A NEW PERSPECTIVE ON THE ENTREPRENEUR’S IDENTITY

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Tatiana Kukova asserts her moral right to be identified as the author of this thesis

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This research concentrates on the relation between the self-reported entrepreneur’s identity and the entrepreneur’s account of their actions. The contribution is to specify the content of the elements that constitute the entrepreneur’s identity process model. In particular, this relates to the adaptation of the identity standard and the output to the environment. The central research questions of the study are: “What do entrepreneurs think about themselves?” and “How does it influence their entrepreneurial actions?” I posit that entrepreneurial actions stem from the way entrepreneurs control the feedback about themselves in a situation to confirm the meanings in their identity standard. The entrepreneur’s identity is examined in the context of digital technology entrepreneurs. The research subjects are 27 entrepreneurs from a high-tech incubator programme based in a UK university. One-to-one semi-structured interviews were conducted with each individual.

Keywords: entrepreneurial identity; entrepreneurial actions; grounded theory; entrepreneur’s identity process model; qualitative; digital-tech sector
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Extended Summary

The thesis presents the findings from the research study that was conducted with 27 entrepreneurs who were enrolled on a high-tech incubator programme at one of the UK universities.

My research examined the entrepreneur’s identity. *Identity* is a set of meanings that represents individual in a role (e.g., an entrepreneur, a father, a good friend).

The central questions addressed by the study were: “What do entrepreneurs think about themselves?” and “How does it influence their entrepreneurial actions/strategic choices?” Therefore, the research focused on the content of the entrepreneur’s identity. The main research finding was the typology of entrepreneurs according to the meanings that they held about themselves in their identity standard. The types included the high-flyers, the innovators, and the lifestyle entrepreneurs. The identity-standard meanings were represented by different categories such as optimism, success levels, motivation and capabilities. The analysis indicated how these factors related to the *internal outcomes* and the *external outcomes*.

This typology of entrepreneurs has emerged from my data. *Optimism*, *success levels*, *motivation and capabilities* have been selected for this typology because they represent the identity standard of entrepreneurs. I charted for each of the entrepreneurs in my dataset their levels of optimism, success definitions, and key founding motivations/capabilities to help me arrive at identity types. *Optimism* appears qualitatively different from the other two content aspects of the identity standard as it seems to refer more to a process dimension (how entrepreneurs behave) while founding *motivation and capabilities*, and *success definitions* refer to the ‘why’. *Motivation* has been combined with *capabilities* because the data did not reveal much difference in meaning between the two categories.
Entrepreneurs behave differently based on the variation of their identity standards. I introduced a typology distinguishing between the high-flyers, the innovators, and the lifestyle entrepreneurs. The purpose of the typology is to create a simplification and clarify the meanings individuals associate with being an entrepreneur. Despite these "pure" types, variation still exists within each of those types. The difference between the identity standards is a key finding of my research because the standards of optimism, success, motives and capabilities relate to entrepreneurial actions. Therefore, the standards have consequences for entrepreneurial strategies. This finding implies that entrepreneurs may base their strategic decisions on the meanings associated with their identities. Below is a description of each identity type:

*The High-flyers* are those individuals who are ambitious and seek to grow their business. They will not take 'no' for an answer because they know that it can be done. They really want to make a difference in the world by achieving their full potential in entrepreneurial activity. As Roy put it: “Because…maybe I think too much of myself. I am an intelligent guy or so I like to think. I guess the reason is because it’s a challenge…I want freedom. Money combined with freedom. You never know whom works for somebody else makes a billion dollars. It will never happen because you have that dependency."

*The Innovators* are the entrepreneurs who are creative and inventive. These individuals are committed to innovation as they are always looking for new ways of doing things. They are constantly juggling with different ideas to be able to innovate. As Stanley explained: “…interested in creating things that…passionate about. I get more passionate about working on my own product.” The other entrepreneur, Andrew, added: “I am passionate about the automation side. Emm and it’s all about making things more efficient.”

*The Lifestyle* entrepreneurs are those individuals who seek to execute a business strategy that would suit the lifestyle that they have. They want to be in
charge of their own life. They also want to develop their ventures without jeopardising their lifestyle expectations. In the words of Keith: “With any business you have to judge it by financial success…The idea of that was doing things I was really interested in doing. So, I judge ‘success’ as how much time I spend every day doing things I really want to do.”

The identity standard of entrepreneurs is the meanings that they give to themselves when they are in the role of the entrepreneur. It is their way of thinking about a particular action. All of the entrepreneur’s opinions or preferences or strategic decisions are referred to the identity standard first. My analysis below explains why entrepreneurs act in certain ways. For this reason, research participants’ quotes are treated as practical examples in order to explain how identity verification or identity-nonverification (confirmation or non-confirmation of the identity standard) influences the self-reported accounts of their entrepreneurial actions. Examples of confirmation are: being in the incubator environment (the high-flyer identity), deciding how much equity each executive team member should own (the inventor identity), doing metrics (the lifestyle identity), helping school children by developing a new product (the inventor identity), helping 1,200 people in the community to get jobs (the high-flyer identity), helping individuals with certain medical conditions by being involved in entrepreneurial activity (the high-flyer identity), work with well-known companies (the lifestyle entrepreneur), educating others about entrepreneurial activity (the inventor identity), supply good quality products to the market (the lifestyle entrepreneur). Examples of identity non-confirmation are: making redundancies (the high-flyer identity), not being known as a business yet and thinking that his actions are still a fake (the lifestyle entrepreneur). The data showed more instances of how entrepreneurs verified their entrepreneurial identities.

My findings advance the existing knowledge about an entrepreneur and their self-reported actions based on the comparative process of the feedback they
receive from others in a social situation and their own way of thinking about a particular action.
Introduction: Entrepreneur’s Identity Control System

In identity theory, any given identity is a set of meanings that represents an individual in a role (e.g., an entrepreneur, a father, a good friend) or social situation, in a particular social group (e.g., British, male, a member of the Green Party), or as an individual (e.g., easy-going, moral, honest, determined) (cf. Burke and Tully, 1977; Burke and Stets, 1999; Burke and Stets, 2009; Stets and Burke, 2000; Deaux and Burke, 2010; Stryker and Burke, 2000; Tajfel, 1982). All individuals have multiple identities (Burke and Stets, 2009; Burke, 2003). For example, a father/mother, an entrepreneur, a brother/sister, a husband/wife, a good friend. Hence, the meanings of an identity are social in their nature (Burke, 2004a).

Prior research on the entrepreneur’s identity¹ has treated the phenomenon in terms of roles as a motivating factor to engage in entrepreneurship (Murnieks and Mosakowski, 2007; Hoang and Gimeno, 2010). There is also research related to family identity and founding teams (Miller and Le Breton-Miller, 2011; Shepherd and Haynie, 2009b; Klotz et al., 2014; Steward, 2010; West III, 2007; Shepherd and Krueger, 2002). Furthermore, Block et al. (2011) investigate how entrepreneurial identities may help boost innovation and business performance. The theory was also applied to finance. In particular, Navis and Glynn (2011) utilize the concept of the entrepreneurial identity and examine how investors perceive those. A major study on the entrepreneur’s identity types has been offered by Fauchart and Gruber (2011) who related three different founders’ identities to their strategic choices. Whereas Jain et al. (2009) investigate how university scientists

¹ The term ‘entrepreneur’s identity’ will be applied to all possible identities of an individual engaged in entrepreneurship. For example, an entrepreneur but also a father, a brother, a husband, a member of a sport club. In contrast, the ‘entrepreneurial identity’ will refer only to the role of that individual as entrepreneur. The latter will be discussed in more detail in Chapter 1. This study defines ‘entrepreneur’ as an individual who makes a conscious decision to take actions (McMullen and Shepherd, 2006; Baron, 2007) to engage in entrepreneurship “as the discovery, evaluation, and exploitation of future goods and services” (Eckhardt and Shane, 2003, p.336).
transform their academic identities and become entrepreneurs by engaging in commercialisation of their technological innovations. Nonetheless, despite the extant literature on how the entrepreneurial identity may relate to future actions, it seems that the existing studies do not analyse identities as a process. Likewise, the literature is almost silent on how the concept of self may influence opportunity recognition (Mitchell and Shepherd, 2010; Farmer et al., 2011).

Consistent with this, the current research notices this insufficient attention to the entrepreneur’s identity. This study goes beyond the existing ideas on how it should be perceived in the entrepreneurial context by building on one specific identity theory, which is Burke’s identity theory, to understand the entrepreneur’s self-reported actions through the operation of the identity model. To address the gap in the literature, the current study adopts qualitative and interpretive methods to generate grounded theory of the entrepreneur’s identity process mostly based on interview data (Glaser and Strauss, 1967 [1999]; Strauss and Corbin, 1998; Mäkelä and Turcan, 2007). The grounded theory I apply draws from Stets (2006a), Burke (1991a, 1996); and while building it I use the abduction method (Gioia et al., 2012).

According to these authors, the identity model/system is a feedback loop consisting of four components: 1) the input perceptions of the self-relevant meanings from the situation of interaction, including both how the individual sees his/her self (individual’s perceptions) and how others see him/her (reflected appraisals), 2) the identity standard (the internal meanings of that identity), 3) the comparator (the mechanism that operates to compare the inputs from the environment with the identity-standard meanings), and 4) the output to the environment in the form of meaningful social behaviour based on the difference between the self-relevant perceptions and the meanings held in the identity standard.
The model stems from the groundbreaking ideas of the perceptual control model developed by Powers (1973). Burke develops it further by explaining how the feedback about oneself and one's actions in the situation and the identity standard meanings relate to each other. These identity processes (i.e. the input, the comparator, the identity standard, the output) interrelate in a cycle, which is also referred to as the feedback loop (Burke and Stets, 2009; Stets, 2006a). As soon as a particular identity is activated in a social situation, the identity process is established and all situationally self-relevant meanings as an input to the system are being controlled by it (Stets, 2006a; Burke, 1991a, 1996; Burke, 2004c, 2005b). With reference to Burke and Stets (2009, p. 29), the identity standard is the individual meanings of who one thinks he is, which defines his/her identity (Burke, 1996). It seems that the word 'standard' should not be taken too literally as in, for example, university standards or a product quality standards. It appears that entrepreneur's opinions or preferences are based on the identity standard of self-constructed meanings. These meanings already exist in the identity standard. That is why any preference or strategic choice is made with it in mind. A difference (or a discrepancy) between an input from the environment about the self and the meanings contained in the identity standard for that identity constitutes an error signal. This influences what the individual says and does in the situation of interaction. Burke and Stets (2009) also add that this, in turn, modifies the meanings of his/her behaviour in that situation.

The identity process is also labelled as the perceptual control system (ibid.). When the perceptual control system of Burke is applied to the entrepreneurial context it may help us to understand the linkages between the entrepreneur's account of their identity and their actions. That is why this study examines identity in relation to entrepreneur's strategic choices. Hence, a conceptual framework of this research is based on identity theory in general, and the perceptual control
emphasis in identity theory (i.e. the identity model) in particular. Specifically, it is focused on Burke and Stets (1999, 2009).

Based on this theoretical framework, this research addresses the questions of: “What do entrepreneurs think about themselves?” and “How does it influence their entrepreneurial actions/choices?” because it focuses on the content of the entrepreneur’s identity. To answer these questions, the basic identity model, which is created by identity theorists from the discipline of social psychology (Burke, 1991a, 1996; Stets and Harrod, 2004; Stets, 2006a,b; Burke, 2006b), is adapted to better understand how the entrepreneur’s identity process operates in practice. As with the identity system/model, the grounded theory model represents a process, which is a control system of incoming self-relevant perceptions/feedback from the environment (Burke, 1991a, 1996; Burke and Stets, 2009; Carver and Scheier, 1981). This means that the identity model in the entrepreneurial context is the entrepreneur’s identity control system designed for entrepreneurs, which describes the actions of entrepreneurs based on their identity. The model below has been adapted for the entrepreneurial context and may serve as the basis for the development of future advanced models of multiple identities (Burke, 2003; Thoits, 1983, 1986) and/or identity change (Burke, 1997; Burke and Cast, 1997). Figure 1 shows the entrepreneur’s identity process. The upper part of the model describes the internal identity system of one individual, whereas the lower part of the model represents the social situation/environment (Burke, 1997).
As it is depicted in Figure 1, this basic identity model has been adapted for entrepreneurs. It draws on the ideas of Burke (1991a, 1996), Stets and Burke (2005b), and Burke and Stets (2009) on identity control model, and on Powers’s (1973) perceptual control system, from the discipline of social psychology. This model demonstrates the basic operation of the entrepreneur’s identity process and the role of the error signal.

My study is therefore working towards an alternative model of the relations illustrated by Figure 1. In particular, my goal is to move towards an implementation of the basic identity model in the entrepreneurial context and present an adapted model. Gradually, the current study develops a grounded theory model based on the research findings. However, the final emergent model will still originate from Figure 1, which emphasises the central role played by the identity standard and the comparator for the entrepreneur’s actions in the social environment. The final grounded theory model is presented in Chapter 4.
By applying grounded theory to modelling of the entrepreneur’s identity, this research thesis makes a significant, original contribution to knowledge (QAA, 2011a,b) in the field of entrepreneurship. It brings about a novel perspective to help scholars of entrepreneurship to better understand why entrepreneurs act as they do according to the meanings that they attribute to themselves in real-life situations.

The remaining part of the thesis is structured as follows:

1st. Chapter: The Literature Review chapter critically reviews the fundamental conceptual and empirical works influencing the perspective, ranging from those in the disciplines of social psychology and sociology to modern entrepreneurial thinkers in the field of entrepreneurship.

2nd. Chapter: This chapter describes the research methodology of the thesis and also reminds the reader about ethical consideration of the project.

3rd. Chapter: This chapter presents and interprets the research findings.

4th. Chapter: This chapter discusses the research findings. For this reason, its purpose is to explain the importance of the findings for the field of entrepreneurship. It also evaluates the thesis by acknowledging its limitations. Last but not least, my conclusion highlights the main purpose of the research and the most important ideas.
Chapter 1: Literature Review

1.1 The Entrepreneurial Identity

In this section I discuss the general concept of identity. Next, I outline the literature to date on the entrepreneurial identity\(^2\) drawing on entrepreneurship research. Finally, I summarise my contribution at the end of the section.

The term identity has been used widely in social science (Stryker and Burke, 2000). For this reason, the definition of what identity actually means may seem somewhat ambiguous. Burke and Reitzes (1981) assert that the social processes form, shape and sustain identities. Therefore, according to Burke and Stets (2009), Stryker and Burke (2000), Burke and Reitzes (1981), identity is composed of a set of meanings attached to oneself when one occupies a particular role in the social structure as a member of a social group (Tajfel, 1982; Hogg and Abrams, 1988), or defines oneself as a unique individual (Hogg, 2006). This is how the term identity is defined for the purposes of the current study. Identities are also composed of meanings that others create for that identity (Burke and Reitzes, 1981), because the self and others respond to the meanings conveyed by a particular behaviour in terms of whether that behaviour matched the identity meanings (Burke, 1996) or the expectations attributed to it (Stryker, 1968, 1980 [2002]). Following the work of Burke (2004a), it seems that identities are socially constructed in the situation of interaction.

Murnieks and Mosakowski (2007) argue that entrepreneurial identities and entrepreneurial roles may be considered as the essence of entrepreneur’s self-concepts that impact his/her entrepreneurial motivation and actions. The authors emphasise that entrepreneurship scholars should study the association between

\(^2\) Other authors rely on related theoretical constructs, which are beyond the scope of this work. They are entrepreneurial narrative identity (Hamilton, 2014; Down and Giazitzoglu, 2015), entrepreneurial identity formation (Down and Reveley, 2004), entrepreneurial action and identity work (Watson, 2009), occupational identity and entrepreneurial identity (Gill and Larson, 2013).
entrepreneurial identities and entrepreneurial outcomes in order to advance the overall understanding of the entrepreneurial process. The empirical research of Murnieks and Mosakowski (2007) provides evidence that entrepreneurial identities (as well as roles) are the main force of entrepreneur’s behaviour. Their study attempts to provide a better understanding of what motivates individuals to become part of the entrepreneurial process. Drawing upon the combination of the structural emphasis of Stryker (1980 [2002], 1968) in identity theory and the perceptual control emphasis of Burke (1991a, 2006b) in identity theory, Murnieks and Mosakowski demonstrate and emphasize potential benefits of the theory for studying “the behaviours and experiences of entrepreneurs” (2007, p.9).

Moreover, the empirical research of Farmer et al. (2011) examines the same concept of entrepreneurial motivation to create a model, which describes how individual’s self-perceptions and his/her perceptions of the entrepreneurial role exert an influence on the identification and execution of opportunities. They support their assertions with the literature on self-concept and role identity. They discuss the evidence of entrepreneurial activities in the US, China and Taiwan, which indicates that the meanings of the entrepreneurial identity/role as a possible future identity affects individual’s actions towards setting up a venture. Mitchell and Shepherd (2010) complements this research by examining how the concept of self relates to how entrepreneurs recognise opportunities. The empirical findings reveal that “the self” impacts the pursuit of an opportunity. Here, it is seen through the lens of fear of failure, the required skills and self-efficacy (Bandura, 1997; Wood and Bandura, 1989).

Another example may include the study of Hoang and Gimeno (2010) who carefully delineate the details of the founder identity through his/her own ability to switch from a non-founder role to a founder role. The scholars support their argument with the studies from organizational research on work transitions, provisional and possible selves. Their theoretical work builds on the contributions
of Burke (2003), Burke and Reitzes (1981), Gecas (1982), Stryker and Serpe (1982, 1983, 1994) as well as Swann (1997), Swann and Hill (1982) but does not take the perceptual control emphasis in identity theory as its conceptual framework. Instead, Hoang and Gimeno (2010) focus on how “identity centrality and complexity” guide individuals in such a pursuit. The scholars come up with a number of propositions about this transition by describing the existing and new role identities, especially the effects of the previous role centrality to the new role novelty.

Identity creation is a phenomenon, which is closely related to identity transition. Recent entrepreneurship literature on the topic of ‘identity’ in the field has suggested that individual narratives/accounts form a major part of their identity creation (Down and Giazitzoglu, 2015; Down and Reveley, 2004; Hamilton, 2014). The scholars pay attention to the language in the construction of who an individual is, and claim that identity construction allows entrepreneurs to derive meaning from their actions. Complimentary notions have been presented by Jones et al. (2008), who studied a narrative construction of the social entrepreneurial identity by the social entrepreneur.

Jain et al. (2009) investigate how university scientists transform their academic identities and become entrepreneurs by engaging in commercialisation of their technological innovations. The study examines how university scientists make sense of technology transfer, and their role identity change during this process. This is a qualitative study of one of the leading US universities. Jain et al. (2009) notice that academic role identity is not separate from their involvement in commercialisation activity as they mostly adopt a hybrid role identity.

This hybrid identity is characterised by a combination of meanings from the academic identity and the commercial identity. The findings suggest that individuals tend to use “delegating and buffering” techniques to preserve their academic identity as it is salient in the hybrid role identity. The hybrid type of identity has also
been explored by Fauchart and Gruber (2011), who describe this type as a combination of two distinctive identities such as the darwinian identity and the communitarian identity. In the view of the authors, this combination emerges because of the previous experience of a founder as well as the need to attract funding from investors, who are often interested in the bottom line/revenue streams and profitability. This may be due to how investors perceive the entrepreneurial identity constructed by entrepreneurs (Navis and Glynn, 2011). However the entrepreneurial identity is also seen as a vehicle to regulate and resolve contradictory tensions, which may occur between entrepreneurs and investors (ibid.).

1.1.1 Contribution

Overall, what can be inferred from these studies is that in spite of the accumulated knowledge, the research on the entrepreneurial identity is scarce. A review of the identity literature in the field of entrepreneurship illustrates that entrepreneurship scholars study the relationship between entrepreneurial identities and entrepreneurial outcomes in order to advance the overall understanding of the entrepreneurial process. Some of the reviewed works seem to link identity to actions, e.g. steps to become an entrepreneur or to innovate. My research identifies a gap in the existing literature and fills this gap by using one specific identity theory from the disciplines of sociology and social psychology to understand entrepreneur’s account of their actions through the identity control system. The study has stemmed from the assumption that entrepreneur’s self-report of their identity and its operation may relate to the reported accounts of their entrepreneurial actions/strategies. Yet, it seems that this new perspective on identity in the entrepreneurial context helps understand, explain and assume the actions of entrepreneurs based on how their identity controls meanings coming from others in the social situation/environment. My intention is to understand the
nature of the entrepreneur’s identity, i.e. his/her identity standards. This research examines the operation of the self-reported entrepreneur’s identity in the context of digital technology entrepreneurs in order to understand what entrepreneurs think about themselves and how it may connect with their self-reported entrepreneurial strategies/ actions.

This research examines how the entrepreneur’s identity process operates in practice. In addition, the study looks at the content of the entrepreneur’s identity such as what kind of individual self-concepts or subjective meanings entrepreneurs hold about themselves, and how these identity meanings may influence what they do and the way they do it. In other words, the identity process might affect entrepreneurial strategies. For example, it might affect how entrepreneurs use the resources available to them to achieve their business objectives such as seeking an investor, finding team members, hiring employees, building a network or leaving their previous job and deciding to become an entrepreneur in the first place.

For this research, entrepreneur’s self-concepts are defined as subjective views or subjective content that entrepreneurs hold about themselves as revealed through their narratives (Hamilton, 2006; Nabi et al., 2010; Kohonen, 2004; Bruner, 1991). Here, the self-reported actions are represented by the internal and external outcomes. The internal outcomes are mostly related to the entrepreneur’s business practices, which arise inside a start-up. The external outcomes are related to the entrepreneur’s activities outside the venture. In the current study, opportunity is defined as “situations in which new goods, services, raw materials, markets and organizing methods can be introduced through the formation of new means, ends, or means-ends relationships” (Eckhardt and Shane, 2003, p.336) “to generate economic value (i.e., profit) that previously has not been exploited and is not currently being exploited by others” (Baron, 2006, p.107). Burke (1991a), however, refers to actions as meaningful behaviour.
Osgood et al. (1957) define *meaning* in terms of an internal mediation response to stimuli in the form of signs and symbols, which exist in the environment. Symbols are social words and gestures, which have common meanings for different individuals in society (Burke and Stets, 2009; Stryker, 1980 [2002]). Rosso et al. (2010), however, refer to *meaning* as how important a particular event or action is to an individual. Burke and Stets (2009) refer to ‘social situation’ as signs, symbols and resource flows that exist in the environment. This can be observed in various identity models created by Burke and associates (cf. Burke and Stets, 2009; Burke, 2006b; Burke, 2008; Freese and Burke, 1994; Tsushima and Burke, 1999; Burke and Cast, 1997). Burke and Stets (2009), for example, point out that meaning that one has about an object or stimulus is key for the actual behaviour. This is a response to the stimulus, which comes from the environment or social situation. The authors suggest that the interpretation of symbols is the same among social groups during the course of interaction (Burke and Stets, 2009; Stryker, 1980 [2002]).

According to Stets (2006a), Burke and Stets (2009), Turner and Stets (2005), the meanings that individuals attribute to their identities (about who they are) impact their behaviour. Following that, this research study relies on the works of Burke and colleagues with regard to the cycle of meaning organised as a *perceptual control system model* (Burke, 1991a,b, 1996, 2006b; Burke and Stets, 2009; Freese and Burke, 1994; Stets and Burke, 2005b, 2000; Stets and Harrod, 2004; Burke and Cast, 1997; Tsushima and Burke, 1999). *The perceptual control emphasis* in identity theory has also been referred to as Identity Control Theory (ICT) in later studies of Burke and associates. In essence, ICT is a loop of meaning organized as a system that controls the input perceptions of meaning relevant to an identity in the social situation (Burke, 2004c; Stets and Burke, 2005b). In some studies, *the self* is defined as an entity in the mind of an individual, which allows him/her to be aware of his/her identity (Burke and Stets, 2009). However, in the
discipline of sociology and social psychology, the constructs of self and identity are typically discussed together as one concept (Stryker, 1980 [2002]; Stets and Burke, 2003; Gecas and Burke, 1995). For the purpose of the current research, the entrepreneur’s identity is seen as a single concept.

It seems that the best platform for studying the entrepreneur’s identity process is by combining the constructs of self and identity in the light of the perceptual control emphasis (or ICT) of Burke in identity theory (Burke and Stets, 2009). The reason for such platform to be the best is that Burke’s perceptual control model is the only one that clearly describes the identity process, which I intend to investigate in the entrepreneurial context. In a nutshell, this research project takes Burke’s understanding of identities to examine how the entrepreneur’s account of the identity confirmation or disconfirmation relates to their self-reported entrepreneurial outcomes/actions. A new perspective is therefore defined through the application and advancement of the existing identity models of Burke (1991a; 1996; 2008), Stets and Burke (2005b) in relation to entrepreneur’s identity, focusing on the process.

For the current research, the identity control system models describe the essence of the entrepreneur’s control system. By studying the models, it may be concluded that because the perceptual control system operates automatically, it takes the perceived situational self-meanings (or the feedback that entrepreneurs receive in a social situation) under its own control. Burke (2006b) argues that the perceived meanings, which are relevant to oneself in a particular situation, are key as opposed to the behaviour itself or to other individuals’ perceptions. Thus, this study reasons that the entrepreneur’s self-reported actions are dependent on the meanings they have about themselves in their identity standard. Consequently, the central thesis is that (self-reported) entrepreneurial actions are based on how entrepreneurs control self-relevant meanings about themselves in the situation of interaction in order to keep these perceived meanings aligned with the identity-
standard meanings. As Large and Marcussen (2000, p.51) rightly observe, Burke’s identity model concentrates on how actors achieve and “maintain cognitive congruency”. Consequently, it seems that the current stream of research could benefit from a new perspective that considers the meanings of the entrepreneur’s identity as internal self-meanings held in his/her identity standard (Stets, 2006a; Burke and Stets, 2009). To summarise, I consider the conceptual identity models to be a suitable platform for this work because of Burke’s emphasis on the cycle of meaning and identity verification in his identity theory.

1.2 Three Empthases in Identity Theory; Social Identity Theory.

According to Burke and Stets (2009), identity theory has three instrumental emphases: the interactional (McCall and Simmons, 1978, 1966), the structural (Stryker, 1980 [2002]) and the perceptual control (Powers, 1973; Burke, 1991a, 1996; Burke and Cast, 1997). Due to a limited number of studies that discuss the importance of studying identity in an entrepreneurial context, little application has been offered of the three emphases in identity theory to the domain of entrepreneurship. Nevertheless, the distinction seems central for the understanding of a new perspective on the entrepreneur’s identity and its advancement in the future.

First, the interactional emphasis of McCall and Simmons (1978, 1966) relates to a role identity linked to a particular position in society. The authors delineate between a prominence hierarchy of identities (the importance of a particular identity to the self) and a salience hierarchy of identities (the probability of a particular identity being activated across various situations), and focus on the conventional as well as idiosyncratic dimensions of the role identity. It appears that the interactional emphasis of McCall and Simmons (1978) is mostly associated with the relationships between the reactions of others to one’s role performance during a process of interaction.
Second, Stryker (1980 [2002], p. 53) uses the concept of a role identity in order to describe the aspects of conventional role identities within the “large-scale social structure” of positions. For Stryker, the self coexists with a social structure, and is essentially a product of social experience and social interaction. What is more, the author advocates that shared behavioural expectations occur as a result of social interaction. In this respect, the arguments of Stryker seem to echo the work of McCall and Simmons. Stryker (2007) explains the development of a structural symbolic interactionist framework (Stryker, 1980 [2002]) where identities are defined as cognitive aspects of self in a role within a structure of social relationships. The author pays particular attention to the importance of small and large social structures represented by groups and networks. Thus, Stryker (2007) states that the meanings of different roles are derived from role expectations. Further, these expectations are tied to various social positions where each has its own expectations (Burke and Stets, 2009).

