Understanding entrepreneurial deviance through social learning and entrepreneurial action theory: An empirical study

Abstract

Purpose – This exploratory study adopts entrepreneurial action and social learning theories and proposes a theoretical framework in the context of entrepreneurial deviance. The case of New Zealand’s Mānuka honey industry is examined.

Design/methodology/approach – Data were collected through online surveys from 52 professional beekeepers.

Findings – Overstocking of beehives, encroachment, biosecurity threats, and unfair competition were most common forms of deviance affecting participants. While these predominantly responded through investing in disease prevention, security equipment, or by reporting deviant incidents, finding proper solutions remains elusive. The findings revealed robust alignments with both theories. Overall, offenders’ perceived incentives to act illustrate alignment with social learning theory’s four key constructs. Entrepreneurial action emerged through individual perpetrators’ evaluation and subsequent maximisation of potentially lucrative opportunities.

Originality/value – The study addresses an important and under-researched dimension, notably, the negative or ‘dark’ side of entrepreneurs, in this case, illustrated through greed and disregard for fair and proper ways of conducting business. This knowledge gap is even more obvious among small and medium business, which is also the focus of the research.

Keywords: Entrepreneurial deviance; business ethics; entrepreneurial action; social learning theory; beekeepers; New Zealand

Introduction

The importance of entrepreneurship, particularly concerning its positive socioeconomic effects, is widely recognised (e.g., Audretsch, 2000; Toma, Grigore, and Marinescu, 2014). While the academic literature has proposed many conceptualisations of entrepreneurship, a suitable definition is possibly “the largest obstacle in creating a conceptual framework for the entrepreneurship field” (Shane and Venkataraman, 2000, p. 218). This study will adopt Shane and Venkataraman’s (2000) conceptualisation. In considering earlier research (Venkataraman, 1997), these authors define entrepreneurship as the study of evaluating, potential sources and maximisation of opportunities, processes of discovery, and the study of people involved in these processes, namely, the entrepreneurs.

The literature also emphasises that, to complete the journey from discovery to exploiting opportunities, entrepreneurs must possess certain traits or characteristics. Seminal research by McClelland (1965), for instance, reveals the significant need for achievement. Baum and Locke (2004) notice the impact of entrepreneurs’ tenacity, new resource skill (ability to systematise and acquire operating resources required to start/grow a venture), and passion on firms’ growth through self-efficacy (feelings of one’s capability), goals and communicated vision. Burns (2013) also identifies entrepreneurs’ ability to accept uncertainty and risk, deal with change, and exploit opportunities, while Van Gelderen, Kautonen and Fink (2015) recognise the significance of self-control in positively moderating intention-action relationships.
While these traits essentially suggest the positive side of entrepreneurs, another stream of the literature recognises other, more obscure aspects. Kets de Vries (1985) illustrates this obscure dimension, in that traits enabling entrepreneurs to succeed can also prove detrimental in carrying out their managerial roles. In fact, the energy entrepreneurs spend achieving business-related dreams may be grounded on needs and desires deemed dysfunctional in business settings (Kets de Vries, 1985). Moreover, valuable personality traits can be ‘Janus-faced’, with self-confidence, energy, need for independence and achievement potentially giving way to narcissism, irresponsibility, aggressiveness, and ruthlessness (Miller, 2015). More specifically, the Janus-faced need for independence could give way to alienation, indifference to others, and/or social deviance (Miller, 2015). These notions therefore suggest that deviance can become an avenue for some entrepreneurs to achieve their goals by any means, for instance, through unfair competition or the violation of laws (Karassavidou and Glaveli, 2007).

While there has been a proliferation of research focusing on various forms of deviance (Mainemelis, 2010), the negative side of elements pertaining to entrepreneurs’ personality have been largely ignored in the academic literature (Miller, 2015). Moreover, ‘the dark side of entrepreneurship’ (Kets de Vries, 1985), which underlines the dysfunctionality of some entrepreneurs’ business settings, and with it their decision to engage in deviance, has received very limited consideration (Khan, Munir, and Willmott, 2005). This gap in the literature still prevails, and extends to small and medium enterprises (Ji et al., 2017), the group in which this study’s examined businesses belong to.

The present study will address these recognised knowledge gaps, exploring deviance from an entrepreneurial perspective, that is, by examining the extent to which entrepreneurs are experiencing the consequences of others’ deviance. To this end, the case of New Zealand’s Mānuka honey industry will be investigated. Furthermore, the study will elaborate on entrepreneurial deviance from beekeepers’ perspectives; to date, studies on entrepreneurial deviance have not thoroughly addressed this issue from the perspective of those affected. Based on the work of Shane and Venkataraman’s (2000), Venkataraman (2000) and Farrington (1979) this study conceptualises entrepreneurial (negative) deviance as actions related to the discovery, evaluation, and maximisation of opportunities through the violation of norms and rules.

Thus, the study makes two key empirical and practitioner-focused contributions. From a theoretical perspective, a framework contextualising deviance and its manifestation within the realms of entrepreneurship will be developed and proposed. This conceptual lens rests on two ideologies. First, and to understand the potential implications of behavioural attributes, social learning theory (Akers et al., 1979; Bandura, 1969) will be considered. Second, the examination of the dark side of entrepreneurship (Haynes, Hitt, and Campbell, 2015; Ji et al., 2017; Klotz and Neubaum, 2016) justifies the adoption of entrepreneurial action theory (McMullen and Shepherd, 2006; Mitchell and Shepherd, 2010). Similarly, this ideology will inform the research in regards to participants’ responses to others’ entrepreneurial deviance.

As such, the study investigates the notion of entrepreneurial deviance through the theoretical lenses of entrepreneurial action and social learning. Where much previous research has focused on the positive effects of entrepreneurship, this study seeks to expand understanding into the negative and darker actions that some entrepreneurs undertake.
Literature Review

Deviant Behaviour

Farrington (1979) defines deviance in terms of behaviour which breaks rules or violates norms. Deviance can also be perceived as the “divergence from a given psychological or social standard” (Wilde, 1968, p. 215). Furthermore, for behaviours to be deemed deviant, they must be voluntary and intentional, as opposed to behaviours that are beyond an individual’s control or are accidental (Eddleston and Kidwell, 2012).

