theory, is particularly limited. As such, this study contributes to this limited space as a foundational, exploratory study.

8.4. Future Research

The findings of this thesis are based on the Australasian context and lack a more global perspective. Further research could take place not only in more promising regions as previously mentioned but also in regions outside the Organization for Economic Co-operation and Development (OECD), as a lot of literature in the VC space is biased towards these jurisdictions. Participant size was a significant drawback though some saturation in responses did occur. Although the researcher made sure to elicit nuanced insights from the seven conducted interviews, a larger sample size would potentially allow for additional themes to emerge. Besides, this study's research findings could be refined through further segmentation of stakeholders. For example, specific wings of government, specific customer segments or specific groups within the broader social context could be in focus. If stakeholder segments could be more granulated, a better characterisation of bottom-up targets could be ascertained.

CHAPTER 9: APPENDICES

Appendix A: Definitions

Indirect support & Bottom-up strategies: Used interchangeably, this refers to the activity under enquiry in this thesis. Broadly refers to actions opposed to the status quo with external stakeholders.

PC: an investee firm that leverages the capital and value-added services of a VC to drive themselves to higher valuations.

VC firm: an entity that manages pools of capital and invests them into PCs on behalf of limited partners.

Early-stage VCs: Referring to VCs that typically skew their investments towards pre-seed to seed stage investment.

Late-stage VCs: Referring to VCs that typically tend to invest in series A – Series C and beyond. They are only later stage in comparison to earlier stage VCs. They are still a part of the early-stage ecosystem.

Early-stage Ecosystem (Not to be confused with early-stage VCs): referring to the entire early stage investing ecosystem comprising of, but certainly not limited to, both early and later-stage VCs, angel investors, PCs, potential founders, relevant government bodies and relevant professional associations.

Appendix B: Interview Schedule

Preliminary/Icebreakers

1. I would really like to know what you do as _____(job title)
 - a. Experiences before and what led to you being interested in being a part of the VC space.
2. How would you describe _____(company's) operations and stage of investing broadly?

Validating the sample

3. If you had to broadly paint a picture of how VCs support PCs, what would be the major ways they provide it?
 - a. Are there significant differences in *types* of support provided across sectors? (Apart from technical expertise, and change in relevant networks)
 - b. Are there significant differences in types of support provided across stages of VCs (early/seed, series A, B, IPO, etc.)?

Identifying stakeholders/targets involved.

4. Granted that there is a lot of PC-based subjectivity, what do you feel are the key types of stakeholders are that you engage with to help provide support to your PCs?
 - a. Who specifically, or which part of the organization interacts with these stakeholders?
- Group of PCs benefit?

IW mechanisms & Strategies to support PCs

5. So in their endeavour to support their PCs:
 - a. what can VCs do (or already do) in terms of (any other stakeholders previously mentioned)
 - b. what can VCs do (or already do) in terms of government/policymakers.
 - c. what can VCs do (or already do) in terms of in terms of a customers.
 - d. what IW can VCs do (or already do) in terms of broader social context (explain if they do not understand/pause).

If they cannot recall, probe with:

1. *Educating/knowledge strategies?*
2. *Advertising*
3. *Advocacy?*
4. *Social movements? (Petitions, social initiatives to enact change)*
5. *Rhetorical strategies* probing will be looking for patterns of persuasive and influencing actions and shared so this can be questioned in the context of each educating, advocacy and social movements.

Further Qs/ Probes

6. Do you think currently that VCs are interested, or place much value on conducting these sorts of activities when compared to the established value-add? Why or why not?
7. Can you think of significant barriers to a VC firm being able to provide these sorts of 'indirect' support as opposed to direct?
 - a. Jurisdictional/regional differences?
 - b. Capital required for such actions.
 - c. Long ROI for such actions? (investing in lobbying)
8. What do you feel are particular barriers to?
 - a. educating,
 - b. advocacy,
 - c. rhetorical strategies,
 - d. social movements
9. How much of a part does the funding stage a VC firm typically operates in play in involving themselves in these activities?
10. Of these IWs, what would you consider the most crucial, in delivering the greatest value-add to PCs?
11. Have you considered implementing any of these in the future?
 - a. Any chats in the ecosystem about such implementation?
12. What factors do you think are crucial to making a VC firm more willing to adopt these sorts of activities?
 - a. Do you feel this is something that can be driven more by VCs or something that needs to be pushed forward by external stakeholders?
13. Do you happen to know of any IWs being implemented in other VC firms either domestically or internationally? What do you think about these operations?
14. Is there any further thoughts you would like to impart on these sort of indirect strategies VCs may be using?

CHAPTER 10: REFERENCES

- Ahlstrom, D., & Bruton, G. D. (2006). Venture Capital in Emerging Economies: Networks and Institutional Change. *Entrepreneurship Theory and Practice*, 30(2), 299–320. <https://doi.org/10/c3ksqv>
- Alakent, E., Ozer, M., & Goktan, M. S. (2019). The effect of venture capital backing on companies' subsequent lobbying efforts. *Journal of Entrepreneurship and Public Policy*, 8(2), 241–253. <https://doi.org/10.1108/JEPP-07-2019-109>
- Alperovych, Y., & Hübner, G. (2011). *Incremental impact of venture capital financing*. <https://doi.org/10.1007/s11187-012-9448-6>
- Angel Association New Zealand. (2019). *Angel Association submission: Policy statement on the Venture Capital Fund Act 2019*. <https://www.mbie.govt.nz/dmsdocument/7224-angel-association-policy-statement-on-the-venture-capital-fund-act-2019-submission-pdf>
- Antwi, S. K., & Hamza, K. (2015). Qualitative and Quantitative Research Paradigms in Business Research: A Philosophical Reflection. *European Journal of Business and Management*, 11.
- Australian Government Treasury. (2016). *Encouraging venture capital investment in FinTech*. <https://treasury.gov.au/consultation/encouraging-venture-capital-investment-in-fintech>
- Azungah, T. (2018). Qualitative research: Deductive and inductive approaches to data analysis. *Qualitative Research Journal*, 18(4), 383–400. <https://doi.org/10.1108/QRJ-D-18-00035>
- Baker, J. J., & Nenonen, S. (2020). Collaborating to shape markets: Emergent collective market work. *Industrial Marketing Management*, 85, 240–253. <https://doi.org/10.1016/j.indmarman.2019.11.011>