The examples may include an entrepreneur, a wife, a mother, a sister, and a student. That is why Burke and Reitzes (1981) reason that a role/identity is a set of meanings that describe how the self behaves in a particular role. As Burke and Tully (1977), Burke et al., (1988), Stryker and Statham (1985) pointed out, each role assumes a counter-role. For instance, male as opposed to female, an entrepreneur relative to a customer, the wife identity or role relates to the husband identity or role, a student presupposes that there is a professor. Burke and Tully (1977) as well as McCall and Simmons (1978) and Stryker (1980[2002]) conceptualise the link between self and role as role identity. Burke (1996), however, argues that the meanings of individual’s role identity are assessed on the basis of how the individual behaves in the position. It may be noted that roles have also been the subject of social identities in the work of Thoits and Virshup (1997) or Hogg et al. (1995), as part of the concepts of “me” and “we”. The concept of social identity will be considered later in this sub-section.
Third, within the perceptual control emphasis in identity theory, what matters is a set of meanings about oneself (Burke and Tully, 1977), which represents the identity-standard meanings of an individual (Burke, 1991a; Burke and Stets, 2009). In this, Burke and colleagues concentrate on the internal process of self-verification similar to Swann (2005, 1983, 1990, 1999), and Swann and Read (1981a,b). This is in contrast to Stryker and Burke (2000), who focus on the linkage between the social structure and the hierarchy of identities. Burke and Reitzes (1981) stress that there are common meanings that link identity to performance (behaviour). Burke (1980) focuses on the patterns of individual behaviour with respect to the meanings of identity for an individual, and concentrates on the internal dynamics that occur within the self (Stryker and Burke, 2000; Stets and Burke, 2003; Burke and Reitzes, 1981, 1991). Burke and Stets (2009) suggest that these meanings have implications for individual’s behaviour because they act as a standard or reference for one’s identity (Burke, 1991a; 1996). Consequently, individuals behave with reference to the meanings they hold about themselves to confirm them. This seems to be a rather important point, which may be considered in the context of entrepreneurs. Moreover, according to Burke and Tully (1977), every identity consists of multiple meanings. For this reason, it seems important to study the meanings that entrepreneurs have about their identities (i.e. individual self-concepts) in order to find out how they affect their entrepreneurial actions/strategies. Here, meaning is typically defined as the significance that events or actions have for a person (e.g., Rosso et al., 2010). To illustrate this point, let’s imagine the following life events/scenarios: meeting a venture capitalist for the first time, finding a customer, losing money on a project, going bankrupt. It should be pointed out that the current thesis uses the constructs of self and identity (Burke and Tully, 1977), together with respect to the entrepreneur’s identity.

It seems that Burke’s interest in “internal” aspects of one’s identity stems from the “fundamental attribution bias” of psychologists who study causes of
behaviour within the individual (Gecas, 1982; Ross, 1977). That is why an individual considers such meanings as a standard or reference (Burke, 1991a). For instance, Burke and Cast (1997), Burke and Tully (1977) provide an example of gender identity such as masculine or feminine where individuals attach specific meanings to masculinity and femininity. Stets (2006a) agrees with this argument by highlighting that the meanings that individuals attribute to an identity are not the same for each actor. The author provides an example of the gender identity of being feminine and demonstrates that some women are not necessarily non-competitive (if seen along the competitive/not competitive dimension of meaning) or easily hurt (if seen along the dimension of being easily hurt/not being easily hurt).

Depending on the society and the individual, the meanings of identities may differ (Burke and Stets, 2009). This set of meanings is often described in the literature as the identity standard. Stets (1995) contends that individuals act on meanings. That is why Burke (1991a; 1996), Stets and Burke (2003), Burke (2004a) particularly stress how individuals are motivated to match the meanings contained in the perceptions of the situation to the meanings held in the identity standard. This process may be seen as a continuous feedback loop whilst an identity remains activated (Powers, 1973; Burke, 1991b). Consequently, it seems that entrepreneurs may refer to the set of meanings embedded in their identity. Moreover, it appears that the identity standard of an entrepreneur may also be dissimilar to that of a non-entrepreneur.

We now move on to discuss more specific aspects of this theory. It is important to note that the works of Swann and colleagues on the phenomenon of self-verification (eg. Swann et al., 2003) tend to provide a more psychological perspective. For example, Swann and Buhrmester (2012) talk about positive/negative self-views, stable self-views and self-knowledge as they relate to the process of self-verification. The social psychological approach, however, differs
in this respect since the scholars do not pay any attention to self-views. Instead, the social psychological literature focuses on the process of identity verification from the standpoint of identity meanings and the identity feedback model (Burke and Franzoi, 1988; Burke and Reitzes, 1981; Riley and Burke, 1995). In this respect, Swann and Read (1981a) studied individual’s self-conceptions and the process of self-verification. The results of their empirical investigations showed how individuals try to confirm their identity standard (self-conceptions) in the social interaction.

Therefore, the authors claim that the main purpose of the control system of any activated identity is to facilitate identity verification (Stets and Burke, 2005a; Burke and Stets, 1999). This means that the input perceptions of self-relevant meanings should be consistent with the meanings held in the identity standard (Stets, 2006a; Burke and Stets, 2009). Moreover, Burke and Stets (1999) suggest that when an identity is verified, the comparator will produce small error signals, which will lead to the emergence of positive feelings. Following the above arguments, it seems that the identity standard guides the behaviour of an individual. In the entrepreneurship literature, Baron and Henry (2010) examine the role of the entrepreneur in a venture at an individual level. This is what Turner (2006) refers to as the social processes which exist at a micro or a face-to-face level of interaction. According to Baron and Henry (2010), perception is one of the basic cognitive resources through which the input from the environment communicates with the entire cognitive system to process what is being perceived in order to initiate overt actions. Consequently, in the entrepreneurial context, the identity standard of an entrepreneur is likely to influence entrepreneur’s actions, and consequently, his/her entrepreneurial activity. Therefore, it seems interesting to apply the basic identity model to entrepreneurs, and examine what kind of self-relevant perceptions entrepreneurs control to confirm the meanings held in their
identity standard. It also appears interesting to find out what identity standards entrepreneurs have about themselves.

According to the perceptual control model (Burke, 1991a, 1996; Powers, 1973), individuals are trying to control the inputs (perceptions relevant to them), rather than their outputs to the environment in the form of social behaviour (Burke and Stets, 2009; Mead, 1934). This control of perceptions of the situation happens because individuals do not experience the environment directly. As Burke and Stets (2009) point out, the perceptions feed into the identity to be compared with the meanings of the identity standard. It's only the perceptions that individuals have about objects through feelings or senses. For instance, in the entrepreneurial context, a PC keyboard or a business plan. Also, communication with employees happens by means of symbolic interaction in the form of words. That is why individuals control the perceptions to be compared with the identity-standard meanings to match the two. Therefore, when individuals change their behaviour, they automatically change the perceptions of the situation. In short, new behaviour brings new perceptions. This is the reason why individuals are seeking to control inputs rather than outputs.

As an analogy, let’s imagine an entrepreneur who is engaged in the process of finding co-founders, early employees and investors in order to get the business off the ground. To proceed further with this example, let’s imagine that he/she assembles a team of seven people working full-time in an office. It is possible to assume a variety of disturbances that disrupt the processes away from what the entrepreneur wants it to be; disturbances such as difficulties in terms of finding people with high-quality human capital including suitable experiences, common interests and values, perhaps, in the same region and industry. What this example shows is that the entrepreneur has the perceptions and his/her own exact standard of the qualities that the team should possess. Therefore, only the entrepreneur is in the position to compare the perceptions to the standard of how the team members
should look like. That is why he/she is controlling perceptions and is responding to the comparison with the actions of finding people through a network of friends, former colleagues from previous organisations or start-ups, for instance.

This way individuals act to achieve congruence between the inputs and the meanings held in their reference or standard in order to counteract the disturbances such as symbol and resource flows in the environment (Burke, 2006b). Burke and Stets (2009), Burke (1991a) explain that disturbances are interruptions that are beyond individual control, and which influence the identity processes by altering the social situation. Having said that, it appears that the identity control system controls the perceptions in the situation to match these meanings to the ones held in the identity standard. If the perceptions do not confirm internal self-meanings of who an individual is, the behaviour is altered until the meanings of the standard (or reference) are consistent with those from the situation about his/her self (Stets, 2006a; Burke and Stets, 2009).

As Burke (1980) and Burke and Reitzes (1981) argue, identity theory examines the connection between the identity of an individual and his/her own behaviour (performance). Given this, Burke (1996) emphasises that individual’s identity is connected to one’s behaviour through meanings. However, the author points out that this connection is not just a mere description, but a motivational force, which makes the individual to match the meanings of their behaviour to the meanings that they have for that identity. In other words, to bring the meanings of their behaviour in alignment with the meanings held in their identity standard.

It is worth mentioning, however, that two different strands of identity theory, separately developed by Stryker and Burke, can also be mutually relevant (Stryker and Burke, 2000). For instance, Stryker (1980[2002]), Stryker and Serpe (1982) focus on identity salience (the likelihood of enacting that particular identity in different situations) and identity prominence (importance) in relation to the degree of commitment as a motivational element. The authors claim that if an individual is
highly committed to a particular identity, he/she is most likely to enact that identity across situations. Stets and Burke (2003) recognise this observation and suggest that individuals may be committed to the meanings held in the identity standard in the control system model. Hence, the authors assert that self-perceptions in the situation become personally relevant to these individuals and their motivation to bring these perceptions in alignment with the identity standard meanings increases. That is why Stets and Burke (2003) conclude that if there is a discrepancy between the identity standard and self-perceptions, the degree of commitment to that identity as well as its salience will plummet.

Another example would be the observation of Burke and Stets (1999) where the authors claim that the identity processes within a social structure provide a suitable platform for the emergence of identities. The authors believe that the social structure helps sustain the identities from which the identity standards are being derived, which in turn sustains the social structure. This way both emphases in identity theory place the individual within the social structure.

Similarities between the perceptual emphasis in identity theory of Burke and the structural emphasis of Stryker occur when, for example, Stryker and Statham (1985) advocate that every social interaction (“act”) starts with the communication of at least two individuals, each trying to satisfy some internal impulses. In the words of Burke (1991a), Burke and Stets (2009), this would relate to the internal meanings held in one’s identity standard. Stryker and Statham (1985) especially note that the meanings, which arise in the situation of interaction, are “necessarily social” because social reality is a product of social interaction.

As identity theory primarily deals with roles that belong to a social structure, it seems relevant to discuss another theory, social identity theory, because of individual's sense of belonging to a larger group (or groups/categories) in a structured society (Tajfel and J.C. Turner, 1979; J.C. Turner and Giles, 1981; Burke, 2003; Cast, 2003; Thoits and Virshup, 1997). First and foremost, social
identity theory is about social identity, which means that an individual is a member of a social group because of his/her identification with it (Burke and Stets, 2009). Due to the reflexive nature of the self, individuals have an ability to classify themselves in relation to other categories in society (Stets and Burke, 2000). To illustrate, let’s consider the examples of memberships into particular social groups. These may include entrepreneurs who join a tech community; entrepreneurs who become part of a tech incubator or accelerator programmes. Another example may include entrepreneurs who become active in a particular association or network such as the Young Entrepreneurs Society (YES), the International Entrepreneurs Association (UK), LinkedIn etc. All of these memberships imply a sense of belonging or “us”/“them” (Burke and Stets, 2009).

According to Hogg and Abrams (1988), the social categories only make sense in relation to other categories. For example, an entrepreneur/ non-entrepreneur, full-time entrepreneur/ part-time entrepreneurs, successful entrepreneurs/ unsuccessful entrepreneurs. As social categories belong to a structured society, individuals place themselves in already existed categories. Stets and Burke (2000), Oakes et al. (1994) argue that the basis of social identity lies in the unity of perception and action of those who belong to the social group. In contrast, there are differences in perceptions and actions that exist in role identities because for each role identity there is a counter-role. Therefore, in social identity theory, social stereotyping is a cognitive result that accounts for the differentiation among those who belong to the group (Burke and Stets, 2009). Consequently, the in-group members are different from the out-group members because of a common set of perceptions, attitudes, feelings, and behaviour (Hogg, 2006). For example, a prototypical member of a tech community of entrepreneurs would be an individual who likes technology as well as being his/her own boss. By participating in a network and by being similar to others but separate from other groups and memberships, individuals experience a sense of belonging and their self-worth (as
based on self-esteem) increases (Burke, 2013; Burke and Stets, 2009; Stets and Burke, 2000). These members feel to be part of a particular community that accepts them and their abilities. This way, in-group members verify their social identities and confirm their identity standard.

This is an important distinction between the in-group and the out-group members (Tajfel, 1978; Deaux, 1993). Because of a social comparison process, individuals find similar others within the same social group. These are in-group members. Those who do not belong to this group are called the out-group members (ibid.). The processes of self-categorisation and social comparison are essential for identity formation (Stets and Burke, 2000; J.C. Turner, 1987, 1985). This may lead to the difference in judgement between the positively judged in-group members and the negatively judged out-group members.

Stets and Burke (2000) claim that identities are formed through the process of self-categorisation in social identity theory (J.C. Turner, 1985; 1991; J.C. Turner et al., 1987; Oakes et al., 1994) and identification in identity theory. Despite variations in language, identity theory and social identity theory have a lot of similarities between them about how individuals behave in a social structure. That is why it seems possible to establish an integrated view of the self that consists of multiple identities (ibid., Burke and Stets, 2009). For instance, self as entrepreneur is an identity, self as innovator is an identity, self as mother/father is an identity. As the examples show, all of these selves correspond to a particular role in society with its meanings in terms of the expectations of that role and its performance. Therefore, Stets and Burke (2000) advocate that there are certain parts of the theories that allow this integration to happen. First is how each theory defines identity (i.e. social identity theory refers to it in terms of categories or groups, whereas identity theory defines identity as roles). Second comes the identity activation when the identity process is establishes, and the identity salience. The latter is understood differently in either theory. Thus, for social identity theory it is
when identity becomes activated in a social situation (Stets and Burke, 2000) plus a psychological need to be a group member (Oakes, 1987). For identity theory, it is when an identity becomes invokes across various situations (Burke and Stets, 2009). Third concerns cognitive and motivational processes that occur with respect to category/group or role. Depersonalisation (in social identity theory) and self-verification (in identity theory) refer to cognitive processes. In contrast to the study of Stets and Burke (2000), Hogg et al. (1995) focus more on the differences between two theories and posit that social identity theory may be a useful perspective in order to understand intergroup dimensions.

Shepherd and Krueger (2002), for instance, examine how individuals translate their entrepreneurial thinking into corporate entrepreneurship. The scholars design a model of the social cognition of entrepreneurial teams to argue that perceptions of desirability and feasibility come from both the individual and the team. Likewise, West, III (2007) focuses on the founding team’s ability to understand which actions to take, which decisions to make, and how to obtain and maintain the required resources for all the necessary activities. The author examines the importance of collective thinking (i.e. cognition) at the team level, and uses new venture strategy to serve this purpose. This is an exploratory study of technology-based new venture firms that demonstrates how collective cognition of entrepreneurial top management team works as a mediator between individual cognition and firm actions, and performance. The evidence reveals that differentiation and integration as a form of collective cognition are strongly associated with firm performance.

Another study of Miller and Le Breton-Miller (2011) refer to the concept of identity as it creates a connection between social structure and individual behaviour. They also argue that identity theory and social identity theory have a common ground in which the self, as a product of social construction, mediates between society and individual actions. In their study, the scholars advocate that
owner-CEOs identities will have an impact on entrepreneurial orientation (EO), which in turn will relate to firm’s performance. In particular, the study takes Fortune 1000 firms to find out that lone founder owners and CEOs imitate successful entrepreneurs. As the authors put it, this happens because firm founders have had the exposure to the behaviour of their role models, and consider themselves to be similar to these in-group members (Tajfel and J.C. Turner, 1979). This is their entrepreneurial group identity. Therefore, Miller and Le Breton-Miller (2011) highlight that EO of their firms will be high and they will perform much better than others. Whereas, post-founder family owners and CEOs will be more inclined to take on a family nurturers identities. As the scholars argue, this happens because of their family context and the roles to which they are accustomed. This, in turn, will negatively influence their EO and firm performance, and will lead to intermediate levels of both. Consequently, family firm founders will adopt blended identities. Similar results were found by Block et al. (2011), who investigate how entrepreneurial identities may help boost innovation and firm performance. By taking firms from research-intensive industries that are included in the Standard & Poor’s 500 index (S&P 500), the scholars investigated the inputs and outputs of the innovation process. These consisted of innovation spending, innovation output, and the quality of innovation output. The results confirmed the expected relationship that lone founder owners who take on entrepreneurial identities are more likely to innovate and invest in R&D. Whereas, family owners do not demonstrate a tendency to adopt such an identity, and consequently, are less likely to grow their firms.

Fauchart and Gruber (2011) draw on social identity theory to understand plurality of meanings that founders associate with what they do. The scholars argue that these distinctive meanings shape “entrepreneurial behaviours, actions, and outcomes” (2011, p.950). They explore identities and actions of 49 founders who produce sports equipment. This is an exploratory, qualitative study of early-
stage ventures. Firstly, the authors come up with a typology of founders’ identities, i.e. what meanings each of 49 participants attach to being a founder. These categories are the following: the darwinian identity, the communitarian identity, and the missionary identity. These are pure types. However, there is also a “hybrid” identity, which includes the elements of the main types.

As far as the darwinian identity is concerned, this type is about entrepreneurs who are primarily concerned about profits, a business plan, and market research. In contrast, the founders with the communitarian identity draw on their own personal experience to develop a product that will be in demand in their community. Furthermore, because of their personal experience, interest and knowledge of their product, they strongly believe that what they produce correspond to the values of the users’ community. The third type is the missionary identity. These individuals believe that it is only worth being involved in the business if you do it for a greater good. This refers to social or environmental causes that can help society at large. Finally, the “hybrid” founder identity was found to be the characteristic of 11 individuals, who combine the features of the communitarian identity and the darwinian identity. This was mainly due to a shared business/community experience. Fauchardt and Gruber (2011) also specify that the second main purpose of their study was to outline how such a typology of firm founders affects early-stage strategic decisions: the segment selection in the market place, identification of the customer needs, and of necessary resources. The findings suggest that identity will only be relevant to those strategic decisions that are underpinned by identity meanings. For the “hybrid” founder identity, however, these decisions will be based on either identity or a combination of both.

Klotz et al. (2014) review the past research on new venture team functioning and its performance. Specifically, they look over the past 50 years and apply their inputs-mediator-outcomes framework to provide a comprehensive review. The scholars make use of the upper echelons approach, which they take from strategic
management to combine it with the selected framework. This study complements an earlier attempt to highlight the important issues about research on groups and teams (Steward, 2010).

Important advances have also been made by Shepherd and Haynie’s (2009a) theoretical paper on multiple identities by employing the concepts from the organisational and psychological literatures. The authors point out the role of ‘multiple micro-identities’ for exploring the concept of the entrepreneurial identity. Having said that, the empirical findings to date provide little evidence of how an input from the environment in the form of feedback that an entrepreneur receives about him/herself in a social situation may relate to their actions (or an output of behaviour to the environment). This would imply that the entrepreneur may have multiple identities or roles (Burke and Tully, 1977; Burke, 2003) such as the worker identity, the academic identity or the friend identity (Stets and Harrod, 2004). However, an entrepreneurial identity should be ‘distinctive’ (Shepherd and Haynie, 2009a). The abovementioned studies were mostly using Stryker’s (1980 [2002]) identity theory perspective of how entrepreneurs identify with a role in a social structure. Shepherd and Haynie (2009b), however, examine competing family and business identities from a social identity perspective by using Burke’s identity control theory (Burke, 2001).

In spite of the integration of the two versions of identity theory developed by Stryker (1987; 1997; 1977) and by Burke (Burke, 1991a; 1996; Stryker and Burke, 2000) (see the discussion above), the present research study does not use the combination of these traditions and relates solely to Burke’s account of the identity process as a control system (Burke, 1991b; Carver and Scheier, 1981). This is done because of the significance of the identity process that controls the self-perceptions personally relevant in a situation (Stets and Burke, 2003). For example, Turner and Stets (2005) state that despite Stryker’s and Burke’s different perspectives on identity theory, both authors agree that individuals’ actions reflect
the positions they occupy in social structure. Another assumption may be taken from the study of Burke and Reitzes (1981, p.83) who state that “identities motivate behaviours that have meanings consistent with the identity”.

The same as the perceptual control system or the identity control system introduced by Burke and associates, the adapted model of the identity process is a feedback loop that maintains identities of entrepreneurs (Burke, 1996, 1991a; Burke and Stets, 2009; Stets, 2006a). It consists of the following components: an input from the environment/social situation, an identity standard, a comparator and an output to the environment/social situation (as illustrated in Figure 1 in introduction).

By studying the model, it may be concluded that because the perceptual control system operates automatically, it takes the perceived situational self-meanings under its own control. Burke (2006b) argues that the perceived meanings, which are relevant to oneself in a particular situation, are key as opposed to the behaviour itself or other individuals’ perceptions. Thus, a new perspective adopted in this study is that the reported accounts of the entrepreneurial actions are dependent on the meanings the entrepreneurs have about themselves in their identity standard. Consequently, the central thesis of this research is that (self-reported) entrepreneurial actions are based on how entrepreneurs control the feedback from others about themselves in the situation of interaction in order to keep these perceived meanings aligned with the identity-standard meanings. As Large and Marcussen (2000, p.51) rightly observe, Burke’s identity model concentrates on how actors achieve and “maintain cognitive congruency”. Having said that, the discipline of social psychology in general and the conceptual identity models in particular are considered to be a very suitable platform for the extension of identity theory through the explanation of entrepreneur’s strategies/actions.
That is to say, the new perspective offers important theoretical assumptions based on the research findings about the nature and operation of the entrepreneur's identity, which can be transformed into a set of hypothesis and tested in future empirical studies by the application of different methodologies.

All in all, this research project differs significantly from previous research in its examination of the entrepreneur's identity through the identity process as perceptual control system that regulates itself (Powers, 1973; Burke, 1991a,b; 1996; Burke and Stets, 2009). Having said that, it seems important to consider how an identity controls the meanings/perceptions coming from the social environment in order to gain deeper insights into the operation of the identity process of entrepreneurs. By drawing on identity theory and research, the current undertaking enriches the field of entrepreneurship by combining theoretical conceptualisations of the discipline of social psychology (Gecas, 1982; Stephan et al., 1991; Stephan and Stephan, 1990) and the domain of entrepreneurship. Specifically, the research project concentrates on the internal dynamics of different processes within the self and how they influence behaviour in the situation of interaction (Stets and Burke, 2003; Stryker and Burke, 2000; Burke, 1980; Burke and Reitzes, 1981,1991; Burke and Stets, 1999; Cast et al., 1999).

It would appear that the recognition of the importance of examining entrepreneurial actions through the entrepreneur's identity process is likely to have a positive impact on the entrepreneurship discipline. It is also anticipated that by addressing the concept of the entrepreneur's identity through the adapted identity control model, it may be possible to see what entrepreneurs think about themselves and how it influences their entrepreneurial actions. To illustrate this, let's imagine a family business. There are two co-founders: a father and his son. The father has a 60% stake in the business, whereas his son has 40% equity stake. They are both involved in managing the company, which is a sport club for those interested in western martial arts. What we can observe in this situation is a
number of identities/roles: the father identity and the entrepreneur/co-founder identity, and likewise, the son identity and the entrepreneur/the co-founder identity. Now, as they work hard and put energy and time into growing their business, it is finally started to pay off. There is a consistent revenue stream, excellent feedback from the club members, and new opportunities to look forward to (i.e. to develop a chain of sport clubs). However, the son no longer wants to have 40% equity because he imagines that his role in the business is becoming more important that his father’s role. The son sees himself increasingly as an entrepreneur. Therefore, he wants to have a bigger equity stake, which, in his view, corresponds to his input. Despite his wishes, his father refuses to do so. As the example shows, there is a conflict between the father and the son. The father identity and the son identity are both defined by the meanings held in the identity standard of each identity. However, the meanings that the son holds in his standard about himself now differ from what his father thinks about him. Thus, the father confirms his identity-standard meanings by not giving his son a majority percent of the business equity. Whereas, his son experiences entrepreneur’s identity non-verification because he can’t bring the feedback he receives from his dad and his own identity meanings in alignment.

**1.3 Self and Identity, Self-Concept**

In the disciplines of sociology and social psychology, the constructs of *self and identity* are discussed together as one concept. For example, a *sociological perspective* on self and identity is characterised by a reciprocal relationship between the society and the self through social interaction (Stryker, 1980 [2002]; Stets and Burke, 2003). Whereas, a *social psychological approach to self and identity* integrates situational, social structural, biographical-historical and interpersonal emphasises on the self and identity (Gecas and Burke, 1995).
As far as *situational emphasis* is concerned, the importance is given to the behaviour of the self in social situations, which is often referred to as ‘situated interaction’ (Gecas and Burke, 1995). This situational approach was developed by a number of leading scholars who represent the Chicago school of symbolic interactionism. The names usually include Goffman (1959, 1963, 1967), Becker (1964), Blumer (1969, 1962 [2002]), Strauss (1978), Stone (1962) and Mead (1934).

The *structural emphasis* came about on the basis the pioneering works of Kuhn (1964) from the Iowa school of symbolic interactionism and Stryker (1980 [2002]) from the Indiana school of structural symbolic interactionism. Quantitative survey methods and the Twenty Statement Test (TST) (Kuhn and McPartland, 1954) represent the most valuable contributions of the Iowa school of thought. However, Burke and colleagues base their views about self, identity and society on the structural approach offered by Stryker and his associates (1980 [2002], 2007). Here, identities are linked to roles that exist within the social structure (Gecas and Burke, 1995).

The last two approaches to the *self and identity*, namely the *biographical-historical* and the *intrapersonal*, refrain from the control-system of the identity process as defined by Burke (1991a,b) due to their psychological and anthropological roots. Nonetheless, one of the most interesting points of the biographical-historical emphasis is its focus on narratives through which self-concepts are “constructed, justified and maintained” (Gecas and Burke, 1995, p. 44). Gergen and Gergen (1988) as well as Shotter and Gergen (1989) place a lot of emphasis on the importance of culturally formed narratives and words to the sense of self. This way, as Gecas and Burke (1995, p.44) point out, individuals “give continuity and coherence” to the story of their lives. The importance of narratives (story-based enquiries) have also been recognised within entrepreneurship research, namely Nabi *et al.* (2010), Hamilton (2006), Hamilton
and Smith (2003). It would appear that in the context of digital-tech entrepreneurs, narratives constitute a major part of the research investigation in order to allow the researcher to see how the individuals’ self-concepts are being constructed throughout the interview process.

Gecas (1982) points out that the self-concept has attracted much attention in the disciplines of sociological social psychology and psychological social psychology. These are “two social psychologies” according to Stryker (1997; 1987; 1977), Stephan et al. (1991) and Stephan and Stephan (1990). The current research draws upon an interdisciplinary domain of social psychology, which combines the disciplines of psychology and sociology (Gecas, 1982; Stephan et al., 1991).

