ENTREPRENEURIAL STRESS: A CONCEPTUAL MODEL

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ABSTRACT

An examination of stress as experienced in an entrepreneurial context was conducted through an extensive literature review of prior entrepreneurial, management and executive stress research. Findings have been integrated into an earlier conceptual model of executive stress as developed by McGrath, in which the conceptual model was expanded upon to encompass factors unique to entrepreneurs such as the impact of coping strategies upon the entrepreneurial venture.

Research investigating stress states, the impact of coping strategies, and the added dimension of the entrepreneur’s relationship with the venture (which are not experienced by executives), have been integrated into the conceptual model.

INTRODUCTION

This paper aims to examine the processes of stress as experienced by entrepreneurs. The area of entrepreneurial stress is rather unexplored (Wincent & Örtqvist, 2009, Schindehutte et al. 2006, Buttner. 1992), and therefore due to the unavailability of an entrepreneurial stress model, an executive stress model has been analyzed for its ability to be adapted into the realm of entrepreneurship.

Insights into entrepreneurial stress research by Schindehutte et al. (2006) commented that while the conventional view is that the entrepreneur, at least in part, drives the venture, the role the venture and the environment it operates within might also drive or inspire the entrepreneur. As an evolving creation, the very success of the venture may derive from how it is experienced and the effect it plays on an entrepreneur’s behavior.

Through examining the main sources of stress faced by entrepreneurs and contrasting these findings against an existing conceptual stress model defined for executives developed by McGrath (1976), the conceptual model has been expanded and adapted to encompass factors unique to entrepreneurs not typically experienced by executives or managers working within large organisations. McGrath’s model was chosen due to its relevance and ability to be adapted into an entrepreneurial context.

In an organizational context, it is reported that in the United States, the cost of stress and stress-related problems to employers has been estimated at around $150 billion annually (Donatelle & Hawkins 1989). Within Australia the cost of workplace stress is estimated at $14.81 billion a year, with related presenteeism and absenteeism costing Australian employers $10.11 billion a year (Medibank Private 2008). It is not known what the cost of entrepreneurial stress to society is at this time.
CURRENT STATE OF ENTREPRENEURIAL STRESS RESEARCH

Relatively few studies have focused on how entrepreneurs cope with role expectations and the types of stressors found in the interaction between the entrepreneur and the venture (Örtqvist et al. 2007). It is reported by Örtqvist et al. (2007) that these studies are restricted to investigating a small portion of coping strategies and overall a gap exists in research evidence. This view is further reinforced by scholars such as Schindehutte et al. (2006) and Buttner (1992), who comment that there exists insufficient insight into the sensory and emotional elements that come into play for entrepreneurs as the venture creation process is undertaken and developed.

Benefits of stress research in entrepreneurship may advance understanding of how individuals react to situations involving stress and aid in developing coping strategies to mitigate against negative effects of stress upon both the entrepreneur and the venture. Investigation specifically on role stresses may have a number of direct and indirect effects on the creation of sustainable ventures, including the propensity to withdraw and low organizational commitment (Wincent & Örtqvist 2009).

ROLE OF THE ENTREPRENEUR

For the purpose of this paper, entrepreneurs are defined as individuals who change certain conditions in order to create value around perceived opportunities, whether within an existing enterprise or as a new venture (Bolton & Thompson 2005).

Gartner (1985) describes six common activities of entrepreneurs: locating a business opportunity, accumulating resources, marketing products and services, producing the product, building an organization and responding to government and society. These activities, although sharing similarities to tasks experienced by executives and managers, includes the added dimension of the venture creation process which adds a unique element to entrepreneurship (Buttner 1992) and therefore the types of stresses experienced by the entrepreneur.

Challenges cited by Perry et al. (2008) which were seen of greater consequence to entrepreneurs in comparison to those in employment included: individuals operate in isolation, work long hours (often from home), experience little separation between work and family time, have less sense of accomplishment, lower psychological well-being, higher turnover and higher overall burnout.

Despite such challenges, entrepreneurship is becoming an increasingly popular career choice and is generally accepted as an area where stress can be expected. Kahn et al. (1964) notes that stress is especially evident in jobs that require innovation, boundary spanning, or involve complex work tasks – all typical characteristics found within the practice of entrepreneurship. Karp (2006) further states that the area of entrepreneurship is emergent, non-linear, dynamic, and fluid. The meaning of entrepreneurship for the individual entrepreneur is not predetermined, as entrepreneurs are active agents who construct an identity and opportunities by applying their motivation, their intention, their own past and present experiences and future perspectives as resources in their entrepreneurial thinking, feeling, and behavior (Hytii 2005).

