ENTRAPMENT AS AN UNINTENDED CONSEQUENCE OF ENTREPRENEURIAL SUCCESS

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ABSTRACT

One unintended consequence of entrepreneurial success may be that the entrepreneur becomes intertwined with the business. This phenomenon is called entrapment and we draw on Becker’s Side-Bet Theory to develop a series of hypotheses based on entrepreneurial success and individual difference variables. We surveyed 122 active entrepreneurs and found several significant relationships. To better understand these relationships, we conducted a second study using qualitative interviews with six entrepreneurs. Interview data suggested that entrepreneurs do indeed make side-bet type commitments, but increased financial success allows for the honoring of those commitments. The ability to honor commitments appears to leave the entrepreneur with a greater sense of alternatives and thereby reduces feelings of entrapment.

INTRODUCTION

There has been considerable focus on many aspects of the opportunity construct. However less attention has been paid to the outcomes of exploiting entrepreneurial opportunities and researchers have generally overlooked those who launch an entrepreneurial venture, experience success, and continue on as the principle source of capital, network ties, and strategic vision (Zahra & Dess, 2001). For these individuals it is plausible that because their venture is economically successful, the consequences of opportunity exploitation may be a commitment to a course of action that is much different than originally envisioned. The notion of deep commitment is reflected anecdotally as entrepreneurs often say that you have to be “married to the business” to be successful.

The metaphor of being married to the business is intriguing because it suggests that starting and running a business is akin to one of the deepest forms of commitment in modern society. If entrepreneurship is indeed like marriage then perhaps one consequence of venture growth and entrepreneurial success is that the entrepreneur may feel increasingly intertwined with their business related commitments. This phenomenon has been called entrapment and is defined as situations where individuals become locked into prior decisions as the result of perceived inability to move away from their current environment and course of action (Drummond & Chell, 2001; Faulkner, 1973; Gilbert et al., 2002). Entrapment is important because prior research has shown that it leads to a host of negative outcomes, such as depression and feelings of defeat (Gilbert & Allen, 1998; Martin, Gilbert, McEwan & Irons, 2006). What this means in the context of entrepreneurship is that increased feelings of entrapment may lead to negative outcomes and these outcomes may result in a loss of the passion and motivation that is often considered a key success factor in entrepreneurship (Cardon, et al., 2009). Thus the purpose of the current research is to investigate the general research question: Does entrepreneurial success lead to feelings of entrapment and is that relationship moderated by individual differences? We believe that an investiga-
tion of these questions opens up a new area of research that considers the idea that successful entrepreneurship is not a panacea and may be associated with unintended consequences.

**A THEORETICAL MODEL OF ENTREPRENEURIAL ENTRAPMENT**

**Side-Bet Theory**

Becker (1960, p. 33) describes commitment as a proclivity to “engage in consistent lines of activity” and he went on to develop a commitment theory that has guided a number of social psychology studies and appears to be especially applicable in this context (Cohen & Lowenberg, 1990). That theory has come to be known as “Side-Bet Theory” and is fundamentally based on Becker’s (1960) conceptualization that “side-bets” are the “accumulation of investments valued by the individual which would be lost if he or she were to leave the organization” (Cohen & Lowenberg, 1990; p. 1016). SBT asserts that individuals often do not base decisions, such as job or career changes, purely on economic conditions. Rather individuals are influenced and constrained by a series of identity related ties as well as emotional, relational and other similar investments and these commitments tie people to specific courses of action, principally, organizational membership.

To illustrate how side-bet commitments work, Becker (1960) argued that an individual considering a new job opportunity may be deterred because the move may cost the person their seniority, their connections, and their reputation. In addition, the individual also risks the loss of “ease in doing his work because of his success in adjusting to the particular conditions of his job” (Becker, 1960, p. 39). Becker’s (1960) illustration highlights the important role that success plays in the accumulation of side-bets and organizational commitment. It is prior success that creates conditions where loss is possible, change is uncomfortable, and suitable alternatives are perceived as limited. Thus prior success is likely to lead the individual towards the perception that they are, for better or worse, inextricably married to their current course of action. The perception of being bound to a course of action is exactly the phenomenon that Carson et al. (1995) and Gilbert and Allen (1998) describe as they developed the concepts of entrenchment and entrapment.