In psychology, for example, Leary and Tangney (2012) heavily stress that understanding human behaviour seems impossible without understanding the human ability to think about themselves. Oyserman et al. (2012, p.75) argue that self, self-concept and identity may serve as "mental construct, social product, and force for action". The authors also note that the term self-concept has been widely described as “what comes to mind when one thinks of oneself" (Oyserman et al., 2012, p. 69). These seem to be two major points about the unity of self, self-concept and identity, which appears to be of great relevance to the field of entrepreneurship. Having combined the ideas about the self, self-concept and identity with entrepreneurial activity, it seems that what entrepreneurs think about themselves may influence different social behaviour. For example, let’s imagine again a family business where an elder brother is in charge of managing the company. He is a confident CEO, who is actively involved in day-to-day operations. A younger brother, however, is not involved because he thinks that he is inferior to his brother’s abilities and experience. This example illustrates that the older brother thinks highly about himself and confirms his identity standard about his abilities and ambitions. Whereas, the other one, has low self-esteem and thinks that it is better
for the company if he is not involved in a managerial role because he is not sure whether he is a good fit for company's management.

Essentially, *the self-concept* has been widely described *in the discipline of psychology* (Markus and Wurf, 1987), which relates to the domain of social psychology but is independent in its own right (Burke *et al.*, 1988). In psychological social psychology, the scholars tend to study various aspects of the self as it appears in social situations (Gecas and Burke, 1995). The authors provide the examples of self-monitoring and public appearances conducted by Snyder (1987) and impression management carried out by Tedeschi (1981). It is interesting to note that when psychologists approach social psychology they tend to place identities in the context of the person (Stryker, 1997).

In contrast, in *the discipline of sociology*, individuals have been theorised as holding *multiple positions or roles* in a social structure (Burke and Stets, 2009; Merton, 1957; Parsons, 1949; Linton, 1936). In this sense, an entrepreneur identity is placed within *the overall self as an entrepreneur*. Consequently, it appears that the entrepreneur’s self may consist of many identities such as the entrepreneur identity, the spouse identity, the father identity, the good friend identity etc. Combined together, all these roles form the entrepreneur’s self. This means that *self* as an entrepreneur is an *identity*. This study takes *the entrepreneur’s identity* as a single concept and argues that *the entrepreneur’s identity process* may affect how entrepreneurs make decisions and take actions. For example, how entrepreneurs create or recognise opportunities, make strategic decisions, plan, build a network of collaborators, make a social impact, and develop a reputation.

It is important to note that Burke’s perceptual control emphasis in identity theory does not recognise the process of *identification*, which dates back to the work of Footer (1951) and McCall and Simmons (1978). Instead, Burke has developed identity theory through the concepts of *identity* and *the identity process*. It seems that a particular strength of this approach to *the self and identity* is its
roots in symbolic interactionist theorising on identity undertaken by sociologists and social psychologists. The only study with the use of the term *identification* is sex role identification or gender identity with “the gender-related attributes, meanings and expectations one holds for oneself” (Burke, 1989, p.160). This notion comes from the empirical method of Burke and Tully (1977) with regard to the measurement of the gender identity meanings. On the one hand, the authors suggest that *the self* may be seen as a stimulus that allows the researchers to capture the meanings of different identities. The scholars support their line of arguments by using various bipolar adjective scales to capture the meanings of the boy/girl identity. On the other hand, Burke and Stets (2009) note that meanings attached to the self create ambiguity because they depend on a number of factors the stimulus denotes. These factors are: cognitive knowledge structures, emotions and feelings. Consequently, entrepreneurs may attach different meanings to themselves in response to the questions about their identity.

Continuing with the sociological approach to self and identity, Rosenberg (1979) defines *the self-concept* as everything that an individual knows, feels and can think of about him/her self, whereas Turner (1978) examines the social construction of personality by considering the notion of role-person merger with regard to individual’s behaviour. *In a sociological social psychology*, from the point of view of Burke and Franzoi (1988), *identity meanings* have a strong impact on the behavioural choices that individuals make. Furthermore, Burke and Reitzes (1981) assert that individuals behave so as to confirm the meanings that they have for themselves in their identities. From another standpoint, Stryker (1997) advocates that the best way to look at the identities is to place them in the context of the social structure with its continuous social relationships and interactions.

Overall, it seems important to study what entrepreneurs think about themselves because their own meanings about themselves are likely to shape their (self-reported) behaviour. Let’s take another example. Two friends have agreed to
be involved in an Internet start-up by launching an innovative online game. They have technical knowledge among themselves to be able to build new features for photo sharing, and bring this product to the market as soon as it becomes ready. Both entrepreneurs regularly attend tech events and conferences for developers to make business connections. They have also secured some funding from an angel investor, who happens to be particularly interested in the gaming industry. Both friends are keen on product development, and believe that their lifelong friendship and complementary knowledge will give them a competitive edge in the business. This example illustrates how the friend identity and the entrepreneur identity coexist and produce synergies. It seems that one friend trusts the other implicitly, which helps the idea development and its execution. It seems that the nature of the task being ‘research intensive’ is such that it is difficult to separate the input of each of the co-workers. For such tasks, the entrepreneur identity and the friend identity can support each other producing mutual trust. Consequently, this is an example of mutually relevant identities because both friends verify the meanings they hold about themselves in their identity standard. One is happy to work with the other, which confirms the identity-standard meanings they hold for each other.

Wells (1978, p. 198) claims that because of the interpretive nature of the self-conception process “it is relevant to the explanation of behaviours as it relates to the meanings that those behaviours have” for the individual engaged in them. Gecas (1982) maintains that the self-concept is at the core of the symbolic interactionist framework of James (1890), Cooley (1902), and Mead (1934). In his review of Stryker (1980)[2002], Gecas (1982) notices that role-identities are interpersonal if seen through the lens of identity salience (i.e. the likelihood of a given identity to be activated across situations)).

The reflexive and symbolic nature of the self (Stets and Burke, 2000; Burke and Reitzes, 1991, 1981; Burke, 1980) as the ability to answer the question “What do I know about myself?” highlights the importance of an individual’s identity and
his/her concepts about the self. In the field of entrepreneurship, Sarasvathy (2001, 2008) refers to this notion as the first principle of the theory of effectuation. In particular, the author considers the question as part of the effectuator’s given set of means, which also includes the awareness of “Who I am” and “Whom I know”. According to Mead (1934; 1964), the self combines all experiences and is an object to itself. For Mead, the “I” and “me” are both selves, which are tied to one’s position in society. For example, being a member of a community such as a member of a political party where the individual identifies himself/herself with the views and attitudes of that political party and takes actions on behalf of the entire party in communication with others in the (given) social community.

Given the fact that identities are reflexive (Burke, 1980; Wells, 1978; Burke and Reitzes, 1991, 1981; Stets and Burke, 2000) or reflective as suggested by Mead (1934), the self can be seen as “I” (the self as subject) and “me” (the self as object) (Burke, 1980; Stryker, 1968; Leary and Tangney, 2012; Mead, 1964; James, 1892 [1968]). Burke (1980) specifically stresses that reflexivity is the feedback individuals received in a social situation based on the consequences of how the self behaves. These ideas echo Power’s (1973) perceptual control theory and its explanation of human behaviour. Gecas (1982), for example, makes a distinction between “self” and “self-concept” based on the fundamental works of James (1890) and Mead (1934). From Gecas’ (1982) point of view, self is concerned with the process of reflexivity because it emanates from social interaction through human language, whereas the “self-concept” is something that is being produced by the reflexive activity. As Stryker (1980[2002]) points out, this reflexive activity affects the behaviour of individuals in their relationships with others. For this reason, individuals have different concepts about themselves. Therefore, it appears that an entrepreneur’s ability to think about themselves points to the existence of a factor that may guide, for example, how entrepreneurs use their social skills (Baron and Markman, 2000) to acquire the most crucial resources.
for their ventures such as “financial, human, and informational” (Baron, 2007, p.172).

Mead (1964) states that an individual acquires the self through social experience and that the self evolves as a consequence of one’s interaction with a social environment and others. Hence, the author claims that communication directed to the individual himself/herself or to others has significant implications for individual behaviour and the formation of the self. Therefore, the author argues that the self is a social structure. Stryker (1997) shares this view by continually emphasising the significance of society for the development of self and identity. Osgood et al. (1957) stress the importance of meaning and define it as a representational mediation response to signs and symbols in the environment (specific stimuli) such as individual’s actions and words (Mead, 1934). Mead (1964) provides an example of the word “chair” and suggests that the meaning of “chair” may be described as something experienced by the individual to produce a response. These meanings can be experienced directly or as a substitute stimulus associated with an original stimulus (Burke and Stets, 2009). For example, individuals can observe somebody’s behaviour in the situation of interaction or can perceive the meanings of that behaviour by looking at a picture. Consequently, it seems that entrepreneurs may receive direct feedback from the environment about themselves or indirect feedback (by reading a column about themselves in a newspaper), which may also impact what they think about themselves.

On the whole, it appears that social experiences of the entrepreneur contribute to the formation of the entrepreneur’s identity and how he/she communicates with others.

1.4 Emotion in Identity Theory and the Entrepreneurial Emotion

The current research does not examine the function of the emotions outlined below in relation to the error signal. However, it seems important to outline
theoretical as well as empirical studies that have been carried out to date in the social psychology literature and the entrepreneurship literature.

It was initially believed that identity theorists expressed no interest in the specific emotions individuals may experience in the environment/situation of interaction because of their great variety (Turner and Stets, 2005). They may include the following: fear, anger, depression and satisfaction (Kemper, 1987) or fear, anger, sadness and happiness (Burke and Stets, 2009). These are the examples of primary emotions. Secondary emotions, on the other hand, are a subgroup of primary (Burke and Stets, 2009), such as guilt, shame, pride, gratitude, love, nostalgia etc. (Kemper, 1987). Instead of studying this array of specific emotions, identity scholars are primarily interested in whether feelings are negatively or positively valenced (Burke and Stets, 2009). As it appears, the main aim was to explain the behavioural responses of individuals with respect to the emotional experiences in general without any reference to the specific emotional outcomes individuals may confront in situations.

Recent studies, by contrast, have suggested some future directions to study specific emotions and their antecedents (Stets, 2010; Smith-Lovin and Winkielman, 2010; Stets, 2005). Stets (2006b, p. 210) focuses on “the significance of the source of the disruption” from the environment for the operation of the identity control system (italics in original). Stets (2010), for example, points out the significance of the attribution process, which refers to the self or other that is believed to be the cause of specific emotions. The study further explains that in identity theory, the self or the other usually triggers identity confirmation or identity disconfirmation. Therefore, it seems that when an individual actively tries to confirm the meanings already embedded in his/her identity standard, the individual is more likely to experience an emotional response. This may result in positive emotional consequences as long as an identity is verified, and negative emotional consequences if it is not verified (Stets and Burke, 2005b). Therefore, it appears
that the identity-verification process (Burke and Stets, 2009; Stets and Burke, 2005b) is the main reason why the individual may experience the emotions that are either positively or negatively valenced. That is why Burke and Stets (2009, p.156) advocate for the importance of studying positive and negative feelings/emotions because of their effects upon “cognitive and behavioural responses”. The model (as illustrated in Figure 3 below) describes emotion as a consequence of identity-verification (i.e. when perceived self-relevant meanings in the environment are consistent with the identity-standard meanings) or identity non-verification (i.e. when perceived self-relevant meanings in the situation of interaction are not congruent with the meanings in the identity standard).

Figure 2. The Control System Model based on Burke (2008, p.77), Stets and Burke (2005b, p.46), Stets (2004, p.55)

The structural control emphasis of Stryker (2004) and the control system model of Burke (1991a, 1996) differ with respect to how the authors conceptualise the relationships between emotions and identities. Stryker (2004), for instance, pays a lot of attention to individual's roles in a network, commitment to these roles and how individuals in various situations use salient identities. The author studies
negative and positive affect/emotions as well as strong negative and positive affect with regard to identities, commitment, identity salience and role performance. The empirical evidence of Ellestad and Stets (1998) reveals how the prominence or salience of the mother identity may affect her emotional state, such as jealousy, and how she would try to use coping strategies to mitigate its negative effects. For instance, to devote more of her time to look after her child. It seems that evidence of Ellestad and Stets (1998) may be utilised with regard to the concept of grief from failure (Shepherd et al., 2009a; Shepherd et al., 2009b; Shepherd and Cardon, 2009) as well as learning from failure (Shepherd et al., 2011; Shepherd, 2003, 2004, 2009). When entrepreneurs fail they experience intense emotions such as grief because they lose a valued part of their identity tied to their entrepreneurial role.

For Stryker (2004), identities are meanings derived from a role occupied in a social structure. The author examines the relationship between emotion and the self, where ‘emotion’ and ‘affect’ are synonymous. On the one hand, the structural emphasis developed by Stryker maintains that positive affect can only be achieved when an individual meets the expectations of others about how well a certain role is performed. On the other hand, if the individual falls below what others expect of him/her in a particular role, negative affect will be generated as a response to noncorrespondence between the identity standard (reference) and perceptual input of self-relevant meanings from the situation.

Burke (1991a, 1996), on the other hand, applies the perceptual control model to the study of emotion. Within this model, the author claims that the perceptions of self-in-situation meanings and the self-meanings held by the individual in his/her identity standard (or reference) influence one another. For example, the author advocates that identity-verification will activate positive emotions, whereas identity-nonverification will be the cause of negative emotions. Fairly recent studies by Stets (2004), Stets and Asencio (2008), Stets and Osborn (2008) examine the lack
of identity verification of the worker role/the worker identity when workers received feedback on how well they performed. This identity verification appeared to be either in a positive or negative direction. The difference between the two experiences is positive emotions when identity non-verification occurs (such as an over-reward shown by Stets and Osborn (2008)) or negative emotions when identity non-verification happens (in the case of an under-reward (Stets and Osborn, 2008)). Thus, it seems interesting to examine how entrepreneurs react to identity non-verification. All of these arguments seem especially beneficial for the current investigation because it allows the researcher to study the emotional responses of entrepreneurs through the perceptual control model/emphasis of Burke (1991a, 1996). It should be noted that the terms ‘affect’ and ‘emotions’ are used interchangeably in this study because entrepreneurial emotion encompasses “the affect, emotions, moods, and/or feelings” (Cardon et al., 2012).

Overall, although Stryker (2004) and Burke (1991a, 1996) discuss emotions from their own standpoints, it would appear that both scholars understand emotions and identities in the same way. Despite the fact that the authors use different terms, the meaning of how the identity specifically influences emotions remains the same.

Burke and Stets (2009) maintain that the arousal of negative feelings may be caused by identity-nonverification when there is a mismatch between perceived meanings of the self in a particular situation and identity-standard meanings. In this case, an individual may try to enact a different kind of behaviour in order to change the perceptions embedded in his/her identity standard (Burke, 1991a; Burke and Stets, 1999). Bandura (1993), for example, states that aversive emotional reactions may prevent clear thinking and effective action.

Alternatively, the arousal of positive feelings will not lead to any changes in behaviour and the identity standard due to a confirmation of the identity-standard meanings from the feedback provided by others (identity-verification) (Burke and
Stets, 2009, Burke and Stets, 1999). Higgins (1987), however, argues that discrepancies between the self-concept (the actual self) and ideal self (hopes, wishes and aspirations of one’s self) account for different kinds of discomfort. In the context of entrepreneurs, it appears that the same as the output in the form of meaningful behaviour, entrepreneurial emotion occur as a result of an error signal produced by the comparator. For this reason, it seems that the understanding of the reasons behind negative and positive feelings provided by identity researchers may advance the entrepreneurship literature on emotions.

According to Burke (2004b), the cognitive-behavioural process of identity-verification serves to control perceptions of self-relevant meanings to confirm the identity standard an individual holds for oneself in the situation. Therefore, individuals try to change their behaviour to overcome the identity disruption process and return to the meanings embodied in one’s identity standard (Burke, 1991a, 1996; Stets and Burke, 1996, 2003). Swann et al. (1987), for example, examined cognitive and affective reactions to the feedback by using cognitive and affective measures. The results showed how the cognitive system dominated the affective system by being persistent over time. Therefore, it seems that there is an apparent connection between individual cognition and emotions, which can be studied together with the identity processes through the identity control system. It seems that by studying the meanings entrepreneurs attach to themselves by means of the perceptual control emphasis/model, it is possible to understand how entrepreneurial emotions are linked to the entrepreneur’s identity. For example, the study of Burke (1991a) considers the concept of stress in relation to identity processes. The author discusses the intensity of emotions when either salient or committed identities are not being verified. The results of the study indicate that if such identities are not verified, this will lead to the arousal of more intense negative emotions. Furthermore, the significance of the source of identity disruption and its frequency will also lead to the nonverification processes and intense negative
emotions. In the entrepreneurship literature, Cardon and Patel (2015) explore how the effects of stress (i.e. occupational stress) affects individual performance of entrepreneurs and may be “worth it” despite individual health issues.

It should be noted that identity theorists consider emotions in terms of being positively or negatively valenced (Burke and Stets, 2009). As it was noted earlier, the authors stress that most identity theorists are not interested in the specific emotions such as fear, anger, happiness or sadness. Instead, their primary area of concern is positive and negative feelings in various situations (Turner and Stets, 2005). The recent literature on entrepreneurial emotions discusses its role in entrepreneurial behaviour with respect to the valence of the feelings (Podoynitsyna et al., 2012). That is why it seems more appropriate to explore emotions within the perceptual control emphasis of Burke (1980). In other words, his control system model.

Traditionally, there has always been a considerable interest in how entrepreneurs think and act (Baron, 2007, 2004a,b, 2009, 1998; Baron and Ward, 2004). Recent entrepreneurship literature has suggested that the emotional experiences of entrepreneurs throughout the entrepreneurship process are also significant. Important advances in studying specific emotions in the filed of entrepreneurship have been made in recent years. For instance, passion (Cardon et al., 2013; Cardon et al., 2005; Cardon et al., 2009; Murnieks et al., 2011; Cardon et al., 2009; Cardon, 2008), grief and grief recovery process at the individual level (Shepherd, 2009; Shepherd et al., 2009b; Shepherd, 2003). Some literature on entrepreneurial emotions discusses their role in entrepreneurial behaviour with respect to the valence of the feelings (Podoynitsyna et al., 2012) or the role of positive or negative affect in entrepreneurial activity (Baron, 2008, 1998, 2007). This appears to be similar to the early works of identity theorists on emotions in the discipline of social psychology. Despite these studies, no attention has been paid to the role of the identity standard when the entrepreneur’s identity is considered. A
major issue of concern is a lack of knowledge about its relation to entrepreneur's actions and emotions alike.

There is a growing body of literature documenting entrepreneurial emotion defined as a combination of “the affect, emotions, moods, and/or feelings – of individuals or a collective – that are antecedent to, concurrent with, and/or a consequence of” entrepreneurial activity (Cardon et al., 2012).

The study of Baron (2000), for example, examined counterfactual thinking as one of many possible cognitive factors to start a venture. The results provided evidence that active entrepreneurs were not as susceptible to counterfactual thinking as potential entrepreneurs or non-entrepreneurs. Moreover, counterfactual thinking was found to be detrimental at the beginning of starting a business because of its potential impact on entrepreneur’s emotional responses, such as feeling of regret, envy, and disappointment (Baron, 2000). As the study reveals, these negative affective states may influence individuals’ perceptions of a situation and his/her interpretation of it. Following this line of argument, it may seem that the operation of the adapted identity model with respect to the entrepreneur’s identity process has potential to explain why individuals experience negative emotional reactions. The reason appears to be identity-nonverification (Stets, 2006b; Stets and Tsushima, 2001; Turner and Stets, 2005) or failure of self-verification (Riley and Burke, 1995). This seems to imply that the perceptions of the meanings of the self in the situation do not correspond to the meanings held in the identity standard. The comparator produces an error signal indicating a discrepancy between the perceptions of all of the self-relevant meanings and the standard (Burke, 2003). This situation is likely to happen if entrepreneurs are confronted with disappointing results from their business or other events (Roese, 1997).

The empirical study of Shepherd et al. (2009a) examines the emotion of grief and grief management in the context of corporate entrepreneurs because these individuals sometimes have to encounter project failure, and have to find ways to
deal with it. The authors offer two ways of managing this negative emotional response in the organisational environment. In their view, grief regulation and grief normalisation are crucial for grief recovery. The scholars claim that these techniques will help individuals learn from failure to perform better once they get involved in other projects. However, it seems that a constantly operating loop of meaning organised as a control system will impede learning from failure. Furthermore, it appears that due to this ongoing process of controlling the situationally self-relevant meanings to match them with the identity-standard meanings, it will take time for the individual to be able to take lessons from the failure experience.

The empirical work of Jenkins et al. (2014) extends current research on negative emotional responses of the failure experience such as grief by investigating appraisals of harm and loss after firm failure. In order to test the hypothesis, the scholars use data from firms that stopped their daily operations and were going through the bankruptcy procedures. The research evidence reveals that such appraisals of harm and loss exerted a greater influence on the emotion of grief.

Some empirical studies have examined the valence of entrepreneur’s feelings (such as negative or positive) as opposed to the specific emotions. This appears to be similar to the early works of identity theorists on emotions in the discipline of social psychology. For example, Podoynitsyna et al. (2012) use the cognitive appraisal tendency approach to argue that entrepreneurs tend to experience mixed positively and negatively valenced emotions (i.e. happiness and hope, anger and fear) when they make decisions. A similar approach to studying emotions in connection with opportunity evaluation is referred to by Foo (2011), who examines anger and happiness, fear and hope in relation to certain and controllable or uncertain and uncontrollable business results. Therefore, it seems that the importance of studying both positively and negatively valenced emotions
through the operation of the entrepreneur's identity system can offer a better explanation for the causes of the emotional consequences of the business failure event, which is “often fraught with psychological, social, and financial turmoil” (Ucbasaran et al., 2013, p.163) It would appear that if the meanings contained in the perceptions of the situation relevant to the entrepreneur's identity after the failure event do not correspond to the meanings held in his/her identity standard, the individual will feel negative emotional responses triggered by this disconfirmation (Turner and Stets, 2005; Stets, 2006b; Burke, 1991a, 1996).

In the field of entrepreneurship, Grichnik et al. (2010), Welpe et al. (2012) consider how specific emotions such as fear, joy and anger influence opportunity evaluation and its exploitation. Grichnik et al. (2010, for example, examine how positive and negative emotions (eg. joy, fear) affect this process. The results reveal how differently both emotional states affect the phase of opportunity evaluation, and how similar they are in relation to the phase of exploitation. In contrast, early research on emotions addressed by identity theorists refrained from analysing specific emotions (Burke and Stets, 2009). Despite that, Stets (2010) states that specific emotions should be studied in sociology through the attribution process in identity theory.

There is also a growing body of literature on emotions in family businesses. For instance, the commentary paper of Stanley (2010) extends the study of Morris et al. (2010) on the affective states of founders of family firms, nonfamily managers, and founders of nonfamily firms by suggesting that there may be a correlation between different emotional experiences of these individuals and their risk-taking behaviour during the first stages of setting up a venture. In addition, Stanley claims that the emotional reactions that may be encountered by family founders in the early stages may result in new cognitive structures that will ultimately impact cultural norms of family firms. The author asserts that if the
reactions are positive, the family founders may be better at strategic decision-making to ensure a growth-oriented firms' culture.

Overall, notwithstanding the important empirical and theoretical studies on entrepreneurial emotion, previous research does not devote its attention to the identity process as a system that controls the self-relevant meanings to keep them in alignment with the standard. Future studies in the field of entrepreneurship, however, may open a new area of research by providing a rationale for the significance of the function of the entrepreneurial emotion and it's relation to the entrepreneur's identity standard.

1.5 The Concept of Multiple Identities

It seems that the individual self-concepts of entrepreneurs may also be formed as a result of the multiple identities an individual has in different situations of interaction (Burke, 2003, 2001). McCall and Simmons (1978) argue that individuals' multiple role identities are embedded in a hierarchy within one's self. In the case of the entrepreneurial identity, it is claimed that if the identity is salient for the individual in his/her prominence hierarchy (McCall and Simmons, 1978), this will endanger the individual's self-verification and self-esteem (Murnieks and Mosakowski, 2007). Therefore, the scholars maintain that it is beneficial when the individual possesses several "selves" (James, 1890) or multiple identities for his psychological well-being (Thoits, 1983, 1986). The empirical findings of Linville (1985, 1987) confirm how the complexity of the self (Stryker, 1980 [2002]) represented by multiple identities or multiple self-aspects (Linville, 1987) may protect the individual from the negative effects such as stress (Thoits, 1991; Burke, 1991a). Therefore, it seems that the accumulation of multiple identities may resolve the internal conflict within the self and help manage the identity-verification process. However, Murnieks and Mosakowski (2007) are cautious about the number of roles individuals may take as this may lead to additional stress and
dissatisfaction. Consequently, it appears important to acknowledge the existence of multiple identities within one individual as well as across different individuals (Burke and Stets, 2009).

Having employed semantic differential format on seven-point Likert scales drawn from Burke and Tully (1977), the paper of Murnieks and Mosakowski (2007) presents the empirical evidence from two studies. The first one indicates that the distinct characteristics of the entrepreneurial role include risk-taking in times of uncertainty, innovation and unpredictability. The participants of the second study reported that in spite of the entrepreneurial role, they also possessed an entrepreneurial identity, which appeared to be valued very highly in the prominence hierarchy. Finally, Murnieks and Mosakowski (2007) conclude that the self-concept incorporates both the entrepreneurial role and the entrepreneurial identity.

As the literature further outlines, identity meanings have been measured in relation to different types of identities. For instance, gender identity (Burke and Cast, 1997; Stets and Burke, 1996; Burke et al., 1988), the student identity (Reitzes and Burke, 1980) and the age identities (Mutran and Burke, 1979a,b). As Burke and Reitzes (1981) conclude, the body of evidence indicates that there is a link between the meanings that individuals attach to their identities and the behaviour of these individuals. Consequently, it appears that the third aspect of identity theory is most suitable for the study of entrepreneurs at the individual level (micro level). This ‘micro concern’ is connected with the various self-meanings experienced in a particular role or as a member of a certain group or as individual characteristics (Burke and Stets, 2009). In the entrepreneurial context, such an individualistic perspective (Oyserman et al., 2012) focuses on how entrepreneurs may be different from non-entrepreneurs (Baron, 1998). Therefore, the self-concepts in this study are individual (Neisser, 1993) rather than collective (Tajfel, 1978, 1981).
A lot of attention has been given to the concept of multiple identities in the literature of sociology and social psychology (Deaux and Burke, 2010). As Turner (1978, p.1) points out, “roles are put on and taken off like clothing”. The author argues that the individual’s roles influence each other when they are performed in different situations. Owing to the social structure, individuals occupy multiple positions, which in turn implies that they possess multiple identities (Burke and Stets, 2009). The authors also pinpoint that the complexity of the self is derived from a wide range of roles, groups, and characteristics that can be attributed to it. Furthermore, Burke and Tully (1977) maintain that any given identity contains multiple meanings. Drawing upon a structural symbolic interactionist perspective of Stryker (1980 [2002]), Thoits (1983, 1986) highlights that when the self consists of a number of social identities (i.e. individuals accumulate multiple role-identities), it minimises psychological distress and increases psychological well-being.

In explaining the relationships among multiple identities, Burke (2003) emphasises how little theoretical and empirical work has been done with respect to how multiple identities relate to each other, how they are activated or how they cooperate to influence behaviour. Burke and Stets (2009) differentiate between the internal and external frameworks, which address the concept of multiple identities within the individual. For the purposes of the current thesis, it seems appropriate to elaborate more on the internal focus because it relates to the perceptual control system offered by Burke and colleagues, and may have important implications for understanding the entrepreneur’s self-reported actions in terms of verification of their multiple identities.

1.5.1 Multiple Identities: The Internal Framework

As Burke (2003) posits, the internal framework focuses on the internal mechanisms that are involved when considering the relationship between multiple identities within an individual. Moreover, Burke (2003), Burke and Stets (2009)
assert that the multiple identities operate within the self or the hierarchical perceptual control system in which all activated identities seek verification (refer to Figure 3 below that demonstrates three identities within an individual).