- Baker, J. J., Storbacka, K., & Brodie, R. J. (2019). Markets changing, changing markets: Institutional work as market shaping. *Marketing Theory*, 19(3), 301–328. <https://doi.org/10.1177/1470593118809799>
- Banerjee, T., & Schroering, C. (2020). Responsible for Whom? The Impact of Corporate Social Responsibility on Firm Vulnerability and Responsiveness to Social Movement Activism. *Sociological Focus*, 53(4), 337–358. <https://doi.org/10.1080/00380237.2020.1823915>
- Banks, G., Bernhardt, J., Churilov, L., & Cumming, T. B. (2012). Exercise preferences are different after stroke. *Stroke Research and Treatment*. <https://doi.org/10.1155/2012/890946>
- Baron, D. P. (1995). Integrated Strategy: Market and Nonmarket Components. *California Management Review*, 37(2), 47–65. <https://doi.org/10/gf29qn>
- Barry, C. B., Muscarella, C. J., Peavy, J. W., & Vetsuypens, M. R. (1990). The role of venture capital in the creation of public companies: Evidence from the going-public process. *Journal of Financial Economics*, 27(2), 447–471. [https://doi.org/10.1016/0304-405X\(90\)90064-7](https://doi.org/10.1016/0304-405X(90)90064-7)
- Basias, N., & Pollalis, Y. (2018). *Quantitative and Qualitative Research in Business & Technology: Justifying a Suitable Research Methodology*. 7(1), 15.
- Battilana, J. (2006). Agency and Institutions: The Enabling Role of Individuals' Social Position. *Organization*, 13(5), 653–676. <https://doi.org/10/bxksgw>
- Battilana, J., & D'Aunno, T. (2009). Institutional Work and the Paradox of Embedded Agency. In *Institutional Work: Actors and Agency in Institutional Studies of Organizations* (pp. 31–48). Cambridge University Press.

- Battilana, J., Leca, B., & Boxenbaum, E. (2009). How actors change institutions: Towards a theory of institutional entrepreneurship. *The Academy of Management Annals*, 3(1), 65–107. <https://doi.org/10/gfttpp>
- Baum, J. A. C., & Silverman, B. S. (2004). Picking winners or building them? Alliance, intellectual, and human capital as selection criteria in venture financing and performance of biotechnology startups. *Journal of Business Venturing*, 19(3), 411–436. <https://doi.org/10/fbbzrp>
- Becker, S., Bögel, P., & Upham, P. (2021). The role of social identity in institutional work for sociotechnical transitions: The case of transport infrastructure in Berlin. *Technological Forecasting and Social Change*, 162, 120385. <https://doi.org/10.1016/j.techfore.2020.120385>
- Bellah, R., Madsen, R., Tipton, S., Sullivan, W., & Swidler, A. (1991). *The Good Society*. Knopf Doubleday Publishing Group.
- Benford, R. D., & Snow, D. A. (2000). Framing Processes and Social Movements: An Overview and Assessment. *Annual Review of Sociology*, 26(1), 611–639. <https://doi.org/10.1146/annurev.soc.26.1.611>
- Bengtsson, O., & Sensoy, B. A. (2011). Investor abilities and financial contracting: Evidence from venture capital. *Journal of Financial Intermediation*, 20(4), 477–502. <https://doi.org/10/bv8qn4>
- Bengtsson, O., & Wang, F. (2010). What Matters in Venture Capital? Evidence from Entrepreneurs' Stated Preferences. *Financial Management*, 39(4), 1367–1401. <https://doi.org/10/dt4p7v>

- Bernstein, S., Giroud, X., & Townsend, R. R. (2016). The Impact of Venture Capital Monitoring. *The Journal of Finance*, 71(4), 1591–1622. <https://doi.org/10.1111/JOFI.12370>
- Beunen, R., & Patterson, J. J. (2019). Analysing institutional change in environmental governance: Exploring the concept of ‘institutional work’. *Journal of Environmental Planning and Management*, 62(1), 12–29. <https://doi.org/10.1080/09640568.2016.1257423>
- Boddy, C. R. (2016). Sample size for qualitative research. *Qualitative Market Research: An International Journal*, 19(4), 426–432. <https://doi.org/10.1108/QMR-06-2016-0053>
- Bögel, P. M., & Upham, P. (2018). Role of psychology in sociotechnical transitions studies: Review in relation to consumption and technology acceptance. *Environmental Innovation and Societal Transitions*, 28, 122–136. <https://doi.org/10.1016/j.eist.2018.01.002>
- Bonini, S., & Capizzi, V. (2019). The role of venture capital in the emerging entrepreneurial finance ecosystem: Future threats and opportunities. *Venture Capital*, 21(2–3), 137–175. <https://doi.org/10.1080/13691066.2019.1608697>
- Boon, W. P. C., Edler, J., & Robinson, D. K. R. (2022). Conceptualizing market formation for transformative policy. *Environmental Innovation and Societal Transitions*, 42, 152–169. <https://doi.org/10.1016/j.eist.2021.12.010>
- Boon, W. P. C., Spruit, K., & Frenken, K. (2019). Collective institutional work: The case of Airbnb in Amsterdam, London and New York. *Industry and Innovation*. <http://www.tandfonline.com/doi/abs/10.1080/13662716.2019.1633279>
- Botzem, S., & Quack, S. (2005). Contested rules and shifting boundaries: International standard setting in accounting. *WZB Discussion Paper*. <https://doi.org/10.1017/CBO9780511488665.014>

- British Private Equity & Venture Capital Association. (2022). *Policy submissions*.
<https://www.bvca.co.uk/Policy/Policy-Submissions>
- Broccardo, L., Culasso, F., & Mauro, S. G. (2019). Smart city governance: Exploring the institutional work of multiple actors towards collaboration. *International Journal of Public Sector Management*, 32(4), 367–387. <https://doi.org/10.1108/IJPSM-05-2018-0126>
- Bruno, A. V., & Tyebjee, T. T. (1985). The entrepreneur's search for capital. *Journal of Business Venturing*, 1(1), 61–74. [https://doi.org/10.1016/0883-9026\(85\)90007-2](https://doi.org/10.1016/0883-9026(85)90007-2)
- Bruton, G. D., Fried, V. H., & Manigart, S. (2005). Institutional Influences on the Worldwide Expansion of Venture Capital: *Entrepreneurship Theory and Practice*.
<http://journals.sagepub.com/doi/full/10.1111/j.1540-6520.2005.00106.x>
- Burnard, P. (1991). A method of analysing interview transcripts in qualitative research. *Nurse Education Today*, 11(6), 461–466. [https://doi.org/10.1016/0260-6917\(91\)90009-Y](https://doi.org/10.1016/0260-6917(91)90009-Y)
- Bygrave, W. D. (1987). Syndicated investments by venture capital firms: A networking perspective. *Journal of Business Venturing*, 2(2), 139–154. [https://doi.org/10.1016/0883-9026\(87\)90007-2](https://doi.org/10.1016/0883-9026(87)90007-2)
- CAANZ. (2021). *Policy submission principles* [Text]. CAANZ.
<http://www.charteredaccountantsanz.com/news-and-analysis/advocacy/policy-submission-principles>
- Callagher, L. J., Smith, P., & Ruscoe, S. (2015). Government roles in venture capital development: A review of current literature. *Journal of Entrepreneurship and Public Policy*, 4(3), 367–391. <https://doi.org/10.1108/JEPP-08-2014-0032>
- Cano, A. (2020). Venture Capital: A Comparison between USA and European Funding Rounds. In *Venture Capital: A Comparison between USA and European Funding Rounds*.