Various forms of deviance have been discussed in the literature, including workplace approaches (Mainemelis, 2010), sales person activities (Yoo, Flaherty, and Frankwick, 2014), or organizational deviance (Hsieh and Wang, 2016). All these forms illustrate behaviour that departs from organizational norms (Peterson, 2002), and that can be detrimental to an organization (Galperin and Burke, 2006).

Given the emphasis of deviance on divergence from accepted social standards (Wilde, 1968), it is often contextualised in negative terms. Cullen, Johnson and Parboteeah (2014) refer to earlier research (Durbin, 1959; Merton, 1968) that associates deviance with such socially censured behaviours as extortion, corruption or stealing. Cullen et al. (2014) ascertain that deviance is a mechanism to attain culturally supported aims of status and wealth. A counterargument is also proposed, in that to achieve certain goals, deviance need not be negative. Instead, it can even be positive or creative, for instance, when an employee pursues a new business idea, even when asked by the manager to cease working on it (Hartman, Wilson, and Arnold, 2005; Mainemelis, 2010). Spreitzer and Sonenshein (2004) conceptualise positive deviance as intentional behaviours that greatly “depart from the norms of a referent group in honourable ways” (p. 841), and further caution that it does not always result in positive outcomes. This study is however concerned with the type of negative deviance Farrington (1979) refers to, and strengthened by the notions brought forward by Eddleston and Kidwell (2012).

Social learning theory (SLT)

Several underpinnings of SLT provide guidance and understanding of entrepreneurial deviance, thus, strongly supporting the usefulness of this theory in the present research. Earlier studies (Akers, 1998; Akers et al., 1979) explicitly refer to the links between SLT and deviant behaviour. Akers (2009), for instance, defines SLT as the standpoint on individual behaviour most capable to elucidate “the process by which structural correlates of crime do or do not have an effect on criminal behavior” (p. 329). Values, orientations, and attitudes that individuals consider good or bad, more right or wrong, justified or unjustified, excusable or inexcusable, appropriate or inappropriate, “affect their own likelihood for participating in non-conforming or conforming behaviour” (Akers and Jennings, 2016, p. 233). A more general view (Maisto, Carey, and Bradizza, 1999) refers to SLT as a general theory of behaviour, and “an approach that synthesizes principles of learning with those of cognitive psychology” (p. 107).

The seminal work of Bandura (1969) indicates that STL rests on four fundamental constructs:

- **Vicarious learning**: An important premise of SLT is that social behaviour can be acquired through observing and/or imitating that of others (Akers et al., 1979; Bandura and Walters, 1977, Maisto et al., 1999). Vicarious learning includes such processes as motivational, retention, attentional, and motor reproduction; in
the absence of any of these processes, learners are “less likely to perform an observed behaviour” (Manz and Sims, 1981, p. 105).

- **Differential reinforcement** underlines “the application of consequences for a behavior dependent on stimulus conditions” (Maisto et al., 1999, p. 108), which represent the setting. Essentially, behaviour can be strengthened through rewards (positive reinforcement) or avoiding punishment (negative reinforcement) (Akers et al., 1979). Thus, incentives are conceptualised as the value of a particular outcome, including economic gains (Rosenstock, Strecher, and Becker, 1988).

- **Cognitive processes:** Organising, encoding, or retrieving information are cognitive processes, and regulators of individuals’ behaviour (Maisto et al., 1999). Furthermore, environmental events provide information that can be processed cognitively; the results of processing can “determine the overt behavior that will follow” (Maisto et al., 1999, p. 110). A key piece of information individuals gather from the environment refers to the likelihood of consequences for endorsing “a behaviour in a given setting” (p. 110). In this context, Rosenstock et al. (1988) refer to expectancies, which represent a vital part of cognitive processes, particularly with regard to:

  a) Consequences of an individual’s actions, or perceptions of how one’s behaviour can potentially influence outcomes (referred to as outcome expectations),
  b) Environmental cues, or beliefs regarding ways in which events are linked,
  c) Individuals’ competence to carry out the behaviour needed to affect outcomes, also referred to as efficacy expectation (self-efficacy) (Rosenstock et al., 1988).

- **Reciprocal determinism,** also referred to as **triadic reciprocity** (Maisto et al., 1999). Within this triadic composition, Bandura (1983) conceptualises ‘reciprocal’ in terms of “mutual action between events” (p. 133), and determinism as “the production of effects by events” (p. 166). Bandura (1983) postulates that a) environmental events, together with b) personal and cognitive factors and c) behaviour “all operate interactively as determinant of each other” (Bandura, 1983, p. 166); in essence, there is mutual influence between the three variables (Williams and Williams, 2010). For instance, environmental variables, manifested through socio-structural conditions, can affect or be affected by behaviour; at the same time, behaviour can affect personal factors, including self-efficacy, which can influence ensuing behaviour (Li and Zhong, 2017).

Based on these notions, the following research concern is identified:

- To what extent do the above four constructs of SLT help understand such business ethics dimensions as entrepreneurial deviance, namely, in the Mānuka honey industry?
The associations between SLT and entrepreneurial deviance are both explicit and implicit. For instance, the constant rise in a product’s monetary value, and therefore the possibility of making economic gains, is theorised as a key incentive in affecting individuals’ behaviour. Furthermore, the positive consequences (lucrative activities) of engaging in entrepreneurial deviance reinforce individuals’ behaviour, and, in line with Rosenstock et al. (1988), affect their perceived competence. In other words, the existing rewards that could be attained by engaging in deviant behaviour positively affect individuals’ self-efficacy, making them more determined in light of the potential immediate gains. However, contemporary research has neglected this area of research, and as a result, those associations between SLT and entrepreneurial deviance are still underexplored.