![Diagram of Multiple Identities within an Individual](image)

**Figure 3. Model of Multiple Identities within an Individual (based on Burke and Stets, 2009, p.134; Burke, 2003, p.198)**

This seems to imply that if an entrepreneur has multiple identities within the overall perceptual control system each identity within his entrepreneurial self will try to control the perceived situational meanings. These multiple identities may be differently arranged within the perceptual control system. For example, there may be one higher-level identity and several lower level identities as exemplifies by Burke (2001) or several higher-level identities and a lower-level identity as shown in the paper of Burke (1997) or multiple higher identities and multiple lower
identities (Burke and Stets, 2009). Therefore, it seems reasonable to propose that in the case of entrepreneurs, one identity may clash with another one.

Burke (2003) argues that all identities that are activated in a situation control the perceptions of their self-relevant meanings in that situation simultaneously. At the lowest level of the hierarchy, each identity is a control system with its own perceptions, standard, comparator and output in the form of meaningful social behaviour in the situation (Burke and Stets, 2009; Burke, 2003). In order to confirm the meanings held in the identity standard, identities at the lowest level alter the situation in order to change the self-relevant meanings in the situation (Burke, 2003; Burke and Stets, 2009). At the highest level of the hierarchy, each identity is also a control system with its own perceptions, standard, comparator and output in the form of the standard or goals for the lower-level identity (s) (Burke and Stets, 2009). Having said that, the lower identity (s) is under strict control of the higher identity (s) in the overall perceptual control system. As Burke and Stets (2009) argue, perceptions of self-relevant meanings at the higher level consist of the perceptions of self-relevant meanings at the lowers level in the hierarchy. Furthermore, the authors point out that the overall perceptual control system controls both the perceptions at the higher and lower levels, and that the perceptions at the lower levels are control by the perceptions at the higher levels.

As the identity-verification process is claimed to be “dynamic, ongoing, continuous process of counteracting disturbances” (Burke and Stets, 2009, p. 139; Powers, 1973, 1990), the higher-level identity (s) is slowly modifying the standard (s) of the lower level identity (s) until the output of the lower-level identity (s) alter the situation and the perceptions of that situation (Burke and Stets, 2009; Burke, 2003). In addition, Stets and Burke (2003) state that identity change happens for every activated identity. Despite that, the authors particularly stress that the modification of identity standard is much slower in comparison to how individuals change their behaviour to alter the situation of interaction in order to match
situationally relevant meanings to the meanings held in their identity. Tsushima and Burke (1999), for instance, studied the parent identity (i.e. a mother's type of parent identity) so as to examine higher and lower standards in the identity hierarchy. The authors referred to higher standards as abstract, principle-level values, beliefs and goals. This means that the standard and perceptions of the parent identity is placed at the principle level. At the same time, they considered lower standards as more concrete, practical and situated and called them programme-level standards. This means that the standard and perceptions of the parent identity is placed at the programme level. Tsushima and Burke's thought-provoking interviews with single and married mothers about their standards for dealing with their children in the areas of education and discipline revealed that mothers displayed a clear orientation towards either principle- or programme-level standards for child rearing. That is why principle-oriented parents organised their lower-level programmes according to the values or principles that they had. For this reason, the behaviour of programme-oriented parents placed more focus on the skills, whereas the behaviour of principle-level parents guided their everyday practices and interactions to make sure that those were consistent with the values they wished their children to inherit. This example of the parent identity most cogently shows how identities may be organised in the overall perceptual control system. Consequently, it seems possible to suggest that the concept of multiple identities and their operation is not confined to the field of social psychology, but can be generalised to the entrepreneurial identity as well.

Stets et al. (2008) examined the moral identity, which is seen as a higher-level identity. In order to achieve the verification of the moral identity, there should be correspondence between the perceptions of lower-level programmes and the higher-level standards. That is why in the case of role or social identities, Stets et al. (2008) show that the programmes, which are embedded in such kind of identities should match the moral identity standard.
Burke and Stets (2009), Burke (2003) describe the possible outcomes of identity-verification and identity-nonverification. On the one hand, if perceived situational meanings are not brought into alignment with them meanings held in the identity standard, there will be a discrepancy between the two, which eventually will lead to negative emotions, for example, distress. In extreme cases, as displayed by Cast and Burke (2002), individuals may have to withdraw from the relationship and abandon their identity as in the case of a divorce. Furthermore, as Burke (1991a), Burke and Cast (1997) point out, if it is impossible to alter the situation in ways that modifies perceived situational self-meanings individuals will have to change the actual identity (their standard). On the other hand, if perceived situational meanings are congruent with the meanings in the identity standard, this will eliminate the discrepancy and result in positive emotions (Burke and Stets, 1999). In addition to this, Burke (2003) argues that positive emotional reactions occur when there is a discrepancy or it is lessening, whereas negative emotional reactions arise when there is no discrepancy or when it becomes greater.

Some other examples may include those identities that share common meanings because they may be beneficial to each other. For instance, Burke (2003) provides an example of the spousal and the parent identities, which become activated together. Burke argues that a well-paid job will satisfy the standards of both identities because the shared meanings. Yet, if two activated identities with the individual are in confrontation with each other, the discrepancy between the self-relevant meanings in the situation and the identity standard will increase and result in negative emotions (Burke, 2003; Burke and Stets, 2009, 1999). Nevertheless, Burke (2003) argues that such a discrepancy will push individuals toward identity change, which would mean the change in the identity standard meanings of one or both identities. In this respect, Mead (1964) refers to the phenomenon of dissociation of personality when a unified self ceases to exist.
Burke (2003), Burke and Stets (2009) maintain that if behaviour fails to keep the perceptions received in the situation in line with their standards, individuals will have to make a choice between the following three outcomes to resolve the situation. First is to change the situation in ways that alters all the meanings related to that identity. Second is to change the standard of that identity. Third is to withdraw from the situation. A classic example of the last option is the case of a divorced, which has been studied by Cast and Burke (2002).

1.5.2 Multiple Identities: The External Framework

As far as the external framework is concerned, multiple identities have been conceptualised as multiple positions occupied by individuals (Burke and Stets, 2009). These multiple positions/roles are intrinsically linked to the social structure (Linton, 1936; Merton, 1957; Parson, 1949; Turner, 1978), which has been most profoundly described by structural symbolic interaction theory of Stryker (1980[2002]). Stryker derives many concepts from the foundational formulations of Mead (1934; 1964) such as significant symbols and the meanings behind them as well as the understanding of others through continued speech, gestures and language. Mead (1964, p.207) refers to a multiple personality in the sense that individual experiences “all sorts of different selves” as a response to various social reactions in the social process. According to Stryker’s ideas of symbolic interactionism, individuals are members of particular groups/networks, or they have roles in certain organisations and networks within the social structure of positions. The author advocates that these positions are symbols and they may predict individuals’ behaviour in relation to others in the same category. Furthermore, Stryker (1980[2002]) posits that such positions require specific behaviours from the individual, and that the expectations attached to positions constitute a role. In this vein, the Burke and Stets (2009) point out that the multiple expectations for the
multiple identities presented by the external focus substituted the multiple identities outlined in the internal framework.

With reference to Stryker and Burke (2000), identities are smaller parts of the self, which are formed from various meanings attached to multiple roles or multiples selves (James, 1890). Stryker (1980 [2002]), Stryker and Burke (2000) refer to the complexity of modern society as the main reason why there is the complexity of the self (Linville, 1985; 1987) that is reflected in the multiple identities possessed by the individual. The main reason seems to be the social structure, which offers various opportunities “in terms of groups, organisations and roles” (Burke and Stets, 2009, p.132) and allows the individual to take on many identities through the course of his/her life. Hence, the authors emphasise that this leads to the existence of disparate identities where each has its own meaning across settings. This accounts for the complexity of the self and the different identities. With reference to Mead (1964), the structure of the social process defines the structure of the self. Furthermore, the author points out that multiple elements of the self are the different aspects of the structured self in response to the structure of the social process. That is why “the self reflects society” (Stryker, 1980 [2002], p.59).

Stets (1995), for example, explored the relationship between gender identity as a role identity in the social structure and the mastery identity as a person identity in terms of the power use (control). The research subjects included college-age dating couples. The author examined how the partners control each other and how much influence each of them believed to have over another. The results of the study revealed that the enactment of gender identity in terms of the meaning of being male or female was critical in controlling one’s partner. Furthermore, the empirical study of Stets (1995) also revealed that the common meaning of control over the environment connected gender identity with the master identity, where the master identity had its own influence on the power use (control) in dating
relationships. This example of two identities suggests that there are shared meanings monitored by either identity (Burke and Stets, 2009). Another example of multiple identities may be found in the works of Deaux (1992, 1993), which describe the concept of “traits” in the context of social and personal identities. The author suggests that those identities, which have common meanings, are more prominent. Therefore, the author suggests that because of their importance in the overall hierarchy of control, they are in the position to keep lower-level identities under their control.

In line with structural symbolic interactionism of Stryker (1980[2002], 2007), the works of Tsushima and Burke (1999) and Burke et al. (1988) consider the identity meanings in connection with role identities. Burke et al. (1988), for example, claims that different roles form the shared meanings of any given role-identity. With reference to Stryker (1980[2002]), roles are linked to social positions in society. Therefore, a role is composed of role-relevant expectations that direct individual’s attitudes and behaviour (Burke and Stets, 2009). Burke and Tully (1977), Burke et al., 1988, Lindersmith and Strauss, 1956) highlight how roles relate to counter-roles. For instance, the role/identity of “male is relative to female”, the meaning of “husband” presupposes the role/identity of “wife” (Burke and Tully, 1977) or the role of the entrepreneur presupposes the role of the customer. As it may be noticed from these examples, the concepts of role and identity form a role identity, and are often used interchangeably. For example, gender identity may be viewed as a role identity (Stets, 1995). Having studies the literature on identity theory, the concept of role identity appears to be paramount for the structural emphasis of Mead (1934), Stryker (1980[2002]) and the interactional emphasis of McCall and Simmons (1966) in identity theory.
1.6 Multiple Identities across Individuals

To facilitate a discussion about multiple identities within a situation, it appears important to refer to identity models for two interacting individuals adapted from Burke and Stets (2009, p.149) (as illustrated in Figure 4).

Figure 4. Two Identity Models for Two Interacting Individuals (Cast and Burke, 2002, p.1045; Burke and Stets, 2009, p.149)

For simplification, this model assumes that each individual has only one identity. In reality, individuals have multiple identities (Burke, 2003), which relate to each other and influence one another once they become activated in the situation of interaction. Burke and Stets (2009) provide a model, which illustrates how identities operate in multiple individuals when they meet each other and start communicating. The authors point out that in this case each identity controls perceptions of self-in-situation meanings in order to confirm the identity standard meanings. Here, both individuals control the same situation from which the meanings arise in order to achieve identity-verification (Burke, 1991a). Given this, the output of meaningful behaviour in the situation may vary from individual to
individual. This would mean that despite the fact that individuals perceive the same meanings in the situation relevant to their identities, they tend to produce their own meaningful behaviours to the situation (Burke and Stets, 2009).

The authors also examine the effects of the operation of multiple identities within a situation in the case of disturbances. Burke (1991a, 1996), for instance, identifies four types of interruption within an individual by combining identity theory with interruption theory. Such interruptions include the following. Type I is the broken loop when the identity control system is disturbed by external events. In the case of interference from other identities (Type II), for example, the entrepreneur identity and the mother identity may be in conflict with one another because of their incompatibility. As Burke (1991a) points out, if the meanings in the situation are brought into alignment with the standard of one identity, the same meanings will not be congruent with the standard of another identity. In the above example, this would mean that the identity-standard meanings of the entrepreneur identity would not correspond to the identity-standard meanings of the mother identity. Carver and Scheier (1988) present the same idea and suggest that such different standards or reference values will create anxiety.

An over-controlled identity system (Burke, 1991a) with “tightly” and “loosely” controlled identities is a third scenario, where “tightly” controlled identities do not allow for the possibility of any disturbances when trying to match the input perceptions from the environment (the reflected appraisals) to the identity-standard meanings for this identity. Consequently, this implies that when there is a disturbance of the identity control system, the emotional/autonomic response is very strong (Mandler, 1982). Whereas “loosely” controlled identities allow the disturbances to occur and do not respond to them as strongly as “tightly” controlled identities.
The fourth type of interruption is *episodic identities*, which means that the identity process is interrupted by periodic identities as soon as they become activated (Burke, 1991a; Burke and Stets, 2009).

As far as multiple identities across individuals are concerned, Burke and Stets (2009) focus primarily on *the interference from other identities* in the situation. Nevertheless, the meanings of that interference do not refer to the identities within the individual; instead, they refer to *the disturbances* from other individuals and their multiple identities (see the model above for some further clarification of this point). Burke and Stets (1999) conducted a study of newly married couples in which the scholars measured the spousal identity of both partners with regard to the tasks that they performed as part of their marital roles. In their study individuals were asked to rate 11 spousal role activities to measure the extend to which each spouse felt inclined to perform a particular role activity, for example a responsibility for cleaning the house or shopping. The authors also asked each individual to say what he or she thought the spousal identity of their partner should look like. The empirical evidence showed that *positive self-feelings* were caused by identity-verification, which dissolved *negative self-feelings*. To put it differently, when self-relevant perceptions in the situation were consistent with self-meanings in the identity standard individuals experienced positive feelings about themselves. This appears to be a very important finding, which can be applied to entrepreneurs. When entrepreneurs receive funding, for example, they confirm their identity by feeling good about themselves and their business idea. In other words, the identity verification process produces positive feelings. In the entrepreneurship literature, however, the empirical evidence about the process of self-verification is missing. Furthermore, the extant literature does not explain how interference from other identities relates to the emergence of positive and negative self-feelings.

In the discipline of social psychology, Burke and Stets (2009) suggest a number of possible outcomes from disturbances caused by other identities in the
situation of interaction. For instance, with reference to the model above, the first scenario illustrates that when each identity controls the situationally relevant identity meanings, the identity standard of both individuals happen to be identical. Therefore, each individual’s identity supports the identity of the other (Burke and Stets, 2009).

The second scenario is perhaps less positive in comparison to the first one. In this case, the two identities control the meanings, which happen to be at different levels. For instance, if an entrepreneur would like to talk about business with friends and his/her friends want to evade such conversation, the meanings in the situation of both parties will not confirm the meanings held in their identity standards for that particular situation of interaction. This seems to be a very common scenario in the entrepreneurial context. That is why the current study captures the entrepreneurial identity by focusing on entrepreneur’s personal involvement in their tech community.

The third scenario describes two identities where each controls its own meanings irrelevant to the meanings controlled by the other identity.

Overall, Burke and Stets (2009) put forward an argument that the complexity of the situations of interaction calls for a combination of the three types of disturbances from other identities. According to Burke (1991a, 1996) as well as Mandler (1982), all these conditions when interruptions and disturbances occur may cause feelings of distress.

1.7 Identity Change

Firstly, this section conceptually explains the phenomenon of identity change and its consequences. Secondly, it takes an example of a situation of conflicting interaction between a father as a former entrepreneur and a daughter as a
successful owner of their family business to illustrate how identity change operates in practice.³

1.7.1 Identity Change: Theoretical Arguments

The process of identity change has been widely explored in identity theory in relation to the multiple identities of individuals (James, 1890) and the emotional responses to the situational or contextual changes as well as identity conflicts (Burke and Stets, 2009).

According to identity theory, an identity process control system operates in a way that controls perceived meanings of the self in the situation (Burke, 1991a; Powers, 1973). With reference to Burke and Tully (1977), Burke and Reitzes (1981), Stets and Burke (2003), an identity is the set of meanings one attributes to his/her self, which defines who one is. Owing to the reflexive nature of the self, it can refer to itself as “I” (the self as subject) and “me” (the self as object) (Burke, 1980; Leary and Tangney, 2012). Consequently, the meanings one creates for his/her self form the identity standard or reference for him/her (Burke, 1991a).

Once identity is activated in a situation (Stets and Burke, 2003; Burke and Stets, 2009), it always has to undergo the verification process (Burke and Stets, 2009). Owing to the hierarchical organization of self meanings (Stryker, 1968), Burke and Cast (1997) refer to the hierarchical organization of the identity control system where each activated identity is represented by its own “feedback loops” (Burke, 1997). Burke and Cast (1997) and Burke (1997) consider the higher-level loop or identity as the standard or reference for the lower-level loop or identity. Therefore, the outputs of the higher-level identity change the standard of the lower-level identity (Stets and Burke, 2003). Consequently, the input perceptions of meanings in the lower-level identity standard are prone to modification (Burke and

³ This is a practical example, which was given to me by my main supervisor, Professor Mark Hart, in the context of the Goldman Sachs 10,000 Small Businesses UK programme.
Cast, 1997). In other words, the lower-level identity is an agent for the higher-level identity (Burke and Stets, 2009; Tsushima and Burke, 1999). The identity change model below simplifies the hierarchical structure of multiple identities within one individual to demonstrate the control hierarchy of different identities. For example, Identity A and Identity B in Figure 5.

**Figure 5. The Identity Change Model (Burke and Stets, 2009, p.177)**

Burke and Cast (1997), Burke (2006a, 1997) posit that the higher-level identity changes the lower-level identity by slowly modifying the lower-level identity standard. Because identity processes are represented by the hierarchical identity control system, the self-relevant meanings in the situation of the lower-level identity have to be brought in alignment with the meanings held in its the identity standard. This process, as defined by the literature, facilitates identity verification (Burke and Cast, 1997). Therefore, the outputs of the lower-level identity feed into the
environment in the form of social behaviour (Burke and Stets, 2009) and become the perceptions for the higher-level identity standard.

Any identity is a perceptual control system (Burke, 1991a, Tsushima and Burke, 1999). Therefore, the system controls the inputs (perceived self-in-situation meanings) in order to change the outputs (behaviour) to the environment and counteract the disturbances that may occur (Powers, 1973, 1990). Burke (2003), Stets (1995) and Deaux (1992, 1993) argue that the standards of multiple identities may conflict because of the same meanings held in each activated identity operating at different levels. For example, a man who sees himself as rough and tough according to his gender identity, and as gentle and caring with regard to his church minister identity (Burke and Stets, 2009) may experience a discrepancy when he controls perceptions of situational meanings (i.e. rough and tough for one identity and gentle and caring for another). Another example suggested by Burke and Stets (2009) is a gender identity as a woman and a wife identity. The same principle seem to apply to the second example where the discrepancy always occurs once the identities become activated and the meanings in the identity standard of one contradict the meanings in the identity standard of the other. On the basis of these examples, it may be conclude that although the individual controls the identity-relevant meanings of one identity, he fails to do so for another one.

Tsushima and Burke (1999) offers a different example of the mothers with parent identities operating either at the principle or programme level. On the one hand, the authors argue that for the programme-oriented parents (with more practical goals rather than abstract values), the situation of conflict arises as a result of a collision of the children and the parent identity control systems. On the other hand, the principle-oriented parents are capable of resolving the conflict “by taking the role of the child” (Tsushima and Burke, 1999, p.186). Based on a fundamental work of Mead (1934), the concept of role-taking has been well
described by Stryker (1980[2002]), where the author maintains that taking the role of the other is a way of constructing the self in a communication process. Mead (1934) provides the example of the child, who can take the role of the parent and stop crying. Burke and Stets (2009) point out that in the example of Mead (1934), the child gets accustomed to the expectations of his parent and incorporates them within his identity standard.

Identity theory posits that identity change is the modification of the self-relevant meanings and expectations held in the identity standard (Stets and Burke, 2009). For this reason, the authors also note that this suggests the transformation of increased or decreased levels of prior meanings held in the identity standard. For instance, in the context of the entrepreneurial identity, this may imply that Mary (as a general example of a female entrepreneur) may increase the degree of self-confidence and leadership in her entrepreneurial identity and decrease the degree of being gentle and submissive.

The most recent study of Rouse (2016) does not use the terminology of identity change. Yet, the process of psychological disengagement can be interpreted using the identity change conceptualisation. In the paper, Rouse develops a theory of psychological disengagement of founders before and after exit as part of entrepreneurial activity. The study focuses on how individuals manage their practices in the time of exit (and how they start their companies again) because they have formed strong identities with their ventures. These identity-related practices are examined through certain behavioural tactics and emotional experiences associated with identity change. Rouse argues that exit is always a challenge for founders with a “deep identity connection” (Cardon et al., 2005, p.37), who have invested a lot into their ventures to let them go easily. The research findings of this qualitative study suggest that different founders experience exit differently. Some employ “idea stockpiling, side business developing, empowering others, recruiting replacements, and idea searching” as useful tactics that help
them disengage with their organizations (Rouse, 2016, p.1624). In other words, the founders experience identity change by altering the meanings in their identity standards. This is accompanied by various emotional experiences, which also depend on the individual and his ability to learn from the experience to start a new venture again. Specifically, founders experience negative emotions throughout the identity change process. However, once the loss of the business has happened, starting new companies is triggered by positive emotions because it confirms their entrepreneurial identity again.

On the basis of the models offered by Burke (2006a), Burke and Cast (1997), Burke (1997) about identity change and Tsushima and Burke (1999) about identity levels, it would seem that an identity control system might be created with regard to an entrepreneur. That is why the following section is solely devoted to the situation of conflict taking place between the father and the daughter in the context of family business.

1.7.2 Identity Change: A Practical Example

Now I am going to present an example of identity change within a family business context. There is a conflicting relationship between a father as a former entrepreneur and a daughter as a successful entrepreneur. A conflict between them occurs because the father keeps interfering in the family business despite the fact that he has already given the business to his daughter. The daughter has expanded the company and feels unappreciated because her dad does not give her enough credit. Nevertheless, the dad feels the need to constantly be there despite that fact that she is an official owner and CEO. Here, my conceptualisation of identity change of the two actors (father, daughter) explains this conflict by expanding on the ideas brought about by the adapted identity model. Again, the model finds its roots in Burke’s (1991a, 1996) identity control system and Powers’s (1973) perceptual control system.
According to Burke and Reitzes (1981), Burke and Tully (1977), Stets and Burke (2003), identity is a set of meanings one attaches to her/his self in a particular role in the case of role identities (Stets and Burke, 2000; Burke, 1997; Burke and Reitzes, 1981) or as a member of a particular group (Hogg et al., 1995; Hogg and Abrams, 1988; Stets and Burke, 2000) in the case of social identities. Because of the hierarchical nature of the identity control system in identity theory, identity change is described by a higher-level loop (control system) and a lower-level loop (control system) (Burke and Cast, 1997; Tsushima and Burke, 1999). With reference to Burke and Stets (2009), Stets and Burke (2003) identity change is a constantly operating process of transformation from one state to another, which occurs slowly but steadily in every identity.

Burke (2001), Burke and Stets (2009) argue that the hierarchical identity control system is a tool, which allows the researchers to understand how multiple identities within an individual (within his/her self) operate (James, 1890). Therefore, it appears that these concepts can also be successfully applied to the current example of conflicting relationships between the father and his daughter in terms of their family business.

The literature on identity change proposes a number of similar models, which explain the relationships between the higher-level identity standard and the lower-level identity standards. However, it seems that there is an assumption that the lower-level identity standards may be regarded as equal (for more details see Burke, 2006a, p.83). Nonetheless, Burke does not explicitly state the inferiority or superiority of one lower-level identity to another. Therefore, the three-level identity system below (in Figure 6) attempts to put forward an argument that the lower-level identity standards are not equal. Hence, the former entrepreneur identity of the father is higher in his hierarchical system than the father identity, and that the successful entrepreneur identity of his daughter is higher in her hierarchical system than the daughter identity.
Figure 6 uses the term 'identity standard' for each of the three identities because in this case, the entrepreneur's identity model as a hierarchical control system describes the relationship between different identities within two individuals and the role of the comparator in the control system of each identity.

Figure 6. Entrepreneur's Identity Model for Three Hierarchically Arranged Identity Control Systems within Two Individuals in the Situation of Conflicting Interaction in the Context of Family Business
In Figure 6, the upper part of the model describes the internal identity systems of the two individuals, whereas the lower part of the model “(below the dotted line) represents the social environment in which behaviour occurs” (Burke, 1997, p. 138). In the current example, the father identity may be seen as an agent for the former entrepreneur identity (Burke and Stets, 2009). However, the authors note that the master identity (i.e. the gender identity of each individual) would always be regarded as the higher-level identity, which provides the standard or reference for the two lower-level identities discussed above.

Burke (2006a) advocates that the meanings of the lower-level identity standard may be modified as long as the higher-level identity system is activated. In Figure 6, the higher-level gender identity controls both the former entrepreneur identity standard and the father identity standard. Thus, the identity-verification response matches the higher-level gender identity standard. The dotted arrows in the figure represent the outputs to the environment in the form of individual’s behaviour in the situation (Burke, 2006a; Burke and Stets, 2009).

Burke (1997) points out that a number of higher-level standards may operate at once. Consequently, the gender identity (male) and the former entrepreneur identity are both the standard for the lower-level father identity. In this case, the father identity as the lower-level identity is constantly changing in order to achieve the state of verification in the exchange situation with others (Burke, 1997). The same pattern seems to apply to his daughter where the gender identity (female) and the successful entrepreneur identity are both the standard for the lower-level daughter identity.

Burke and Cast (1997) highlight that when an individual experiences identity change, new roles are likely to require the adjustments in the existing identity standard to achieve identity-verification. The authors suggest that through this adaptive reorganisation process, the new identity-relevant meanings perceived by the individual (inputs) have to be brought into accord with the meanings held in the
existing identity standard. Due to the fact that new self-perceptions in the situation require adaptation and negotiation, the authors argue that it is challenging to achieve identity-verification. According to Burke (2006b, p.268), an error signal or a discrepancy is produced by the comparator causes changes in individual's behaviour “to counteract that disturbance and restore the situational meanings” to confirm the identity-standard meanings. Consequently, it appears that if an individual is too entrenched in his/her view of the situation, this happens because of the meanings held in the identity standard.

McKee and Sherriffs (1957) comment on how the literature on sex differences portrays the different social positions of women relative to men. In their study, the respondents were provided with different rating scales and asked to indicate the superiority of men to women and visa versa. The results revealed that the participants, namely college students, thought highly of males rather than females. What the authors found to be particularly interesting was that this finding had been reported by both sexes. Therefore, it seems that this logic can also be applied to the position of the father and his gender identity (his master identity as suggested by Burke and Stets (2009)) in the social structure (Stryker, 1980 [2002]).

McKee and Sherriffs (1959, p.356) also examine the stereotypes of males and females in terms of “the status (Gecas, 1982, p.14), context, and developmental aspects”. Sherriffs and McKee (1957) report that women tend to describe themselves in less favourable terms in comparison to men. That is why the authors argue that because of these terms, the female stereotype seems to be inferior to that of the male. Consequently, the father identity standard in the context of this conflicting situation may contain the meanings that his position as a male in the social structure is higher than the position of his daughter as a female.

Moreover, it seems that the gender identity controls the perceptions derived “from combinations and patterns of perceptions” (Burke and Stets, 2009, p.178) made by the former entrepreneur identity in case of the father, and the successful
entrepreneur identity in case of the daughter. In addition, the authors claim that the gender identity also monitors the perceptions, which come from the situation or the environment. Therefore, it appears that the outputs from the higher-level gender identity standard as a male serve as the identity standard for the former entrepreneur identity, and the outputs from the former entrepreneur identity result in the father identity standard. Thus, the father identity standard is the output of the two higher-level control systems as described by Burke (1997) and Burke and Cast (1997).