- Chaney, D., & Ben Slimane, K. (2014). A neo-institutional analytic grid for extending marketing to institutional dimensions. *Recherche et Applications En Marketing (English Edition)*, 29(2), 95–111. <https://doi.org/10.1177/2051570714529064>
- Chemmanur, T. J., Loutskina, E., & Tian, X. (2014). Corporate Venture Capital, Value Creation, and Innovation. *The Review of Financial Studies*, 27(8), 2434–2473. <https://doi.org/10/ghv4z9>
- Chesbrough, H. W. (2002). Making Sense of Corporate Venture Capital. *Harvard Business Review*, 10.
- Clune, C., & O'Dwyer, B. (2020). Organizing dissonance through institutional work: The embedding of social and environmental accountability in an investment field. *Accounting, Organizations and Society*, 85, 101130. <https://doi.org/10.1016/j.aos.2020.101130>
- Cooper, D., & Schindler, P. (2006). *Business Research Methods*. McGraw-Hill. http://sutlib2.sut.ac.th/sut_contents/H139963.pdf
- Coskuner-Balli, G., Pehlivan, E., & Üçok Hughes, M. (2021). Institutional Work and Brand Strategy in the Contested Cannabis Market. *Journal of Macromarketing*, 41(4), 663–674. <https://doi.org/10.1177/02761467211029243>
- Crossman, A. (2020). *Purposive Sampling Definition and Types*. <https://www.thoughtco.com/purposive-sampling-3026727>
- Cumming, D., & Johan, S. A. binti. (2008). Preplanned exit strategies in venture capital. *European Economic Review*, 52(7), 1209–1241. <https://doi.org/10.1016/j.euroecorev.2008.01.001>

- Daniel, L. G., & Onwuegbuzie, A. J. (2002). *Reliability and Qualitative Data: Are Psychometric Concepts Relevant within an Interpretivist Research Paradigm?*
<https://eric.ed.gov/?id=ED471306>
- Dauderstädt, P. (2013). *Success Factors in Strategic Corporate Venturing*.
- De Clercq, D., Fried, V. H., Lehtonen, O., & Sapienza, H. J. (2006). An Entrepreneur's Guide to the Venture Capital Galaxy. *Academy of Management Perspectives*, 20(3), 90–112.
<https://doi.org/10/d5z6rp>
- de Lange, D., & Valliere, D. (2020). Investor preferences between the sharing economy and incumbent firms. *Journal of Business Research*, 116, 37–47. <https://doi.org/10/gn8xhb>
- Debenedetti, A., Philippe, D., Chaney, D., & Humphreys, A. (2021). Maintaining legitimacy in contested mature markets through discursive strategies: The case of corporate environmentalism in the French automotive industry. *Industrial Marketing Management*, 92, 332–343. <https://doi.org/10.1016/j.indmarman.2020.02.009>
- Delbridge, R., & Edwards, T. (2007). Reflections on developments in institutional theory: Toward a relational approach. *Scandinavian Journal of Management*, 23(2), 191–205.
<https://doi.org/10/bgbrf7>
- Dimaggio, P. (1988). Interest and agency in institutional theory. In L. G. Zucker (Ed.), *Research on Institutional Patterns*. Ballinger Publishing Co.
- DiMaggio, P. J., & Powell, W. W. (1983). The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields. *American Sociological Review*, 48(2), 147–160. <https://doi.org/10/b5rpwp>
- Dimov, D., & De Clercq, D. (2006). Venture Capital Investment Strategy and Portfolio Failure Rate: A Longitudinal Study. *Entrepreneurship Theory and Practice*, 30(2), 207–223. <https://doi.org/10/dtgnz5>

- Drover, W., Busenitz, L., Matusik, S., Townsend, D., Anglin, A., & Dushnitsky, G. (2017). A Review and Road Map of Entrepreneurial Equity Financing Research: Venture Capital, Corporate Venture Capital, Angel Investment, Crowdfunding, and Accelerators: *Journal of Management*. <https://doi.org/10/gc5tvm>
- Elango, B., Fried, V. H., Hisrich, R. D., & Polonchek, A. (1995). How venture capital firms differ. *Journal of Business Venturing*, 10(2), 157–179. <https://doi.org/10/bfz4h6>
- Evers, T. (1985). New social movements and the state in Latin America. *New Social Movements and the State in Latin America*. https://www.academia.edu/43201908/New_social_movements_and_the_state_in_Latin_America
- Feinberg, S., Hill, T. L., & Darendeli, I. S. (2015). An institutional perspective on non-market strategies for a world in flux. In *The Routledge Companion to Non-Market Strategy* (Vol. 1–13859, pp. 29–46). Routledge. <https://doi.org/10.4324/9781315819389>
- Fetterhoff, T. J., & Voelkel, D. (2006). Managing Open Innovation in Biotechnology. *Research-Technology Management*, 49(3), 14–18. <https://doi.org/10/gnfb2x>
- Fielding, K. S., Terry, D. J., Masser, B. M., & Hogg, M. A. (2008). Integrating social identity theory and the theory of planned behaviour to explain decisions to engage in sustainable agricultural practices. *The British Journal of Social Psychology*, 47(Pt 1), 23–48. <https://doi.org/10.1348/014466607X206792>
- Fletcher, A. J. (2017). Applying critical realism in qualitative research: Methodology meets method. *International Journal of Social Research Methodology*, 20(2), 181–194. <https://doi.org/10.1080/13645579.2016.1144401>
- Flick, U., Kardorff, E. von, & Steinke, I. (Eds.). (2004). *A companion to qualitative research*. Sage Publications.