**Entrepreneurial action theory**

Recognizing new opportunities is essential for entrepreneurs, managers, or executives in order to make significant gains, notably, in growth, competitive advantage or profitability (Grégoire, Shepherd, and Lambert, 2010). Klein (2008) suggests that, instead of entrepreneurs concentrating on what opportunities are, the focus should be on what these opportunities can do. An opportunity can be perceived as an underlying construct that manifests itself in entrepreneurial action, notably, in new product development, establishing new organisations, or through investment (Klein, 2008).

According to McMullen and Shepherd’s (2006) interpretation of previous literature (Gartner, 1990; Shane and Venkataraman, 2000), the key premise of entrepreneurial action theory is that entrepreneurs’ behaviour responds to judgmental decisions “under uncertainty about a possible opportunity for profit” (p. 134). To a great extent, entrepreneurial action is contingent upon individuals’ reliance on their judgment (McMullen and Shepherd, 2006). Furthermore, judgment depends on the degree of uncertainty that people experience when they are to decide as to whether or not to act (McMullen and Shepherd, 2006). This notion regarding uncertainty is applicable to entrepreneurial action. Indeed, within the context of entrepreneurial deviance, uncertainty is suggested to relate to differential reinforcement (Maisto et al., 1999), in that individuals go through a cognitive process of weighing rewards and punishments before deciding to behave in a certain way (Akers et al., 1979).

McMullen and Shepherd (2006) propose an entrepreneurial action theory based on two stages that are illustrated in their model of perceived uncertainty and motivation to entrepreneurial action. The first stage, referred to as attention stage, requires “a general form of domain-specific knowledge… to trigger the experiencing of response responsibility” (p. 140).

Moreover, this stage poses questions of why opportunities are identified and acted upon in general (Mitchell and Shepherd, 2010), not necessarily opportunities for everyone, but for those individuals with the appropriate qualities (McMullen and Shepherd, 2006). Within this stage, the model proposed by McMullen and Shepherd (2006) highlights three dimensions: prior knowledge, personal strategy (motivation), and third person opportunity, which emphasises the general nature of opportunity discovery. This last dimension is then linked to the model’s proposed second (evaluation) stage, which entails “questions of why opportunities are recognized and acted upon by specific individuals” (Mitchell and Shepherd, 2010, p. 140). According to Autio, Dahlander, and Frederiksen (2013), once a third-person opportunity is recognised, a first-person evaluation follows, and a definitive course of action is identified.
As with opportunity attention, the evaluation stage presents three inter-related dimensions. Indeed, knowledge in the form of ‘feasibility assessment’, and motivation through ‘desirability assessment’ lead to entrepreneurial action, or first-person opportunity (McMullen and Shepherd, 2006), which highlights the more specific nature of opportunity discovery. Operating from a discovery perspective is dependent on the extent to which individuals rely on their own judgement; this judgment is also dependent on the level of uncertainty individuals experience in deciding to act (McMullen and Shepherd, 2006). Another significant notion of the theory is that, when entrepreneurs are operating in discovery contexts, “a variety of specific entrepreneurial actions are… to be most effective” (Alvarez and Barney, 2007, p. 22). In contrast, different sets of entrepreneurial actions are to be most effective when entrepreneurs operate in creation contexts (Alvarez and Barney, 2007). Mitchell and Shepherd (2010) also contend that recognition for action is primarily contingent upon images of opportunities among decision makers.

The above inferences concerning the evaluation stage and its emphasis as to why opportunities are identified and maximised (acted upon) by particularly individuals leads to a second research concern:

- Does the mutual influence between deviants’ knowledge (feasibility assessment of potential opportunities) and motivation (desirability assessment) influence entrepreneurial action (first-person opportunity)?

The context of the study
Mānuka is a bush that provides the flower and nectar to obtain Mānuka honey (Van Eaton, 2015), which is marketed both as a health food and an anti-bacterial agent (Lloyd et al., 2017). In recent years, international acceptance (Orme, 2007), strong market demand (McPherson, 2016), particularly from China (Lloyd et al., 2017) has led to an increase in the price range for bulk Mānuka honey. A report by the Ministry of Primary Industries (2017) indicates that Mānuka honey prices rose from NZ$/Kg 8.00 - 80.50 in 2011, to NZ$/Kg 12.00 – 148.00 in 2016. In addition, retail prices can be as high as NZ$/Kg 1,000, and as a result, production has soared (Lloyd et al., 2017). While no specific figures on Mānuka beehives, apiaries, time series or yearly production exist (Lloyd, 2017), beehive numbers in New Zealand’s honey production as a whole rose 75.2 percent, from 390,523 in 2011 to 684,046 in 2016 (Ministry of Primary Industries, 2017). Given the rapid growth and profitability within the industry (Lloyd, 2017), entrepreneurial deviance appears to be a major concern. Indeed, competition for apiary locations and bee health (Ministry of Primary Industries, 2017), product adulteration, lack of regulating aggressive competition, overstocking and overcrowding (Lloyd et al., 2017; McPherson, 2016) pose serious threats to the industry.

Methodology
As advocated by authors (e.g., Bell and Bryman, 2018; Bryman, 2016; Silverman, 2013), and as detailed in the following paragraphs, this study makes various key methodological considerations regarding its research approach, sampling methodology and data collection methods to ensure robustness of analysis and findings.

Fundamentally, the research sets out to develop a framework that facilitates understanding of entrepreneurial deviance, in this case, within the context of the Mānuka honey industry. The framework is based on entrepreneurial action and SLT.
The study’s unit of analysis, or “the element on which data are analysed and for which findings are reported” (Neuendorf, 2017, p. 21) is represented by the Mānuka honey producers’ perceptions of entrepreneurial deviance within their burgeoning industry. Exploratory research attempts to shed light on themes lacking detailed description and poorly understood in the context of theoretical explanation (Sim and Wright, 2000).