Comparisons have been made between the entrepreneurial role and other roles (Wincent & Örtqvist 2009). Such studies revealed that the entrepreneurial role is unique and as such will be subjected to different stress types and levels than other role types.

A greater sense of responsibility may be present in the personality profile of an entrepreneur when contrasted to those working within an organization as often the entrepreneur has invested a large portion of personal assets into the new venture creation phase of their business. The possibility of loss of these assets may contribute to stresses not experienced by employed individuals. Entrepreneurs must also engage in boundary spanning activities, interacting with relevant external constituencies including customers, suppliers, regulators, lawyers, and accountants, to a greater extent than managers, which is stressful (Miles & Perrault 1976).
From a personality perspective, entrepreneurs tend to have a high tolerance for frustration and a strong resistance to standard operating procedures (Wincent & Örtqvist 2009). When compared to managers, entrepreneurs exhibit higher autonomy, perseverance, readiness for change, and persuasiveness, and lower emotionalism, need for support, and conformity (Sexton & Bowman 1985, Sexton & Bowman-Upton 1986, 1990). The differences in personality and role demands suggest that the nature of managerial and entrepreneurial stress will be different (Buttner 1992).

Further, entrepreneurs may lack the resources available to managers in large organizations. Entrepreneurs are often working alone or with a small number of employees and therefore lack the support from colleagues that may be available to managers in a large corporation (Buttner 1992).

**DEFINITION OF STRESS**

Kahn et al. (1964) view stress as a function of discrepancies between one’s expectations and one’s ability to meet demands and discrepancies between the individual’s expectations and their personality. This definition is further elaborated upon by Vasumathi et al. (2003), whom state that stress is a result of our expectations, greed, desires and ambitions: when there is a discrepancy between these and the outcome of our efforts to achieve success, stress is experienced.

Prior research into entrepreneurial stress also yielded the opinion that stress may effect the entrepreneur’s propensity to pursue growth, recognize emerging opportunities, or achieve balance between work and family or personal demands (Schindehutte et al 2006).

Given these findings a definition which may apply to both the entrepreneur and the executive given by Jamal (2010) states that job stress can be conceptualized as an individual’s reactions to work environment characteristics that appear emotionally and physically threatening to the individual. Jamal’s earlier work (1984, 1999) showed a poor imbalance between the individual’s abilities and experiences and the work environment in which the excessive demands are regularly put on the individual, or the individual is not fully equipped to handle a particular situation.

According to Rogers (1975), in an executive context, the term ‘stress’ carries with it negative connotations implying inadequacy, and an inability to perform at expected standards. Yet interestingly, the presence of stress as experienced by the entrepreneur can be seen to be a result of the entrepreneur’s personality, and that there will be no stress response if the situation is not perceived by the individual as stressful.

**CONCEPTUAL MODEL OF EXECUTIVE STRESS**

A conceptual model of stress was developed by McGrath (1976) for the purpose of mapping the process of executive psychological stress within an organizational setting. The four stages of stress represented by the conceptual model are: situation, perceived situation, response selection, and behavior. Linking each stage is a process stage: appraisal process, decision process, performance process, and outcome process. Each stage and process shall be examined within an entrepreneurial context.
The first stage in McGrath’s (1976) conceptual stress model identifies a situation which the individual may or may not deem to be stressful. It is believed that the same stage would be present in a model representing entrepreneurial stress. McGrath states that the experience of stress or threat is a function of appraisal, whether the appraisal is accurate or not. Gwynne (1981) explores this area thoroughly, citing stress to be a psychological demand placed upon an individual and that the individual determines their own stress responses based on their perception of the situation: hence there will be no stress response if the situation is not perceived as stressful by the individual.

If the individual does perceive the situation to be stressful, Rogers (1975) cites various techniques of diagnosis, which can be used to solve stress-producing problems. The basic problem, identified in stage one of the conceptual model, is to identify the precipitators of stress. Once a source of stress has been identified, Rogers states that the solutions tend not to be that complicated. For example, if the source of stress was workload, measures may be taken to relieve the workload of the stressed individual.

Rogers (1975) identifies nine precipitators of stress in organizations: organization design, degree of bureaucratization, leadership responsibility, interpersonal demands made on managers, communication, job expectations, workload, performance, and decision-making. While such precipitators of stress are acknowledged in entrepreneurship (Hytti 2005, Jamal 2010, and Vasumathi et al. 2003), Kahn’s (1964) research identifies the following specific types of stress situations as most prevalent to entrepreneurs: role conflict, reality versus expectation conflict, role stress, ambiguity and role uncertainty, role novelty and role overload.

