A Study on the Impact of Team Heterogeneity on Organizational Performance in Start-ups

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Abstract. There are a large number of domestic start-ups, so it is of great practical significance for the survival and development of start-ups to study the relationship between the heterogeneity of entrepreneurial teams and entrepreneurial performance. This paper defines the heterogeneity of team, expounds the promotion of team heterogeneity on resource mix and organizational innovation, and analyses its impact on organizational performance.

Introduction

The call of "mass entrepreneurship and mass innovation" has stimulated people's enthusiasm for innovation and entrepreneurship, and a large number of new ventures have emerged in China, and entrepreneurship has become an important means to promote economic development and improve employment rate. In order to improve their competitiveness and achieve sustainable development, many start-ups adopt teamwork to start their own businesses, and focus on continuous improvement of organizational performance. Therefore, team entrepreneurship as an important phenomenon of entrepreneurship is attracting the attention of academia. From the perspective of entrepreneurship performance, the success rate of team entrepreneurship is much better than that of individual entrepreneurship in terms of performance and success rate of entrepreneurship. Because the characteristics of entrepreneurial teams have an important impact on entrepreneurial performance, scholars have also studied it from different theoretical perspectives. It is found that there are great differences between entrepreneurship team members in terms of educational background and knowledge and skills, so knowledge heterogeneity has a great impact on entrepreneurship performance [1]. This paper focuses on the impact of heterogeneity of entrepreneurial teams on organizational performance, hoping to provide some guidance and reference for the development of new ventures.

Related Concepts

Entrepreneurial Team

The research on entrepreneurial team has a long history. Different scholars have explained the connotation of entrepreneurial team from different perspectives. Kamm believes that the entrepreneurial team is an organization founded by two or more individuals who have the same financial interests in the organization and appear in the pre-startup stage of the company, that is, before the organization begins to provide goods or services to the market [2].

Schjoedt and Kraus define an entrepreneurship team as "The entrepreneurship team consists of two or more people who have financial or other benefits, have made commitments to the new venture and can benefit from the success of the new venture in the future. They work interdependent in pursuit of common goals and business success, are responsible to teams and businesses, are regarded as executives with administrative responsibilities in the early stages of entrepreneurship (including pre-start and start-up), and at the same time are regarded as a social team by others" [3]. Their definition is more comprehensive than the previous definition of the
entrepreneurial team. In this definition, the size of the entrepreneurial team, the power and role allocation of the partners, the time of cooperation, the way of cooperation and the related responsibilities are defined in detail.

Many scholars in our country have also conducted extensive research on entrepreneurship teams. Wang Liangjun proposed that entrepreneurship team is a joint venture created by two or more individuals, each holding a certain share, and emphasizes the sharing of ownership among team members[4].

We believe that entrepreneurship team is a social team with two or more individuals working together for a common goal, members sharing common responsibilities and corporate rights, members taking financial or other interests as a link, sharing risks and interests, and having a common commitment to the team and the enterprise.

Team Heterogeneity

Different scholars have different perceptions of the heterogeneity of entrepreneurial teams. Jehn divides team heterogeneity into social category heterogeneity (gender, race, ethnicity, etc.), information heterogeneity (differences of views and opinions from educational background, work experience, etc.) and value heterogeneity [2].

Finkelstein and Hambrick show that the indicators of team heterogeneity should include not only the differences of demographic characteristics such as age, gender, race, education level and tenure, but also the differences of deep-seated characteristics such as members'cognition, experience and values[5].Jackson and others classify team heterogeneity into relationship-related heterogeneity and task-related heterogeneity according to the social attributes and work competence characteristics of team members. It can be seen from the above that different scholars have both similarities and differences in the study of team heterogeneity.

The Impact of Entrepreneurial Team Heterogeneity on Organizational Performance

Because team members have different skills, experiences and social relationships, there are great differences between entrepreneurship team members in terms of educational background and knowledge and skills. The essence of entrepreneurship team is to maximize the use of members'knowledge reserves to achieve the innovation process of new knowledge and new technology, so the heterogeneity of team members has a great impact on the performance of entrepreneurship organizations[1].

Team Heterogeneity Can Promote the Integration of Different Resources and Improve Organizational Performance

Resource integration is a process in which an enterprise acquires the required resources and binds them together to form and change its capabilities[6].

Highly diversified entrepreneurial teams can easily access heterogeneous resources and information. There are great differences among members in knowledge skills, information experience and values, which is conducive to access to diverse information, resources and knowledge, and provide an effective resource reserve for knowledge sharing [7]. This can promote the integration of different resources, improve the team's ability to allocate resources, help the team to play a better performance, and promote the improvement of organizational performance.

Team Heterogeneity Can Improve Organizational Innovation and Performance

Innovation refers to the act of putting forward different opinions from the conventional way of thinking, developing new products and services to meet social needs, or putting forward new ideas and ideas, and achieving certain beneficial results.

When the background of team members is diversified, it can help organizations gain competitive advantage of resources, and make team members make full use of different professions, backgrounds and knowledge to achieve "complementary advantages". It can provide multiple perspectives and opinions for the organization, and then promote the formation of creative
decision-making ideas or innovative solutions for the organization. When the background of team members is different, it means that the opportunities and abilities of the organization to explore and try new ways to solve problems are enhanced, which is conducive to the innovation of the organization. On this basis, the organization can enhance the tendency and ability to identify and grasp new opportunities, respond to the market quickly, and improve the performance of the organization. At the same time, the higher heterogeneity of team members means that the cognitive basis of team members is different, which enables team members to get information collected from different sources and different opinions of team members on the problem, thus providing a basis for team innovation and promoting organizational performance [8].

The Heterogeneity of Entrepreneurship Team is Conducive to the Growth of Entrepreneurship Enterprises, thereby Improving Organizational Performance

Heterogeneous teams bring together people with different experiences, skills and social relationships. Team members spontaneously communicate with each other, and the process of communication is the process of organizational learning. According to the resource-based view, organizational learning is the basic way for enterprises to acquire knowledge and ability, and it is one of the most important behavioral activities in the growth process of new ventures [9]. In the process of organizational learning, knowledge and ability within the organization can be integrated and optimized to promote the growth of enterprises. The stronger the organizational learning ability, the faster the growth of new ventures, and the higher the performance of enterprises.

Summary

There are many uncertainties in the formation and development of new ventures, and they face various problems and challenges. This requires the entrepreneurial team to have a variety of knowledge, background and information. The heterogeneity of entrepreneurship team can promote the integration of enterprise resources, enhance the innovation of the organization, benefit the growth of entrepreneurship enterprises, and then promote the improvement of organizational performance. Therefore, it is necessary to pay attention to the rationality of team composition when building a team.

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References