This study adopts an inductive approach, which entails abstraction, creating categories and open coding (Elo and Kyngäs, 2008). Furthermore, inductive research consists of condensing data in summary format, which helps determine any clear links between research objectives and findings, and with a view to developing a model that stems from the evidence drawn from data (Thomas, 2006). The approach contributes to elaborating or building theory (Pratt, 2009). The inductive approach is useful when no previous research has dealt with the phenomenon under investigation or when the phenomenon is fragmented (Elo and Kyngäs, 2008).

To select participants for this study, purposeful sampling was adopted. This technique, which is also known as judgment sampling, involves deliberately choosing informants based on the qualities they possess (Tongco, 2007). Moreover, the power and logic of this sampling method rest on the selection of information-rich cases to investigate in depth, which allow for learning about issues of key importance to the purpose of the research (Patton, 2002).

Therefore, this study utilises an exploratory qualitative research approach to collect and understand data around the subtle and vaguely structured rationale of the explicit actions around deviance. Through the use of an inductive paradigm, the study seeks to build a framework drawn from the data gathered, contributing to theory development.

During April and May of 2017, a search in various websites, including the Unique Mānuka Factor Honey Association (UMFHA) in New Zealand allowed for the identification of 157 producers. In June of 2017, these businesses were contacted by electronic correspondence. Within the message sent to the attention of the owner/manager, a brief introduction of the study was provided, and an invitation to participate in the study was made. Participation was through a URL link with was embedded within the message; this link directed recipients to an online questionnaire, which was divided into three sections. The first sought to collect demographic information from respondents and their firms. The second and third sections consisted of open-ended questions, providing respondents the opportunity to discuss in detail their views and experiences. The use of an open-ended questionnaire provided a useful means to collect rich data from a wide demographic group, further allowing the respondents to discuss issues around their industry more freely. The following specific questions, which allowed for the collection of extended responses/comments, were asked to participants:

- To what extent is deviant behaviour within your industry affecting your business?
- How are you responding to this challenge?

The limited empirical academic research conducted on the Mānuka honey industry from a business point of view motivated the development of the first question. In this process, consideration was given to various recent contributions. For example, McPherson (2016) provides a description of the current state of the industry, noting that “it has been compared to the Wild West” (p. 13), where deviant behaviour reflected in sabotage (poisoning), theft, or overstocking of spaces near Mānuka trees is common
place. The work by McPherson is further supported by more recent research (Lloyd et al., 2017; Ministry for Primary Industries, 2017), which also identifies similar issues. Extending from these sources, the present study will provide empirical evidence of entrepreneurial deviance in New Zealand’s Mānuka honey industry from beekeepers’ perspective.

The data collection extended from June through the end of August of 2017; during this time, two reminders were sent. In total, 85 responses were received, with eight of these completed only partially, and therefore deemed unusable; thus, in total 77 fully completed responses were considered for further analysis. From this number, 52 (67.5 percent) participants reported being victims of deviant behaviour, which represents an overall response rate of 33.1 percent (52/157). Given this response rate, the overall findings may not be generalizable to all Mānuka beekeeping firms in New Zealand, and thus should be interpreted with caution. Table 1 shows basic demographic characteristics of participants and their beekeeping operations.

Participants’ typed data, which resulted in over 9,000 words (approximately 4,300 words addressing the first broad question and 5,200 words in response to the second) were analysed employing content analysis. Krippendorff (2013) defines content analysis as an empirically grounded method, inferential or predictive in intent, exploratory in process, involving systematic reading of symbolic matter, texts, and/or images. This method allows researchers to condense words into limited content-related categories (Elo and Kyngäs, 2008). In essence, key emergent issues related to deviance were identified and ‘coded’ accordingly into categories or themes. These themes reflect the nature of the issues identified by respondents. All members of the research team were involved in this process, which allowed for cross-checking and consistency, ensuring that the dataset reflected the coded theme. By employing content analysis, and in line with Elo and Kyngäs (2008), the present research seeks to develop a framework “to describe the phenomenon in a conceptual form” (p. 107).

Table 1 Here

To support the content analysis, NVivo, version 11, a computer-assisted qualitative data analysis software (CAQDAS), and established instrument for qualitative research (Woods, Macklin, and Lewis, 2015) was employed. Hutchinson, Johnston and Breckon (2010) highlight the usefulness of this instrument, for instance, in helping organise nodes associated with emerging concepts. Through NVivo, nodes can “have more than one dimension (tree branch)” (Hutchinson et al., 2010, p. 290). As a result, it is possible “to identify where concepts may have more than one dimension or group them within a more general concept” (Hutchinson et al., 2010, p. 290). An illustration of these notions is presented in both Tables 2 and 3, where through further NVivo analysis the themes identified emerged as more closely associated with different dimensions (tree branch).

More precisely, as many as 26 participants reported at least one impact from the deviant actions of others (Table 2). For example, one respondent mentioned as many as four different impacts, while others three. Each negative impact was associated with a node, for a total of 14 nodes, where only those that were identified at least three times are shown. A similar procedure was followed in developing Table 3. As many as 21 different ways of responding to entrepreneurial deviance were presented, with 33 respondents indicating at least one way. However, Table 3 only shows 13 instances where respondents indicated at least one way of responding to entrepreneurial deviance.

In order to ensure robustness of findings, themes were examined until saturation, that is, where no further issues were identified (Guest, Bunce, and Johnson, 2006).
Analysis of the prevalent and consistently recurrent themes was undertaken with the results ultimately feeding into the study’s framework development. In the following sections, individual comments by respondents are abbreviated by ‘R’ and a corresponding number.

**Findings**

*Entrepreneurial deviance - Impacts*

Participants’ comments fundamentally illustrated the absence of any form of positive deviance. Instead, entrepreneurial deviance was manifested in the context presented by Farrington (1979), namely, through the violation of norms and breaking rules, and by means of destructive, predatory, and unscrupulous behaviours and actions. More precisely, it became articulated in various distinct comments that referred to the Wild West-like mentality McPherson (2016) discusses. R19’s views, for instance, are a reflection of the rapid growth the Mānuka honey industry has experienced, which inevitably has led to opportunistic, short-term gains with questionable ethical principles and practices: “New entrants into the industry and cowboys with lack of experience chasing the “pot of gold” - that is the Mānuka honey industry.”