The same pattern may be suggested for the daughter identity where the outputs from the higher-level gender identity standard as a female serve as the identity standard for the successful entrepreneur identity, and the outputs from the successful entrepreneur identity result in the daughter identity standard. It is worth pointing out that the outputs of the lower-lever identity of both individuals (actors) feed into the perceptions of self-relevant meanings of each higher-level identity (Burke and Cast, 1997). For example, the outputs of the father identity standard feed into the former entrepreneur identity standard as well as the gender identity standard to satisfy the meanings of both standards to achieve identity verification.

Coming back to the conflicting situation between the father and the daughter in the context of their family business, it seems that because of a role transition from being a successful entrepreneur to becoming a former entrepreneur, the self of the individual (father) has undergone a substantial change (Wells and Stryker, 1988; Demo, 1992). Having said that, it appears that the father wants to satisfy the meanings held in his former entrepreneur identity standard first. Consequently, the outputs of his identity form a standard for his father identity. That is why his higher-level former entrepreneur identity controls his lower-level identity as a father, making the father identity an agent for the former entrepreneur identity. Therefore, the higher-level identity standard seems to determine the standard for his lower-level identity.
As far as the daughter identity is concerned, the pattern appears to be similar to the father’s, where the successful entrepreneur identity sets the standard for the daughter identity. Consequently, the perceived meanings in the lower-level identity seek confirmation from others in order to bring these self-in-situation meanings in alignment with her daughter identity standard. It should be noted that this standard also verifies the standard of her successful entrepreneur identity, her higher-level identity.

For these reasons, it would appear that the father wants to feel valued and needed (Mutran and Burke, 1979a, 1979b), whereas the daughter wants independence of running the family business without any interference from her father (Ellestad and Stets, 1998). Stets (1993) studies the level of control and power that individuals exert over each other in dating relationships. The findings reveal that individuals use an increased level of control over their partners if their control over the situation is in jeopardy. Furthermore, the results indicate that women tend to feel loss of control over their partners more acutely than men, and that the loss of control may be due to a new identity and a loss of independence. Having said that, the author argues that women may try to put more effort to regain control that they used to have. However, Stets (1993) points out that despite this finding, it seems doubtful that men have a tendency to exercise less control and power than women. Based on these empirical results, it appears that in the case of family business, the father may try to regain his control over his daughter in order to verify the meanings held in his former entrepreneur identity standard, whereas his daughter may try to intensify her efforts to reassert control over the family business.

In the case of age identity, Mutran and Burke (1979a) investigated young and old adult identities by measuring self-in-role (identity). The evidence revealed that there were some commonalities between these two types of identities. For example, both groups felt useless and less powerful in comparison to those of a
middle age. Such sense of self of older individuals was triggered by loneliness and failing health.

In another study, Mutran and Burke (1979b) examined the reciprocal effects of a number of variables on an old age identity. For instance, age, income, retirement, health problems. The results of the study indicated that the old age identity stemmed from the concept of personalism, which included such components as poor health, chronological age, income and retirement. Therefore, it seems that when the father observes his daughter running the business, he sees her as a ‘rival’ or ‘intruder’ (White and Mullen, 1989), who has entered predominantly his domain. That is why the situation of conflict arises (Shepherd and Haynie, 2009b).

In addition to the old age identity and the feeling of being useless, the father may also experience the loss of his previous status as a successful entrepreneur. Stets and Burke (2005b) investigate how a change in the meanings of status and power relate to the identity standard meanings that individuals have for themselves in a role (Burke, 1997; Burke and Tully, 1977). The authors maintain that the meanings conveyed by these two dimensions (i.e. status and power) account for any discrepancies that lead to identity-nonverification. Therefore, it seems that because of a different status and a lack of previous power as a leader of his own business, the father is experiencing such discrepancies and is trying to bring the meanings of his new status and power in alignment with the meanings of his previous status and power held in his former entrepreneur identity standard.

In the case of parent identity, Ellestad and Stets (1998) studied how a mother identity as a caretaker influenced her behaviour towards her husband. The empirical evidence revealed that when the mother identity was high in her prominence hierarchy (i.e. the importance of that identity) (McCall and Simmons, 1978), she would experience the emotion of jealousy as a reaction to her identity as a caretaker being threatened. Furthermore, the evidence of Ellestad and Stets
(1998) indicated that when the mother identity was high in her salience hierarchy (i.e. when that identity was adopted across situations) (McCall and Simmons, 1978; Stryker, 1968), she would engage in behaviour (coping strategies) to minimise the feeling of jealousy across situations.

It also seems that any conflicting situation often results in the emergence of negative emotions. For example, Stets and Tsushima (2001) examined the family identity and the worker identity. The outcomes of the investigation indicated that the negative emotion of anger existed when individuals experienced identity-nonverfication. Moreover, a lack of support from ‘significant others’ (Burke, 1991a) was the reason why the participants experienced anger. In the case of the worker identity, the non-verification of this role-based identity did not yield the same results because others were seen as being nonsignificant (Burke, 1991a). Further, as Mandler (1982) points out, a greater autonomic arousal is likely to be produced in tightly organised identities as opposed to loosely organised (Burke, 1991a). For example, if the individual values the relationships with his family, friends and other ‘significant others’ (Burke and Stets, 2009; Asencio and Burke, 2008, 2011), he/she may experience stronger negative emotions if the meanings of his identity standard are not verified by the perceptions of the self in the situation of interaction with the family, friends and etc.

Following the theoretical developments of Burke and Cast (1997), it seems that the higher control system of both father and daughter are slower in the way they function rather than their lower-level control systems because the outcomes of the lower-level control system occur in the form of meaningful social behaviour (Burke, 2003, p.198) that alter the situational self-relevant meanings by changing the situation (Burke, 2003; Burke and Stets, 2009). However, both standards are not static (Burke, 2006a; Burke and Stets, 2009). Therefore, it appears that the change in the father/daughter identity meanings will take time to be visible to others.
and to themselves in the form of the father/daughter output behaviour in the situation of interaction.

To sum up, according to Burke (2006a, 1997, 1991a), individuals are guided by the identity meanings held in their identity standard. Consequently, individuals may try to change the situation in order to bring the perceived meanings of the self about his/her identity in the social situation and the meanings of his/her identity standard in alignment with each other. In the current example of the father identity and his previous identity as an entrepreneur, it seems that what the individual is trying to achieve by his interference into the business of his daughter is to match the meanings of his identity standard (derived from his previous identity as a leader of his own business) to the meanings contained in the perceptions of the situation. In other words, it appears that the individual is trying to align the meanings of his previous identity as a successful entrepreneur (which still exists in his identity standard) with the feedback received from others in the environment (Burke, 1997). As it strongly appears, his previous identity as an entrepreneur has undergone a significant change (Wells and Stryker, 1988; Demo, 1992). Despite that, the verification process of confirming the identity-standard meanings has failed. Therefore, the father is still acting out his previous identity in order to verify the self-meanings held in his identity standard. As far as the daughter is concerned, it seems that what she is trying to achieve by her behaviour is to demonstrate independent leadership and her new status as a successful entrepreneur.

Overall, based on the theoretical explanations of Burke and Cast (1997) about identity changes it may be concluded that the father identity, as the lower control system, is prone to a much faster change than the higher control system such as the former entrepreneur identity. Thus, this may indicate that the father is likely to be reluctant to fully accept the new status of his daughter as the successful entrepreneur. In contrast, it appears that the daughter identity of his daughter is
changing fairly rapidly, leading to her new type of behaviour as the leader of their family business.

1.7.3 The Sources of Identity Change

This section demonstrates three major sources of identity change.

According to Burke and Stets (2009), there are three major sources of identity change: direct socialisation, reflected appraisals and social learning. The authors claim that these sources happen to be the same for the identity creation process. This seems to answer the questions of ‘Where does the entrepreneurial identity come from?’

Direct socialisation points to a formal form of social learning such as education. This appears to be the case with learning entrepreneurship as a method (Neck and Greene, 2011). The authors argue that entrepreneurship is an unpredictable process, which requires practice. This seems to point to the ways in which individuals receive the necessary skills and form their entrepreneurial identity in the classroom. As Burke and Stets (2009) advocate, direct socialisation creates an identity because of the way roles/positions, groups and organisations operate and how others expect these positions to be fulfilled. However, entrepreneurship is arguably different from most of the disciplines. Therefore, it would appear that direct socialisation in the form of formal and informal guidelines (Burke and Stets, 2009) will students of entrepreneurship to “understand, develop, and practice the skills and techniques” (Neck and Greene, 2011, p.61) to perform effectively as entrepreneurs in the real world of business.

The second source of identity change or the creation of a new identity is reflected appraisals. Reflected appraisals refer to how an individual thinks others see him/her (Asencio and Burke, 2011; Burke and Stets, 2009; Stets and Burke, 2005b). The most common examples will include the study of Cast, Stets and Burke (1999) on the spousal roles of newly married couples observed over a two-
year period, and the findings of Asencio and Burke (2011) on the criminal identity. It seems more appropriate to illustrate to gist of ‘reflected appraisals’ by considering the example of newly married couples first.

Cast, Stets and Burke (1999) draw on expectations states theory to examine the influence of others, i.e. how identities are shaped by what one spouse thinks of the other. The findings revealed the correlation between the spousal status and his/her influence on the identity of the other spouse. For instance, the authors found that husbands with a higher status had a much greater influence on how his wife should view herself in the role of the wife. The higher status implied a greater education and a more prestigious occupation. The same was true when wives had a higher-status. Furthermore, as the authors had expected, the results revealed that the higher-status spouse was also able to influence how his/her partner view him or her. However, a very unexpected result was similar-status spouses who had relatively equal amounts of influence on each other’s identity. Stets (1997) conducted a similar study in which the author examined the effects of age, gender, education and occupation on behaviour in marital interaction. The same concepts of high- and low-status influenced what identities individuals had and how they behaved towards each other.

The third source of the identity creation is social learning, which essentially means cultural signs and symbolic meanings that define different social roles and expectations (Burke and Stets, 2009). The authors add that individuals tend to take on the predefined identities associated with each role or social position. This process is called modelling and it is responsible for the formation of identity standards for each new position.

Overall, having considered different sources of identity change in the form of a new identity creation, it seems that the same mechanisms apply to entrepreneur’s identity change and the creation of an entrepreneurial identity.
1.8 Summary of the Literature Review Chapter

The adapted identity control model is similar to the perceptual control system of Powers (1973) and Burke (1991a, 1996), Burke and Stets (2009), who laid a foundation for explaining behavioural phenomena on the basis of individual’s perceptions and their control. Burke (2006b, p. 283) posits that ICT (Identity Control Theory) is a theory that explains how actors “act to portray, preserve and protect their identities”. ICT is the advancement of the earlier works of Burke and colleagues. In ICT, identities are interpreted as a set of meanings that individuals have about who they are when they occupy a role (cf. Burke and Reitzes, 1981; Burke and Reitzes, 1991), or if they are in a group with other individuals (Tajfel and J.C. Turner, 1979; Burke, 2003; Oakes, 1987). Identity theory also deals with the following question: what it means for individuals to be a particular type of person (Burke, 2004a; Stets, 1995). In this respect, special emphasis is placed on the control of self-relevant perceptions of meanings coming from the situation of interaction (Burke, 2006b). Therefore, the author maintains that actors behave in a way that brings their perceptions about themselves in a social situation in line with the meanings held in their identity standard about who they are.

Past research on the entrepreneurial identity examines the concept through the entrepreneurial role in its connection with the identification and execution of opportunities (Farmer et al., 2011), commercialisation of technological innovation (Jain et al., 2009), steps to become an entrepreneur (Hoang and Gimeno, 2010) or main motivations entrepreneurial activity (Murnieks and Mosakowski, 2007).

Important theoretical and empirical advances have also been made in the studies about emotion in identity theory as well as the entrepreneurial emotion. It seems that emotion and cognition fit with the focus on identity because identity-verification, a lack of identity-verification or identity-nonverification result in different emotional responses. However, the function of the emotions in relation to the error
signal produced by the comparator in the course of comparing the feedback from others in the environment with the meanings held in the identity standard is beyond the scope of the current research.

Overall, this study focuses on the content of the entrepreneur’s identity. The central thesis of the study is that entrepreneurs control the feedback from others to verify the meanings that the entrepreneurs have about themselves in their identity standard. The central research questions of the study are “What do entrepreneurs think about themselves?” and “How does it influence their entrepreneurial actions?”
Chapter 2: Research Methodology

The current study was qualitative and interpretive in its approach (Silverman, 2005; 2011a,b; 1993). The interpretation of participants’ meanings was of primary importance because meaning is socially constructed (Gioia and Thomas, 1996; Burke and Stets, 2009). That is why I paid special attention to how entrepreneurs themselves understood and defined their context and personal experiences of setting up a venture.

2.1 Epistemological Position

From an epistemological standpoint, the current research study aimed to generate contextually-specific type of knowledge (Lee and Lings, 2008). Therefore, the goal of collecting the data within the qualitative study was to make theoretical generalizations (Lee and Lings, 2008). That is why my study created contextually specific type of knowledge based on the data from a high-tech incubator programme based in a UK university. To elaborate even further on this point, this research generated context-specific type of knowledge through descriptions and interpretations of the identity processes that apply to the digital-tech sector entrepreneurs. As the study attempted to observe the individual self-concepts of entrepreneurs with respect to their entrepreneurial identity, it appeared important for me to be a part of a socially constructed situation in order to derive novel insights by means of a direct communication with the respondents. Consequently, with reference to Lee and Lings (2008), the knowledge about the entrepreneur’s identity was a collaborative construction (Lee and Lings, 2008) between the researcher and the research participants. Given this, qualitative research provided an opportunity to gather “rich and deep data” (Bryman and Bell, 2007, p.426) by considering the participants’ standpoint (Bryman and Bell, 2007, Tsushima and Burke, 1999; Mishler, 1986). Similar to the paper of Tsushima and Burke (1999)
about the parent identity, this research study used interviews as conversations to pinpoint the meanings and concepts that constitute the entrepreneur’s identity. This allowed me to experience first hand what entrepreneurs thought about themselves and their entrepreneurial activity. Having said that, it appeared that the way entrepreneurs chose to describe themselves was of great significance to the data analysis and interpretation. This seemed to indicate that the one-to-one interviews with both first-time and serial entrepreneurs supported the concepts from the perceptual control emphasis in identity theory (Burke and Stets, 2009; Burke, 2004c, 2005b) on which the new perspective was based. Therefore, it would appear that the right interpretation of the conversations with the respondents led to the development of theoretical propositions.

2.2 Data Collection

Research approach. Consistently with my interpretive research approach, I relied primarily on the interview data. 27 out of 30 informants enrolled on a high-tech incubator programme in that year were selected and interviewed on the basis of their “availability and willingness to participate” (Nabi et al., 2010, p.396). The pilot study and the main fieldwork took place in September-October 2013. The very last interview was conducted in December 2013. The chosen pool of respondents was represented by the digital technology sector. There are some elements that differentiate entrepreneurs in the tech sector from other types of entrepreneurs. First of all, these are high-impact entrepreneurs who drive an economy by commercialising their inventions that have potential to generate wealth and provide people with job opportunities (Acs, 2013). Reymen et al. (2015) state that the results of their technological activities are extremely unpredictable because they seem to operate in a quickly changing business environment. According to Brem and Borchardt (2013), high technology entrepreneurs recognise opportunities and bring about technological innovations when there is high risk and ambiguity. This
means that high-tech/digital entrepreneurs work in the environment with high levels of uncertainty (Reymen et al., 2015). Consequently, identity could be seen as particularly important in time of uncertainty because of the identity standard that each entrepreneur has.

The businesses in my study ranged from electronic-engineering to technology-based retail, software and gaming applications (apps), the betting industry and mobile apps, telecommunications and IT sectors, the hedge fund sector, online marketing and advertising as well as technology-related educational materials for children and a social networking site for managers. Some of the companies have already become leading tech start-ups in a city. All the research informants were males. The majority of them were from the UK. Table 1 below shows a detailed description of the research sample/interviewees.

<table>
<thead>
<tr>
<th>Names (all pseudonyms)</th>
<th>Type of Entrepreneurs</th>
<th>Age</th>
<th>Type of a Venture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hugh</td>
<td>First-time</td>
<td>25-34</td>
<td>Technology-based retail</td>
</tr>
<tr>
<td>Henry</td>
<td>First-time</td>
<td>45-54</td>
<td>Electronic-engineering</td>
</tr>
<tr>
<td>George</td>
<td>Serial/experienced</td>
<td>25-34</td>
<td>Social media</td>
</tr>
<tr>
<td>Jack</td>
<td>Serial/experienced</td>
<td>25-34</td>
<td>Software as a service sector for marketing on social media</td>
</tr>
<tr>
<td>Kevin</td>
<td>First-time</td>
<td>18-24</td>
<td>The online games industry</td>
</tr>
<tr>
<td>Luke</td>
<td>First-time</td>
<td>25-34</td>
<td>A content agency</td>
</tr>
<tr>
<td>Norman</td>
<td>First-time</td>
<td>25-34</td>
<td>Computing and technology</td>
</tr>
<tr>
<td>Philip</td>
<td>First-time</td>
<td>25-34</td>
<td>Marketing and advertising</td>
</tr>
<tr>
<td>Matthew</td>
<td>First-time</td>
<td>25-34</td>
<td>IT and design</td>
</tr>
<tr>
<td>Patrick</td>
<td>Serial/experienced</td>
<td>25-34</td>
<td>The video game sector</td>
</tr>
<tr>
<td>Peter</td>
<td>Serial/experienced</td>
<td>25-34</td>
<td>Internet start-up/fashion</td>
</tr>
<tr>
<td>Ralph</td>
<td>First-time</td>
<td>25-34</td>
<td>Software for the events industry</td>
</tr>
<tr>
<td>Reynold</td>
<td>First-time</td>
<td>25-34</td>
<td>Social networking</td>
</tr>
<tr>
<td>Scott</td>
<td>Serial/experienced</td>
<td>18-24</td>
<td>Working with distressed business assets</td>
</tr>
<tr>
<td>Name</td>
<td>Experience</td>
<td>Age</td>
<td>Field</td>
</tr>
<tr>
<td>----------</td>
<td>----------------</td>
<td>------</td>
<td>--------------------------------------------</td>
</tr>
<tr>
<td>Thomas</td>
<td>Serial/experienced</td>
<td>25-34</td>
<td>A mobile app</td>
</tr>
<tr>
<td>Stanley</td>
<td>Serial/experienced</td>
<td>25-34</td>
<td>Social media</td>
</tr>
<tr>
<td>Richard</td>
<td>Serial/experienced</td>
<td>25-34</td>
<td>Telecommunications and IT sectors</td>
</tr>
<tr>
<td>Alan</td>
<td>Serial/experienced</td>
<td>35-44</td>
<td>Technology, training, insurance and transport sectors</td>
</tr>
<tr>
<td>Andrew</td>
<td>First-time</td>
<td>25-34</td>
<td>Consumer products and energy optimisation</td>
</tr>
<tr>
<td>Jonathan</td>
<td>Serial/experienced</td>
<td>25-34</td>
<td>Education and technology</td>
</tr>
<tr>
<td>Roy</td>
<td>Serial/experienced</td>
<td>35-44</td>
<td>The hedge fund sector</td>
</tr>
<tr>
<td>Carl</td>
<td>First-time</td>
<td>25-34</td>
<td>Software business</td>
</tr>
<tr>
<td>Charles</td>
<td>First-time</td>
<td>25-34</td>
<td>The online game and betting sector</td>
</tr>
<tr>
<td>Derek</td>
<td>First-time</td>
<td>25-34</td>
<td>Education and technology</td>
</tr>
<tr>
<td>Colin</td>
<td>Serial/experienced</td>
<td>35-44</td>
<td>The education, healthcare, arts and publishing sectors</td>
</tr>
<tr>
<td>Gregory</td>
<td>Serial/experienced</td>
<td>25-34</td>
<td>Education and IT</td>
</tr>
<tr>
<td>Keith</td>
<td>Serial/experienced</td>
<td>55-64</td>
<td>Software</td>
</tr>
</tbody>
</table>

The findings are reported as a description, which has a number of representative quotes from the research participants. Having done that, I formulate a number of propositions about how the second-order themes relate to the aggregate dimensions, and construct the grounded model based on what was discovered in the data. The emergent theoretical model comprises three core concepts and their relationships locked in the cycle of meaning of the entrepreneurial identity process. From the beginning, I assumed the future task of the interpretations and structuring of the informant’s statements to develop an emergent, inductive model. Thus, given my main research question, I concentrated on understanding the content of the entrepreneur’s identity. Overall, this loop of meaning includes the following elements: an input (feedback entrepreneurs receive from the environment about themselves), the identity standard (the internal meaning of their entrepreneurial identity), the comparator (a mechanism that operates in a way to compare the inputs from a social situation/environment with
the identity-standard meanings), an output to the environments in the form of *internal* and *external outcomes*.

*Interviews.* The tech incubator was European-funded and focused on creating innovative technologies. In the beginning, the incubator members are based in one of the campuses to launch their ventures. Then, depending on the companies’ growth, they can relocate to larger offices on the Science Park. In order to enroll on the incubator programme, individuals have to fill in a short online form to describe a business or a business idea. As I observed when I was on campus, some individuals come with their parents (e.g. A young man came with his dad) to talk to the programme manager about his idea and how he could join the incubator. The manager looks for the best fit and I believe that the start-ups or the ideas for the start-ups are assessed on the basis of its potential and similarity to those who are already on campus. For this reason, prospective members may consult the incubator website to check current companies and members of the alumni.

There are many benefits that respondents derive from being on the incubator programme such as a co-working center with full ICT support, meeting facilities, video conferencing equipment and other technologies. When I was on campus, I could observe how my participants shared an open plan office/hot-desking with each other. According to one of the informants, the office space was designed in the same style as they do at Facebook and Google in Silicon Valley, US. The kitchen was adjusted to the hot-desking area, which provide an excellent environment for informal conversations and relaxation. Sometimes, I found myself participating in spontaneous talks with some of the cohort. This was done to gain a better understanding of the environment, which later helped me to picture the hub easily.

The participants could also use their own office suites depending on their membership package. For example, some respondents had small offices for 1-4 people. As I observed, they worked closely with their co-founders and first/early-
stage employees. All members enrolled onto the incubator programme had access to onsite Café Resource, the Test Labs, meeting rooms and different events such as Tech Wednesday and the Launch event for digital gaming and mobile app developers. Informal conversations with the informants made me believe that many of them really enjoyed the environment and the incubator community. They also valued an opportunity to present their work to peers at Tech Wednesday. As I noticed during my time on campus, the incubator members also liked an open plan atrium called Faraday Street where they could ‘bump into new faces’ to create opportunities for themselves.

To sum up, by spending some time on campus I was able to obtain rich data based on the entrepreneur's experiences by following systematic and rigorous procedure of collecting data for the generation of a theory (Bryman and Bell, 2007; Bell, 2010; Bluhm et al., 2011; Lee and Lings, 2008; Glaser and Strauss, 1967 [1999]). A majority of the interviews were conducted at the Campus by using an open plan atrium, one of the pre-booked meeting rooms within the incubator space and the on-site café just opposite the main working area. All the research participants were approached in a professional manner using the same selected methods and techniques, namely introductions made by the incubator programme manager or personal/face-to-face introductions. Nevertheless, three informants decided to opt out of the study. The reasons for non-participation included the following two: time constraints and lack of genuine interest in the research on their part.

I followed a semi-structured interview protocol similar to that of Nag and Gioia (2012). I started the interviews with a general opening about the purpose of the study and the consent form. All of the informants were reminded that the research was strictly for academic purposes. The participants were also made aware of the fact that the Ethics Committee at Aston Business School had approved the research. This seemed to add credibility to the study. At first, the interviews began
with some general questions about the business sector, participants’ age and a business history including the start-up process, their business idea and optimism at the start (see Appendix D). I also asked some follow-up questions about entrepreneur’s thinking in terms of why they thought they were capable of doing it, how they planned ahead, the key milestones in decision-making, how they searched for new opportunities and people to collaborate with. Lastly, I wanted to find out how entrepreneurs saw themselves, their own definition of ‘success’ and how involved they were in their tech community. In the course of data collection, the informants were encouraged to provide specific examples about their own experiences. During this process, I did not ask direct questions about entrepreneur’s identity or the identity process because I did not want to confuse the informants with technical jargon. Otherwise, it might have led to inappropriate questions from the respondents seeking clarification and a detailed explanation. Moreover, participants’ examples enabled a better generation of emergent theoretical concepts and their interconnection, which later formed an inductive theory. This step helped improve the credibility of the interview data. Furthermore, concrete examples of how the informants communicated in their tech community or searched for new opportunities, for instance, made the participants’ claims trustworthy (Guba and Lincoln, 1994).

The interview protocol was not discussed with the interviewee prior to the actual interview process in order to avoid participant (subject) bias (Saunders et al., 2007). Then, the recording was transcribed verbatim and sent to the participant for data validation. Not all of the transcripts were sent to the participants straight away. Some were sent after the interview. One participant replied back with his corrections. The comments were accepted accordingly. A majority of the transcripts, however, were distributed via email at the beginning of April 2014 which allowed the investigator to transcribe the recordings very accurately and analyse the data at the same time. Silverman (2011a) refers to the process of data
verification as ‘respondent validation’. According to the author, this procedure increases the validity of the results. It also seems that this practice gives the findings enhanced credibility.

In some instances, **handwritten notes** were taken straight after the interviews. In other instances, such notes were not deemed necessary. In one case, however, the notes were taken verbatim at the moment of speech because of the informal nature of the conversation with the participant at a monthly tech meetup, i.e. Tech Wednesday. It was at the end of **eight interviews** to highlight the key ideas that came up during or after the conversation. I also attended **two presentations** given by the participants at ‘Tech Wednesday’ and wrote down notes throughout. Key themes related to the issues of the entrepreneur’s identity, the environment preferable for tech start-ups and a tech community in the city. The ideas were then narrowed down to fit the research focus and the central research questions. As Bryman and Bell (2007, p. 464) explain, these are ‘scratch or jotted notes’, which include small pieces of information. According to Lofland and Lofland (1995, p. 90), such brief notes often consist of “little phrases, quotes, key words, and the like”. In the current context, they appear especially helpful to memorise events, conversations and individuals involved.

**Secondary data sources.** In addition to the interview data, I also collected some secondary data, which comprised the high-tech incubator web site, the web sites of entrepreneurs’ ventures (subject to availability as some web pages were not yet live), LinkedIn profiles available from Google, a business blog about the city’s tech scene, and the 2011 Census data from the Office for National Statistics (ONS) about the West Midlands' population. Regular newsletters from the incubator programme proved to be very useful because they directed me to the campus’s website with the latest news including some information about the participants’ businesses. For example, a monthly ‘Tech Wednesday’ event for the local community often featured the presentations delivered by the current incubator
members. For this purpose, some information about the presenters' businesses was often displayed on the website.

### 2.3 Data Analysis

I analysed the data according to the Gioia Methodology (Gioia et al., 2012) of organising data into 1st- and 2nd-order categories to later assemble them into aggregate dimensions. Such a data structure allows for the higher-level perspective in order to discover new concepts by means of informants’ experiences (Gioia et al., 2012; Dacin et al., 2010; Nag et al., 2007). In other words, I classified the interview data into meaningful codes in order to group them. The preparation of such categories provided an emergent structure for the subsequent analysis of key themes and patterns (Saunders et al., 2007). The initial reading of the research transcripts presented numerous 1st-order categories. These concepts were mostly devoted to informant terms. Having done that, the subsequent readings started to suggest similarities and differences among the many terms. This is often referred to as axial coding (Strauss and Corbin, 1998). Then I labelled these categories by adhering to informant terms and considered what was in front of me. This way I tried to find a deeper structure, which led to a higher level of abstraction in the form of the 2nd-order themes. I wanted to focus on the emergent relationships, which were discovered in the interviews. In this 2nd-order analysis I asked whether the emerging themes could really explain the entrepreneur’s identity and the entrepreneur’s identity process to address the central research questions. Having read the data multiple times, I reached a point in the analysis when no new themes and categories could emerge to answer these questions. This is what Glaser and Strauss (1967) [1999] refer to as ‘theoretical saturation’. Therefore, I assembled the 2nd-order themes into aggregate dimensions to have the basis for a data structure, which is depicted in Figure 1. This is a visualisation tool that is more abstract from the ‘raw data’, which now has terms and themes to demonstrate rigor in qualitative
research (Gioia et al., 2012). Finally, in order to finish this theorising process, I aspired to capture the relationships among the 2nd-order themes without consulting the literature to avoid confirmation bias (Gioia et al., 2012; Saunders et al., 2007). Table 1 shows representative supporting data for each 2nd-order theme.