**Role conflict and Reality Versus Expectation**
Kahn et al. (1964) define role conflict as the degree to which expectations or requirements are incongruous with, or not properly communicated to a focal person. Conflict may arise in many forms but one common to entrepreneurs is the tension that exists between their personal lives and career pursuits (Stoner et al. 1990). Bartholome and Evans (1980) highlight that increased levels of work-family role conflicts could be associated with lower levels of job satisfaction and resultant stress.

Role conflict has found to be more prevalent in owners who have lower self-esteem or self worth. These areas are strongly affected by business satisfaction and the financial health of the business (Stoner et al. 1990).
Reality Versus Expectation Conflict
A possible preconceived notion held by fledgling entrepreneurs as to what it means to be an entrepreneur and the actuality of entrepreneurship may contribute to an incompatibility between expectation and reality. Karp (2006) highlights how entrepreneurship is promoted within society as something extraordinary and entrepreneurs are portrayed as super heroes. Individuals who pursue entrepreneurship as a buy-in to the sexy appeal of the entrepreneurial ideal may be disillusioned with the reality it holds. A disconnect existing between the dream and reality is likely to cause entrepreneurial stress.

Role Stress
Role stress can be defined as a discrepancy between expectations and behavior; when such discrepancies exist, the entrepreneur will be exposed to role stress (Wincent & Örtqvist 2009). Role stress can be caused by demands, constraints, or challenging opportunities (Kahn et al. 1964). Such a situation may occur when the entrepreneur perceives that requirements are incongruently communicated and when the entrepreneur perceives stakeholders’ requirements to be at odds with the entrepreneur’s own role (Wincent & Örtqvist 2009). When role stress is high, entrepreneurs likely have problems obtaining role-related rewards because such rewards depend on how venture resources are deployed and managed to satisfy entrepreneur demands (Wincent & Örtqvist 2009).

Expectations of entrepreneurs may originate in the minds of stakeholders and represent standards, used to evaluate entrepreneurial performance. When met, the role is not questioned and no source of role stress is evident.

Ambiguity and Role Uncertainty
Insufficient information or inability to perform a job adequately can impose ambiguities on behavior (Wincent & Örtqvist 2009), which can result in tension, anxiety, and physical health problems for the entrepreneur (Caplan & Jones 1975). According to Kahn et al. (1964), the result of role uncertainty is the inability to perform the job adequately.

Jelinik and Litterer (1995) suggest that ambiguity in entrepreneurship is often considered a source of opportunity, as it creates unexpected and unpredictable complexity, and that entrepreneur role ambiguity springs from the perceived uncertainty of performing the role of being an entrepreneur (Wincent and Örtqvist 2009). Under these conditions of high uncertainty, entrepreneurs who are high in openness to experience (Fisher 1983) are likely to adopt an effectual approach to making decisions. Conversely, Fisher states that under conditions of high uncertainty, entrepreneurs who are low on openness to experience are likely to adopt a predictive rational approach to making decisions.

Wincent and Örtqvist (2009), and Keenan and McBain (1979) hypothesize that individuals with high intolerance for ambiguity experience lower job satisfaction than those with low intolerance for ambiguity. Given this, Wincent and Örtqvist propose that intolerance for ambiguity plays two roles linked to role stress: that the greater an entrepreneur’s intolerance for ambiguity, the greater their level of role stress, and that intolerance for ambiguity is a likely moderator between role stress and job satisfaction.

Role uncertainty is also experienced when the entrepreneur receives insufficient information from stakeholders. It is the degree of vagueness or ambiguity in desired expectations that make it difficult for a person to fulfill requirements (Kahn et al. 1964).

Role Novelty
Role novelty exists when an individual enters a new or unknown market, technology or business idea (Wincent & Örtqvist 2009). There is reason to propose that a positive relationship exists between role novelty and role stress among entrepreneurs.

Findings by Wincent and Örtqvist (2009) and Tropman (1968) reveal that experience received early empirical support for being an important antecedent to role stress. The conceptual explanation points to a negative relationship between experience and role stress and this relation has received empirical support (Fisher & Gitelson 1983, Jackson & Schuler 1985, Walker et al. 1985).

