HONEYMOON IS OVER! EVIDENCE ON THE EMOTIONAL ROLLERCOASTER IN THE EARLY-STAGES OF A NEW VENTURE (SUMMARY)

Pia Arenius
Turku School of Economics, Finland, pia.arenius@tse.fi

Katja Laitinen
Turku School of Economics, Finland

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SUMMARY

HONEYMOON IS OVER! EVIDENCE ON THE EMOTIONAL ROLLERCOASTER IN THE EARLY-STAGES OF A NEW VENTURE

Pia Arenius, Turku School of Economics, Finland
Katja Laitinen, Turku School of Economics, Finland

Principal Topic

According to Kuratko & Hodgetts (2004, p. 30) ‘Entrepreneurship is a dynamic process of vision, change, and creation. It requires an application of energy and passion towards the creation and implementation of new ideas and creative solutions’. The level of energy and passion of the entrepreneur or the team of entrepreneurs is likely to vary across the lifecycle of the new venture. Particularly during the early stages of the new venture, the entrepreneur is likely to experience a rollercoaster of emotions and sustaining high levels of energy and passion can be problematic. The purpose of this study is to identify the range of emotions and how the emotions vary over time and across different situations. Second, we explore how emotions and team building are linked. We are following on Cardon et al. (2005) call for more research on the role of emotions in entrepreneurship.

Method

We are conducting a longitudinal study of a startup company. Since the birth of the company in January 2007, the ten founders of the firm have on regular basis recorded their stories about firm developments, their own experiences as entrepreneurs and the success of the firm. The length of these narratives varies between five to twenty minutes. To date we have about 80 narratives. To analyze the data we identified any words describing negative or positive emotions, coded the category of the emotions and the situational triggers of the emotions, and also coded whether the emotions are linked with the environment or with the founding team.

Results and Implications

Our results show that the founders of a new venture experience a range of emotions and that the emotions change rapidly from positive to negative, and vice versa. The impetus for the change may be an external event, or an event related to the functioning of the founding team. Currently, the founders are experiencing strong doubts about the sustainability of the venture and the team. Formal and informal meetings increase the level of energy and emotions among the founders. Some founders are more positive than others, which appears to be related to their level of self-efficacy.

CONTACT: Pia Arenius; pia.arenius@tse.fi; (T): +358 50 38 62 780; Turku School of Economics, Pori Unit, PO Box 170, 28101 Pori, Finland.