Overall, it seems that the grounded approach fits best the central research questions (i.e. what do entrepreneurs think about themselves and how does it influence their entrepreneurial actions/choices) as it allows me to understand entrepreneurs’ lived experiences and to deal with the interpretations of this interview-based study. I also utilized abduction (Gioia et al., 2012) by relating what I find in the interview data to the categories of the adapted identity model for entrepreneurs (see Figure 1 on p.15). Given this, instead of using prior theory to test the hypothesis, the emergent theory is grounded in the research data (Glaser and Strauss, 1967 [1999]; Gioia and Chittipeddi, 1991; Silverman, 2011a; Corbin and Strauss, 2008) as well as the model and theoretical concepts from the literature (Burke, 1991a, 1996; Burke and Stets, 2009).

2.4 Data Quality

This section is dedicated to data quality issues and how they were overcome.

The current research study was qualitative and interpretive in nature. That is why it mostly relied on one-to-one semi-structured interviews (Bryman and Bell, 2007). It would appear that the research findings from using such qualitative/non-standardised interviews (Saunders et al., 2007) are not intended to be replicated in the exact the same way because they are conditional on the time when the research took place, and on the incubator members who were on the programme at the time of the interviews. This claim pertains to the issue of reliability and is supported by Marshall and Rossman (1999). I ensured internal validity (Bryman and Bell, 2007) through immersion in the entrepreneurs’ work context. I also considered data from multiple sources (e.g., secondary data) to ensure a good
match between what I saw in the field and my theoretical concepts (Bryman and Bell, 2007). The evidence was analysed and interpreted several times to ensure its validity. The interview questions were covered in full, the respondents received a clear explanation when it was warranted, the participants felt at ease throughout the whole conversation, and that the meaning was probed by the follow-up questions (Sykes, 1991). Through respondent validation (Bryman and Bell, 2008) I ensured that the account of the entrepreneurs’ actions is trustworthy (Guba and Lincoln, 1994; Lee and Lings, 2008). This also satisfies the credibility of findings.

Technical quality of the digital audio recorder had been checked and verified prior to the fieldwork to make the data reliable. The logic of the interview questions was tested by first few pilot interviews for the same purpose. The interview protocol was not discussed with the interviewees prior to the actual interview process in order to avoid interviewee/response bias (Saunders et al., 2007). The evidence for the final analysis was obtained from interview recordings and fieldnotes. Verbatim transcriptions of the interview conversations were prepared manually in order to ensure a higher level of accuracy. These transcriptions were carried out independently because of reliability issues. The involvement of any external transcription agencies was avoided. It was also done for the purposes of confidentiality and data protection. The names of the research participants in the results section of the final draft are pseudonyms to disguise the real identity of those who participated in the study. In addition to that, the data were double-checked and reviewed numerous times.

The research data were specific to the digital-tech entrepreneurs from one incubator programme based in a UK university, in which the study was conducted. This undermines the external validity or generalizability of the research (Robson, 2002, 2011). Despite that, the main aim of the study was to understand how entrepreneur’s identity standard may associate with his/her entrepreneurial
actions/strategies, and how the identity-standard meanings got confirmed or disconfirmed.

2.5 Ethical Considerations

According to Saunders et al. (2007), Blumberg et al. (2005, p.92) research ethics is important in research and relates to the “moral principles, norms or standards of behaviour” that are considered to be appropriate for conducting social research. Therefore, the researcher has prepared the report for a review process by the Ethics Committee because the investigation involved human subjects. Furthermore, the investigator has referred to the codes of ethics (UKRI Code of Practice for Research, 2009; The SRA Ethical Guidelines, 2003; BERA Ethical Guidelines for Educational Research, 2011; the UK Data Archive, 2011) to prepare and submit an ethics application to the research ethics committee for approval. The ABS Research Ethics Committee has issued a letter in which granted its approval for conducting research. The reference number is 24:06/13.

All respondents were provided with a Participant Information Sheet (Appendix B.1), which explained the purpose of a social inquiry, anonymity, non-disclosure of participants’ identities and further use of the data provided. The original title of the research study was substituted for a more accessible and compelling name for the respondents, i.e. ‘A New Perspective on Entrepreneur’s Identity’ was changed to ‘Entrepreneurs’ Experiences in Austerity Britain’.

Informed Consent was obtained directly from the participants by asking them to sign a Voluntary Consent Form (Appendix B.2). This way the research subjects were well informed about their rights throughout the study. For example, the informants were made aware of their rights to refuse to participate in the research and to withdraw from it at any time.

Confidentiality and anonymity of participants’ identities had been considered well before the time of the fieldwork. For that reason, at the beginning of each
interview the respondents were informed that the outputs of our conversation in the form of their anonymised words would appear in a doctoral thesis as well as other research publications such as conference papers and academic articles. Furthermore, each participant was ensured that there were no third parties in the process and that the questions did not require any confidential information from them. Having done that, the investigator fully adhered to the ethical principles and guidelines for social and academic researchers outlined by the Social Research Association and ensured compliance with codes of good research practice in the UK.

The digital audio recordings were not stored on iTunes (a media player application for a Mac computer) as originally intended by the investigator because of the issue of privacy. Instead, they were stored on Memory Stick Micro (M2), which is specifically designed for IC Recorder. The recordings were played during the transcription process as well as afterwards. The transcription process did not involve any transcription agency to ensure confidentiality of data.
Chapter 3: Presenting and Interpreting Research

Findings

Due to the fact that the initial focus of the study was on the entrepreneur’s identity, I first present these findings and then describe their relationships. Having done that I construct the grounded model, which is based on the data structure for the research findings in Figure 7 below. In this research I combine induction (grounded theory) with abduction by relating the interview answers to the categories of the identity model.

The data structure depicts three main aggregate (theoretical) dimensions that emerged from the data analysis. They are the following: the identity standard, internal outcomes and external outcomes. These overarching dimensions are illustrated on the right side of the figure. Figure 7 also depicts the constituent second-order (researcher) themes, which resulted from the first-order (informants) concepts as it is shown in the middle and left side respectively. Finally, I formulate a number of propositions about the relationships/linkages between the second-order themes as well as aggregate dimensions.

The data structure is an abstraction (Glaser and Strauss, 1967 [1999]) and simplification of the raw data in order to facilitate understanding. This abstraction also reflects the respondents’ experiences.

In order to explain the whole picture clearly and articulate the story more fully, however, the emergent dimensions and their constituent themes are being discussed individually. Table 3 provides representative supporting data for each second-order theme that emerged.
Focus on prior business experience. Emphasis on family circumstances. Continue family tradition of running a business. Pride in compatible skills set. Willingness to get another lifestyle. Sharing the same principles with others who could open their business. Emphasis on the shift from being employed to becoming an entrepreneur.

Expressing high levels of optimism. Expressing low levels of optimism. Expressing ambivalence.

Focus on money-making. Emphasis on being free to do what you want without a boss. Partner up with major companies. Acknowledging the complexity of the meaning of ‘success’. Staying true to yourself.

(a) Motivations/ Different capabilities for setting up a venture

(b) Entrepreneur’s optimism

(c) Achieving success
Emphasis on off-line/on-line networking.
Focusing on working with clients that come directly to them.
Doing market research involving both customers and competitors.
Emphasis on testing the ideas by engaging with customers.
Focus on giving talks and a pitch competition/conversations.

Speaking to investors to raise money.
Focus on who should manage the company/finding the right team.
Learning how to sort out HR problems.
Finding resources to do the job by engaging in information-seeking behavior.

Focusing on a general vision as opposed to a detailed plan.
Emphasis on an iterative process.
Constructing and deconstructing different scenarios and creating a knowledge base.
The use of project management to get a certain profile of clients.

(d) Opportunity creation/recognition

(e) Start-up resources

(f) Planning ahead

Internal Outcomes
Finding collaborators

- Focus on mentoring others, including universities and college students, by raising awareness of entrepreneurial activity.
- Focus on giving back to society through charitable work.
- Emphasis on being an inspiration for others.
- Focus on projects that do social good.
- Providing school children with a valuable product/tool.

Involvement in the tech community

- Using the incubator programme to find collaborators.
- Expanding a business network by meet-ups outside the incubator.
- Communication with others by means of a mutual benefit.
- Being in touch with universities through internship programmes, graduate sites and elementary recruitment agencies.
- Trust-building through face-to-face meetings.

Emphasis on working with well-known companies or clients.

- Focusing on growing trust by managing expectations.
- To be known as effective and efficient.
- Developing a personal brand by speaking in public.
- Focus on creating a strong brand by ensuring product quality.
- Unsure whether they can already be recognised as a business.

External Outcomes

- Being around a tech community to feel that you are not the only person doing this [a start-up].
- Committing to the tech community within time constraints.

Making a social impact

- Committing to the tech community within time constraints.

Developing a reputation

- Committing to the tech community within time constraints.

Overall, the document discusses various strategies for finding collaborators, involvement in the tech community, making a social impact, and developing a reputation through effective and efficient work, working with well-known companies, and ensuring product quality.
Table 2. A Typology of Entrepreneurs' Identities according to their Identity Standards

<table>
<thead>
<tr>
<th>Types of Entrepreneurs' Identities</th>
<th>Optimism</th>
<th>Success</th>
<th>Motivations/Capabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The High-flyer</strong></td>
<td>Expressing high levels of optimism</td>
<td>Is based on self-development as well as monetary values</td>
<td>Having their own business and being able to reach your own potential</td>
</tr>
<tr>
<td>- They know what they want and believe that they can get there</td>
<td>- They are constantly learning</td>
<td>- Because they are ambitious, they want high status</td>
<td></td>
</tr>
<tr>
<td>- Their ambition comes first</td>
<td>- The set high goals for themselves and want to reach them against the odds</td>
<td>- Some of them continue family tradition of running a business, thus part of their identity is generational</td>
<td></td>
</tr>
<tr>
<td><strong>The Innovator</strong></td>
<td>Fundamental optimism leading to innovation</td>
<td>Mostly monetary success (i.e. revenue)</td>
<td>Being artistic and passionate about creating something new</td>
</tr>
<tr>
<td>- Expressing low levels of optimism about their product</td>
<td>- Reputation (relates to being known for their product)</td>
<td>- They love puzzles and enjoy solving problems</td>
<td></td>
</tr>
<tr>
<td><strong>The Lifestyle entrepreneur</strong></td>
<td>Expressing realism and ambivalence</td>
<td>Is based on financial security and personal independence</td>
<td>They are looking for autonomy through setting up their own venture</td>
</tr>
<tr>
<td>- Do not have high growth aspirations</td>
<td></td>
<td>- The want to maintain the lifestyle that they already have</td>
<td></td>
</tr>
</tbody>
</table>

Table 2 above shows the typology of entrepreneurs that emerged from my data. Optimism, success levels, motivation and capabilities have been selected for this typology because they represent the identity standard of entrepreneurs. Early in the
research it became clear that these concepts/issues were already embedded in the entrepreneur’s identity standard. I charted for each of the entrepreneurs in my dataset their levels of optimism, success definitions, and key founding motivations/capabilities to help me arrive at identity types. Optimism appears qualitatively different from the other two content aspects of the identity standard as it seems to refer more to a process variable (how entrepreneurs behave) while founding motivation and capabilities, and success definitions refer to the ‘why’. Motivation has been combined with capabilities because the data did not reveal much correlation between the two categories.

The typology of entrepreneurs is built on the identity standard. The identity standard of entrepreneurs is the meanings that they give to themselves when they are in the role of the entrepreneur. It is their way of thinking about a particular action. Because the identity standard is the central problem in this research, I argue that the internal and external outcomes flow from the characteristics of the standard. All of the entrepreneur’s opinions or preferences or strategic decisions are referred to the identity standard first. My analysis below explains why entrepreneurs act in certain ways. For this reason, research participants’ quotes are treated as practical examples in order to explain how confirmation or non-confirmation of the identity standard influences their entrepreneurial actions. To put it another way, how verification of their entrepreneurial identity affects their actions.

Table 2 helps understand why entrepreneurs behave differently based on the variation of their identity standards. The purpose of the typology is to create a simplification and clarify the meanings individuals associate with being an entrepreneur. Despite these “pure” types, variation still exists within each of those types. The difference between the identity standards is a key finding of my research because according to the table, the standards of optimism, success, motives/capabilities relate to the entrepreneurs’ accounts of their actions. Therefore, the standards have consequences for entrepreneurial strategies. This finding implies that entrepreneurs sometimes base their strategic decisions on the meanings associated with their identities. In summary, Table 2
offers more exploration of different types of entrepreneurial identities according to the
content of their identity standard. Below is a description of each identity type:

*The High-flyers* are those individuals who are ambitious and seek to grow their
business. They will not take ‘no’ for an answer because they know that it can be done.
They really want to make a difference in the world by achieving their full potential in
entrepreneurial activity. As Roy put it: “Because...maybe I think too much of myself. I am
an intelligent guy or so I like to think. I guess the reason is because it’s a challenge...I
want freedom. Money combined with freedom. You never know whom works for
somebody else makes a billion dollars. It will never happen because you have that
dependency.”

*The Innovators* are the entrepreneurs who are creative and inventive. These
individuals are committed to innovation as they are always looking for new ways of doing
things. They are constantly juggling with different ideas to be able to innovate. As Stanley
explained: “…interested in creating things that…passionate about. I get more passionate
about working on my own product.” The other entrepreneur, Andrew, added: “I am
passionate about the automation side. Emm and it’s all about making things more
efficient.”

*The Lifestyle* entrepreneurs are those individuals who seek to execute a business
strategy that would suit the lifestyle that they have. They want to be in charge of their own
life. They also want to develop their ventures without jeopardising their lifestyle
expectations. In the words of Keith: “With any business you have to judge it by financial
success...The idea of that was doing things I was really interested in doing. So, I judge
‘success’ as how much time I spend every day doing things I really want to do.”

Up till now, the analysis showed how the identity standard is formed. All of the
respondents in my research were going through the early stage of a venture
development. During this stage, all of them were trying to develop and promote their
business idea. At the same time, they were formulating the meanings in their identity
standard about its potential, and what ‘success’ meant to each of them.
Having carried out the analysis, it appears that not only do entrepreneurs set up their businesses with a possible business concept but they also start off with a clear identity standard in mind. As the findings reveal this standard consists of a set of their own meanings about themselves, which they refer to in social situations. The comparator as a mechanism that compares the feedback from others with these meanings plays an active role in affecting future outcomes.

Overall, as the analysis suggested, the entrepreneurs were establishing their companies with a clear identity standard to create value not only for the customers but also for themselves. Consequently, the meanings of their identities held in their identity standard influenced their strategic choices. This will be outlined in the supportive evidence in later sections.

**Table 3**

<table>
<thead>
<tr>
<th>Second-Order Themes</th>
<th>Representative First-Order Data</th>
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</table>
| a. Motivations/ Different capabilities for setting-up a venture | “I’ve been involved with several start-ups. I’ve seen the processes that are required in order to do that. Having gone through the process several times previously, I believe I am capable to do it myself” (Thomas, the high-flyer identity).  
“Because I wanted to. I think at the point I was with my, you know, family situation..., we were getting married and having a child and everything like this on the way, I wanted to find a more formal discipline thing” (Reynold, the lifestyle entrepreneur identity).  
“I’ve always been an enterprising fellow...so back at school we used to run a family warehouse type of business. So, my family has always been in business” (Ralph, the high-flyer identity).  
“...[B]ecause of the skills I possess and my business partner, so both of us are complete as a whole” (Philip, the high-flyer identity).  
“...[I]t will allow to travel wherever I like, allow me to move to a different country and work from there or do whatever, so...yeh” (Luke, the lifestyle entrepreneur identity).  
“...[F]rom reading accounts of people who’ve done it. That was the main thing, really, when after a while I saw a door, ‘If they could do it, I could do it’” (Carl, the lifestyle entrepreneur identity).  
“...[T]he biggest key milestone was when I quit
my job,...my full-time job. So, there was [sic] two milestones. One-the decision. Two-the actual kind of...throw myself into this fully. Emm, I suppose the next milestone was, ‘Is this gonna work? Can we put something together that actually works?’ and then the next milestone is, ‘Are people gonna buy this?’” (Andrew, the inventor identity)

“Well, obviously, the key milestone was leaving work. That was the first major decision. The second decision was...bring the CTO (Chief Technical Officer) on board and giving them an equity stake in the business” (Charles, the lifestyle entrepreneur identity).

b. Entrepreneur’s optimism

“I think we [I and my co-founder] have become increasingly optimistic about the industry...it’s gonna be huge in the next 5 years...we can both remain hugely optimistic” (Andrew, the inventor identity).

“Well, obviously, I started very optimistic and I got a bit deflated. There is a lot of complexity...I tried working with companies that were really cheap and overpromising. And they never delivered” (Hugh, the lifestyle entrepreneur identity).

“We were quite realistic. I mean we were optimistic that it would be fun and it wouldn’t be stressful; we did realise that it would be HARD. I think we made a fair assessment of how hard it was gonna be, but probably not the levels of stress that it could bring” (Kevin, the lifestyle entrepreneur identity)

c. Achieving success

“I think that monetary side is definitely crucial...it’s the blood of business” (Alan, the high-flyer identity).

“I think ‘success’ is just being financially free. Just to be where I want when I want. And also being able to work on things that I enjoy, not being dictated by a boss” (Peter, the high-flyer identity).

“Well, in the mid-term, to partner up with a big sort of utilities provider...to roll out our system on a larger scale...sell a lot of systems and team up with somebody who is gonna enable that” (Andrew, the inventor identity).

“...[S]uccess for me is a multifaceted thing; it’s a skill set that you are always developing. ...[I]t’s about pushing yourself to improve your skill set, learning from your mistakes, developing your own self-esteem and your own character...being true to your ethics, understanding what your values are and upholding those...adapting them” (Colin, the high-flyer identity).

“I think for me, personally, success is achieving what you set out to achieve while maintaining
who you are and who you want to be” (Derek, the lifestyle entrepreneur identity).

d. Opportunity creation/recognition

“Go to conferences, networking, talking to people” (Keith, the lifestyle entrepreneur identity).

“We are heavily networked. LinkedIn is fantastic. NMT [a business networking referral organisation], and all the local stuff that the Science Park do like Tech Wednesdays…[O]nline forums, websites are really important with search engine optimisation. We like getting out. That’s where our sales are happening” (Richard, the high-flyer identity).

“Most of the work we do kind of comes directly to us; we don’t go out and search” (Matthew, the inventor identity).

“Just looking at what type of companies are getting invested, what kind of features and functionality they have that may be different or relevant as well. And then just using competitors’ sites just to see what kind of functionality they have” (Charles, the lifestyle entrepreneur identity).

“So, opportunities are all customer-driven. So, we have people who use our website…we find out what they want next and we do it” (Jonathan, the high-flyer identity).

“A lot of the times I am testing to see whether or not there is viability. And even when there were failures I put them down to test as well. So, if you say, a million pound loss – it’s a million pound worth of education. Whoever else comes into the market hasn’t got it” (Alan, the high-flyer identity).

“It’s usually been through meet-ups with people…to give a talk…a pitch competition. We’ve had a couple of articles published in the local newspaper…an online publication” (Andrew, the inventor identity).

e. Start-up resources

“I need to make a big decision tomorrow about working with someone or not. I need to raise some money…some equity money. So, I need to ask these people for large amounts of money and how much equity they are gonna want. It’s harder when you are friends with the people…don’t want to let them down” (George, the inventor identity).

“…[O]bviusly, employees are expensive. So, I won’t see return on that investment there for three months, so, massive investment getting employees in cause we have a 3-month lack on that cash we have just spent on them. So, I would say that was a key point for us…sorting out HR problems” (Jack, the high-flyer identity).

“…[J]ust lots of searching. Try to put yourself in a position of one of your prospective
customers...trying to network with them, so going to meetups and places that they hopefully be in, talking to them, getting a feel for what they use” (Carl, the lifestyle entrepreneur identity).

f. Planning ahead

“So, I believe in like a general vision...but not a rigid kind of business plan. …[Y]ou have a general goal but then you gotta like pivot and prosper it throughout the way but I don’t believe in a stupid like a 16-page document” (Peter, the high-flyer identity).

“Oh, well, it’s been a very iterative process. I only really plan one iteration at a time. And iteration might be several weeks but it’s basically, you know, following a few conversations with people about what they need or what they like and don’t like about things I’ve made” (Carl, the lifestyle entrepreneur identity).

“I, essentially, deconstruct and construct scenarios in my head about what can happen in the future and I prepare for them accordingly” (Derek, the lifestyle entrepreneur identity).

“Recently, quite a lot because I am trying to be a bit more strategic...because otherwise I am just gonna end up in a poor level place. I want to kind of get a certain profile of clients” (Luke, the lifestyle entrepreneur identity).

g. Finding collaborators

“I’ve found here [the incubator] is a great place...[B]eing in the environment like this and going to kind of events where there are more people who are interested in the same thing as you” (Luke, the lifestyle entrepreneur identity).

“I’ve just picked up over time of working at various places. It very much has been personal relationships over the years. I don’t really collaborate with anybody who I don’t personally know...recommendation-based level” (Norman, the lifestyle entrepreneur identity).

“I think the best way to collaborate is to know what you want from someone and what you can get them in return” (Derek, the lifestyle entrepreneur identity).

“I research on web sites. I can contact them directly, speak to them through Skype. But...when we try people in house, we’re going to go for universities, go to graduate sites, elementary recruitment agencies or people whom I know” (Stanley, the inventor identity).

“A lot of the time we work with few agencies based in this city and companied near as well...[P]refer to work with companies we can speak with and actually meet face-to-face rather than companies on the Internet” (Matthew, the
### h. Involvement in the tech community

“So, at the moment I am helping university and college students learn about entrepreneurship and start their own businesses” (Patrick, the high-flyer identity).

“Because just by default, if you are an entrepreneur, you tend to wanna hang around with people who talk about that. It's good to have friends with normal jobs but you can't release with them...they can't just understand what you are going through” (Peter, the high-flyer identity).

“At the moment, quite involved. I would like to be more involved and take my head out of the business a little bit. But at the moment, I am just focusing on specific projects; we've got five to six projects” (Richard, the high-flyer identity).

“I think for me, personally, ‘success’ is achieving what you set out to achieve while maintaining who you are and who you want to be” (Derek, the lifestyle entrepreneur identity).

### i. Making a social impact

“I guess...I’ve done work with charities in the past...volunteer work. So, I guess I would invest a bit of money in a local charity that was close to my heart” (Luke, the lifestyle entrepreneur identity).

“I think there is a massive social impact from an inspirational perspective...when you show people what you are doing and when you see success stories. I think it shows possibility to a lot of people. So, I wish when I was at school an entrepreneur would’ve come in instead of a stupid careers adviser” (Peter, the high-flyer identity).

“I do projects that do social good. The projects that interest me and motivate me. The businesses and things I would be involved in would always...probably always be social enterprises...focus as much on doing good as they do on making money” (Jonathan, the high-flyer identity).

“We’ve already seen fans and people are using our products to improve their language skills. We’ve been into schools and have seen the impact with children, so that’s exciting. And that has the potential to be global not just the UK. So, I think there is a big potential social implication of what we are doing and our team is very aware of that” (Colin, the high-flyer identity).

### j. Developing a reputation

“I think it’s just working with more high-profile brands...and just building more reputation with bigger brands” (Luke, the lifestyle entrepreneur identity).
“No, I don’t think I have a reputation…. [I]t’s obviously about trust and about managing expectations. Giving before you ask. Just like personal relationships” (Hugh, the lifestyle entrepreneur identity).

“Definitely have a reputation. We are known as ‘the fix it’ a lot. We deal with consultants and people who come to us. So, our reputation is ‘nothing too weird, nothing too wonderful that we can’t do’. We will find suppliers of various natures and put it all together” (Richard, the high-flyer identity).

“Because I’ve always been quite outgoing with my time, I speak in public, I do training courses. Naturally, that’s positioned me to have some sort of reputation…[I] think people will identify with me” (Scott, the high-flyer identity).

“Yeh, through a very careful branding exercise…[B]ecause I work with start-ups and I know lots of random start-up people and whatever. I run a big firm, I’ve done a few other aligned projects. People kind of knew that I had THAT reputation, I sort of carefully transferred it into this project” (Gregory, the inventor identity).

“I don’t think I have a reputation. The company is still too new. It’s too early” (Thomas, the high-flyer identity).

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**Internal Outcomes**

My data analysis revealed that there were certain internal outcomes, which were mostly related to the entrepreneur’s business practices which arose inside a start-up. They occurred as a result of a comparison between the input from the environment and the meanings entrepreneurs held in their identity standard.

Such outcomes are connected to the identity standard described above. This section explains how and why the identity standard relates to entrepreneur’s business practices. In other words, it shows how the variations in the identity standard actually affect the internal outcomes and external outcomes of their organisation. Additionally, it outlines how the typology of entrepreneurs is connected to the internal and external outcomes.

**Opportunity creation/recognition (d).** The findings suggested that each entrepreneur viewed an opportunity in his own way. Alan (the high-flyer identity), for example, stated
his approach: “…[I]nitially, I will start [searching for opportunities] maybe from the Internet or a referral from somebody.” As the sentence illustrated, Alan always started off-line first or would prefer somebody to give him a contact. In contrast, Keith (the lifestyle entrepreneur identity) took a different position on the same subject when he said: “Go into conferences, networking, talking to people.” As the data showed, Keith was more open to create a business opportunity by talking to people directly at conferences. Some participants, however, differed in that respect because of other reason:

...[A] lot of opportunities are coming our way...a flip side of that is trying to deal with opportunities that keep arising...maintaining focused on what we’ve achieved to be sustainable. So, I wouldn’t say...go and SEEK...cause they are already planned or what we have access to.

(Derek, the lifestyle entrepreneur identity)

The quote above suggested that sometimes it was not necessary to seek opportunities himself. The informant was overwhelmed by opportunities others were bringing to him. For this reason, he did not go out looking for more, as it was already a challenge for Derek to remain focused on what he already had. Carl (the lifestyle entrepreneur identity), however, mentioned something different in terms of his opportunities: “[I] think I’ve been sort of following what people…following the need, really,…following what people have said and trying to listen…reading between the lines.” As the sentence illustrated, Carl was always looking for opportunities when he had conversations with people by trying to read between the lines.

There were also participants who valued conversations and introductions as a way of recognising opportunities. Ralph (the high-flyer identity), for instance, highlighted the following: “It’s through conversation...where most opportunities come through. The school of thought which I belong to says, ‘Tell everyone of your idea because you never know what conversation might sparkle what idea in your mind.’” This way Ralph tried to formulate his idea or generate new ideas to refine his business. As the data revealed, some participants seemed to be outward-focused (i.e. networking, talking to others, market research), whereas others seemed more internal-focused (internet searches, evaluating opportunities brought to them).
The high-flyer identity entrepreneurs engaged in online networking first. This may be due to the fact their identity is generational. These are their identity-standard meanings. They have the ‘know-how’, so they believe that online communication is most suitable to find collaborators. Later, however, they were focused on face-to-face conversations. Whereas, the lifestyle entrepreneur identity manifested itself in talking to people directly and focusing on others who themselves wanted to work with them. Some entrepreneurs with this identity type engaged with their customers directly. This seems to be because usually they want to maintain the lifestyle that they already have, which is consistent with interpersonal communication to establish contacts with others. The inventor identity was connected with doing market research and considering the behaviour of customers and competitors. This appears to be because they love puzzles and enjoy solving problems.