Role Overload
The extent to which time and resources prove inadequate to meet expectations of commitments and obligations to fulfill a role (Latack 1981) is defined as role overload. House et al. (1979) defines role overload as “the excessive or overlapping demands which when compounded may lead to a decay in one’s quality of work and life”. These characteristics of role overload and subsequent concerns for the quality of life of entrepreneurs have been shown to lead to high levels of stresses placed upon individuals (House et al. (1979).

**DECISION PROCESS AND RESPONSE SELECTION**

Following on from the Appraisal Process, the Decision Process is where the individual will choose a response or set of responses that relate to their appraisal of the situation. McGrath states that selected decisions may be affected by: the outcome of prior appraisal processes, past experiences, current state, and the contents of the organization of the individuals response repertoire and their available resources. Once an individual has experienced a response to a situation they deem as stressful, the individual will then select a response to counteract the effects experienced and to cope with the situation.

Murphy (1962) defines coping as “any attempt to master a new situation that can be potentially threatening, frustrating, challenging or gratifying”. This definition is further clarified through the work of Lazarus (1974) who viewed the concept of coping as “the most casual and realistic forms of problem solving activities, as well and the most highly motivated or pathological efforts to be extricated from real or imagined dangers”.

Coping strategies are drawn from (but not limited to): support networks, internal and external strategies, role redefinition and behavioural adaptations. Looking at each coping strategy in an entrepreneurial context reveals the following:

**Support Networks**

Research by Cohen and Wills (1985) found that contracting social support from personal networks is one of the most often used coping mechanisms mentioned in management literature. Wincent and Örtqvist (2009) argued that support, consisting of support from supervisors, peers, subordinates, friends, and significant others, had a preventive effect on stressors. In the context of entrepreneurship, a number of other factors might be influential such as role advisors and the ventures’ stakeholders.

It is proposed by Schaefer et al. (1982) that support provided by friends, family, and co-workers reduces the negative effects of stressful situations on physical and emotional well being. According to their arguments, stress is reduced in the individual who relies on others for support. Buttner further argues that social support increases communication between the stakeholders and entrepreneurs and that the greater the support for the entrepreneur the less their role stress.

When considering entrepreneurs, in contrast to executives, personality preferences for independence and a low need for support suggests that entrepreneurs may rely less on the support of others for stress mediation. Buttner (1992) found there to be no difference in entrepreneurial health problems as a function of social support. Availability of support may have little effect on entrepreneurs’ stress, which is consistent with the findings of Sexton and Bowman’s (1985) research indicating that entrepreneurs are autonomous, independent, and have a low need for support.

**Internal and External Strategies**

Internal coping strategies are defined as: time spent with family, prayer, meditation, viewing television programs, or playing indoor games (Vasumathi et al. 2003). External strategies are defined as activities such as: shopping, walking, jogging, attending religious discourses, or attending social political gatherings. Vasumathi et al. found that entrepreneurs preferred internal stress coping strategies (65% versus 35%), which may also reinforce the earlier assumption that entrepreneurs are less dependent on social networks for defusing stress.

The ability of the entrepreneur to employ internal and external coping strategies increased their tension discharge rate, defined by Buttner (1992) as the ability to leave work worries at the office at the days end. It was found that individuals who were able to discharge tension reported less health problems
and greater job satisfaction. Entrepreneurs who were able to implement such strategies are likely to reduce the tendency of a response to a situation being deemed as stressful in the initial stage of the conceptual model.

**Role Redefinition And Behavioral Adaptations**

Levinson’s (1959) work and Hall’s (1972) research cited in Örtqvist et al. (2007) identify two dimensions of coping strategies: role redefinition and role behavior. Within the two dimensions, Örtqvist et al. further elaborated to include structural role redefinition and personal role redefinition within the dimension of role redefinition, and reactive role behavior and passive role behavior within the dimension of role behavior. It is noted that entrepreneurs adopting coping strategies along each dimension can result in both positive and negative outcomes for the venture which further highlights the role stress plays upon the venture.

A positive effect is felt by the venture where structural role redefinition coping strategies are employed, for example the entrepreneur tries to alter external, structurally imposed expectation of the role by negotiating those expectations within role senders (Hall 1972).

This view is reinforced by Buttner (1992) and Matteson and Ivancevich’s (1982) research which finds that confronting the source of stress is an effective coping mechanism. The example given by Buttner explains that consultants working with entrepreneurs may assist them in stress reduction through teaching entrepreneurs how to deal with stress sources directly.