- Fligstein, N. (1997). Social skill and institutional theory. *American Behavioral Scientist*, 40(4), 397–406. <https://doi.org/10/chkpg7>
- Fligstein, N. (2001). Social Skill and the Theory of Fields. *Sociological Theory*, 19(2), 105–125. <https://doi.org/10/fh3qb3>
- Fossey, E., Harvey, C., Mcdermott, F., & Davidson, L. (2002). Understanding and Evaluating Qualitative Research. *Australian & New Zealand Journal of Psychiatry*, 36(6), 717–732. <https://doi.org/10/c73wqr>
- Fried, V. H., & Hisrich, R. D. (1994). Toward a Model of Venture Capital Investment Decision Making. *Financial Management*, 23(3), 28. <https://doi.org/10.2307/3665619>
- Fuenfschilling, L., & Truffer, B. (2016). The interplay of institutions, actors and technologies in socio-technical systems—An analysis of transformations in the Australian urban water sector. *Technological Forecasting and Social Change*, 103, 298–312. <https://doi.org/10/ggt3n3>
- Furnari, S. (2016). Institutional fields as linked arenas: Inter-field resource dependence, institutional work and institutional change. *Human Relations*, 69(3), 551–580. <https://doi.org/10.1177/0018726715605555>
- Garud, R., Hardy, C., & Maguire, S. (2007). Institutional entrepreneurship as embedded agency: An introduction to the special issue. *Organization Studies*, 28(7), 957–969. <https://doi.org/10/bw5fbb>
- Gassmann, O., & Enkel, E. (2004). *Towards a Theory of Open Innovation: Three Core Process Archetypes*. 18.
- Gemünden, H. G., Ritter, T., & Heydebreck, P. (1996). Network configuration and innovation success: An empirical analysis in German high-tech industries. *International Journal of Research in Marketing*, 13(5), 449–462. <https://doi.org/10/d8wcnf>

- Gherhes, C., Vorley, T., Vallance, P., & Brooks, C. (2021). The role of system-building agency in regional path creation: Insights from the emergence of artificial intelligence in Montreal. *Regional Studies*, 0(0), 1–16. <https://doi.org/10.1080/00343404.2021.1886273>
- Giaquinto, L. H., & Bortoluzzo, A. B. (2020). Angel investors, seed-stage investors and founders influence on FinTech funding: An emerging market context. *Macroeconomics and Finance in Emerging Market Economies*, 13(3), 276–294. <https://doi.org/10.1080/17520843.2020.1737169>
- Golafshani, N. (2003). Understanding Reliability and Validity in Qualitative Research. *The Qualitative Report*.
- González-Díaz, R. R., Lugo-Báez, C. M., Medina-Patron, Y. X., Valdez-Rodríguez, R. J., Uriarte-Soto, D., & Moreno, Y. S. D. (2022). Qualitative Research Applied to Organisations. An Approach to Business Reality. In A. Mesquita, A. Abreu, & J. V. Carvalho (Eds.), *Perspectives and Trends in Education and Technology* (pp. 241–251). Springer. https://doi.org/10.1007/978-981-16-5063-5_20
- Gorman, M., Sahlman, W. A., Gorman, M., & Sahlman, W. A. (1989). What do venture capitalists do? *Journal of Business Venturing*, 4(4), 231–248.
- Grant, D., Hardy, C., Oswick, C., & Putnam, L. L. (2004). Introduction: Organizational Discourse: Exploring the Field. In *The SAGE Handbook of Organizational Discourse* (pp. 1–37). SAGE Publications Ltd. <https://doi.org/10.4135/9781848608122.n1>
- Greenwood, R., & Hinings, C. r. (1996). Understanding Radical Organizational Change: Bringing Together the Old and the New Institutionalism. *Academy of Management Review*, 21(4), 1022–1054. <https://doi.org/10/dpjnbf>
- Greenwood, R., & Suddaby, R. (2006). Institutional entrepreneurship in mature fields: The Big Five accounting firms. *The Academy of Management Journal*, 49(1), 27–48.

- Greenwood, R., Suddaby, R., & Hinings, C. R. (2002a). Theorizing change: The role of professional associations in the transformation of institutionalized fields. *Academy of Management Journal*, 45(1), 58–80.
- Greenwood, R., Suddaby, R., & Hinings, C. R. (2002b). Theorizing Change: The Role of Professional Associations in the Transformation of Institutionalized Fields. *Academy of Management*, 45(1), 58–80.
- Greif, A. (2014). Do institutions evolve? *Journal of Bioeconomics*, 16(1), 53–60.
<https://doi.org/10.1007/s10818-013-9173-5>
- Grilli, L., & Murtinu, S. (2014). Government, venture capital and the growth of European high-tech entrepreneurial firms. *Research Policy*, 43(9), 1523–1543.
<https://doi.org/10/f6kjdb>
- Haagen, F. (2008). The role of smart money: What drives venture capital support and interference within biotechnology ventures? *Journal of Business Economics* 2008 78:4, 78(4), 397–422. <https://doi.org/10.1007/S11573-008-0023-1>
- Haislip, A. (2010). *Essentials of Venture Capital*. John Wiley & Sons.
- Hall, B. H., & Lerner, J. (2010). Chapter 14—The Financing of R&D and Innovation. In B. H. Hall & N. Rosenberg (Eds.), *Handbook of the Economics of Innovation* (Vol. 1, pp. 609–639). North-Holland. [https://doi.org/10.1016/S0169-7218\(10\)01014-2](https://doi.org/10.1016/S0169-7218(10)01014-2)
- Hardy, C., & Maguire, S. (2008). Institutional entrepreneurship. In R. Greenwood, C. Oliver, R. Suddaby, & K. Sahlin (Eds.), *The SAGE handbook of organizational institutionalism* (pp. 198–217). SAGE.
- Hargrave, T. J., & Van De Ven, A. H. (2006). A Collective Action Model of Institutional Innovation. *Academy of Management Review*, 31(4), 864–888.
<https://doi.org/10.5465/amr.2006.22527458>