Carson et al. (1995) argued that people become occupationally entrenched as a result of the emotional and relational costs associated with employment in professional occupations. Specifically, they assert that changing occupations results in the disruption of interpersonal relationships and lost social status and these emotional costs are drivers of entrenchment. Thus entrenchment is “quietly self perpetuating” (Carson and Carson, 1997 p. 64). In a similar vein, Gilbert and Allen (1998) take a more traditional psychological approach in conceptualizing that a perceived lack of alternatives results in feelings of entrapment and those feelings lead to anxiety, depression and defeat. While the concept of entrapment was originally developed in the psychology and mental health literatures, it has been applied to the context of occupations and careers. Faulkner (1973, p. 343), for example, studied the role of entrapment in the careers of Orchestra Musicians and found that entrapment was a “state of mind” as some accomplished musicians felt “deeply constrained” and “in a box” even though they were part of an accomplished orchestra. Within the context of entrepreneurship this suggests the possibility that entrepreneurs are likely to make similar, and perhaps even more intense, emotional and relational investments and these side-bet type commitments are likely to result in increased feelings of entrapment. We now turn our attention to identifying some of the salient characteristics of a successful entrepreneurial venture that may lead to feelings of entrapment.
Venture Profitability

One entrepreneurial success factor likely to increase the number and intensity of side-bets is the profitability of the entrepreneur’s venture (Steffens, Davidsson, & Fitzsimmons, 2009). On the surface the relationship between venture profitability and increasing side-bets may seem counter intuitive because one could argue that as profitability goes up the entrepreneur could pay down debt and address other similar financial commitments. While this is certainly possible, SBT suggests that entrapment is generally a function of non-financial ties and perceptions of limited alternatives. In the case of a highly profitable venture, we would argue that one consequence of these profits is the generation of a significant income stream for the entrepreneur. As this income stream increases, they may envision that they have few occupational alternatives that would provide the same level of income. Because people often live a lifestyle that corresponds to their income level (Schor, 1998), the idea of giving up a relatively high standard of living to pursue another line of action may be a hard sell and thus the entrepreneur remains committed to their current course of action. Over time, this commitment may lead to increased feelings of entrapment. This logic leads to our first hypothesis:

\[ H1. \text{ The greater the venture profitability the greater the feelings of entrapment by the entrepreneur.} \]

Venture Growth

Another entrepreneurial success factor likely to increase the number and intensity of side-bets is the growth rate of the entrepreneur’s venture (Boeker & Karichalil, 2002). It is well documented that achieving and managing a high rate of growth is a difficult proposition (Nicholls-Nixon, 2005). Because active entrepreneurs usually have a strong growth orientation they are often willing to make significant personal and professional investments to facilitate business growth. Some of the often cited challenges associated with growth are stimulating the necessary customer demand, securing the capital needed to finance the growth, and securing the human capital required to deliver an ever increasing number of organizational outputs (Dess et al., 2010). As such, SBT logic suggests that the entrepreneur who is leading a growing firm is likely to make more and larger side-bets. For example, it may be common for the entrepreneur to make delivery promises to new customers, to develop personal relationships with new investors, and to make a range of commitments to new hires in attempts to attract the best talent. Moreover, when there is rapid pace of growth these side-bets are probably made under time pressure and with little regard for long-term consequences. This is exactly the type of situation Becker (1960) described in his development of SBT. Thus SBT logic suggests that as the growth rate of the company increases, the number of side-bets also increases. This increase in side-bets is likely to lead to subsequent feelings of entrapment by the entrepreneur. This logic suggests our second hypothesis:

\[ H2. \text{ The higher the venture growth the greater the feelings of entrapment by the entrepreneur.} \]

Venture Survival Time

A third entrepreneurial success factor likely to increase the number and intensity of side-bets is the survival time of the entrepreneur’s venture. SBT research has investigated the effects of time on the formation of side-bets. Ritzer and Trice (1969) were some of the first researchers to argue that side-bets are likely to accumulate over time and this realization has led to a number of studies that found correlations between structural variables such as employee age, organizational tenure, and the number and size of side-bets (Hunt & Saul, 1975; Stevens, Byer, & Trice, 1978). The general logic behind these relationships is that as one engages in the course of their life and business
they make side-bets required to achieve certain goals. However, once the goals are achieved the side-bets remain. Thus as one participates in more and more relational activities side-bets begin to accumulate over time (Myer & Allen, 1984). If we apply Ritzer and Trice’s (1969) logic to the context of entrepreneurship it suggests that as venture survival time increases the number of side-bets also increases. For example, when the business first began the entrepreneur likely developed key relationships with a few key customers and employees that allowed the business to survive the early years. If the venture has achieved long-term survival at least some of these relationships may still exist today. However, the entrepreneur has likely developed additional customer and employee relationships that have become just as important as the original ones. As such, the entrepreneur has made a number of new side-bets over time resulting in a significant accumulation of relational side-bets. Finally, the longer the firm persists the more likely the entrepreneur is to be defined by their business. If Bill has owned XYZ Company for twenty years it will be much more difficult to disentangle his personal identity from the business than if he owned it for two years. This suggests the following hypothesis:

\[ \text{H3. The longer the firm persists under the direction of the entrepreneur the greater the feelings of entrapment by the entrepreneur.} \]