In contrast to the above, by utilizing personal role redefinition (whereby the entrepreneur can reduce perceived inconsistent role expectations by prioritizing stakeholder expectations) the entrepreneur reduces their perception of excessive expectations and related uncertainty. If this coping strategy is pursued it is likely that the entrepreneur may decide not to even try to meet some expectations and therefore it is deemed by Örtqvist et al (2007) that personal role redefinition negatively affects new venture performance.

Undesired consequences of unfulfilled role expectations can potentially not only influence the entrepreneur’s well-being but also ultimately prevent the entrepreneur from bringing opportunity to fruition with potential losses to social development (Örtqvist et al. 2007). When focusing on work processes to become better organized, the entrepreneur can find ways to meet expectations that initially appeared inconsistent (Örtqvist et al. 2007). Örtqvist et al. hypothesize that reactive role behavior positively affects new venture performance through reactive role behavior helping to overcome challenging expectations that obstruct the entrepreneur’s performance.

Passive role behavior coping strategies can decrease experience of inconsistent, vague, and excessive expectations by allowing the entrepreneur to keep their mind off stressful activities. However, use of this coping strategy comes at the cost of disengaging from role performance and is deemed to negatively affect new venture performance.

To address these issues, Örtqvist et al. (2007) indicate entrepreneurs may benefit from stakeholder management training. Such training would focus on how entrepreneurs can negotiate demands and expectations with stakeholders, conflict resolution, and relationship management.

**OUTCOME PROCESS**

The final process stage in McGrath’s conceptual model is the Outcome Process. During this stage the individual may observe whether their behavior resulted in desired, or undesired changes in the stressful situation. McGrath notes that the outcome may depend not only on the level of performance of the individual, but also on several other factors, which are not under the individual’s control.

Early studies in the area of stress describe positive stress as eustress. The way the entrepreneur processes stress is directly linked to whether stress is perceived as positive or negative and the corresponding effects that the individual experiences based on this initial perception. It appears that
changing one’s attitude, or at least training one’s self to perceive stressful situations from a positive perspective may reduce the harmful effects of stress upon the entrepreneur.

Wincent and Örtqvist (2009) also look at stress in a positive and negative light, defining positive stress as functional (associated with entrepreneurial rewards) and negative stress as dysfunctional (associated with entrepreneurial exhaustion). Vasumathi et al. (2003) highlight that stress may be a “beneficial boon”, where stress becomes a catalyst to making people move towards a state of self-actualisation and that when stress exceeds a tolerable limit is may become dysfunctional.

Although functional outcomes of stress are of significance, and may result in a peak performance for the entrepreneur (Schindehutte et al. 2006), for the purpose of this paper we shall examine the negative stress outcomes for entrepreneurs which may include: withdrawal, unbalanced mental states, financial and health risks, and burnout.

A common response to increased role stress has shown to be withdrawal from the organization. This response however, according to Ashforth and Saks (1996), Babin and Boles (1998) and Baroudi (1985) results from low job satisfaction rather than directly from high role stress and that withdrawal is a natural reaction to low job satisfaction caused by high role stress.

Walker et al. (1985) proposed that role stress could lead employees to feel discontented or disillusioned with their work situation. Wincent and Örtqvist (2009) argue that when confronted with conflicting demands, unclear role perceptions, or role overloads, entrepreneurs will evaluate their job context and experience low job satisfaction as a result. Yet, because entrepreneurs appear by nature to thrive in uncertain settings, and their environment is characterized by uncertainty and risk, entrepreneurs are aware that they are somewhat struggling towards the unknown and may not experience the disillusionment felt by employees.

**Health Risks**
Psychic risk, for example loss of peace of mind and loss of mental well-being, leading to physical ill-health (Vasumathi et al. 2003) as well as overall general health risks (such as fatigue and increased rate of coronary heart disease) are of particular concern to entrepreneurs.

Financial risks due to large capital investments, possible loss of residence or inability to provide for the family may also feature as higher stresses for entrepreneurs than for executives. The nature of entrepreneurial capital investments in startup ventures also makes it harder for entrepreneurs to simply relocate their employment if they so choose, therefore taking away the flexibility afforded to employees who have the advantage of being able to change their place of employment with greater ease than entrepreneurs.

**Burnout**
Burnout has been identified as a major outcome for entrepreneurs exposed to prolonged periods of negative stress. The phenomenon was first identified in the mid 1970’s (Jamal 2010), and its main features include emotional exhaustion, feelings of frustration, anger and cynicism, and a sense of ineffectiveness and failure. Burnout is further defined by Jamal as a “state of exhaustion in which one is cynical about the value of one’s occupation and doubtful of one’s capacity to perform”.