- Harrell, M. C., & Bradley, M. A. (2009). *Semi-Structured Interviews and Focus Groups*. 147.
- Harrison, K. (2020). 'Snowball sampling' helps you find and mobilize your unofficial opinion leaders | *Cutting Edge PR Insights*. <https://cuttingedgepr.com/find-mobilize-unofficial-opinion-leaders/>
- Harvey-Jordan, S., & Long, S. (2001). The process and the pitfalls of semi-structured interviews. *Community Practitioner*, 74(6), 219.
- Haveman, H. A., & Rao, H. (1997). Structuring a Theory of Moral Sentiments: Institutional and Organizational Coevolution in the Early Thrift Industry. *American Journal of Sociology*, 102(6), 1606–1651. <https://doi.org/10/dh3q5v>
- Hellmann, T., & Puri, M. (2000). The Interaction between Product Market and Financing Strategy: The Role of Venture Capital. *The Review of Financial Studies*, 13(4), 959–984. <https://doi.org/10/dkw7nx>
- Hellmann, T., & Puri, M. (2002). Venture Capital and the Professionalization of Start-Up Firms: Empirical Evidence. *The Journal of Finance*, 57(1), 169–197. <https://doi.org/10.1111/1540-6261.00419>
- Heracleous, L., & Barrett, M. (2001). Organizational Change as Discourse: Communicative Actions and Deep Structures in the Context of Information Technology Implementation. *Academy of Management Journal*, 44(4), 755–778. <https://doi.org/10.5465/3069414>
- Hermans, M., & Borda Reyes, A. (2020). A value creation perspective on international business in Latin America: Directions for differentiation between emerging market multinationals. *Multinational Business Review*, 28(2), 157–175. <https://doi.org/10/gnkgpn>

- Herting, A. M., & Lennart Schmidt, A. (2020). A Systematic Analysis of how Practitioners Articulate Business Models across Disruptive Industries. *Technology Innovation Management Review*, 10(10), 29–42. <https://doi.org/10.22215/timreview/1394>
- Hiatt, S. (2010). *Institutional Actors And Entrepreneurial Choices: New Ventures In The Biodiesel Fuel Industry*. <https://ecommons.cornell.edu/handle/1813/17696>
- Hirsch, P. M., & Lounsbury, M. (1997). Ending the family quarrel: Toward a reconciliation of “old” and “new” institutionalisms. *American Behavioral Scientist*, 40(4), 406–419. <https://doi.org/10/dnr4sc>
- Hochberg, Y. V. (2012). Venture Capital and Corporate Governance in the Newly Public Firm*. *Review of Finance*, 16(2), 429–480. <https://doi.org/10/fx35x7>
- Hogg, M. A., & Reid, S. A. (2006). Social Identity, Self-Categorization, and the Communication of Group Norms. *Communication Theory*, 16(1), 7–30. <https://doi.org/10.1111/j.1468-2885.2006.00003.x>
- Holm, P. (1995). The dynamics of institutionalization: Transformation processes in Norwegian fisheries. *Administrative Science Quarterly*, 40(3), 398. <https://doi.org/10/c82qcj>
- Horsburgh, D. (2003). Evaluation of qualitative research. *Journal of Clinical Nursing*, 12(2), 307–312. <https://doi.org/10/crqhvf>
- Hsu, D. H. (2004). What Do Entrepreneurs Pay for Venture Capital Affiliation? *The Journal of Finance*, 59(4), 1805–1844. <https://doi.org/10/dqzmxr>
- Huang, P. (2021). *Dynamics of Corporate Venture Capital: Performance, Temporality, and Institution*.

- Hyde, K. F. (2000). Recognising deductive processes in qualitative research. *Qualitative Market Research: An International Journal*, 3(2), 82–90.
<https://doi.org/10.1108/13522750010322089>
- Isaksson, A., Cornelius, B., Landström, H., & Junghagen, S. (2007). Institutional theory and contracting in venture capital: The Swedish experience. *Http://Dx.Doi.Org/10.1080/1369106042000175582*, 6(1), 47–71.
<https://doi.org/10.1080/1369106042000175582>
- Ivanov, V. I., & Xie, F. (2010). Do Corporate Venture Capitalists Add Value to Start-Up Firms? Evidence from IPOs and Acquisitions of VC-Backed Companies. *Financial Management*, 39(1), 129–152. <https://doi.org/10/b9rnr5>
- Joshi, K. (2018). Managing the risks from high-tech Investments in India: Differential strategies of foreign and domestic venture capital firms. *Journal of Global Entrepreneurship Research*, 8(1), 21. <https://doi.org/10/gm8w93>
- Joshi, K. (2020). *The Economics of Venture Capital Firm Operations in India*. Cambridge University Press.
- Kaplan, S. N., & Lerner, J. (2016). Venture Capital Data: Opportunities and Challenges. In *Measuring Entrepreneurial Businesses: Current Knowledge and Challenges* (pp. 413–431). University of Chicago Press. <https://www.nber.org/books-and-chapters/measuring-entrepreneurial-businesses-current-knowledge-and-challenges/venture-capital-data-opportunities-and-challenges>
- Kaplan, S. N., & Strömberg, P. (2004). Characteristics, Contracts, and Actions: Evidence from Venture Capitalist Analyses. *Source: The Journal of Finance*, 59(5), 2177–2210.

- Karpa, W., & Grginović, A. (2020). Long-term perspective on venture capital investments in early stage life-science projects related to health care. *Economic Research-Ekonomska Istraživanja*, 33(1), 2526–2540. <https://doi.org/10.1080/1331677X.2019.1629326>
- Keuschnigg, C. (2004). *Venture Capital Backed Growth*. 9(2), 239–261.
- Klonowski, D. (2007). The venture capital investment process in emerging markets: Evidence from Central and Eastern Europe. *International Journal of Emerging Markets*, 2(4), 361–382. <https://doi.org/10.1108/17468800710824518>
- Köhn, A. (2018). The determinants of startup valuation in the venture capital context: A systematic review and avenues for future research. *Management Review Quarterly*, 68(1), 3–36. <https://doi.org/10/ggdr45>
- Kostova, T. (1997). Country institutional profiles: Concept and measurement. *Academy of Management Proceedings*, 1997(1), 180–184. <https://doi.org/10.5465/ambpp.1997.4981338>
- Lahr, H., & Trombley, T. E. (2020). Early indicators of fundraising success by venture capital firms. *Journal of Corporate Finance*, 65, 101672. <https://doi.org/10/ghkc89>
- Lawani, A. (2020). Critical realism: What you should know and how to apply it. *Qualitative Research Journal*, 21(3), 320–333. <https://doi.org/10.1108/QRJ-08-2020-0101>
- Lawrence, & Suddaby, R. (2006). Institutions and Institutional Work. In *The SAGE Handbook of Organization Studies* (pp. 215–254). SAGE Publications Ltd. <https://doi.org/10.4135/9781848608030.n7>
- Lawrence, T., Leca, B., & Zilber, T. B. (2013). Institutional Work: Current Research, New Directions and Overlooked Issues. *Organization Studies*, 34(8), 1023–1033. <https://doi.org/10/gfzbf4>

