The Experience and Role of Entrepreneurial Passion among Tech Founders During the Founding Stage of their Venture

James Brook

CIMR Workshop, Jan 2019

What I will cover

- Purpose and importance of the research
- The Tech entrepreneurs' context
- Clarifying concepts
- Field study and findings
- Main research

Purpose and importance

Importance of research:

Contribute to understanding the role of EP and how entrepreneurs experience it during the founding stages of their venture.

Digital economy (Internet) is one of the fastest growing areas of the UK economy and contributes an estimated £184 billion to the overall economy in 2017. This makes up around 12% of GDP.

Tech entrepreneurs' context

- Rapid changes
  - Customer preferences
  - Disruptive technologies
  - Fierce competition
  - Globalization
- Survival often reliant on venture funding
- High rates of innovation
  - Short product lifecycles
  - High failure rates
- Rise of Tech talent ecosystems (physical and virtual)
  - War for talent

Innovative Products

Customer Preferences & Lifestyles

Disruptive Technologies
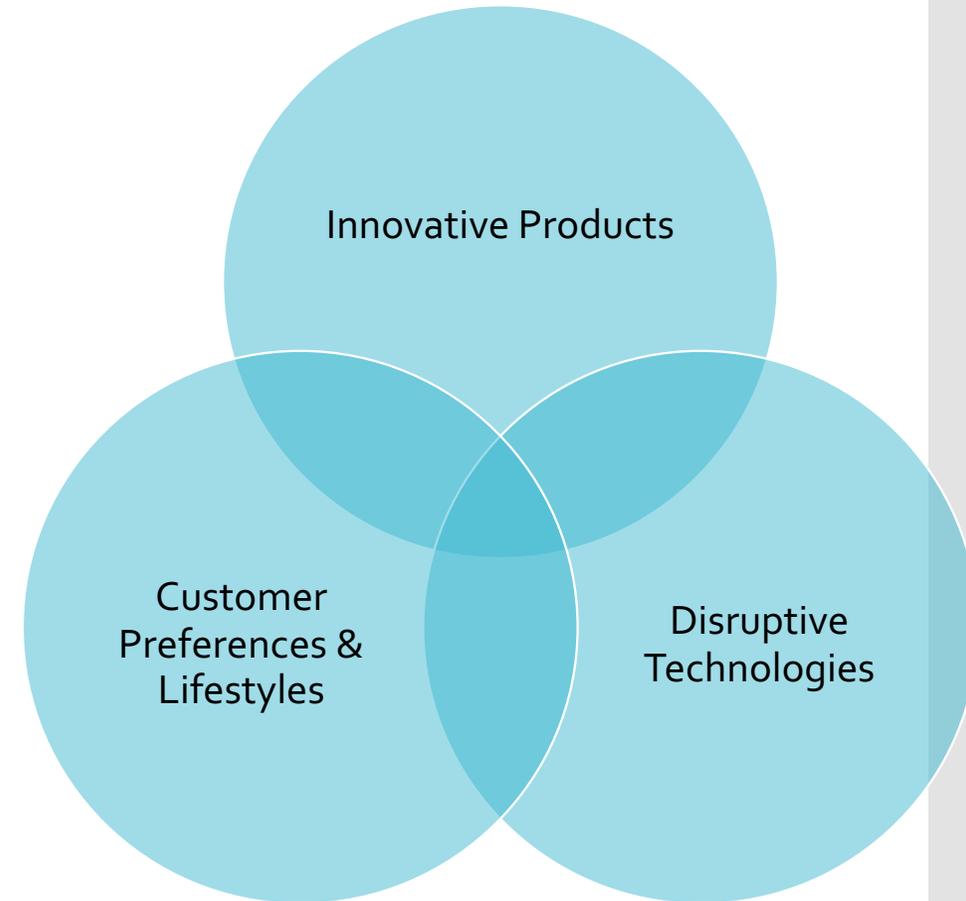
Clarifying concepts

What is a Tech entrepreneur?

- An individual exploiting new or emergent technology to start a venture and introduce new innovations to the market using personal resources in order to achieve desired financial and non-financial outcomes important to them.

What is entrepreneurial passion (EP)?

- Poorly defined in literature
- "Consciously accessible intense positive feelings experienced by engagement in entrepreneurial activities associated with roles that are meaningful and salient to the self-identity of the entrepreneur" Cardon et al. (2009)

Field study: Research methodology

Research sample

- N = 14, 9 male and 5 female
- All founders, co-founders or leaders
- Wide range of ventures in terms of revenue, nature of business, number of employees (<10 to over 700) and stage of growth;
- Convenient sample

Semi-structured interviews

Thematic analysis

Field study: Key findings

- Very few common qualities and characteristics of what makes a successful entrepreneur; very different personalities and strengths
- Way entrepreneurs define success varies significantly. Few cited money as main yardstick
- Three main behaviours emerged as significant for most:
  - Perseverance and hard work
  - Strong passion for business, products and serving customers
  - Rapid learning; being able to learn and adapt quickly ('fail fast' mindset)
- External factors including serendipity and upbringing play a significant role in the success of the digital entrepreneur (many had entrepreneurial relatives or parents who provided an early catalyst to their passion and learning)

Research questions

- How does the subjective experience of entrepreneurial passion (EP) evolve over time for Tech entrepreneurs during the founding stage of their venture?

- What role do networks and social support systems play in shaping and moderating EP?

- What role does EP play in helping Tech entrepreneurs persist and achieve their goals during the founding stages of their venture?

Methodology

Paradigm

- Few qualitative studies
- Interpretivist paradigm

Sampling and data collection

- c. 20 entrepreneurs from Tech Nation's ecosystem
- 3 semi-structured interviews over 12-18 months
- Interviews with valued stakeholders (if possible)

Data analysis and interpretation

- Within and cross-case analysis
- Template analysis
- Possible use of qualitative analysis software
- Personal and epistemological reflexivity