Queried about the extent to which other operators’ deviant practices had affected them, four key challenges emerged from the findings (Table 2); these concerns overlap into one another and have various implications, primarily ethical, but also socioeconomic. Furthermore, through CAQDAS, and aligned with Hutchinson et al.’s (2010) notions, the nodes identified in the findings in Table 2, emerged as a tree branch containing four dimensions. These dimensions are related to Farrington’s (1979) conceptualisations of deviance, and are categorised as ‘collateral/indirect impacts’, ‘destructive/predatory’, ‘illicit’, and ‘long-term repercussions.’

The first critical predicament identified was overstocking or overcrowding of beehives, which consists of accumulating a high density of apiaries or beehives in specific sites with apiaries been too close to each other (Brown et al., 2018). The situation experienced by R5 reflected the serious challenges caused by the predatory practice of overstocking:

*Overstocking and losing sites to corporate beekeepers who take oversights by offering to put on up to 800% more hives than I run. You would think after 50 years on the same farm I would have a better idea of what stocking rates the area can sustain. These vast numbers of hives also of course come with offer of payment and while I’m sure some of them are honoured you certainly hear of an awful lot that aren’t... Every year there are more and more hives and the same amount of flowers... The other day I found 200 hives dumped within 300 metres of a clover site.*

Newstrom-Lloyd (2016) explains the associations between carrying capacity of a site and overstocking. Indeed, experienced beekeepers understand that an excess of beehives can lead to unviable apiaries, with higher production costs and reduced honey yields (Newstrom-Lloyd, 2016). Moreover, an excessive number of bees, in this case, as a consequence of too many intruding beekeepers, will consume the existing availability of nectar to maintain themselves; as a result, no nectar will be used to
produce honey (Newstrom-Lloyd, 2016). This problem leads to another, notably, a significant decrease in returns for beekeepers (Brown et al., 2018). Therefore, a golden rule in beekeeping is that, just to keep their colony alive, bees will use between one-third and one-half of the harvested nectar (Newstrom-Lloyd, 2017).

A similar problem to overstocking of beehives was encroachment. According to McPherson (2016), keeping apiary sites three or more kilometres away from each other, thus, allowing for bees to share forage, is yet another traditional golden rule among beekeepers. However, nowadays whenever other beekeepers notice a sizable plot of Mānuka trees, encroachment can occur well within the three kilometre limit (McPherson, 2016). Some participants’ experience highlighted some of the pressures and impacts they had to face:

R9: *It has been absolutely disgusting in my area, with large corporate beekeeping companies placing hives in a pine forest directly across the road from our Mānuka sites... Now we have 130 corporate hives across the road from our land... My whole property is surrounded by sites, and yields are extremely low.*

R32: *I had a beekeeper put 64 hives across the road from my apiary of 32 hives adjacent to a Mānuka block.*

Having excessive apiaries within an extremely limited radius can significantly reduce production yields, and inevitably creates frictions and disputes between beekeepers and landowners (Lloyd et al., 2017; McPherson, 2016). According to various respondents, encroachment appeared to be part of a broader- and intentional- strategy to eliminate competitors, again, clearly illustrating the extent of entrepreneurial deviance within the industry:

R15: *...one or two of them [large corporate beekeeping companies] seem to have a policy of flooding good areas until they put the smaller local operators out of business...*

R23: *Large corporations place extremely large numbers of hives close to our existing apiaries. This reduces our honey harvest by half...*

Directly related to overstocking and encroaching practices, biosecurity threats became the third most identified issue. Given the high percentage of nectar bees use for their own basic needs, or between 30 and 50 percent (Newstrom-Lloyd, 2017), excessive competition for space can have severe implications. Indeed, a high concentration of beehives will diminish the available nectar, and bees might face starvation or malnourishment (Newstrom-Lloyd, 2016), further illustrating the lack of consideration and adherence to norms and rules by the offenders. To avoid this scenario, beekeepers might be forced to import expensive supplements, which themselves also pose biosecurity issues (Newstrom-Lloyd, 2016). Unsurprisingly, there was a perception that unethical behaviour, particularly from new beekeepers, would severely affect the industry:

R31: *Too many new people getting into industry without proper training, resulting in disease spreading...*

R38: *Pressure from so many new beekeepers who don’t play by traditional rules, or have awareness of disease risks.*
The fourth main issue faced by respondents, which is also intrinsically related to the previous three, was unfair competition from various fronts. Apart from facing predatory behaviour by new entrants and unfair disadvantages by larger corporations, participants reflected on dramatic changes in their relationships with farmers. Notably, the growth of the Mānuka industry, and the perceived benefits it was creating, had gradually affected farmers’ behaviour. As a result, and as the following comments underline, greed had emerged as a key factor; again, some participants were unable to compete against this ‘new order’ of conducting business:

R3: Land owners [who were] previously happy to receive honey as payment now want cash payment - Have lost at least two sites to other beekeepers offering more money than I believe is realistic.
R15: Farm/landowners are becoming too greedy and the situation becoming unviable financially.

The findings also suggest clear associations with the activities of overstocking and unfair competition as driven by greed, where deviant motivation has led to unethical practices, further reflecting some of the predatory behaviour indicated by P3. Similarly, the action of sabotage as part of intimidation and activities of encroachment, suggest the negative and deviant motivation of entrepreneurs.

Responses to entrepreneurial deviance

While participants identified three main ways in which they responded to entrepreneurial deviance, Table 3 also illustrates a number of dimensions that emerged through CAQDAS and the associated analysis, with the themes emanating from participants’ comments. As with Table 2, these dimensions were categorised in various forms, clearly underlining different defensive and reactionary mechanisms among beekeepers, notably: ‘industry support’, ‘focus on bees’ wellbeing’, ‘yielding/conceding’, ‘organic’, ‘sophistication’, and ‘law seeking’.