**Venture Size**

Another success factor likely to affect the entrepreneur’s feelings of entrapment is the physical size of the entrepreneur’s venture (Boeker & Karichalil, 2002). To be successful and grow, firms typically need a stable and diversified customer base, reliable and well trained employees, and access to financial capital (Dess, Lumpkin, & Eisner, 2010). Ensuring that the venture has continued access to these key elements is not easy and personal relationships, reputation, and access to key networks become essential tools in securing the required resources (e.g., Rindova, et al., 2005). This means that as the size of the venture increases, the entrepreneur is going to interact with a greater number of stakeholders and resource providers and thus is likely to make a greater number of side-bets. As these side bets accumulate it becomes increasingly difficult for the entrepreneur to separate himself from the business and he is likely to experience greater feelings of entrapment. In addition to relational side-bets, firm size is likely to play a role in the formation of identity related side-bets. As the venture grows and increases in size it becomes more widely known. A small local retailer, for example, may grow into a regional player with multiple stores. As this process unfolds and the company becomes more widely known the entrepreneurs association with the firm becomes more prestigious. This makes the interplay between the entrepreneur’s personal and professional identity more salient and the entrepreneur less likely to see an alternative where similar prestige may be achieved. Thus he or she is likely to be unwilling to bear the costs associated with separating from his or her current identity. This logic is reflected in our fourth hypothesis.

\[ \text{H4. The larger the firm the greater the feelings of entrapment by the entrepreneur.} \]

**Role of Attitude Towards Risk**

Because we have argued that entrapment is the result of side-bet type commitments and the threat of loss that is associated with breaking those commitments, it is important to consider the idea that some may be more willing than others to bear the risk associated with a threat of loss situation (Knight, 1921; McClelland, 1961). The entrepreneurial risk literature is almost exclusively focused on the risks and uncertainties associated with market entry and the decision to launch a new venture (e.g., Evans & Leighton, 1989; Wood & Pearson, 2009; Haynie et al., 2009). We seek to move the risk discussion forward by considering how the entrepreneur’s attitude towards risk
might influence behavior within an ongoing successful entrepreneurial venture. Prior research has shown that through skill and private information what seems risky to outsiders is actually not seen as risky to the entrepreneur (Palich & Bagby, 1995; Sarasvathy et al., 1998). This data suggest that as a successful entrepreneur considers exiting their business they are likely to have confidence in their abilities only in so far as the boundaries of their business domain. In other words, as the entrepreneur begins to consider leaving the business to pursue other opportunities, they may feel that their skills and abilities are not well suited for activities beyond those associated with their particular business or perhaps within the larger industry (Galbraith et al, 2010). Even though successful entrepreneurs may feel less confident about their abilities outside the boundaries of their current firm, those with a very positive attitude towards risk may feel more strongly that they could succeed in another endeavor. This leads us to the conclusion that those individuals who have a generally positive view of risk may feel more strongly that they could succeed in another endeavor. This leads us to the conclusion that those individuals who have a generally positive view of risk may feel more strongly that they could succeed in another endeavor. This leads us to the conclusion that those individuals who have a generally positive view of risk may feel more strongly that they could succeed in another endeavor.

\textbf{H5a.} The more positive the attitude towards risk the less the feelings of entrapment by the entrepreneur.

In addition to having a main effect on entrapment it is also likely that the entrepreneurs’ attitude towards risk will moderate the relationship between the entrepreneurial success variables and feelings of entrapment. For example, we predicted that as the venture grows feelings of entrapment will also increase. If we add the entrepreneur’s attitude towards risk to the equation it is likely that for those who have a positive attitude towards risk, the relationship between venture growth and feelings of entrapment will become weaker. The idea is that the positive relationship between venture growth and entrapment will become less positive in the presence of a positive attitude towards risk. We expect similar interaction effects to take place between our other success variables and the entrepreneur’s attitude towards risk. This leads to the second part of our fifth hypothesis:

\textbf{H5b.} The relationships between the entrepreneurial venture success variables and feelings of entrapment will be moderated by the entrepreneur’s attitude towards risk, such that in the presence of a positive attitude towards risk the success variable - entrapment relationship will become less positive.