- Lawrence, T., Suddaby, R., & Leca, B. (2011). Institutional Work: Refocusing Institutional Studies of Organization. *Journal of Management Inquiry*, 20(1), 52–58. <https://doi.org/10/dgvvd9>
- Leca, B., Battilana, J., & Boxenbaum, E. (2008). *Agency and institutions: A review of institutional entrepreneurship*. <http://egateg.usaidallnet.gov/sites/default/files/Review%20of%20Institutional%20Entrepreneurship.pdf>
- Lerner, C. J., Leamon, A., Tighe, J., Garcia-robles, S., Lerner, J., Leamon, A., Tighe, J., & Garcia-robles, S. (2014). *Adding Value Through Venture Capital*.
- Lerner, J. (1994). The Syndication of Venture Capital Investments. *Financial Management*, 23(3), 16–27. <https://doi.org/10/cmb7nw>
- Lerner, J., Moore, D., & Shepherd, S. (2005). *A study of New Zealand's venture capital market and implications for public policy About LECG*.
- Lucea, R., & Doh, J. (2012). International strategy for the nonmarket context: Stakeholders, issues, networks, and geography. *Business and Politics*, 14(3), 1–30. <https://doi.org/10.1515/BAP-2012-0018>
- Maguire, S., Hardy, C., & Lawrence, T. B. (2004). Institutional Entrepreneurship in Emerging Fields: Hiv/Aids Treatment Advocacy in Canada. *Academy of Management Journal*, 47(5), 657–679. <https://doi.org/10/gftv2k>
- Malterud, K., Siersma, V. D., & Guassora, A. D. (2015). Sample Size in Qualitative Interview Studies: Guided by Information Power. [Http://Dx.Doi.Org/10.1177/1049732315617444](http://Dx.Doi.Org/10.1177/1049732315617444), 26(13), 1753–1760. <https://doi.org/10.1177/1049732315617444>

- Markard, J., Suter, M., & Ingold, K. (2016). Socio-technical transitions and policy change – Advocacy coalitions in Swiss energy policy. *Environmental Innovation and Societal Transitions*, 18, 215–237. <https://doi.org/10.1016/j.eist.2015.05.003>
- Marques, J. C. (2017). Industry Business Associations: Self-Interested or Socially Conscious? *Journal of Business Ethics*, 143(4), 733–751. <https://doi.org/10.1007/s10551-016-3077-y>
- Martin, D. M., & Schouten, J. W. (2014). Consumption-Driven Market Emergence. *Journal of Consumer Research*, 40(5), 855–870. <https://doi.org/10.1086/673196>
- MBIE. (2018). *Consultation on the Policy Statement on the Venture Capital Fund Act 2019*. <https://www.mbie.govt.nz/business-and-employment/business/support-for-business/business-capability/policy-statement-on-the-venture-capital-fund-act-2019/>
- McDonnell, M.-H., King, B. G., & Soule, S. A. (2015). A Dynamic Process Model of Private Politics: Activist Targeting and Corporate Receptivity to Social Challenges. *American Sociological Review*, 80(3), 654–678. <https://doi.org/10.1177/0003122415581335>
- McIntosh, M. J., & Morse, J. M. (2015). Situating and Constructing Diversity in Semi-Structured Interviews. *Global Qualitative Nursing Research*, 2, 2333393615597674. <https://doi.org/10.1177/2333393615597674>
- Meggison, W. L., & Weiss, K. A. (1991). Venture Capitalist Certification in Initial Public Offerings. *The Journal of Finance*, 46(3), 879–903. <https://doi.org/10/c6hc92>
- Meis-Harris, J., & Kashima, Y. (2020). Navigating sustainably within the urban environment: The role of environmental identity and attitudes on sign and object evaluation. *Asian Journal of Social Psychology*, 23(4), 407–421. <https://doi.org/10.1111/ajsp.12411>
- Minkler, M., Vásquez, V. B., & Shepard, P. (2006). Promoting Environmental Health Policy Through Community Based Participatory Research: A Case Study from Harlem,

- New York. *Journal of Urban Health*, 83(1), 101–110. <https://doi.org/10.1007/s11524-005-9010-9>
- Morse, J. M., Barrett, M., Mayan, M., Olson, K., & Spiers, J. (2002). Verification Strategies for Establishing Reliability and Validity in Qualitative Research. *International Journal of Qualitative Methods*, 1(2), 13–22. <https://doi.org/10.1177/160940690200100202>
- Mustafa, M. (2019). Overview of Venture Capital Landscape in India. *The Journal of Private Equity*, 23(1), 63–89. <https://doi.org/10.3905/jpe.2019.1.098>
- Nagdev, A., Radzialowski, D., Shankar, R., & Wakefield, S. (2007). IP as Venture Capital – A Case Study of Microsoft IP Ventures. *Wake Forest Intellectual Property Law Journal*, 8(2), 197–225.
- Närvänen, E., Mattila, M., & Mesiranta, N. (2021). Institutional work in food waste reduction: Start-ups' role in moving towards a circular economy. *Industrial Marketing Management*, 93, 605–616. <https://doi.org/10.1016/j.indmarman.2020.08.009>
- Neergaard, H., & Ulhøi, J. P. (2007). *Handbook of Qualitative Research Methods in Entrepreneurship*. Edward Elgar Publishing.
- New Zealand Government. (2006). *Budget 2006 Questions and Answers: Venture Investment Fund*.
- New Zealand Parliament. (2022). *Make a submission*. <https://www.parliament.nz/en/pb/sc/make-a-submission/>
- Nitani, M., & Legendre, N. (2016). *Fund Size and the Success of Venture Capital Exits*. 4, 14.
- Nitani, M., & Riding, A. (2013). Fund size and the syndication of venture capital investments. *Venture Capital*. <http://www.tandfonline.com/doi/abs/10.1080/13691066.2012.730654>

- Norton, E., & Tenenbaum, B. H. (1993). Specialization versus diversification as a venture capital investment strategy. *Journal of Business Venturing*, 8(5), 431–442. <https://doi.org/10/fn5mr6>
- NZ Treasury. (2019). *Deepening Early Stage Capital Markets*.
- O’Kane, P., Smith, A., & Lerman, M. P. (2021). Building Transparency and Trustworthiness in Inductive Research Through Computer-Aided Qualitative Data Analysis Software. *Organizational Research Methods*, 24(1), 104–139. <https://doi.org/10.1177/1094428119865016>
- Osinubi, I. S. (2020). The three pillars of institutional theory and IFRS implementation in Nigeria. *Journal of Accounting in Emerging Economies*, 10(4), 575–599. <https://doi.org/10.1108/JAEE-07-2019-0139>
- Pan, L., Li, X., Chen, J., & Chen, T. (2020). Sounds novel or familiar? Entrepreneurs’ framing strategy in the venture capital market. *Journal of Business Venturing*, 35(2), 105930. <https://doi.org/10.1016/j.jbusvent.2019.02.003>
- Parhankangas, A. (2012). The economic impact of venture capital. In *Handbook of Research on Venture Capital* (Vol. 2, pp. 1–1). Edward Elgar Publishing. https://ideas.repec.org/h/elg/eechap/13985_6.html
- Pathak, V., Jena, B., & Kalra, S. (2013). Qualitative research. *Perspectives in Clinical Research*, 4(3). <https://doi.org/10/gg3zp3>
- Pelzer, P., Frenken, K., & Boon, W. (2019). Institutional entrepreneurship in the platform economy: How Uber tried (and failed) to change the Dutch taxi law. *Environmental Innovation and Societal Transitions*, 33, 1–12. <https://doi.org/10/gfxfmv>

