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The evolution of *Venture Capital*: from the early days to recent successes

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The evolution of *Venture Capital*: from the early days to recent successes

Venture Capital started as an entrepreneurial venture. The founding editors, Colin Mason and Richard Harrison, noted that the initial idea to launch a journal was serendipitous (Harrison and Mason 2019). The increasing economic significance venture capital as an alternative investment in the 1990s led Colin and Richard to create a new journal to publish papers on entrepreneurial finance to stimulate and provide an outlet for publishing research on venture capital and private equity, corporate venturing, business angel investing and public sector venture capital. They rightly recognized the need for a journal that would raise the profile of entrepreneurial finance, stimulate research into entrepreneurial finance and provide a focus for the publication of papers from a diverse range of perspectives, thereby overcoming the disciplinary, theoretical and methodological fragmentation of the field at that time (Mason and Harrison 1999).

Over the years, the journal has achieved considerable success. For example, it is the leading journal for the publication of research in two forms of entrepreneurial finance that have grown rapidly since the journal was founded – business angels (White and Dumay 2017) and crowdfunding (Le Pendeven, Bardon, and Manigart 2021). In 2020, *Venture Capital* received its first Impact Factor of 1.844 as provided by Journal Citation Reports (JCR) available through the *Web of Knowledge* service, having previously been included in its Emerging Social Science Index. This places the *Venture Capital* at 45/109 in the “Business, Finance” category of the SSCI. In Scopus, *Venture Capital* is at the top end of the second quartile of the Finance category – 73/282 journals. *Venture Capital* is currently a 2* in CABS and a “B” in ABDC. Its ongoing aspiration is to increase its position in the various journal rankings.

A new era for *Venture Capital*

Like all entrepreneurial ventures there comes a point when the founders recognize the need to pass the baton to a new managerial team. *Venture Capital* is at this point. In January 2021, Colin Mason and Richard Harrison stepped down as Editors and passed the baton over to us, Vincenzo Capizzi, Sofia Johan and Cristiano Bellavitis.¹ We, as incoming editors, are infinitely grateful for the work that Richard and Colin have done for the journal and the field entrepreneurial finance research. We hope we will be able to live up to the standards that the founding editors have set and to continue to develop the journal and further enrich the field of entrepreneurial finance. To do so we have developed an ambitious mission, centered around four main points.

The journal mission going forward

First, we would like to emphasize that, although the journal is named "*Venture Capital*", we intend to keep its focus broad, as reflected on the second part of the title "*An International Journal of Entrepreneurial Finance*". The journal is not only about venture capital, but about all sources of finance available to entrepreneurs. This includes the more traditional sources such as private equity, business angels, and banking finance, as well as other more innovative sources of finance for entrepreneurial activity (Bonini and Capizzi 2019). We are mindful that as venture capital evolves over time, there is a potentially rich body of research that concerns entrepreneurial finance that intersects with new technologies or business models that result from technology. This includes equity-based and reward-based crowdfunding, peer-to-peer finance, peer-to-business finance, and initial coin offerings (ICOs). Hence, we aim to be one of the leading journals discussing research on "entrepreneurial finance" at large, and more importantly as it evolves.

Second, we aim to keep a broad geographical scope, related to both authors and samples. For various reasons, not the least of which is the availability of data, entrepreneurial finance researchers have focused on the US and Europe (Bellavitis et al. 2017). However, entrepreneurial rates are very high in countries with limited academic research. For example, according to the latest Global Entrepreneurship Monitor (GEM 2019-20), countries with the highest early stage entrepreneurial activity rate, as percentage of adults, are in South America: Ecuador, Chile, Guatemala, Brazil. Other countries such as Armenia and Madagascar also perform very well in this regard. It is not clear whether theories tested in US or European settings would hold in these countries. In other cases, there are entirely new phenomena. For example, refugee camps can be hotbeds of entrepreneurial activity that cannot be explored if researchers confine their research to certain countries. Therefore, we encourage researchers to broaden their geographical scope and explore all corners of the world to better understand how to finance entrepreneurs.

Third, we intend to broaden our methodological scope. We are interested in qualitative, quantitative and mixed methods research, as long as the methodologies are robust and properly justified.

Fourth, we aim to emphasize the practical relevance of the research we publish. This means that we will not only encourage our authors to justify and explain the practical relevance of their research, but also that we are also interested in papers with limited theoretical contribution as long as they inform practitioners and academics on a relevant phenomenon with significant findings (Landström and Sørheim 2019). This does not mean that we will be more lenient on the academic rigour, or that we will not follow a regular academic paper structure or peer review. It means that, for example, we would be interested in studies that apply previously tested theories in novel contexts, such as new geographies, as previously mentioned. We aim to be relevant and accessible to entrepreneurs and academic alike.

In sum, our mission going forward is to continue to build upon the efforts of Colin and Richard to shape *Venture Capital* into becoming the leading repository of theoretically and practically relevant knowledge in entrepreneurial finance research around the world. Wish us luck.

Note

1. Although the next few issues in this volume will comprise papers that were handed by the outgoing editors, by the end of the 2021, new issues will comprise papers that the new editorial team have accepted for publication.

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