\section*{Role of Fear of Failure}

Another individual difference that has been shown to influence the entrepreneurial process is the entrepreneur’s fear of failure. Fear of failure has been defined by Atkinson (1957: p. 360) as “the capacity or propensity to experience shame upon failure.” Fear of failure has been shown to influence opportunity evaluation and exploitation decisions (e.g., Wood & Pearson, 2009) and is likely to play an influential role within the context of entrepreneurial success and entrapment. More specifically, psychologists argue that individuals high in fear of failure will orient themselves away from situations where failure is more likely. In our case, this means that entrepreneurs high in fear of failure would be more likely to stay with their current venture because moving on from that venture represents a greater chance of failure. In that way, entrepreneurs high in fear of failure may dream of leaving to pursue other interests, but their fear of failure reduces the probability they will engage in such opportunity seeking behaviors and may increase their feelings of entrapment.
This logic suggests that there will be a positive relationship between fear of failure and feelings of entrapment as reflected in the following hypothesis:

\textit{H6a. The greater the fear of failure the greater the feelings of entrapment by the entrepreneur.}

In addition to having a main effect on entrapment it is also likely that the entrepreneur’s fear of failure will moderate the relationship between the entrepreneurial success variables and feelings of entrapment. For example, we predicted that as the ventures profits increase feelings of entrapment will also increase. If we add the entrepreneur’s fear of failure to the model it is likely that for those who have high fear of failure, the relationship between venture profitability and feelings of entrapment will become stronger. The logic is that the positive relationship between venture profitability and entrapment will become more positive in the presence of high fear of failure because those who generally fear failure are going to most likely seek the continued safety and security of their increasingly profitable venture. In that way, these individuals are more likely to experience feelings of entrapment because they are too afraid of the increased risk of failure associated with leaving the venture to pursue other interests. We expect similar interaction effects to take place between our other success variables and the entrepreneur’s attitude towards risk. This leads to our final hypothesis:

\textit{H6b. The relationships between the entrepreneurial venture success variables and feelings of entrapment will be moderated by the entrepreneur’s fear of failure, such that in the presence of higher levels of fear of failure the success variable - entrapment relationship will become more positive.}

**METHODS**

**Sample**

We collected primary survey data from active entrepreneurs. We define active entrepreneurs as those entrepreneurs who continue to play the primary leadership and management role in at least one of the firm’s they founded. We used a series of e-mail recruitment messages that were endorsed by the Director of a regional Entrepreneurship Center. We sent survey requests to 460 active entrepreneurs. 155 entrepreneurs responded to our request which reflects a response rate of 34%. However, 31 of these individual’s dropped out before completing the entire survey, leaving us with a sample size of 124 active entrepreneurs. Because our study investigates the relationship between firm level variables and the cognitions of the founder, we removed those respondents whose firms had more than 250 employees (explained further below). Thus we removed 4 cases which gave us a final sample size of 120 active entrepreneurs. Our sample consisted of 83 males and 37 females. Their age ranged from 23 to 73 with a mean of 45.75 years of age. The number of business starts per entrepreneur ranged from 1 to 14 and the average number of business starts per respondent was 3.25.

**Instrument and Measures**

**Entrapment.** Our dependent variable was the entrepreneur’s feelings of entrapment and was measured using an eight item external entrapment scale developed and validated by Gilbert and Allen (1998). The items were slightly modified for our context and each respondent indicated the degree to which each statement reflects their view of their professional-self on a scale ranging from 1, “not at all like me”, to 7, “extremely like me”. We averaged the scores across the items to create an overall measure of feelings of professional entrapment (Cronbach’s alpha of .86).
Venture growth. Because most entrepreneurs are reluctant to provide financial performance data, we measured firm growth using a three item scale developed by the researchers. Each respondent indicated their firm’s historic annual growth rate since founding, the degree to which their firm’s average growth was above or below the industry average, and that of their closest competitors on a scale ranging from 1 (11% or more below the average) to 7 (11% or more above the average). The scores from these three items were averaged to form an overall measure of firm growth (Cronbach’s alpha of .80).

Venture profitability. Firm profitability was measured using a 3 item scale developed by the researchers. Each respondent indicated their firm’s historic annual profitability as a percentage of revenue since founding, the degree to which their firm’s average profitability was above or below the industry average, and that of their closest competitors on a scale ranging from 1 (11% or more below the average) to 7 (11% or more above the average). The scores from these three items were averaged to form an overall measure of firm profitability (Cronbach’s alpha of .86).