For instance, increasing the defences against the spread of diseases due to others’ entrepreneurial deviance, as well as investing in security and other forms of equipment demanded investments of time, financial and other resources, which added to operational costs, and reduced margins:

R4: Since these issues have arisen it has come at huge costs to the business. For theft and vandalism I am getting insurance, cameras and GPS on my hives.
R15: We are presently purchasing our own land blocks to insure against this situation impacting on our operation so seriously.

Table 3 Here

As the following comment illustrates, the third protection mechanism, reporting incidents, was more symbolic, with participants acknowledging the marginal or futile outcomes:

R9: When this first started happening I organized a public meeting of beekeepers in [town name] and the worst corporate offender attended. At
the meeting they [corporation people] said what locals wanted to hear and then went on to make a huge push in our area. It seems ethics and morals have no place in business when you have shareholders to satisfy.

Unsurprisingly, comments also pointed at the need for more rigid regulations to protect beekeepers from deviant behaviour.

R2: *I hope the current government... implements hive stocking regulations.*

R19: *I feel the government needs to quota the industry as there are so many hives in this area...*

In suggesting a potential future scenario for the Mānuka industry, Lloyd et al. (2017) observe the possibility of the current status quo, with no regulatory mechanisms. In this scenario, legal remedies for deviant behaviour, such as interference with beehives, sabotage, or poisoning, would remain, and so would regulations concerning bio security (Lloyd et al., 2017). Another possibility, self-regulation by the industry, with a code of conduct, with a separation rule between apiaries and other rules (Lloyd et al., 2017).

**Discussion**

Theory has been conceptualised as any coherent explanation or description of experienced or observed phenomena; furthermore, the process of theory building consists of generating, testing, or refining theoretical representations (Gioia and Pitre, 1990). Corley and Gioia (2011) agree that originality (revelatory or incremental) and utility (pragmatic/scientific usefulness) are two dimensions pertaining to what constitutes a theoretical contribution. This study adopted social learning and entrepreneurial action theory in the context of entrepreneurial deviance. The resulting refinement represented by the conceptual framework (Figure 1) is the outcome of recurrent links that have alignment with the above theories and authors. First, the following sections discuss various linkages between SLT and the findings, particularly Bandura’s (1977):

- **Vicarious learning.** In line with earlier research (Akers et al., 1979; Bandura and Walters, 1977, Maisto et al., 1999), observation and imitation emerged through various acts of entrepreneurial deviance, especially encroachment and overstocking. Indeed, participants’ references of encroachment cases (e.g., P5, P9, P32 and others) illustrated the severity of unethical practices. Moreover, these practices were at times not the act of one individual or entity, but instead, that of several corporations and various individual beekeepers. Together, these threatened the sustainability of the area and the environment, in particular, affecting the bees by substantially compromising their feeding and production patterns, often increasing the likelihood of spreading diseases.

- **Differential reinforcement.** The various forms of entrepreneurial deviance (Table 2) are suggested to occur as a result of offenders’ understanding and interpretation of the consequences for engaging in deviance. In agreement with Maisto et al. (1999), prior to engaging in deviant acts, offenders weigh the consequences against their stimuli concerning potential gains, namely, to make short term profits, or weakening competitors, as allegedly corporations did. Moreover, offenders’ perceived rewards or financial incentives (Rosenstock et al., 1988) from the various ways they choose to act unethically towards other
beekeepers, avoiding punishment (Akers et al., 1979) while acting in a deviant way, or both, strengthens- or reinforces- their (deviant) behaviour.

- **Cognitive processes**: According to Maisto et al. (1999), environmental events are sources of information that individuals can process cognitively; the result of this process can influence the ensuing behaviour, which in turn can lead to different consequences. This point is complemented by Bommer et al. (1987), who explain that there is consistency between actions and individuals’ internal cognitive process, which can be shaped by different forces. At the same time, Rosenstock et al. (1988) emphasises the role of expectancies, including with regard to one’s perceived competence to behave in a certain way and influence outcomes. The stimulating factor of financial gains in the burgeoning Mānuka industry illustrates an environmental event that can be learned through the exchange of information (e.g., between deviant beekeepers, members of corporate beekeeping corporations).

Figure 1 Here

- **Reciprocal determinism**: The combination of environmental events (e.g., the thriving Mānuka industry), cognitive and personal factors (information processing, perceived gains), and behaviour (ways to act) complement and influence each other (Bandura, 1983; Williams and Williams, 2010), and have an impact on one’s resulting behaviour (Li and Zhong, 2017). The mutual influence between the three elements therefore applies in the context of deviant beekeeping operators. Moreover, as with other constructs, the current bonanza experienced in the Mānuka industry is stimulating information processed by these individuals, and operationalised through their deviant behaviour.

These notions suggest that within the SLT framework represented by the four constructs there is strong alignment and support in providing deeper understanding of entrepreneurial deviance. This reflectiveness aids in satisfying the demands of the first research concern. Indeed, the results suggest that there is not only alignment, but also much value in the use of SLT to examine entrepreneurial deviance.

Gioia et al. (2012) posit that propositions, explicitly and implicitly, can help strengthen those contributions resulting from an inductive study. Moreover, propositions “suggest a road map for future qualitative researchers to follow” (Gioia et al., p. 25). Similarly, Denzin and Lincoln (2005) indicate that qualitative studies place emphasis on the value-laden nature of inquiry, focusing on how experience is created, and not upon experimental examination or measurement; hence, they lack the required set of assumptions for hypothesis development and testing (Maxwell, 2008). In contrast, the nature of quantitative studies typically focuses on causal relationships between variables, and leads towards the use of hypothesis (e.g., Saunders, Lewis, and Thornhill, 2016). The focus of this study lends itself to the use of propositions rather than hypotheses. Thus, based on the above findings, and in agreement with Goia et al. (2012), the following proposition is put forward:

- Together, the four constructs of SLT, namely, vicarious learning, differential reinforcement, cognitive processes and reciprocal determinism help examine and understand entrepreneurial deviance.
Complementing the above notions and resulting proposition, there is evidence of the links between SLT and business ethics. For instance, Brown, Treviño and Harrison (2005) adopted SLT to gain an understanding of the implications of ethical leadership for organisations. The social learning perspective postulates that leaders can affect their followers’ ethical conduct, notably, as legitimate and credible role models (Brown et al., 2005); thus, role modelling can help enact socially desirable behaviours (Hanna et al., 2013). This learning process affects the behaviour of other individuals, modelling and directing the attention of members of staff towards embracing ethical standards. Furthermore, its very effect emphasises the importance of its explicit communication (Brown et al., 2005).

