Navid Bazzazian
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March 29, 2012

Re: Application for NBER Entrepreneurship Research Boot Camp

Dear Sir/Madam:

I hereby request admission to the 2012 NBER Entrepreneurship Research Boot Camp. Enclosed with this application package are my Curriculum Vitae and a two-page application essay. A letter of recommendation written by my doctorate degree supervisor, **Dr. Thomas Åstebro**, associate professor of strategy at HEC School of Management, Paris, will be forwarded separately.

I am a PhD candidate in the Strategy Department at HEC School of Management, Paris, under the full scholarship of the HEC Foundation. I strongly believe that the NBER Entrepreneurship Research Boot Camp fits well with my current and future research directions and would help me tremendously with my professional development. My current research interests fall neatly under the broad field of entrepreneurship with my dissertation topic taking a strategy and economic lens on it. In particular my past and current research spans the field of entrepreneurship in areas as diverse as academic entrepreneurship, commercialization of university research, as well as entrepreneurship by former employees of incumbent firms.

Sincerely yours,

Navid Bazzazian

Sunday, April 1, 2012

Dear Thomas,

It is my pleasure to recommend Navid Bazzazian for the 5th Entrepreneurship Research Boot Camp (ERBC). He is working towards completing his Ph.D. thesis in Strategy from HEC Paris defending in June 2013. I have been Navid's chair for his Ph.D. thesis.

Navid is a strong researcher with great promise. I believe his greatest assets are his studiousness and drive. He has gone to Stockholm for six months to get hold of a matched employer-employee dataset containing data on all firms and employees in Sweden over a 10 year period. Furthermore, his research is creative and he is highly motivated to conduct research and would like nothing more than to get a position at a top U.S. Strategy/Entrepreneurship group. Navid has a background in engineering from Iran and he has strong math skills that he is currently not taking full advantage of. He is a raw talent that as a community of scholars we should invest in.

His thesis work is characterized by a foundation in both strategy and economics. Strategy is his natural foundation given the preponderance of courses in Strategy that he has taken. But Navid is interested in embedding a theory of entrepreneurial entry within a broader framework of labor mobility, much like my recent work with Peter Thompson and Jing Chen published in Management Science. (You may remember that Jing participated in the first ERBC?) Grounding his work in organizational economic I have advised him to go through relevant parts of Robert Gibbons list of readings (http://web.mit.edu/rgibbons/www/Readings%20in%20Org%20Econ%202011.pdf). The problem is however that I am not familiar with everything on this list and so it is a bit hard for me to advise him deeply on how best to progress. (As you may know my Ph.D. was not in economics but in engineering and I completely skipped some rather important fields of economics such as labor instead taking courses such as System Dynamics….)

He is graduating with a strong knowledge of the strategy literature. He has taken one course in Entrepreneurship Theory offered by me which contained some of the major economics models/papers on entrepreneurship including Kihlstrom and Laffont (1979), Lucas (1978), Rosen (1981), Stiglitz, Joseph and Andrew Weiss, (June 1981) Evans, David S., and Boyan Jovanovic (1989) Holmes, Thomas J., and James A. Schmitz, Jr. (1990), Anton, James J., and Dennis A. Yao (1995) Hamilton, B. (2000), Landier, Augustin, and David Thesmar (2009), Lazear (2005) and Elfenbein, Hamilton and Zenger (2010). However, he understands that there is a need for him to bone up better on the economics of entrepreneurship. He is certainly willing and eager. For being a student of strategy he has taken on a reasonable amount of economics courses, such as in Game Theory, and Information Economics, but he lacks depth when it comes to econ and finance models related to entrepreneurship. This bootcamp would be a splendid opportunity for him to cover the bases beyond what I have been able to.

Navid is therefore in need of exactly what ERBC will offer: a crash course on the economics and finance of entrepreneurship from leading economists in the field.

I suggest to you that the leverage that ERBC will get from admitting Navid will be tremendous. Not only will ERBC be able to affect Navid's theoretical foundation for his work, but it will be doing so for a person that already shows great promise. Navid recently had a solo-authored paper accepted at the Academy of Management's Best Paper Proceedings, for which only 10% of all submissions are accepted. He has also been selected to present at the 2012 CCC in Maryland in a few weeks. He shows great productivity with one co-publication with me in *Research Policy* (together with Serguey Braguinsky), one co-authored book chapter on "Returns to Entrepreneurship" in Doug Cummins forthcoming OUP *Handbook in Entrepreneurial Finance*, another book chapter (in Swedish) and a string of conference presentations.