Venture survival time. This variable was measured using firm age as reported by the respondents. We simply asked the respondents “how long their current firm had been in business” using years as the measurement unit. This approach follows a number of studies that operationalize firm age as the number of years in business since founding or incorporation (e.g., Chandler & Hanks, 1998; Wood & Michalisin, 2010).

Venture size. We measured the size of the firm using the number of employees as reported by the respondents. We simply asked the entrepreneurs “how many people their firm currently employs”. In a limited number of cases respondents indicated part-time employees. In these cases we considered part-time employees to be one-half of an employee. Using the number of employees as a measure of firm size is consistent with a number of studies who also operationalized firm size as number of employees (e.g., Barrick, Bradley, & Colbert, 2007; Mesquita & Lazzarini, 2008; Harms, Wagner, & Glauner, 2010).

Attitude towards risk. This variable was measured using a five item scale adopted from Meertens and Lion’s (2008) risk propensity scale. A sample item is “I take risks regularly” and each item was measured on a scale ranging from 1, “totally agree”, to 7, “totally disagree” and the scale has a Cronbach’s alpha of .86.

Fear of failure. We measure our respondents’ fear of failure using a 5 item scale developed by Conroy, Willow, and Metzler (2002). Each item was measured on a scale ranging from 1, “do not believe at all” to 5, “believe 100% of the time” and a sample item from the scale is “when I am failing, I worry about what others think about me”. To be clear, the fear of failure scale is designed so that higher numbers equal greater fear of failure. This scale proved reliable in our study with a Cronbach’s alpha of .79.

Control variables. We controlled for the entrepreneurs age, level of education, and the number of firm’s founded. Our logic for including these control variables is that in prior studies these variables have proven to be influential in the entrepreneurial process (Evans & Leighton, 1989; Boeker & Karrichalil, 2002).
RESULTS

We used hierarchical moderated regression to analyze our data. Table 1 shows the descriptive statistics for each of the variables included in the analysis. Table 2 reports the standardized coefficients and model change statistics for each of our regression models. Model 1 is the control model and shows that the entrepreneur’s age, education, and number of start-ups are not significant predictors of entrapment and explain 1.8% of the variance in feelings of entrapment. Model two tests the relationship between firm profitability and the entrepreneur’s feelings of entrapment and the regression coefficient for profitability is negative and significant. Profitability increases the explained variance in entrapment by 3.3% and this change in R^2 is significant, F(1,114) = 4.01, \( p < .05 \). This means that as firm profitability increases the entrepreneur’s feelings of entrapment decrease and thus H1 is not supported.

Our second hypothesis argued that there would be a positive relationship between venture growth and feelings of entrapment. Regression results (Model 3) show that venture growth is a significant predictor of entrapment, but the coefficient is negative and the increased explained variance in entrapment of 3.3% is significant, F(1,113) = 4.13, \( p < .05 \). These results indicate that as firm growth increases the entrepreneur’s feelings of entrapment decrease. These results indicate that an important relationship exits, but the directionality of this relationship is opposite our prediction and thus H2 is not supported.

Model four tests our third hypothesis which posited a positive relationship between venture survival time and the entrepreneur’s feelings of entrapment. Regression results revealed a significant relationship with a negative coefficient. The 2.4% change in explained variance is significant, F(1,112) = 3.08, \( p = .08 \). These results are consistent with our findings for profitability and growth and indicate that as firm survival time increases the entrepreneur’s feelings of entrapment decrease. The direction of the relationship was opposite our predictions and thus our third hypothesis was not supported. In a similar vein, hypothesis four argued for a positive relationship between venture size and entrapment. Model 5 tested for this relationship and the regression coefficient was negative and change in explained was also not significant .02%, F(1,111) = .16, \( p > .10 \). Hypothesis four was not supported.

Hypothesis 5a posited that there would be a negative relationship between attitude towards risk and feelings of entrapment. Similarly, H6a asserted that there would be a positive relationship between fear of failure and feelings of entrapment. Model six tested both of these hypotheses and results revealed a positive and significant regression coefficient for both individual difference variables and the explained variance increased by 12.4%, F(2,109) = .16, \( p < .01 \). The statistics indicate that as the entrepreneur’s attitude towards risk becomes more positive and their fear of failure increases they experience greater feelings of entrapment. Hypothesis 5a is not supported, while hypothesis 6a is supported.