**Entrepreneurial action**

As with SLT, there are various alignments between entrepreneurial deviance, entrepreneurial action, and the present study. First, the attention stage reflects the identification of opportunities in the Mānuka honey industry, enticing individuals who may have prior knowledge and such motivation to become engaged in entrepreneurial deviance. These elements are manifested in personal strategies to act in deviant ways. Moreover, the potential for achieving lucrative opportunities in a short-term requires a strategy based upon some background and industry knowledge, for instance, in hive manipulation, transportation, or even extermination (sabotage).

However, given the uncertain outcomes (attention stage) from engaging (acting) in deviance, only those with suitable qualities (McMullen and Shepherd, 2006) will attempt to execute and maximise opportunities. Second, in the evaluation stage it is suggested that individuals who are motivated to act in deviant ways will undertake a feasibility assessment (knowledge) of the possible outcomes (rewards versus punishments). Moreover, by considering the evaluation stage (McMullen and Shepherd, 2006), it is argued that offenders’ knowledge of opportunities in Mānuka production represents a preamble and a key element for subsequent deviant action. Knowledge is manifested through a feasibility assessment, whereby, similar to differential reinforcement (Maisto et al., 1999), deviants weigh the likelihood of success, and whether or not to engage in entrepreneurial deviance.

The motivation dimension includes a desirability assessment and complements or reinforces the feasibility assessment; together, these are key motivational drivers for acting entrepreneurially (Fitzsimmons and Douglas, 2011). For example, modest knowledge or limited/inconclusive feasibility assessment may discourage subsequent action, while a robust and conclusive feasibility assessment of potential gains may increase motivational levels to act, and therefore instigate entrepreneurial deviance. Thus, the individuals’ level of uncertainty may affect their judgment, and therefore their decision to act or not to act (McMullen and Shepherd, 2006) is substantially lessened by their knowledge of Mānuka beekeeping sites, and increased motivation regarding potential rewards. Partly in line with this notion, in their research, McKelvie, Haynie, and Gustavsson (2011) confirmed that as uncertainty (e.g., effect, response) increases, individuals’ willingness to engage in entrepreneurial action diminishes.

Furthermore, the findings are in accord with Shepherd (2015) who argues that entrepreneurial action can be understood as a significantly iterative and dynamic process of engaging experiences and activities; these are informed by potential opportunities.
In the examination of this study’s second research concern, the results suggest that entrepreneurial action can be influenced by both the motivation and knowledge of the deviant entrepreneur, and that such motivation can trigger illegal and unethical action as well as legal but unethical behaviours. The various poignant points made by participants illustrate their concern of the action of deviant entrepreneurs. In many cases, the deviants’ urge to earn quick returns influenced their behaviour and therefore their decision to act in a manner that is unethical. The cases of sabotage and the spreading of diseases is clearly associated with criminal/illegal behaviour.

Importantly, the rationale for such entrepreneurial behaviour and its motivation does not always equate to negative deviance. The motivation of the entrepreneur may however be driven by more common traits, such as risk taking, innovation and survival. Nonetheless, as illustrated (Figure 1) the two ideologies combined allow for a deeper analysis and therefore provide a stronger theoretical underpinning to delve into and understand the under-research dimension of unethical business practices among deviant entrepreneurs. Many of the comments from research participants highlight the links between entrepreneurial action and cognitive processes reinforces this view.

Correspondingly, Figure 1 notes the significance of the four constructs (SLT), which cascade from entrepreneurial deviance. The motivational element, emphasised in both theories (Manz and Sims, 1981; McMullen and Shepherd, 2006) represents a linkage, and underlines the importance of both vicarious learning and evaluation, particularly in triggering action based on stimulating factors (profits to be made in Mānuka honey, undermining competitors).

The framework suggests two possible scenarios. In the first scenario, the many comments gathered reveal the current lack of effective responses (e.g., legislation) to tackle the many forms of entrepreneurial deviance. Lack of action could lead to substantial socioeconomic and environmental consequences. In the second scenario, beekeepers are to some extent responding to deviance. However, they face unsurmountable challenges due to the subversive (encroaching, overstocking, sabotage, theft, sabotage), or even non-subversive nature of entrepreneurial deviance.

Indeed, the following comments strongly underline a defencelessness situation, or even resignation concerning the existing complexity and impact of entrepreneurial deviance:

R9: If ethics don’t improve, I fully expect someone to take the law into their own hands.
R11: We are not dealing with it - we are leaving sites and trying to exit the industry.
R20: “There is no way to deal with encroachment and unfair competition. You can take them to court but normally they are a massive corporation with a lot more money to fight with.”

The above comments highlight the dilemma presented by the lack of short or middle term changes in what participants unequivocally considered negative ethical behaviour. Thus, the research participants’ apparent legal and ethical ways of acting, for instance, owning the land, building long-term relationships or increasingly paying farmers to host their beehives are being challenged by a group whose more dynamic, aggressive, yet exploitative, and at times illegal entrepreneurial actions and business practices can potentially threaten the entire Mānuka honey industry.
The current situation could lead to an escalation of highly questionable practices, with implications for business ethics. Overall, there is support to conclude that both motivation and knowledge are mutually dependent, and that they influence entrepreneurial deviance. Consequently, the following proposition is presented:

- The extent of individuals’ knowledge (feasibility assessment of potential opportunities) and their motivation (desirability assessment) stimulates entrepreneurial action (first-person opportunity), which for this study is focused upon unethical/illegal business practices and activities.