If you have further questions, please don't hesitate to contact me.

Warm Regards,

Thomas Åstebro
Associate Professor of Strategy and Entrepreneurship
HEC Paris

Curriculum Vitae

NAVID BAZZAZIAN

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EDUCATION

2008-present	**HEC Paris, School of Management**, FRANCE PhD Candidate, Strategy Department Dissertation Title: Essays in Employee Entrepreneurship Dissertation Committee: Thomas Åstebro (Chair), Corey Phelps, Denisa Mindruta
2005-2007	**University of Borås**, SWEDEN Master of Science, Industrial Economics
2000-2004	**Tehran Polytechnic**, IRAN Bachelor of Science, Industrial Engineering

PUBLICATIONS AND WORKING PAPERS

Åstebro, T., **Bazzazian N.**, Braguinsky S. 2012. Startups by Recent University Graduates versus Their Faculty: Implications for University Entrepreneurship Policy. *Research Policy* 41:663-677.

Åstebro, T., **Bazzazian N.** 2011. Universities, Entrepreneurship and Local Economic Development. in *Handbook of Research on Entrepreneurship and Regional Development*. Fritsch M. (ed.), Edward Elgar Publishing.

Åstebro, T., **Bazzazian N.** 2010. Universitetens roll för nyföretagande och regional utveckling. in *En Innovationsstrategy För Sverige*. Swedish Economic Forum Report.

Bazzazian, N., Goossen M., Phelps C. 2011. The Performance Effects of Sequential and Simultaneous Exploration and Exploitation. HEC Paris working paper.

Bazzazian, N. 2012. The effect of firm performance on employee mobility and employee entrepreneurship. HEC Paris working paper.

PRESENTATIONS

- Selection vs. Learning in Employee Entrepreneurship

  -Presented at Strategic Management Society, November 2011, Miami.
  -Presented at Strategy, Entrepreneurship, and Innovation Conference, October 2011, HEC Paris, France

- The Performance Effects of Sequential and Simultaneous Exploration and Exploitation
  - Presented at European Group for Organization Studies (EGOS) Colloquium, July 2011, Gothenburg, Sweden

- Student Startups and Local Economic Development

  -European Regional Science Association (ERSA) Conference, August 2010, Jönköping, Sweden
  -Competition and Innovation Summer School, May 2010, Turunc, Turkey
  -Conference on the Organization of Economics and Policy of Scientific Research, April 2010, Turin, Italy

COMPLETED PHD COURSES

- Method Courses
  -Statistics I (Laucine Kerbache)
  -Advanced Statistics (Marco Scarsini)
  -Research Design in Social Sciences (Rodolphe Durand)
  -Quantitative Methods in Social Science Research (Veronika Czellar)
  -Econometrics (Bruno Crépon at École Polytechnique)
  -Econometrics of Panel Data (Thierry Kamionka at ENASE Paris)
  -Applied Econometrics (Guilhem Bascle)
  -Empirical Methods in Strategy (Anup Nandialath)

- Core Courses
  -Theory of the Firm (Bertrand Quelin)
  -Microeconomics (Marie-Laure Allain at École Polytechnique)
  -Industrial Organization (Patrick Rey at École Polytechnique)
  -Economics of Information, Incentives, and Contracts (Bernard Caillaud at École Polytechnique)
  -Game Theory (Jörgen Weibull at École Polytechnique)
  -Decision Sciences (Itzach Gilboa)

- Specialization Courses
  -Readings in Strategy (Kristina Dahlin)
  -Entrepreneurship Research (Thomas Åstebro)
  -Inter-Organizational Relationships (Piere Dussauge and Bernard Garrette)
  -International Business Theories (Jean-Francois Hennart)
  -Social Network Analysis (Corey Phelps)

Navid Bazzazian PhD Candidate, HEC Paris

APPLICATION ESSAY

I am a fourth year PhD candidate in the Strategy Department at HEC School of Management, Paris. Being at the dissertation stage of my doctorate degree, my research rests at the intersection of entrepreneurship and strategic management. I strongly believe that a high quality doctoral workshop exclusively geared on the topic of entrepreneurship will help me to refine my dissertation research, benefit from the depth and breadth of experience of the world class faculty, learn from an outstanding group of fellow doctoral candidates, and build a network of future collaborators. Below I elaborate briefly on the relevance of the NBER Entrepreneurship Research Boot Camp to my professional development. I also elaborate on my current and future research directions.