Hypotheses 5b and 6b argued that attitude towards risk and fear of failure would moderate the relationship between the venture success variables and entrapment. Model seven tested the interaction effects between the venture success variables and attitudes towards risk. None of the interaction terms were significant nor was the change in explained variance of 2.1%, F(4,105) = .74 \( p > .10 \). Thus hypotheses 5b was not supported. The moderated effects of fear of failure were explored in model 8 and the addition of the interaction terms to the regression revealed four regression coefficients that were not significant and the 2.4% increase in explained variance was
not significant, $F(4,101) = .84, p > .10$. These results do not support hypothesis 6b. It is worth noting that the full model (Model 8) explained 28% of the variance in feelings of entrapment for our sample of active entrepreneurs. These statistics indicate that we have identified a number of important predictors of feelings of entrapment within the context of entrepreneurship.

**Discussion**

Instead of the hypothesized positive relationships between venture success and feelings of entrapment, we found several statistically significant negative relationships. Very simply, this means that many of the hypotheses were not supported. However, it does not mean that important relationships were not found. Rather, we uncovered several significant and insightful relationships that explain a substantial portion of the variance in feelings of entrapment. In practical terms, the negative and significant coefficients for venture profitability, growth, and survival time are indicators that as these variables increase entrepreneurs experience less feelings of entrapment. Because these negative relationships were consistent across the range of success variables and in the opposite direction of what our theoretical model would suggest, we wanted to better understand why this might be the case. Hence, we returned to the literature for possible explanations and found that one possibility is that the existing psychology work in the areas is primarily experimental research and therefore lacks real world context (e.g., Myer & Allen, 1984). Our study applies SBT to the applied context of entrepreneurship and perhaps SBT logic does not hold within the unique context of entrepreneurship. We wanted to learn more than our quantitative data could tell us, so we conducted a follow-up investigation using qualitative research methods (e.g., Esienhardt, 1989).

**Study Two: A Qualitative Follow-Up**

We selected six entrepreneurs for qualitative follow-up interviews. Three of the six companies were defined as "emerging" startups with survival times between 1-5 years and firm revenue between $100,000 and $500,000 annually. The other three companies were defined as "growth" startups with survival times between 5-10 years and firm revenue greater than $500,000 annually. These six cases were selected using "theoretical sampling" because they were likely to provide the greatest differentiation along our variables of interest (Eisenhardt, 1989; Pratt, 2009) and because a greater breadth of ventures helps to build "ecological validity" into the qualitative study (Lee, 1999: 152). In all six cases the entrepreneurs’ ventures were located in North Carolina.

We conducted face-to-face interviews between August and September, 2010. All interviews were conducted with the original founder (or co-founder) of the company and each of these individuals had completed our quantitative survey. We followed a semi-structured interview format as outlined by Yin (1989) and developed a series of interview questions designed to better understand the nature and degree to which entrepreneurs develop feelings of entrapment. Each interview was audio recorded and those recordings were later professionally transcribed verbatim. Following the technique used by Kreiner et al. (2006), each of the authors read all of the responses to the questions and independently generated a list of major themes. The authors then collaborated to determine the major themes that spoke to the entrapment phenomenon and this process resulted in the identification of four major themes. We labeled the themes as follows: (1) married to the business, (2) sense of commitment/responsibility, (3) views on venture growth and profits, (4) visions of the future/exit. We then re-examined the qualitative interviews through the lens of these four categories and identified language that spoke to the themes.
The first theme we identified was related to the metaphor of being “married to the business”. We found that many of the insightful comments the entrepreneurs made in relation to the marriage metaphor came as they responded to other interview questions or as they elaborated on their comments in the unstructured portion of the interview. For example, Frank discussed his views during the start-up phase of his business and stated that starting a business was like entering a relationship and “nobody ever goes into relationships thinking in terms of the commitment and the difficulties when you are in the honeymoon phase. I was incredibly naïve going into starting my business. I just never even thought that it could be conceivably burdensome in any way, shape, or form.” Similarly, Anthony spoke about how difficult it would be for him to shut down or leave his business and stated “it is as difficult to wrap up a business like this as it is to get a divorce, I imagine.” Clearly the entrepreneur’s comments indicate that these individuals do feel that they are in many ways married to their business. However, none of the entrepreneurs we interviewed seemed to be particularly concerned that they were married to their business and were generally quite happy owning and running their firms. For example, when Larry was asked if he still enjoyed the business he stated “oh yeah, for sure! I don’t regret it [starting the firm] at all, I mean especially in this economic climate I don’t regret being a business owner or the choices that I’ve made.” In short, the interview comments seemed to converge around the idea that the entrepreneurs felt married to their business, but that they had wisely selected their partner and remain “happily married.”