**Start-up resources (e)**. Throughout my conversations with the participants it appeared that their entrepreneurial identity defined how they were searching for the start-up resources. Given this, the analysis suggested that the identity standard of entrepreneur’s motivations and capabilities as well as the standard of success for them influenced their business practices. On the one hand, Stanley (the inventor identity) was direct in the way he confronted some of the common difficulties:

> This week has been quite difficult in regard to speaking with investors and trying make decisions. So, I had to make a decision whether it could affect the company in the long run with regard to share equity, finances, staff...Emm understanding whether N [my brother] would feel the same way when I actually made them. I wish he hopefully did.

Here, the respondent was faced with the decision of giving equity to his team members. As the quote indicated, the respondent was concerned about how much equity should each team member own. As the data revealed, this was because Stanley wanted to make the right decision that would also satisfy his brother. This would imply that the participant was aware about his brother’s identity standard and how much equity he would prefer to share with the investor. Therefore, in order to confirm the meanings in his own identity
standard he acted in a way to verify his brother’s standard as well. This was a mutual verification process.

Additionally, start-up resources also involved focusing on company’s management team. Kevin (the lifestyle entrepreneur identity), for instance, noted the following: “In terms of the directors - now it’s just me. That was a key milestone…a good decision.” According to the quote, the informant was satisfied with his own decision to be a director. This points to identity verification. The quote implied that there were other directors beside him as well. However, the participant was not explicit about this point. Conversely, a contradictory statement was made by another entrepreneur, Richard (the high-flyer identity), who said: “…[T]here is a time frame in the management board meeting between three directors and also the contractors…managing expectations.” The respondent was not the only director and preferred to have a board meeting between the other two directors and also the contractors to have everyone together. As the quote suggested, the participant was aware not only of his responsibility as a founder to report to a board of directors but also to receive feedback from his contractors. It seemed that these ‘getting together’ meetings were the identity-verification response to how the directors should lead and manage each project. Interestingly, learning how to deal with human resources was at the top of the agenda for Jack (the high-flyer identity):

…[O]bviously, employees are expensive. So, I won’t see return on that investment there for three months, so massive involvement getting employees in cause we have a 3-month lack on that cash we have just spent on them. So, I would say that was the key point for us…sorting out HR problems.

As the quote illustrated, the entrepreneur was aware that when human resource (HR) decisions were made at an early stage, they could impact the downstream success of the start-up. Perhaps, such decisions as recruiting, reward, compensation, and performance management were a real challenge for the respondent because the company’s money was tight. Nevertheless, the data showed that despite the increased difficulty in recruiting and retaining employees, the informant was determined to handle HR problems. The other participant, Reynold (the lifestyle entrepreneur identity), proposed the following:
If it’s a commercial decision, it takes a different mindset...if it’s an HR decision or a product decision you have to analyse differently. The only common denominator in all of them is to do our metrics. THAT’s what really aids a decision-making process.

As the informant explained in the quote, the best solution to tackle the problems, including HR issues, was to do metrics. This was crucial for his entrepreneurial identity to verify the meanings held in his identity standard of how to be successful in business. As the quotes illustrated, these two respondents made very calculated decisions. They did not hire people on a whim but had very clear ideas of when it was/it was not an opportune moment to hire someone. As the quotes showed, they based their decisions on quantitative information. This seems to be the opposite to the entrepreneur I cited earlier, Stanley (the inventor identity), who made decisions based on agreement and avoiding conflict. Therefore, it would appear that entrepreneurs were developing different strategies, which were not solely related to what was good for their business but also related to how they saw themselves as entrepreneurs – their entrepreneurial identity.

Some entrepreneurs were trying to find the resources by engaging in information-seeking behaviour. This meant looking at both competitors and customers. Keith (the lifestyle entrepreneur identity) supported this argument by saying:

> Competitors...well, you know what you are trying to do. So, you try to find other people who are doing similar things. Look at their customer perspective and say, ‘Why would you buy from that?’ To do the research, I would pretend to be a customer...go out into the market place and...it’s articulating...‘No, no, we are not doing that at all. We are offering this.’

As the quote suggested, the informant was trying to engage in the process of finding useful resources for his own venture by understanding what the demand and supply were. The respondent always questioned himself about why others would buy from his competitors and what product customers really wanted. By actively collecting information this way the informant was confirming the internal meanings in his identity standard about his own abilities to introduce something new into the market, and to create his own value. Similarly, Alan (the high-flyer identity) pointed out the following: “If I’ve got a
customer…they will come first, ok. Whether it’s a negative on the balance of cash flow, whatever.” As the quote suggested, the participant recognised high value of having customers. That is why in spite of the possibility of a negative cash flow the respondent put the customers first. These were his identity-standard meanings of how to be successful and control the growth of the company. In addition, Alan added:

I am very good at finding resources to do the job. Once you’ve taken the money off somebody, then it’s your job to complete that contract. So, taking on people with demand, taking off people. I try very hard not to. I can go more without, personally even, that to get rid of someone.

As the data revealed, Alan was confident about his skill set to be able to find what was required to perform a task. As it was mentioned earlier, all the entrepreneur’s opinions or preferences or strategic decisions are referred to the identity standard first. Therefore, taking more new people on board was not in his identity standard. Thus, dismissing someone would mean the error signal produced by the comparator. Consequently, these actions would be associated with identity non-verification or non-confirmations of the identity-standard meanings about achieving success. That is why Alan did his utmost best to avoid such situations, which in turn confirmed his identity standard.

Overall, as the analysis demonstrated, finding start-up resources mattered to all respondents. Therefore, it strongly appears that various business activities of my participants were arranged in a way that confirmed their identity standard. Given this, it verified their entrepreneurial identity.

The inventor identity entrepreneurs tried to speak to investors about how much capital was needed for their venture. This is not surprising bearing in mind their artistic nature and passion for innovation. They also talked about a shift from being employed to becoming an entrepreneur, and made their decisions by reaching an agreement. This is likely to be because of the low levels of optimism about their product kept in their identity standard. Some of this type of entrepreneurs concentrated on finding the right team for company’s management by learning how to deal with HR problems. Moreover, the lifestyle entrepreneur identity allowed them to engage in information-seeking behaviour to
find the necessary resources based on their standard of financial security and personal independence. The high-fliers were concerned about the right management team and were engaged in information-seeking behaviour as well but for different reasons. This appears to be because of their ambition and high levels of optimism as their standard.

**Planning ahead (f).** While discussing about how the participants planned ahead and what the process entailed, a great majority of the informants believed in a general vision rather than a detailed plan. For example, Patrick (the high-flyer identity) shared his views by saying:

> I have a vision for 3 years, 5 years and then I have a short-term vision for a month. We have a wall, so we put all our ideas on post-it notes and we stick them on the wall. And every three months we out those post-it notes in order. Some of that does to a business plan…but I know where I want to be.

As the quote above suggested, the informant’s identity-standard meanings of achieving success revolved around either a short-term or a long-term vision. As far as the sort-term vision is concerned, the participant explained how the post-it notes helped him to detail and prioritise the important milestones in his planning timelines. A similar approach to planning was articulated by another entrepreneur, Ralph (the high-flyer identity), who put it this way: “I often plan in big steps ahead, so I know I need to achieve this goal. I might not have the most detailed plan to get there...giving yourself freedom to manoeuvre.” The quote suggested that the respondent preferred not to describe what needed to be achieved in minute detail. Instead, the informant gave himself freedom to plan for the future, thus confirming the meanings in his identity standard.

The same as in the case of George (the inventor identity), the flexibility of entrepreneurial activity allowed Ralph (the high-flyer identity) to prepare and implement a plan that suited him most. As the findings revealed, the entrepreneur used an adaptive approach. Alan (the high-flyer identity), for example, mentioned the following: “For me, I have to build the whole picture. If I can’t see the whole spine chain, the whole sales process, the whole end game, then for me that’s very boring.” As the quote indicated, the entrepreneur wanted to see the process from start to finish and put all pieces together.
first. Again, these were the meanings in his identity standard of how to be successful at running a start-up. There seemed to be an interesting contrast between these two respondents. The one attached value to flexibility while the other needed more security. For that reason, Alan noted: “…[S]teps of different components and different income streams, and different sections of the business to build everything else.”

While discussing the same subject of planning, some participants emphasized the role of an iteration.

...[Y]ou are constantly pivoting. It’s very iterative process. So, I mean, it’s difficult to say how quickly or how far ahead we are able to plan and how closely we can follow that schedule. Our development of the product has pretty much stayed on schedule. In terms of other planning, it’s been more of a flexible learning kind of schedule rather than this has to be done by this time.

(Thomas, the high-flyer identity)

The quote suggested that the process of repeating the previous steps and learning from the results was significant for product development as well as other operations. The respondent could not specify when something had to be finished or how long the process would last. This seemed to be done deliberately to have the same freedom as the other participant mentioned.

Related views with respect to learning were expressed by Richard (the high-flyer identity):

So, we are always creating a knowledge base. I am constantly learning from my own personal mistakes and other people’s mistakes cause we deal with contractors. So, to have ‘lessons learned’ from other projects is really important. It’s like a debrief. We do it with every job.

As the quote suggested, the informant was constantly building on the current knowledge base to understand what was done right and wrong. Moreover, the participant created a specific knowledge base for every project he was involved in as an entrepreneur.

Finally, some entrepreneurs explained why project management tools were important for their planning. Hugh (the lifestyle entrepreneur identity), for instance, argued:

It’s very much like project management. So, I need to get everyone to work together…cause obviously I need to build the relationships with the retailers. That’s probably the best example. With some of the retailers I
cannot really establish a relationship until we have the product up and running.

As the above quote indicated, the entrepreneur needed to use project management to establish strong relationship with the retailers. At the same time, the quote implied the importance of maintaining relationships. This was the identity-verification response.

To sum up, it is best to refer back to some of the elements in the identity standard, namely motivations and capabilities, optimism, and success. These have been identified as key dimensions of the identity standard. Thus, it seems that the values entrepreneurs have with regard to these three categories affect their business decisions/strategies.

In this section, I discuss how the high-flyer identity manifested itself by describing the following entrepreneurial actions. This type of entrepreneurs focused on a general vision rather than a detailed plan. This would appear because these entrepreneurs know what they want and believe that they can get there. These meanings are embedded in their identity standard. They also concentrated on an iterative process. This goes in line with their standard of self-development and constant learning. Interestingly, the inventors admired the flexibility of entrepreneurial activity, which allowed them to plan as they wanted. The lifestyle entrepreneurs, however, used project management tools to build the relationships with certain companies. This is likely to be because their identity standard is based on financial security, which they need in order to avoid focusing their attention mostly on their venture. They want certainty, which, as they believe, can only come from working together with established companies. Again, working with established companies implies working in a world where there is less uncertainty. That implies less effort invested subsequently in their venture, which will give them more free time and therefore, more personal autonomy.

**External Outcomes**

The external outcomes refer to the entrepreneur’s activities outside a start-up. These outputs to the environment will help the reader understand the main research
problem because this section will elaborate on how the identity standard is associated with these activities.

**Finding collaborations (g).** Significant differences were identified between the respondent when they were asked about how they found people to collaborate with for their business. One of the reasons of being enrolled on the incubator programme was to find others for their business. For example, Jack (the high-flyer identity) shared his experience: “Just here [the incubator]. I meet everyone that comes into here. You just generally open a conversation with them. We also have then emm kind of expert sessions.” As the quote suggested, one of the main purposes of being in the incubator environment was to meet new people who might potentially benefit his own business because they were also starting their businesses. Charles (the lifestyle entrepreneur identity) supported these views by saying: “Very good, actually. Especially in this environment [the incubator] …other start-ups based as well. I find it very encouraging.” The quote indicated that being in the incubator’s social environment provided significant encouragement for the informant to carry on with his business.

As the above examples illustrated, finding collaborators involved others outside the participants’ own circle and were less personal to them. However, the principle behind the process of identity-verification through confirmation of the identity-standard meanings appeared to be the same. For instance, the above quotes suggested that by being in the incubator environment the participants verified their entrepreneurial identity and appeared to be very pleased with their choice. Since there was no-one who regretted their choice there must be a) enough adaptability within the incubator to go about your own business and decide how much you want to interact with others b) they must have all been very aware of who they are as entrepreneurs or what type of entrepreneur they want to be.

Other entrepreneurs highlighted the aspect of finding people outside the incubator. Charles mentioned the following: “There are various meetup groups for entrepreneurs and start-ups within West-Midlands…those are the forums to kind of communicate.” This quote suggested that forums outside the incubator community were just as effective.
Whereas, Norman (the lifestyle entrepreneur identity) made a different point: “Emm…finding people is the hardest thing. So, it’s all been by personal contacts. That’s how I’ve found everyone I am working with.” At first sight it may seem that the quote said that the respondent experienced difficulties constructing a network. However, his ‘personal contacts’ did not imply that the informant worked with these people and thus, knew them as colleagues. As the quote showed, the participant strongly believed in building a network of those whom he’d just met, not necessarily worked with before. Ralph (the high-flyer identity) was the same in that respect: “So, with employees, it’s often based on folks I know.”

There were also the participants who mentioned the aspect of a mutual benefit. Jonathan (the high-flyer identity) expressed that in the following way:

If I help people, those people probably gonna help me. I’d say I have a very good network of people who I try and help. I went down to N accelerator to mentor and I met a team…partner with them…beneficial to us…beneficial to them.

As the quote suggested, the participant knew that he had the knowledge and the experience that were needed to collaborate with others. The informant was certain of what exactly he could give in return. Hence, the identity standard was Jonathan’s expectation or experience of reciprocity. He was aware that personal relations – i.e. a network – was an important resource for his business. For this reason, the respondent acted on this experience/expectation. Therefore, the respondent was a mentor on one of the incubators that help already established companies to grow further.

Other entrepreneurs preferred to find interns for their business. For example, Thomas (the high-flyer identity) shared his experience: “…[A] couple of work experience programmes that we work with, a couple of internship programmes, several universities and government organisations, schools as well…to get our A-workforce.” The quote indicated that the respondent was trying to get first-class employees by being in touch with schools and universities through internship programmes. Stanley (the inventor identity) was the same in that respect: “…[W]hen we try people in house, we are going to
go for universities, go to graduate sites, elementary recruitment agencies." This quote illustrated the same approach to finding the right employees for a start-up. These respondents indicated that educational institutions were an important part of their network. Therefore, it was connected to their HR practices. Consequently, there is a connection between internal outcomes and external outcomes. Perhaps, the ideas of recruiting interns by going to those institutions came from what they learned when they studied at a University. On the other hand, it is likely that they learned this technique from other entrepreneurs and their best practice. Maybe, they had positive experiences with recruits from these places in the past. It is also likely that they valued the interns knowledge and passion for what they were developing. An important factor was probably that they were located very close to the university.

Lastly, some entrepreneurs expressed their concern about finding collaborators on the Internet. Matthew (the inventor identity) explained: “…[P]refer to work with companies we can speak with and actually meet face-to-face rather than other companies on the Internet.” Alan also made an interesting point: “I think…get out into people’s faces, you know. If you are kind of person that is not face-to-face you are more of a technical person then you might struggle with people skills in that respect.” As the quote suggested, the informant valued people skills highly because they helped him talk to others directly. This seemed to be a way of building rapport and trust with people.

The high-flyers were using both the incubator programme to find others for their business as well as a business network outside the incubator. This was because this type of entrepreneurs is ambitious and they want high status. It was partly because a few of them continued family tradition of running a business. Also, they knew that their knowledge and experience would be beneficial for others, including their business colleagues. In addition, the high-flyers were in touch with universities through internship programmes. The lifestyle entrepreneurs demonstrated similar behaviour in that respect. Despite this difference between the two types, the inventor identity was close to the high-flyers as they preferred to find interns for their business as well. This may be because
they tend to express low levels of optimism about their product and believe that graduates with fresh ideas can contribute to their business somehow. Furthermore, they tried to build trust through face-to-face meetings. This is due to their desire to being known for their products by communicating its benefits directly.

**Involvement in the tech community (h).** According to the data, the degree of involvement varied among the participants. For instance, Scott (the high-flyer identity) argued:

Heavily involved. So, within the tech community I’ve always been to lots of different events; I know quite a lot of faces and can always have conversations with everybody. Within the web site [the actual business], I kind of manage all our community site. So, I need to be speaking to people to find out what’s going on on the site.

As the quote indicated, the respondent made two rather interesting points. Firstly, the participant mentioned his active involvement with other individuals in the tech industry. Secondly, the respondent pointed out his collaboration with others, possibly technical or non-technical people, on his web site. As the data revealed, both activities were closely intertwined with each other. It would appear that meeting people in the tech community could contribute to his business and visa versa. However, some entrepreneurs were involved in the tech community only to a certain extent. Therefore, Norman (the lifestyle entrepreneur identity) said:

Moderately…[B]ack in London I was a lot more involved than I am now…there is a lot of meet-ups, conferences, people…talk about their products. Just constantly there, really. But now I am…walking away…come down to the bootstrapping side of things…clients happy on the one side then build my own things on the other side.

As the quote illustrated, the entrepreneur moved away from the tech scene and was more focused on the business side. The quote showed the informant’s recollections of his former years in London when he appeared to be an active member of tech events out there. Despite the fact that the respondent's identity standard has changed over the years, the entrepreneur verified his identity of being successful by being less involved. Whereas, back in London, the participant verified his identity-standard meanings by being heavily involved. Given this, apparently, the informant’s idea of the entrepreneurial
identity has changed. Perhaps, this has happened because the participant had realised that he could be successful without being heavily involved in the tech scene. It is also possible that the participant could not combine a demanding schedule of meet-ups and tech conferences with a daily business routine. Luke (the lifestyle entrepreneur identity) supported this view by adding: “To be honest, I am not involved, really. I am focusing all my time on this.” The same as Norman, Luke tried to focus heavily on his start-up. Additionally, Reynold (the lifestyle entrepreneur identity) made an interesting comment in that respect by saying:

…[A] lot of it comes down to, I think, the time constraints. In terms of tech community, the whole aspect of disruption here. I've got a wife, I've got a child, young child. And THAT combining with my close friend network is, form me, personally, more than enough in terms of a community.

This quote suggested that limited community involvement was related to a personal schedule when the respondent considered any further participation as disruption. The quote reflected how much the informant valued the relationship that he had with his family and friends. That is why he did not feel guilty for not being more involved in the tech community.

The inventors were focused on educating others about entrepreneurship. This is because they want to share the experience of solving problems, which is their identity standard. The high-flyers were doing it as well. They were also heavily involved in their tech community. This seems to be because they want high status and seek confirmation from others. In contrast, the lifestyle entrepreneurs were only involved in the tech community to a certain degree. Clearly, this is because they love autonomy and want to keep the lifestyle they already have.

Making a social impact (I). This theme was about a social impact that the entrepreneurs thought they had from their business. The data revealed that the respondents took different positions on the subject. On the one hand, George (the inventor identity) mentioned the following: “I'd like to meet some people who are interested in starting businesses and reaching out to people…a lot of people at school…teach how to be more
entrepreneurial.” The word ‘like’ in this quote suggested a preference. As the quote suggested, the informant would like to be more involved in teaching others about entrepreneurial activity, taking responsibility for transferring knowledge about entrepreneurship, thus educating others. Therefore, in order to verify his entrepreneurial identity, the participant selected school children as the right audience for his talks. This type of audience was of specific relevance to the informant because the entrepreneur believed that it was better to learn about entrepreneurship at an early age. On the other hand, Patrick (the high-flyer identity) wanted to be close to higher or further education sectors when he said: “So, at the moment I am helping university and college students learn about entrepreneurship and start their own businesses.” The quote indicated that in order to confirm the identity-standard meanings, the informant helped university and college students know more about entrepreneurial activity. This finding also showed that entrepreneurs took pride in doing a start-up. Therefore, it appeared that the participants wanted to ensure that students gain exposure to the entrepreneurial mindset through such communication.

Reynold (the lifestyle entrepreneur identity) highlighted the aspect of charitable work when he said: “If we can partner with that, develop that and help…do something like that for non-commercial reasons.” The quote suggested that the informant really wanted to partner up with an organisation in order to help people in need. Kevin (the lifestyle entrepreneur identity) expressed similar views: “…[W]e are DEFINITELY, DEFINITELY looking at...once we are kind of established and profitable…doing charitable work.” As the quote indicated, the respondent was prepared to give back to society through donations to charities so long as the start-up gained legitimacy and reached a certain level of profitability.

Other entrepreneurs, however, emphasized the significance of entrepreneurship from an inspirational perspective. As Alan (the high-flyer identity) put it:

Well, obviously, I’ve helped 1200 people in my community get into work, so...people find it aspirational from, you know, lower sectors...catering, security, bus driving...allegedly low sectors to then being self-employed,
being flexible to work, have less overtime, being able to have holidays when they want and not to have a boss…in terms of real life value.

This interesting quote pinpointed several aspects at once. First of all, the participant stressed how many people he was able to help through entrepreneurial activity. Secondly, the informant seemed to be proud of the fact that being an entrepreneur could potentially fulfil the aspirations of so called 'lower sectors' to have more freedom in terms of working hours, annual leave, and being their own boss. As the quote suggested, entrepreneurship was a way of providing jobs and creating growth. Whereas, Scott (the high-flyer identity) argued:

Communities are all about sharing, right…I have a heightened system willingness to give. So, I started a company called ‘Health First’, which is a socially focused company working with people with different food allergies and intolerances…helping people.

This quote indicated that the entrepreneur was driven by social causes when he started a company that focused on helping individuals with certain medical conditions. Therefore, the entrepreneur’s actions as the output to the environment demonstrated a very strong attempt to verify his identity.

Finally, making social impact was straightforward for Gregory (the inventor identity), who said the following: “So, for us it’s really clear…[W]e are working in education, we are specifically aiming at school kids. So, if more kids get more GCSE grade C in English and Math, more kids will get better jobs and have brighter future.” As the quote suggested, the informant was working on an educational product for school children to improve their chances to do well in exams. Perhaps, this was because of his own ideas about the purpose of running a business or about his responsibility or capability to help kids who have problems in school.

The lifestyle entrepreneurs expressed a keen interest in charitable work. This is because their concept of success is partly based on financial security, and partly depends on helping others. The high-flyers thought that their entrepreneurial activity already inspired others to follow in their footsteps. This may be because their ambition comes first. However, they were also concerned about social causes and making the world a
better place. Finally, the inventors were so interested in and passionate about their products that they created an invention for school children, and helped them to achieve better exam results. This is likely to be because they love puzzles and enjoy solving problems. These meanings are in their identity standard.

**Developing a reputation (j).** Contradictions existed in how entrepreneurs viewed reputation and its development in relation to their own identity. For many of them the reputation was not just about developing a good product or offering a good price. It was about their associates and clients. Furthermore, it was about being seen as producing a fair and honest product as well as building a genuine relationship with other person (i.e. communication). Kevin (the lifestyle entrepreneur identity), for example, focused on various aspects simultaneously when he said:

> …[W]e are quite lucky, actually, to work with companies which are…like multi-million pound turnover companies. So, established companies but not famous ones. I am currently chatting to mentors about it [developing a reputation] at the moment, it’s how to differentiate yourself. On the product side of things, it’s all about realising that first gaming product…a successful one. One the client side,…getting in sort of well-known brands or client and doing the work well, getting it upon your web site.

As the quote indicated, there were several aspects of the entrepreneur’s identity. Despite having a successful product, it seemed that the informant often emphasised the need for working with well-known companies. As the quote illustrated, the respondent started having conversations with mentors about how to stand out as a business. This appeared to verify the participant’s identity.

There were also entrepreneurs who were trying to build trust with others. Stanley (the inventor identity) explained his position: “So, we will really like to crack down on bulling and data, and hopefully grow our trust-base with our users. Reputation in terms of product…in the social industry, it’s a trust thing, really.” This quote could also belong to the social impact dimension. The quote suggested that the informant wanted to change the users’ perceptions about the social media by dealing with bullying and unfair data usage. Another participant, Stanley, added the following: “In the industry…hopefully, what we are trying to create is something really positive.” As the quote indicated, managing
data in a fair and transparent way was the ‘something positive’ that the respondent mentioned.

Matthew (the inventor identity), however, was trying to develop a reputation by working effectively on a task:

A lot of work does actually come from the recommendations from clients, which is good. So, I always try to within 5 minutes...get back...have a really quick communication...good relationships with the client. We've always been recommended on a fact that we have a quick turn around, easy to work with, we are quite flexible in how to work.

As the quote suggested, the informant was able to formulate/adopt a strategy of how to work efficiently and effectively with others, especially if they came from clients. Moreover, the respondent highlighted that his company had always been recognised for their working style.

For some entrepreneurs, reputation and a personal brand were inseparable. As Colin (the high-flyer identity) put it: “...[I] guess it’s the experience that the people have had in business with me or through knowing me and experiencing my actions, and not just my words but my actions...I am an ambassador for the business.” Here, the respondent wanted to be known for his actions. However, another participant was of the opinion that public speaking was a way of letting others know about his actions. That is why he noted: “Ohh, I have a reputation for my business, actually. I speak at medical conferences about technology and medicine. I have a lot of doctors and stuff that follow me” (Jonathan, the high-flyer identity). The respondent also added some details about personal and business reputation for him as an entrepreneur: “I am running a social network with 32,000 people using it. They don’t know who I am. I can be the best person or the worst person. That doesn’t affect whether people like my business or not and how my business is rendered.” Although the quote suggested that the informant was trying to separate the two, he actually contradicted himself when he was talking about how he spoke at medical conferences because that seemed to develop his own reputation as well. Interestingly, a significant difference of opinion existed between Jonathan and the other entrepreneur, Keith (the lifestyle entrepreneur identity), who argued the following:
“What we’ve done is tried to build good products at the right price and make it available to people who...who need those products...I guess, not ripping people off. I think if you are an entrepreneur the two things are horribly intertwined; you really can’t separate the two...consultants and book writers...that’s a personal reputation thing.”

As the quote illustrated, Keith supplied good quality products to the market to satisfy the demand in order to verify his own identity as an entrepreneur. Nonetheless, developing personal or business reputation was both sides of the same coin for him. The informant firmly believed that if somebody had the entrepreneurial identity it could not be either for yourself or your business. In his view, only consultants and book writers could have a reputation for themselves only.

There were also entrepreneurs who placed the focus on a strong brand. Alan (the high-flyer identity) argued:

Oh, our brand, definitely. A strong brand. We give people guarantee to passes. Give them unlimited lessons, unlimited time to fail...still come back and we will train...felt comfortable and not to be left alone. And with training of any kind, in my opinion, 50% of any kind of training is actually confidence.

As the quote indicated, the main goal of building that brand was to allow people to gain confidence in their abilities. Therefore, the entrepreneur created the right environment for people to have time to try again when they received formal training to become professional taxi drivers. At the end of my conversation with the respondent he mentioned that it was a real pleasure to see them grow. The respondent expressed it in the following way: “They are all super stars now. They’ve actually become super stars.”