- Perkmann, M., & Spicer, A. (2008). How are management fashions institutionalized? The role of institutional work. *Human Relations*, 61(6), 811–844. <https://doi.org/10.1177/0018726708092406>
- Pratch, L. (2005). Value-Added Investing: A Framework for Early Stage Venture Capital Firms. *The Journal of Private Equity*, 8(3), 13–29. <https://doi.org/10/dj5ds3>
- Proksch, D., Stranz, W., Röhr, N., Ernst, C., Pinkwart, A., & Schefczyk, M. (2017). Value-adding activities of venture capital companies: A content analysis of investor's original documents in Germany. *Venture Capital*, 19(3), 129–146. <https://doi.org/10/ggm96p>
- Puri, M., & Zarutskie, R. (2012). On the Life Cycle Dynamics of Venture-Capital- and Non-Venture-Capital-Financed Firms. *The Journal of Finance*, 67(6), 2247–2293. <https://doi.org/10/ggrqx2>
- Qu, S. Q., & Dumay, J. (2011). The qualitative research interview. *Qualitative Research in Accounting & Management*, 8(3), 238–264. <https://doi.org/10.1108/11766091111162070>
- Rao, H., Morrill, C., & Zald, M. N. (2000). Power Plays: How Social Movements and Collective Action Create New Organizational Forms. *Research in Organizational Behavior*, 22, 237–281. <https://doi.org/10/bcdg2h>
- Rin, M. D., Hellmann, T., & Puri, M. (2013). Chapter 8—A Survey of Venture Capital Research. In G. M. Constantinides, M. Harris, & R. M. Stulz (Eds.), *Handbook of the Economics of Finance* (Vol. 2, pp. 573–648). Elsevier. <https://doi.org/10.1016/B978-0-44-453594-8.00008-2>
- Roberts, J. M. (2014). Critical Realism, Dialectics, and Qualitative Research Methods. *Journal for the Theory of Social Behaviour*, 44(1), 1–23. <https://doi.org/10.1111/jtsb.12056>

- Robinson, D. K. R., & Mazzucato, M. (2019). The evolution of mission-oriented policies: Exploring changing market creating policies in the US and European space sector. *Research Policy*, 48(4), 936–948. <https://doi.org/10.1016/j.respol.2018.10.005>
- Rohracher, H. (2002). A Sociotechnical Mapping of Domestic Biomass Heating Systems in Austria. *Bulletin of Science, Technology & Society*, 22(6), 474–483. <https://doi.org/10.1177/0270467602238890>
- Rose, J., & Johnson, C. W. (2020). Contextualizing reliability and validity in qualitative research: Toward more rigorous and trustworthy qualitative social science in leisure research. *Journal of Leisure Research*, 51(4), 432–451. <https://doi.org/10.1080/00222216.2020.1722042>
- Sage, G. H. (1999). Justice Do It! The Nike Transnational Advocacy Network: Organization, Collective Actions, and Outcomes. *Sociology of Sport Journal*, 16(3), 206–235. <https://doi.org/10.1123/ssj.16.3.206>
- Sahlman, W. A. (1990). The structure and governance of venture-capital organizations. *Journal of Financial Economics*, 27(2), 473–521. [https://doi.org/10.1016/0304-405X\(90\)90065-8](https://doi.org/10.1016/0304-405X(90)90065-8)
- Sapienza, H. J. (1992). When do venture capitalists add value? *Journal of Business Venturing*, 7(1), 9–27. [https://doi.org/10.1016/0883-9026\(92\)90032-M](https://doi.org/10.1016/0883-9026(92)90032-M)
- Schefczyk, M., & Gerpott, T. J. (2001). Management Support for Portfolio Companies of Venture Capital Firms: An Empirical Study of German Venture Capital Investments. *British Journal of Management*, 12(3), 201–216. <https://doi.org/10.1111/1467-8551.00194>
- Schneiberg, M., & Lounsbury, M. (2008). Social Movements and Institutional Analysis. In *The SAGE Handbook of Organizational Institutionalism* (pp. 650–672). SAGE Publications Ltd. <https://doi.org/10.4135/9781849200387.n28>

- Schroeder, H., & Lovell, H. (2012). The role of non-nation-state actors and side events in the international climate negotiations. *Climate Policy*, 12(1), 23–37.
<https://doi.org/10.1080/14693062.2011.579328>
- Scott, W. R. (1995). *Institutions and organizations*. Thousand Oaks, Calif. : Sage Publications.
http://archive.org/details/institutionsorga0000scot_g9p5
- Searle, J. R. (2005). What is an Institution. *Journal of Institutional Economics*, 1–22.
<https://doi.org/10.1017/S1744137405000020>
- Seo, M.-G., & Creed, W. E. D. (2002). Institutional Contradictions, Praxis, and Institutional Change: A Dialectical Perspective. *Academy of Management Review*, 27(2), 222–247.
<https://doi.org/10/bmknbf>
- Sharma, G. (2017). *Pros and cons of different sampling techniques*. 4.
- Skjott Linneberg, M., & Korsgaard, S. (2019). Coding qualitative data: A synthesis guiding the novice. *Qualitative Research Journal*, 19(3), 259–270. <https://doi.org/10.1108/QRJ-12-2018-0012>
- Smallbone, T., & Quinton, S. (2003). Increasing business students' Confidence in Questioning the Validity and Reliability of their Research. *Electronic Journal of Business Research Methods*, 2(2), pp67-76-pp67-76.
- Spinelli, S., Timmons, J. A., & Adams, R. (2012). *New venture creation: Entrepreneurship for the 21st century* (Ninth edition). McGraw-Hill/Irwin.
- Steinmetz, G. (1998). Critical Realism and Historical Sociology. A Review Article. *Comparative Studies in Society and History*, 40(1), 170–186.
<https://doi.org/10.1017/S0010417598980069>
- Stout, D. A. (1990). Internal Process of Corporate Advocacy. *Public Relations Review*, 16(1), 52–62. [https://doi.org/10.1016/S0363-8111\(05\)80037-2](https://doi.org/10.1016/S0363-8111(05)80037-2)