The second theme to emerge was the “sense of responsibility and commitment” that entrepreneurs felt. While this theme is related to the marriage metaphor discussed above we found the entrepreneurs discussing marriage related ideas on a general level and then commitment related issues on the level of specific stakeholders. Each of the entrepreneurs identified specific stakeholders that they are very committed to and feel obligated to meeting expectations. The most common stakeholders cited were customers, suppliers, investors, partners, employees, and families. Interestingly, the order of importance of these stakeholders varied dramatically. For example, Jay focused on commitments to investors, then customers, followed by his family. Frank noted that he felt committed to not only his employees but also their families who depend on the employee’s income. Finally, Anthony spoke about his intense commitment to his customers, especially those who had been with the company from the beginning. Taken collectively, these types of comments seem to converge around the idea that entrepreneurs do feel a deep sense of commitment and responsibility to a variety of stakeholders. However, the general consensus across the range of entrepreneurs was that they were not particularly concerned about these commitments and responsibility. However, it was also clear that if others imposed responsibility and commitments on them they experienced feelings that were consistent with the entrapment phenomenon. For example, some of the entrepreneurs began to feel trapped when their partners began to identify or define them as the lead founder.

The third theme to emerge from our interviews was the entrepreneur’s views on venture growth and profits. Interview data revealed that the entrepreneurs generally viewed growth and profits as a “good thing” which is consistent with the traditional economic view of entrepreneurial success (e.g., Knight, 1921). However, it appeared to us that the entrepreneurs viewed growth and profits as a means towards fulfilling a larger vision of overcoming challenges and building lasting value. Frank, for example, stated that there was “pleasure in knowing that it [the business] is growing and building into something that you envisioned and created and started on your own.” In a similar vein, it appeared that increases in growth and profits lead to greater freedom and flexibility. For example, James commented that because his firm had grown and hired more employees he has
a “massive difference in flexibility of schedule.” As such, many of the entrepreneur’s comments converged around the idea that increases in growth and profits lead to greater control, vision fulfillment, and flexibility and thus reduce feelings of entrapment, which is consistent with our findings in our quantitative study.

The final theme to emerge was the entrepreneurs “visions of the future and plans for exiting.” Many of the entrepreneurs gave us clues as to their vision of the future throughout the interviews. In every case the entrepreneurs indicated that they had dreams and visions of exiting the company, usually by way of selling the business. However, none of these individuals seemed to have a well-developed plan for how that might someday happen and noted several barriers to actually fulfilling the business sale vision. Some noted that their commitments to stakeholders would be a barrier to exiting, and this notion is consistent with our SBT derived entrapment model. Others discussed that they wanted to develop the company in a way that it could run without them. In that way, they would maintain ownership, but remove themselves from the day-to-day management role. Regardless of the envisioned mode of exit, each of the entrepreneurs realized they need to take a series of steps (e.g., build value, delegate, etc.) in order to make that vision a reality. However, none indicated that there was a sense of urgency or need to develop a formal plan for taking the required steps to eventually exit. Thus we concluded that for many the idea of exiting was a future focused dream and they were really quite content to continue running their respective firm.

Study Two Discussion

We find that entrepreneurs generally do feel married to their business, but they are quite content in that relationship. The marriage metaphor is articulated in more detail as the entrepreneurs’ comments illustrated that their business represents a series of commitments to a number of stakeholders. In that way owning and running a business is akin to a series of “mini-marriages” and these relationships are often prioritized in the mind of the entrepreneur; perhaps quite unconsciously. However, these relationships do not appear to be a problem for the entrepreneur as long as he or she feels that they have chosen to make the commitments, others did not impose them, and they perceive that they will be able to honor the commitments. If others make commitments for the entrepreneur, it appears that the walls begin to close in and the entrepreneur experiences greater entrapment type feelings.