Karstedt and Farrall (2006) discuss how frequent occurrences of small actions of deviance can not only fall within the ‘grey zone’ of legality and morality, but also within everyday business life. Similarly, De Clercq and Dakhli (2009) and Featherstone and Deflem (2003) argue that the drivers or pressures faced by entrepreneurs that result in deviant behaviour are seldom contemplated. In this context, the external environment, institutional paradigms, and (potential) success all place considerable pressure, and exert influence, on the actions of entrepreneurs (Tonoyan et al., 2010). Moreover, and as illustrated in this study, the potential success in the Mānuka honey industry might persuade some entrepreneurs to ignore ethics and ethical standards, instead resorting to deviant practices to attain short-term advantages or gains.

Conclusions
According to Harris et al. (2009), there is growing scholarly attention to the intersection between ethics and entrepreneurship. By examining unethical practices through entrepreneurial deviance from the perspective of entrepreneurs being affected by this phenomenon in a burgeoning industry, the present study has made various contributions to the entrepreneurship literature. Fundamentally, the study proposed a theoretical framework combining social learning and entrepreneurial action theory to deepen and advance the understanding of factors stimulating and triggering entrepreneurial deviance. In doing so, the study has also addressed knowledge gaps identified in previous studies (Ji et al., 2017; Khan et al., 2005; Miller, 2015), notably, in regards to the scant research illuminating knowledge of the negative, or dark side of entrepreneurship (Kets de Vries, 1985). In turn, the study’s findings contribute to the current body of knowledge and shed light on lesser discussed aspects of entrepreneurship, combining two major theoretical models in the understanding of deviance alongside facilitating further understanding in business ethics and/or its drivers. Similarly, by identifying various considerations for beekeepers and local associations/bodies, the study provides useful practical insights and signposting for the industry.

Practical/industry-related implications
The seriousness of overstocking and encroachment, with direct consequences for the well-being of nature, notably the health of bee colonies and their hives, also have clear and direct implications for activities beyond honey production, including pollination of farms, and with it, for food production. Based on the numerous comments gathered, entrepreneurial (negative) deviance, for instance, in the form of rudimentary or below-standard practices stemming from overstocking and encroaching, can not only compromise the final product (Mānuka honey), but also its image, thus, endangering the future potential of this burgeoning industry. Moreover, the result of these deviant
activities, and that of greed (farmers demanding higher payments) and unfair competition could also lead to significant disruptions in supply. In this context, the study’s findings provide timely empirical evidence that could be insightful and increase awareness, particularly regarding the need to support the contribution of beekeepers, their associations, and ultimately, protect consumer through product safety and diversity.

**Theoretical implications**
The proposed framework postulates a unique notion of how social learning theory and entrepreneurial action have similar facets and how these interact in the face of entrepreneurial deviance. Entrepreneurial activity has been strongly reflected in both frameworks, with deviance being a catalyst towards action. Entrepreneurial identification of opportunities through cognitive processes, learning, reinforcement and determinism reflects the evaluative stage of entrepreneurial action. Indeed, when applied in congruence to the examination of deviance, these theoretical elements feed strongly towards action.

The study has also remedied a number of research concerns as highlighted by previous discourse. In the understanding of what is ethical in business, while it is plausible that entrepreneurial activities need not be deviant, there is still much to be understood to identify actions that are inappropriate. While deviance is reflected in the SLT constructs and entrepreneurial action, the morality and ethics behind the choices made by the entrepreneur is the intangible driver of inappropriate activities. The study makes a direct contribution to business ethics theory; it provides a theoretical framework by which to gauge entrepreneurial activities, and in essence a valuable starting point to help further understand ethical or unethical behaviour in the context of entrepreneurship.

Indeed, the framework indicates the drivers of deviant action but also suggests consideration of the motivational forces behind this. As noted in the literature (e.g., Alvarez and Barney, 2007; Davcik and Sharma, 2016; Herrera, 2015; Li and Liu, 2014; Li and Zhou, 2010; Maury, 2018), entrepreneurs often take steps to enhance or protect their competitive advantage or to seek to exploit opportunities that will enable business success. While these actions reflect similar approaches to deviance, it is the ethical stance and sentiment by which such activities are being undertaken that reflects malice. Therefore, the motivational element depicted in Figure 1, supported through deviant activities (Table 2) suggests that the unethical motivation of the entrepreneur is the driver of deviance. Furthermore, deviance exists- and persists- where unethical means are operationalised while in the search for profitability, increasing market share, and overall enhancing one’s competitive advantage.

**Limitations and future research**
Each methodological approach has strengths and weaknesses (Johnson, Onwuegbuzie, and Turner, 2007). On the same vein, this study is not free of limitations, and some of these could be overcome in future research. For example, a limited number of participants could be gathered in this research, and all data were collected through online questionnaires. Future studies could consider field and case study research, where data could be complemented by on-site observations, and archival information of those beekeeping operations that maintain records and information related to deviant actions against them. At the same time, studies could attempt to gather a larger number of participants, travelling to different sites to elicit information through face-to-face
interviews. The study is also limited to examining the perceptions of micro beekeepers; thus, an avenue for future research could contemplate gathering data from larger corporations involved in the Mānuka honey industry.

Furthermore, the study has only gathered data from Mānuka beekeepers operating in New Zealand. Future research could incorporate a comparative component, examining the perceptions of entrepreneurial deviance between Australian and New Zealand Mānuka beekeepers. Together, these opportunities would help extend the knowledge of entrepreneurial deviance, including in the currently burgeoning Mānuka honey industry.

Finally, future investigations could adopt or incorporate the framework proposed in this study (Figure 1), either in its current format of adopting two ideologies, or in combination with others. Doing so could contribute to further theory development and at same time to a deeper understanding of entrepreneurial deviance.

References