- Stryker, R. (2000). Legitimacy Processes as Institutional Politics: Implications for Theory and Research in the Sociology of Organizations. *Research in the Sociology of Organizations*, 17, 179–223. <https://doi.org/10/b9dt7b>
- Suddaby, R., & Greenwood, R. (2005). Rhetorical strategies of legitimacy. *Administrative Science Quarterly*, 50(1), 35–67. <https://doi.org/10/gd7gvc>
- Suddaby, R., & Lawrence. (2006). Institutions and Institutional Work. In *The SAGE Handbook of Organization Studies* (pp. 215–255). SAGE Publications Ltd. https://www.google.co.nz/books/edition/The_SAGE_Handbook_of_Organization_Studie/TuE0NRH2U7UC?hl=en&gbpv=0
- Sugarman, R. (2002). The New Circus: The Next Generation. *Journal of American and Comparative Cultures*, 25(3/4), 438–441. <https://doi.org/10.1111/1542-734X.00063>
- Suman, S., Sharan, S., & Sachan, A. (2012). A Review of Research Methodologies in Private Equity: 2005-2011. *The Journal of Private Equity*, 15(3), 33–44. <https://doi.org/10/gn8xhc>
- Tamaki, O. (2013). INSTITUTIONAL INFLUENCE ON THE MANIFESTATION OF ENTREPRENEURIAL ORIENTATION: A CASE OF SOCIAL INVESTMENT FUNDERS. 269.
- Thomas, D. R. (2006). A General Inductive Approach for Analyzing Qualitative Evaluation Data. *American Journal of Evaluation*, 27(2), 237–246. <https://doi.org/10.1177/1098214005283748>
- Tong, T. W., Guo, Y., & Chen, L. (2021, September 9). How Xiaomi Redefined What It Means to Be a Platform. *Harvard Business Review*. <https://hbr.org/2021/09/how-xiaomi-redefined-what-it-means-to-be-a-platform>

- Trevino, L. J., Thomas, D. E., & Cullen, J. (2008). The three pillars of institutional theory and FDI in Latin America: An institutionalization process. *International Business Review*, 17(1), 118–133. <https://doi.org/10.1016/j.ibusrev.2007.10.002>
- Tsuda, T. (2006). *Local Citizenship in Recent Countries of Immigration: Japan in Comparative Perspective*. Lexington Books.
- Tucker, M. L., Powell, K. S., & Dale Meyer, G. (1995). Qualitative Research in Business Communication: A Review and Analysis. *The Journal of Business Communication* (1973), 32(4), 383–399. <https://doi.org/10.1177/002194369503200405>
- Tykvová, T. (2018). Venture capital and private equity financing: An overview of recent literature and an agenda for future research. *Journal of Business Economics*, 88(3), 325–362. <https://doi.org/10/gnf8q6>
- Veugelers, R. (2011). *Mind Europe's early-stage equity gap* (Research Report No. 2011/18). Bruegel Policy Contribution. <https://www.econstor.eu/handle/10419/72104>
- Walle, A. H. (2015). *Qualitative Research in Business: A Practical Overview*. Cambridge Scholars Publishing.
- Wallmeroth, J., Wirtz, P., & Groh, A. P. (2017). *Venture Capital, Angel Financing, and Crowdfunding of Entrepreneurial Ventures: A Literature Review* (SSRN Scholarly Paper ID 2967271). Social Science Research Network. <https://doi.org/10.2139/ssrn.2967271>
- Weik, E. (2011). Institutional Entrepreneurship and Agency. *Journal for the Theory of Social Behaviour*, 41(4), 466–481. <https://doi.org/10/ffskrx>
- Welpel, I. M., Dowling, M., & Picot, A. (2010). Antecedents of technology ventures' growth: Comparing investor experience and effort. *International Journal of Technology Management*, 52(1/2), 69–97. <https://doi.org/10/bkbbq3>

- West, J., & Lakhani, K. R. (2008). Getting Clear About Communities in Open Innovation. *Industry and Innovation*, 15(2), 223–231. <https://doi.org/10/cf46f7>
- Winch, G. M., & Maytorena-Sanchez, E. (2020). Institutional projects and contradictory logics: Responding to complexity in institutional field change. *International Journal of Project Management*, 38(6), 368–378. <https://doi.org/10.1016/j.ijproman.2020.08.004>
- Woods, H. D. M., & Nash, H. S. (2022, May 26). *Startup Advisors Council appointed* [Government Webpage]. The Beehive. <https://www.beehive.govt.nz/release/startup-advisors-council-appointed>
- Wouters, M., Anderson, J. C., & Kirchberger, M. (2018). New-Technology Startups Seeking Pilot Customers: Crafting a Pair of Value Propositions. *California Management Review*, 60(4), 101–124. <https://doi.org/10/gkxss4>
- Woywode, M. (2002). Global Management Concepts and Local Adaptations: Working Groups in the French and German Car Manufacturing Industry. *Organization Studies*, 23(4), 497–524. <https://doi.org/10.1177/0170840602234001>
- Wright, M. (2015). Venture Capital. In *Wiley Encyclopedia of Management* (pp. 1–1). American Cancer Society. <https://doi.org/10.1002/9781118785317.weom120140>
- Wright, M., & Lockett, A. (2003). The Structure and Management of Alliances: Syndication in the Venture Capital Industry*. *Journal of Management Studies*, 40(8), 2073–2102. <https://doi.org/10/dkc7d6>
- Wright, M., Lockett, A., Clarysse, B., & Binks, M. (2006). University spin-out companies and venture capital. *Research Policy*, 35(4), 481–501. <https://doi.org/10/bgtxtr>
- Zider, B. (1998a, November 1). How Venture Capital Works. *Harvard Business Review*. <https://hbr.org/1998/11/how-venture-capital-works>
- Zider, B. (1998b). HOW VENTURE CAPITAL WORKS. *Harvard Business Review*, 131–132.

Zietsma, C., Groenewegen, P., Logue, D. M., & (Bob) Hinings, C. R. (2017). Field or Fields?

Building the Scaffolding for Cumulation of Research on Institutional Fields. *Academy of Management Annals*, 11(1), 391–450. <https://doi.org/10.5465/annals.2014.0052>