Another important insight is that entrepreneurs do make side-bets related to their identity, relationships, and sense of personal fulfillment. Specifically, the entrepreneurs frequently referred to their “responsibilities” to a variety of stakeholders. They often spoke of a strong sense of commitment to customers and employees and how those commitments would make leaving the business very difficult. This type of language suggests that SBT logic does apply to the context of entrepreneurship. However, it appears that as the business becomes more successful there is a perception that relational side-bets are (or will be) honored and thus entrapment type feelings are reduced. Consistent with SBT logic, our data suggests that successful entrepreneurs are quite reluctant to even consider giving up that sense of identity and the reputational capital owning a successful firm provides. In that way, SBT seems to be quite applicable in this context and future studies could better tap into the degree to which identity and reputation tie entrepreneurs to their business.
The first implication of our study relates to our quantitative and qualitative findings that feelings of entrapment are generally not much of an issue within the context of entrepreneurial success. For our example, the mean value for entrapment was quite low and in our follow-up interviews we were consistently left with the impression that despite substantial struggles and intense commitment, the entrepreneurs were generally happy with their situation. While the entrepreneurs we interviewed seemed generally happy and not particularly entrapped, something that emerged was that while these individuals were not taking steps to exit their business they all perceived that it was a plausible option for them in the future. We found this interesting because they seemed to be rather naïve regarding the difficulties of selling a business or passing it on to the next generation (e.g., Poza, 2010). As such, we think an interesting avenue for future research would be to study entrapment using a sample of entrepreneurs who have either tried to sell or are actively trying to sell their business. Perhaps these individuals would have a different perception of their exit options and thus their feelings of entrapment might be significantly different.

Another implication of our research is the moderating role of individual differences in entrapment type relationships. We did find that the individual difference of fear of failure and attitudes towards risk are important predictors of feelings of entrapment, but those variables did not moderate the relationships between venture success variables and feelings of entrapment. What this suggests is that the strength of the relationship between venture success and feelings of entrapment are not significantly impacted by individual differences. One possible explanation for this is that because we are working within the context of success, uncertainty is lower and thus things like fear of failure and attitude towards risk may not be as influential as when uncertainty is high. For example, prior research has shown that both of these variables are influential in the opportunity evaluation process (e.g., Goss, 2005; Wood & Pearson, 2009) which is more uncertain than the success context. This suggests that future research should seek to explore how individual differences influence outcome variables at different levels of uncertainty.

Finally, our study has some important implications for entrepreneurs. Nascent entrepreneurs should be aware that feelings of entrapment are a real possibility and feeling locked-into a business is likely an unanticipated and unfavorable consequence of engaging in entrepreneurship. As such, those individual’s considering launching a new venture should recognize that the greater the ventures profits and growth the less likely feelings of entrapment will emerge. However, statistics show that of the entrepreneurial ventures that survive, many are destined to simply “muddle along” and never experience significant profits or growth (e.g., Shane, 2008). Under this scenario, the entrepreneur is likely to make a number of intense side-bet type commitments, but honoring those commitments may be especially difficult and leave the entrepreneur feeling trapped by their business. In that way, the freedom and flexibility that is often considered to be a hallmark of entrepreneurship may never be realized.

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References


### Table 1: Means, Standard Deviations, and Correlations

| Variable         | Mean | S.D. | 1   | 2   | 3   | 4   | 5   | 6   | 7   | 8   | 9   |
|------------------|------|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Age              | 45.75| 11.91|     |     |     |     |     |     |     |     |     |
| Education        | 4.95 | 1.12 | .03 |    |     |     |     |     |     |     |     |
| No. Starts       | 3.25 | 2.84 | .28** | -.05|     |     |     |     |     |     |     |
| Growth           | 4.75 | 1.26 | .07 | -.09 | .23**|     |     |     |     |     |     |
| Profitability    | 4.50 | 1.44 | .08 | -.04 | .11 | .54**|     |     |     |     |     |
| Survival Time    | 10.50| 11.44| .17 | .92 | .03 | .02 | .20*|     |     |     |     |
| No. Employees    | 25.06| 55.85| .23* | .10 | .04 | .01 | .06 | .62**|     |     |     |
| Attitude Risk    | 4.79 | 1.28 | .08 | .05 | .36** | .35** | .06 | -.11 | -.02 |     |     |
| Fear of Failure  | 2.22 | .79 | -.12 | .28** | .03 | -.11 | -.16* | -.12 | .01 | -.09 |     |
| Entrapment       | 1.55 | .62 | .07 | .08 | .04 | -.25** | -.17* | -.09 | -.05 | .01 | .32**|

N= 120, *Correlation is significant at .05 level and **correlation is significant at .01 level

### Table 2: Results of Hierarchical Moderated Regression Analysis

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*F Change = Entrapment
Reporting standardized beta coefficients with standard error in parentheses.
*** Significant at .01 level; * Significant at .05 level; * Significant at .10 level