Relevance of NBER-ERBC for my professional development

I believe that there are at least three reasons that make ERBC a valuable experience for my current and future research and professional career path. These three reasons are ERBC's outstanding faculty, a selective group of fellow candidates, and the focused theme with diverse disciplinary perspectives.

First, ERBC's faculty is comprised of the best and brightest scholars in the field. Simply looking at the ERBC's current and past faculty members I immediately recognize the amount of depth and breadth of experience that they would bring to this workshop. Being mentored by such an outstanding faculty would help me to deepen my understanding of the research on entrepreneurship and assimilate their worldviews. In addition, I believe that I am at the right stage to benefit most from their experience in my dissertation research. I am neither too early in my research that the benefit from the depth of their experience would be marginal nor too late at the dissertation stage that I would be locked out of any possible modifications that they may bring in my research. I am at the right moment to benefit from the experience ERBC's faculty because the current stage of my research allows for a reasonable amount of flexibility in incorporating constructive changes in my research.

Second, the competitive selection of fellow doctoral candidates/post docs or assistant professors helps to create a homogenous group of outstanding peers who share the same level of understanding of the topic. To the extent that the advancement of research requires learning from peers and sharing diverse experiences, I would certainly be able to learn from the experience and the research of fellow academics. Moreover, I would certainly be able to build a network of strong future collaborators who share the same interest in entrepreneurship research.

Third, the diversity of the approaches towards entrepreneurship research combined with its focused theme makes ERBC an ideal opportunity to strengthen my skills and understanding of the variety of disciplinary approaches towards entrepreneurship research. Such variety of approaches ranging from economics to sociology and finance would allow me to build an exhaustive mental framework, construct theoretical connections and synthesize different theoretical approaches in

entrepreneurship research. I believe novel contributions in research emanates from being able to connect and combine various disciplines. ERBC would certainly help me to achieve this goal.

Current and future research directions

My current research interests span the field of entrepreneurship in areas as diverse as academic entrepreneurship, commercialization of university research, as well as entrepreneurship by former employees of incumbent firms.

My earlier works on academic entrepreneurship investigated the role of universities on local economic development through commercialization of university research as well as the magnitude and the significance of the often overlooked phenomenon of start-ups by recent university graduates as opposed to the conventional spin-offs by faculty and staff.

My dissertation centers on the phenomenon of employee entrepreneurship. In particular, I seek answers to two questions: First, I ask why prominent firms (e.g. Apple and IBM) disproportionately spin-out more entrepreneurs than other firms. I take an economic lens and bring the dynamics of labor market into attention by arguing that the labor market may match high quality employees with prominent firms (positive assortative matching). This will be contrasted with the current emphasis of the literature on prominent firms as sources of valuable knowledge and skill development opportunities for employees. Therefore my arguments would suggest that the higher rate of entrepreneurs from prominent firms is likely the mix of two mechanisms: higher endowment of high quality employees and greater learning opportunities in prominent firms.

Second, I ask how new entrepreneurial firms obtain human resources given their liability of newness. In particular I argue that acquisition of high quality human capital depends on the pre-entry experience of the founders, their inter-organizational affiliation, and the process matching job seekers to new firms. A two sided matching logic with founders of new firms selecting job seekers based on their experience and job seekers relying on quality signals from the founders will imply that spin-out firms are more likely to obtain high quality employees than *de novo* and diversified start-ups.

I intend to give answer to these questions in an empirical setting utilizing an unusually rich database of all the working population in Sweden from 1985 to 2008. This database is a register based labor market statistics database that lets me track individuals' career histories back in time and thereby allows me to investigate the process of matching in the labor market and entrepreneurship.

For future research I intend to extend the research on organizational speciation. I would like to understand various firm level antecedents (e.g. corporate culture, incentive structures, structure of firms' knowledge base) that may lead to departure of employees to entrepreneurial work settings. For instance I would like to investigate empirically how variation in the structure of a firm's knowledge base may change the availability of attractive rent-generating opportunities for employees to spin-out as well as their incentives to discontinue the employment contract and chose entrepreneurship as means of advancement in their career.