Notwithstanding the comments made above, there were also entrepreneurs who were not sure about their reputation. Upon the question of whether he knew what his reputation was, Carl (the lifestyle entrepreneur) said the following: “He-he-he. Probably not. I mean, I still feel I am faking it; I haven’t made it yet...maybe people in the tech community admire what I am doing.” As the quote indicated, the respondent thought that it was still early days to be known as a business. Despite that, the participant still hoped that others in the tech community respected him for his work. Therefore, the data showed a non-confirmation of the informant’s entrepreneurial identity. However, that discrepancy
was not very large as the participant had probably received some positive feedback from others in the tech community. This partly confirmed his identity-standard meanings. Nevertheless, the informant was more inclined to think that he was faking what he was involved in. This would imply a disconfirmation of his identity-standard.

Similarly, a very interesting comment was made by another entrepreneur, Norman (the lifestyle entrepreneur identity), who said: “I don’t think I do have much reputation...of previous work. I needn’t say that if these products are building on quite well I don’t think it would happen either...emmm because it’s very much behind the scenes kind of thing.” The quote suggested that despite building a good product, the participant did not believe in the development of a reputation that way. As the quote indicated, the reputation was a ‘private’ thing for the participant. That is why the informant valued a reputation with a small circle of insiders more than his reputation to the outside world. This resulted in the business practice of working on the products to earn a reputation as a good leader from company’s insiders.

As the analysis revealed, the lifestyle entrepreneurs emphasised working with well-known companies or clients to earn a reputation because it came from their standard of success as it is based on financial security and a degree of personal independence from their business. The real reason is that they see it as a stable solution where they need to spend less effort adjusting to the unpredictable.

On the other hand, the inventors were trying to build trust with others by managing expectations. This seems to be because of their high perceptions of risk associated with their innovation. Despite being fundamentally optimistic about innovation, they were more cautious and realistic about their product. That is why they worked hard to persuade others about its selling points. This is also in line with their identity standard of success of being known for their products. For this reason, the inventors worked efficiently and effectively with others and really wanted to be known for that.

In turn, the high-flyers were developing a personal brand through public speaking. This appears to be because they are ambitious and express high levels of optimism that
they demonstrate to others. Conversely, the lifestyle identity was more about ensuring product quality. This behaviour was similar to some high-flyers. There were other lifestyle entrepreneurs who were not sure about their reputation. This is may be because such type of individuals does not have high growth aspirations in their identity standard and express ambivalence.

In summary, the data showed various examples of how the research participants were trying to confirm the meanings held in their identity-standard, which led to specific actions. As the analysis revealed, entrepreneur's identity standard guided the respondents' external activities. Finding collaborations, involvement in the tech community, making a social impact, and developing a reputation represented the external outcomes.

Given what I have seen in the study, it may be expected that the more an entrepreneur confirms the meanings in their identity standard of different capabilities, the greater the tendency for them to search for new collaborators outside the incubator. The more an entrepreneur confirms the meanings held in the identity standard of achieving success, the greater the tendency for them to search for start-up resources. However, it appears that if an entrepreneur does not confirm the identity standard of achieving success, the entrepreneur will still try to search for start-up resources to improve his current situation. In the latter case, a business partner can be very supportive of his activities. This confirms the entrepreneur's identity standard of motivations/capabilities. Therefore, the relationships between achieving success and start-up resources is mediated by motivations/capabilities. Moreover, one could say that the more an entrepreneur finds collaborators, the more start-up resources are available to them, which confirms the meanings held in the identity standard of motivations/capabilities.

Based on the research findings, it could be proposed that opportunities may relate to motivations/capabilities. If entrepreneurs create or recognise new opportunities, they will verify the identity-standard meanings of being capable of running a business. They
will also be able to find more collaborators through a networking activity to form new partnerships, thus confirming the identity standard of motivations/capabilities.

Given what have been discovered in the data, it could be proposed that if an entrepreneur confirms the identity standard of optimism, they will try to plan ahead. It seems that this relationship may be mediated by their involvement in the high-tech community. In other words, others from the community may influence their decision to make certain plans. Nonetheless, it seems that despite the error signal, which might be produced by the comparator as a response to others’ feedback, the entrepreneurs will remain optimistic and would like to make their plans to achieve the identity standard of success (i.e. that only their vision or deconstruction/construction of various scenarios can really work in practice).

Having done the analysis, I have also found out that the more an entrepreneur develops a reputation by making a social impact, the more they will confirm the meanings held in the identity standard of success. Moreover, it is safe to assume that if some entrepreneurs create/recognise opportunities through going to conferences and networking, they may verify their entrepreneurial identity and confirm the identity standard meanings of motivations/capabilities. Whereas, others do not see it as one of the core tasks of the entrepreneur. More generally, the more an entrepreneur does not create/recognise opportunities himself because they come directly to him, the greater the tendency for him to verify the entrepreneurial identity and confirm the identity standard meanings of motivations/capabilities. This is the association between the approaches to opportunities and the identity standard of motivations/capabilities.

### 3.1 A Grounded Theory Model of the Entrepreneur’s Identity Process

Figure 7 displayed the data structure without the loop of meaning but helped bring about and organise the constituent concepts. A developing grounded model is displayed in Figure 8, which describes the dynamic relationships among the emergent concepts. Early in the research it became clear that the concepts of optimism, success levels,
motivation and capabilities were already embedded in the entrepreneur’s identity standard. The subsequent actions, which are represented by the internal outcomes and external outcomes in the model, have resulted from a comparison between the feedback from others and the meanings held in the entrepreneur’s identity standard. Given this, these linkages are the basis for a grounded theory of the entrepreneur’s identity process. It is important to note here that this study is a combination of abduction and induction. Therefore, the resulting model has been derived not only from the interview answers but also from their application to the basic Burke’s model (compare Figure 1 on p.15 with Figure 8 on p.138). Most notably, Figure 8 suggests that the identity-standard meanings relate to subsequent entrepreneurial actions as an output to the social situation. The next section explains in greater detail how specific elements of the model are linked together.
3.2 Linkages among the Key Concepts

Figure 8 displays the entrepreneur’s identity process model, which consists of four components: the input, the identity standard, the comparator and the output. The input to this loop of meaning is the feedback from others in the environment. The identity standard consists of the same main elements as it was shown in the data structure in Figure 7, namely motivations and different capabilities for setting up a venture, entrepreneur’s optimism and achieving success. There are two types of outcomes, which are shown in the model: the internal and the external (as in Figure 8). As was explained earlier, the comparator is a mechanism that compares all the elements of the identity standard with the feedback/input received in a social situation. The standard, therefore,
guides entrepreneurial actions, whereas the internal and external outcomes are the output of meaningful behaviour to the environment. The internal outcomes comprise three subthemes: opportunity creation/recognition, start-up resources, planning ahead. These are the entrepreneur’s business practices inside a start-up. Different emphases on these subthemes tended to be associated with the external outcomes such as finding collaborations, community involvement, making a social impact and developing a reputation. These are the entrepreneur’s activities outside a start-up.
Chapter 4: Discussion

The purpose of the current research has been to examine the entrepreneur’s identity. My work has made a number of contributions to the extant literature.

The main contribution of my study is the typology of entrepreneurs based on aspects of their identity, derived from data. The second contribution is a process-model obtained by a combination of abduction and induction as I clearly mapped the categories of identity, as well as internal and external outcomes onto Burke’s model (Burke, 1991a,b; 1996). Not only does this research show that entrepreneurs differ with respect to their identity standards, but it also shows differences in the internal as well as external outcomes resulting from those identity standards. Interviews with the digital technology entrepreneurs were interpreted as their self-reported actions according to the meanings held in their identity standards. My findings suggest that motivations as well as different capabilities for setting up a venture, optimism, and the achievement of success are the identity-standard meanings that digital-tech entrepreneurs use to compare the feedback in order to verify their entrepreneurial identity. The main purpose of the control system of any activated identity is to facilitate identity verification (Stets and Burke, 2005a; Burke and Stets, 1999). This means that the feedback that individuals receive about themselves should be consistent with the meanings held in their identity standard (Stets, 2006a; Burke and Stets, 2009).

Empirically, very little research has been done on the digital-tech incubators in the context of identity theory. However, it appears important to study such incubators because they are hubs that encompass a wide-range of digital-tech entrepreneurs, who introduce innovation. Such innovation has also positive spillover effects. Given the possible limited time resources for carrying out this research, focusing on the incubators was a good way of generating a contrast between innovative nascent and experienced entrepreneurs in one place.
I went beyond the Stets and Burke’s (2005b), Fauchart and Gruber’s (2011), Stanworth and Curran’s (1976), and Vesalainen and Pihkala’s (1999) works in the following sense.

Firstly, Fauchart and Gruber (2011) came up with the typology of entrepreneurs like myself. Their types were the darwinian identity, the communitarian identity, and the missionary identity. There is some overlap between what the scholars have found and the findings of the current research. For example, the darwinian identity appears to be similar to the high-flyer identity because entrepreneurs who belong to either type focus their attention on profitability and wealth creation. These meanings are embedded in their identity standard of success. Fauchart and Gruber (2011) do not refer to such traditional business principles as the standard. However, my study links the types to the standard to show that entrepreneurs who fall into the category of the high-fliers only verify the meanings of their identity if they confirm their identity standard of success. In other words, by making profits and establishing a very competitive business the high-fliers verify their entrepreneurial identity.

The other two types such as the communitarian identity and the missionary identity differ from the innovator identity and from the lifestyle identity respectively. The main reason for this may be because the types of entrepreneurs’ identities observed in each sample belong to different industries and countries. My study investigated a digital-tech incubator programme in the UK, whereas Fauchart and Gruber conducted their research in the West European Alpine region (Switzerland, Germany, and France) and took the sports-related equipment industry for their research. There is a lot of attention to the high-tech sector of entrepreneurship research because it is a highly innovative branch of economic activity. Therefore, I believe that designing a novel typology that fits this sector is an important contribution of this dissertation. It may correspond to an important platform to research upon new technology-based entrepreneurship.

In addition, the study of Fauchart and Gruber (2011) is slightly confusing in introducing hybrid founder identities for 11 individuals in their sample, while
acknowledging the possible variations within each of the type produced a more concise and coherent typology.

Secondly, the findings of the current research provide a better explanation of the entrepreneurial identity than Stanworth and Curran (1976), who present a typology of identities of small business owners. Their study is conceptual where the scholars claim that there are a number of related meanings that form the essence of how an entrepreneur defines himself in the entrepreneurial role. Stanworth and Curran (1976) refer to the artisan identity, the classical entrepreneur identity, and the manager identity in order to draw a distinction between the classical entrepreneur identity and the other two. My study does not distinguish between the identities in the same way. Nevertheless, I find a number of similarities between our works with respect to the personal role components. For instance, the artisan identity is similar to the lifestyle identity type because of the identity standard of motivations/capabilities, and the standard of success. Specifically, personal autonomy is key for the entrepreneurial role of either type. Also, both types do not aim to grow their businesses.

The classical entrepreneur identity in their study is similar to the high-flyer type owing to high growth aspirations and monetary values (i.e. profit). Interestingly, the managerial identity echoes the lifestyle entrepreneur’s identity standard of success and the high-flyer’s identity standard of motivations/capabilities. In particular, the standard of success is referred to financial security for the managerial identity (in their study) and the lifestyle identity (in my study). Whereas, the standard of motivations/capabilities is apparent in the entrepreneurs’ desire to be recognised by others. This means that they want high status and a confirmation of their entrepreneurial identity by firm members as well as other businessmen. The manager identity is also similar to the lifestyle entrepreneur identity type with regard to the entrepreneurs’ standard of success when they merge with larger or well-established/well-known companies to reduce the level of uncertainty surrounding the entrepreneurial process. In this respect, the findings of my
study and the Stanworth and Curran’s understanding of meanings attached to the role of the entrepreneur complement each other.

In contrast to the identities discussed so far, the innovator identity is a novel feature in the literature. It does not appear in Stanworth and Curran’s (1976) work. I believe this links with the contribution I highlighted earlier that my sector of interest is about new technology-based businesses. It is for this group of businesses that alongside motivations based on material gain I observe intrinsic motivation based on the value of innovation and curiosity. This links very well with some recent discussion on motivation of entrepreneurs as exemplified by Mickiewicz et al. (2016). Here, my contribution is to highlight that the type of motivation of entrepreneurs may be sector-specific. Likewise, Vesalainen and Pihkala (1999) did not have the innovator type as part of their taxonomy.

Thirdly, I designed the typology linking it to the process approach, which is not present in the works I have discussed so far. In my research I make a strong connection between the types and the identity standard of entrepreneurs because the findings reveal that when entrepreneurs verify their identity they act differently in comparison to the situation when they do not verify it. This process results in certain internal and external outcomes. The internal outcomes mostly relate to the entrepreneur’s business practices inside the venture. These include opportunity creation/recognition, start-up resources, and planning ahead. The external outcomes are about the entrepreneur’s activities outside the venture, which include finding collaborations, involvement in the tech community, making a social impact and developing a reputation.

Specifically, for the first time in the context of entrepreneurship I examined how informants experienced identity-verification and non-verification by either confirming or disconfirming the meanings that they had in their standard of motivation and capabilities, success, and optimism at the start. This identity process was observed as the participants organised and gave meaning to their entrepreneurial identity.

For this sample of digital-tech entrepreneurs, constructing their entrepreneurial identities was a process of making sense of the feedback from others. The high-flyers
(the first category), for instance, exhibited confidence in their actions and knowledge of what they were doing. Whereas, the innovators (the second category) were passionate about invention and were closer to high flyers than were the informants with the lifestyle identity type. The lifestyle entrepreneurs (the third category) were most notable for staying true to their own lifestyle and they believed that their daily business activities should revolve around that.

According to the extant entrepreneurship literature, the behaviour of individuals (when seen through the entrepreneurial identity) seems to have been strongly influenced by the expectations brought about by the social structure (Linton, 1936). My study, in contrast, examines entrepreneur's identity in a new way through the perceptual control emphasis similar to Stryker and Burke (2000); Burke and Stets (2000); Burke (1991a, 1996). I identify how the entrepreneur’s identity standard is associated with the internal and external outcomes of the entrepreneur’s identity process. These outcomes are the entrepreneur’s actions or strategic choices that come out of the identity control system as the output to the environment/social situation.

My study also advances the literature on identity types (Bryant, 1999) that investigates occupational identities by employing grounded theory. Bryant’s (1999) typology uncovers a change in meanings associated with work in farming in two regions of South Australia. As already mentioned, my research examined a different industry (i.e. the high-tech industry) in the UK, which undoubtedly has some implications in terms of the results. Therefore, it seems that the identity standards of entrepreneurs in high-tech may differ from those is farming.

Moreover, my research also contributes to the entrepreneurial identity literature by outlining the process of identity change. This pertains to the modification of the meanings and expectations held in the identity standard (Stets and Burke, 2009). This study advances the entrepreneurship literature by stressing the importance of examining entrepreneurial identity change. The modification of the entrepreneur's identity-standard meanings may lead to change in entrepreneurial actions. At the same time,
entrepreneur’s behaviour may also affect his/her identity: identity change may result from past behaviour.

A practical example provided in my study showed identity change within a family business context. Specifically, the example focused on a conflicting relationship between a father as a former entrepreneur and his daughter as a successful entrepreneur. A conflict between the two individuals emerged because of the father’s attachment to his identity as an entrepreneur. Therefore, the meanings in his identity standard did not allow him to ‘let go’ of the business and see that his daughter has already become successful by running their family enterprise. This appears to be a typical situation within family businesses, which may be investigated in different industries and countries. The categorisation I offer may be a useful analytical tool leading to further implications.

In addition to what was outlined above, the findings allowed me to make original propositions about how entrepreneurs may behave/act. For example, there was a relationship between the identity standard of different motivations/capabilities and the tendency to search for new collaborators outside the incubator. The association was found between the identity standard of achieving success and start-up resources, mediated by the identity standard of motivations/capabilities. Likewise, the association was spotted between finding collaborators and start-up resources, confirming the meanings of the identity standard of motivations/capabilities. I also found how the identity standard of optimism was related to planning ahead, and the relationship was mediated by the involvement in the high-tech community. In addition, there was a connection between opportunities and the identity standard of capabilities. Finally, I focused on a reputation related to the standard of success. These are all novel and interesting insights.

**Limitations and Future Research Directions**

The aim of this research as a whole was to develop a grounded process model with the help of the perceptual control emphasis in identity theory from the literature (a combination of abductive and inductive research according to the Gioia methodology.
(Gioia et al., 2012). However, the study is limited in several key aspects. Firstly, this was an interview-based study and it would appear that my research design was the most sensible approach (rather than a survey) to find out about identities to address my research question. Despite that, this study did not allow to make the findings generalizable to the whole population. Saunders et al. (2007, p. 319) suggest that “it is not feasible or realistic to replicate the data” in such type of study because of the unique circumstances, i.e. when and where the interviews were conducted. Moreover, all the participants were exclusively male. For this reason, the outcomes may not be generalizable to women. That is why cross-sectional studies are required in order to overcome these limitations.

The main aim of the investigation was to understand the informants’ self-reported behaviour/actions through the entrepreneur’s meanings and concepts (Bryman and Bell, 2007; Bryman, 1988) about themselves to make theoretical generalisations (Marshall and Rossman, 1999), which involved suggesting novel concepts and offering new interpretations; in this case, the interpretations of the entrepreneur’s identity. Having said that, this new perspective could be applied in other contexts: for example, for other tech- and non-tech incubators.

Taking everything into account, the research findings of the present study appear to be highly valuable for the understanding of the entrepreneur’s identity because they show how the identity standard of entrepreneurs is associated with the internal and external outcomes. Retrospective entrepreneur reports is an advantage of conducting qualitative interviews because they allowed the respondents to think over past events, step back and reflect (Bryman and Bell, 2007; Pettigrew, 1985). That is why it seems that new ideas that have been reflected in this study require an extensive body of empirical investigation for their support and extension. This means that future research should adopt and test these ideas by measuring the meanings of the entrepreneur’s identity with the help of the findings from the current study. Perhaps, future theoretical studies could advance the current understanding of the entrepreneur’s identity process by examining the
hierarchical perceptual control system of multiple identities (Burke, 2003; Thoits, 1983, 1986) or examining identity change (Burke, 1997; Burke, 2006a; Burke and Cast, 1997; Ascencio and Burke, 2011). Further investigations may also include projects with additional sources of data in different contexts and countries. Furthermore, future studies that incorporate the use of longitudinal data may potentially yield deep insights into identity change. The case studies of family businesses should also be examined by applying the arguments in this perspective. Moreover, multiple identities (Burke, 2003; Thoits, 1983, 1986) of entrepreneurs may be measured as well. All this would suggest that entrepreneurship scholars should incorporate the entrepreneur’s identity process into their research to advance the field of entrepreneurship.

The purpose of this research investigation was to gain insights into the meanings that lie behind the entrepreneur’s identity. In addition, the perceptual control emphasis of Burke (1980, 1991a), Stets and Burke (2005) in identity theory may be interesting for future investigations of the entrepreneurial emotion because of “the relationship between emotion and identity processes” (Burke and Stets, 2009, p. 155). Therefore, further research may also examine what kind of positive or negative emotions (Stets, 2006b) entrepreneurs experience when the meanings of their identities are not being confirmed in a positive or negative direction (Stets, 2004).

All in all, although my research may seem fairly limited in scope, its valuable and original findings lay the foundations for future theoretical and empirical investigations regarding the operation of the entrepreneur’s identity process. This grounded theory model describes how entrepreneurs control the meanings about themselves to verify their entrepreneurial identity. For this reason, more research is required to validate the functioning of the model.

Conclusions

The aspiration of this research was to implement the basic identity model from sociology and social psychology in the entrepreneurial context in order to present an
adapted model of the entrepreneur’s identity process. My grounded theory model has described the relation between the entrepreneur’s (account of their) identity and the reported accounts of their entrepreneurial actions. That is why this study has examined the entrepreneur’s identity through the operation of the entrepreneur’s identity process.

The central questions addressed by the study were: “What do entrepreneurs think about themselves?” and “How does it influence their entrepreneurial actions/strategic choices?” Therefore, the research focused on the content of the entrepreneur’s identity. The main research finding that was identified in the data was the typology of entrepreneurs according to the meanings that they held about themselves in their identity standard. The types include: the high-flyers, the innovators, and the lifestyle entrepreneurs.

The identity-standard meanings are represented by different categories such as optimism, success levels, motivation and capabilities. The analysis indicates how these factors related to the internal outcomes and the external outcomes. Two examples of the most interesting findings are: confirmation of the entrepreneurial identity by helping 1,200 people in a community to get into work (the high-flyer identity), non-confirmation of the entrepreneurial identity by making people redundant (the high-flyer identity).

My findings add to the existing knowledge about an entrepreneur and his/her actions based on the comparative process of the feedback they receive from others in a social situation and the identity-standard meanings. Drawing upon the evidence from this qualitative and interpretive study, I offered a number of propositions about the possible entrepreneurial actions/choices.

For instance, the identity standard of achieving success is associated with start-up resources, and mediated by the identity standard of motivations/capabilities. If entrepreneurs recognise new opportunities, they will confirm the meanings in their identity standard of having an ability to run a business. Moreover, they will be able to find more collaborators through a networking activity, thus confirming the identity standard of motivations/capabilities.
Another example may be that if an entrepreneur verifies the identity-standard meanings of optimism, they will be planning ahead. The relationship may be mediated by their involvement in the high-tech community as others may exert an influence on how exactly they make their business planning. Also, an analysis allowed me to propose that the more entrepreneurs develop a reputation through making a social impact, the more they will verify the identity-standard meanings of success.

I hope that these and other patterns that have been identified in my study could form a basis for further research, either refuting or confirming what I have found.
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**Electronic Sources**

BERA Ethical Guidelines 2011.


Appendices

Appendix A: An audio and video invitation

This message was recorded and emailed to one of the managers at a high-tech business incubator.

“Hello, entrepreneur. My name is Tatiana Kukova and I am a doctoral research student at Aston Business School. In this short video/audio recording I would like you to participate in a one-to-one conversation with me for my research study, entitled “Entrepreneurial experiences in Austerity Britain”. That is why I am recruiting the participants who happen to be entrepreneurs to take part.

The purpose of this study is to find out what it means to you personally to be an entrepreneur. My questions do not require any confidential information. That is why your rights are not affected in any way. Just to let you know, there are no third parties in the process and my research is strictly for academic purposes. This means that your anonymised words will appear in my doctoral thesis as well as other research publications/outlets such as academic articles, conference and symposium presentations. Only academics are truly interested in the outputs of this research and will use this material.

The conversation will last approximately 45 minutes but I am aiming for less than that. It will be digitally recorded for transcription purposes. Just to make it easier, I am ready to come to the campus at the most convenient time for you.

I hope you can support my research and enjoy talking to me.

My email address is very simple. It's (the name of the email). You may also find this email address in last week’s bulletin. I have also included a short audio recording for you so you can explore this material at your leisure.

Please read the attached documents to familiarise yourself with the study and understand what the research entails.”
Invitation:
You are being invited to take part in a research study entitled 'Entrepreneurial experiences in austerity Britain'. It has been organised by Ms Tatiana Kukova who is undertaking a research degree in Management at Aston Business School, Economics and Strategy Group, Aston University.

What is the purpose of this study?
The purpose of this study is to find out what it means to you personally to be an entrepreneur. This research is being conducted in order to advance knowledge in the field of entrepreneurship. The outcomes of the research are strictly for academic purposes, and therefore at no expense to you at all.

If I agree to take part:
Your agreement to participate is strictly voluntary. You have the right to withdraw from the interview at any time. You are free not to give answers to any particular question at the interview for any reason known to you.

What does the process entail?
Firstly, you are contacted by email or in person and asked whether you agree to devote 45 minutes of your time to a one-to-one interview/conversation being held in the Science Park with regard to the aforementioned topic. Then, the arranged interview is conducted and digitally recorded to ensure the accuracy of the provided information.

If you do decide to participate, you will be given this information sheet to keep and will be asked to sign Voluntary Consent Form (attached) once you become familiar with the details.

You might be contacted at a later date to validate the transcripts of the information that you have provided. It is entirely up to you to accept this option.

Please be rest assured that there are no risks or discomfort that you may be faced with should you wish to accept the invitation.

What will happen to the results of the research study?
All interviews will be transcribed, analysed and interpreted for the completion of a research thesis at Aston Business School. The recordings will be kept confidential in compliance with the UK Data Protection Act (1998) for five years and completely destroyed afterwards. Anonymous results may then be disseminated through different types of scientific publications such as academic papers, seminar/conference/symposium papers and book chapters.

If you are interested in the outcomes of the study, let the researcher know about it and you will be sent a short summary.

Who do I contact if I need further information?
If you have any questions about the research, please contact the interviewer directly using the following details:
Ms Tatiana Kukova, BBA, MSc, AFHEA, CELTA, CPE
Doctoral Researcher
Who do I contact if I wish to make a complaint about the way in which the research is conducted?

If you have any concerns about the way in which the study has been carried out, please contact Research Degrees Programme at rdp@aston.ac.uk or telephone 0121 204 3219. You may also contact Professor Mark Hart at...or telephone...

Thank you for the time devoted to read this information sheet!
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<td>1</td>
<td>I confirm that I have read and understood the information sheet for the above study.</td>
<td>YES</td>
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<td>2</td>
<td>I understand that my participation is voluntary and that I am free to withdraw at any time without giving reason. I also recognise the right to decline to answer a question or a set of questions without stating the reason for it.</td>
<td>YES</td>
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<td>3</td>
<td>I understand that my anonymised words may be quoted in a research thesis, academic publications, conference presentations, reports, academic web pages, and other research outputs.</td>
<td>YES</td>
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<td>4</td>
<td>I understand my personal details such as name, phone number and email address will not be revealed to people outside the project.</td>
<td>YES</td>
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<td>5</td>
<td>I agree to take part in a one-to-one interview, which will include being interviewed and recorded by a digital audio recorder.</td>
<td>YES</td>
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<td>6</td>
<td>I am aware that whilst every effort will be made to treat my responses with complete confidentiality, this can only be offered within the limitations of the law.</td>
<td>YES</td>
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<td>7</td>
<td>I have been given the opportunity to ask questions about the project and have found these answered satisfactorily.</td>
<td>YES</td>
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(Consulted material for this consent form: Saunders, Lewis and Thornhill (2007); the UK Data Archive: ‘Managing and Sharing Data: Best Practice for Researchers’ of May 2011)

Your signature below means that you voluntarily agree to participate in this research study.

Name of volunteer:   Date:   Signature:   

Researcher: Tatiana Kukova   Date:   Signature:
Appendix D⁴: Interview Protocol

1. Brief introduction about the research and participants’ rights: Thank you so much for agreeing to participate in this interview. The purpose of the study is to find out what it means to you personally to be an entrepreneur. Just to remind you that all the information about this research project may be found in the information sheet that I have already given to you. Just to make it clear, you’ve already provided your consent to participate in this interview, which will be digitally recorded. This is strictly for academic purposes and there are no third parties in the process.

2. General opening and information about the business: Business sector, informants’ age and a start-up process.
   a. To start our interview, I would first like to ask a few general questions about your business and your background. What business sector are you in?
   b. Now I will ask you to select your age group from the following list: 18-24, 25-34, 35-44, 45-54, 55-64, over 65.
   c. Thank you. Now I’d like to talk about your start-up process. So, when did you start-up your business? Is this your first venture? Do you run it full-time or part-time?
   d. How did you come up with a business idea in the first place?
   e. How optimistic were you about your start up process? Why do you say that?

3. Entrepreneur’s identity
   a. Thank you. Now, I would like to talk about your thinking. Why did you think you could start your own business?
   b. Tell me about the situations when you had to make decisions? What were the key milestones?
   c. How do you find people to collaborate with?
   d. Could you describe to me how you search for new opportunities? How do you evaluate them?
   e. How would you define ‘success’?
   f. How did you develop a reputation? How would you develop a reputation?
   g. How involved are you in your community? What is a social impact from your business?

⁴ Format and items are verbatim.