According to Perry et al. (2008), the causes of stresses associated with burnout include: long hours, interpersonal conflict, work-family conflict, job insecurity, travel requirements, pressure to perform and tight deadlines. With respect to entrepreneurial personality traits (of which conscientiousness is one), Perry et al. wrote that “because conscientious people utilize more constructive coping strategies, this trait may help self-employed entrepreneurs, even those that have neurotic tendencies or face many constraints, more successfully avoid burnout”. Although many types of constraints are unavoidable, advanced planning and putting coping procedures in place may decrease their occurrence and their impact on burnout, regardless of personality type. In other words, overwhelming demands, paired with insufficient resources to address demands, are a primary causes of burnout in all types of workers.
Personality Trait Impact Upon Venture

Perry et al. (2008) writes that “personality determines the type of coping strategy employed by the entrepreneur when confronted with a perceived stressful situation”. Entrepreneurs do not act rationally at all times; they do not always do the right things, and they do not follow a predefined prescription for success (Karp, 2006). It is therefore misguided to assume that entrepreneurs will assume the most appropriate coping strategies for their situation.

An entrepreneur can be categorized as having a rational or an irrational personality (Karp 2006) and the outcome of coping strategies related to the rational state of the entrepreneur may have varying outcomes for the venture. If we consider an entrepreneur who Karp may classify as being irrational: it is believed that the entrepreneur will act subjectively in accordance with their perception of reality and that they are responding without rational objectivity. They tend to act based upon feelings, intuition, and they engage in behaviour which is limited to their emotion driven view of reality.

The personality of the entrepreneur therefore plays a large role in the selection of coping strategy and subsequently the outcome of the strategy upon the venture. Entrepreneurial personality traits such as need for achievement were investigated as early as 1953 by McClelland et al. and Miller and Drogue (1986), who suggested that high achievement traits lead people to take initiative and spend time on controlling events. They further suggested that having the trait of ‘need for achievement’ would assist the entrepreneur in planning for stress, addressing stresses and having a greater ability to influence situations. In essence, people with such traits tend to exhibit tendencies to plan ahead and implement strategies to reduce negative outcomes of stress.

PROPOSED CONCEPTUAL ENTREPRENEURIAL STRESS MODEL

The following conceptual model (refer to Figure 2) of the entrepreneurial stress processes has been developed from McGrath’s (1976) model (refer to Figure 1) and develops the Outcome Process of McGrath’s model to encompass the effect stress has not only upon the entrepreneur but also upon the venture. The conceptual model also takes into consideration the environment within which the entrepreneur operates, as it is believed that different operating environments will have impact upon the appraisal of stress, coping strategies employed, and the outcome of the response selection upon the venture.

![Figure 2. Conceptual model of the entrepreneurial stress process adapted from McGrath’s (1976) conceptual model of executive stress.](image-url)
Given the different operating environments (with respect to executives) unique to the entrepreneur including the (generally) higher personal risk to capital investments in the entrepreneurial venture and the subsequent pressures from stakeholders it is shown in the conceptual model that the outcome of coping strategies impacts upon both the entrepreneur and the venture. This is somewhat due to the belief that the entrepreneur and the entrepreneurial venture are often one and the same (in small ventures) and generally highly dependent upon each other (in larger ventures).

Due to the nature of the entrepreneurial operating environment (which typically produce high levels of stress upon the individual), the personalities of entrepreneurs are more likely to play a role in impacting the success or failure of the venture. The choice of coping strategy implemented by the entrepreneur is therefore critical in ensuring minimal negative effects are felt by the venture in order to reduce the opportunity for venture failure. It is believed that conscientious entrepreneurs are likely to use problem-solving and rational coping strategies, whereas unconscientious entrepreneurs are more likely to use emotion-focused, counterproductive coping strategies. Perry et al. (2008) support this view by reporting that persons with higher levels of emotional intelligence are able to constructively channel their emotions into productive outcomes. Kunnanatt (2004) also states that individuals who use their emotions (reactions to stress) in a positive manner are more likely to use emotions as motivational support and inspire greater outcomes for both the entrepreneur and the entrepreneurial venture.

The research conducted therefore shows that the venture and the entrepreneur should not be considered exclusive of each other. Within the conceptual model, the end result of employed individuals stress and entrepreneurial stress appear similar but with entrepreneurial stress outcomes including the added dimension of possible venture failure. It is recommended that further research be undertaken to examine the rate of dependency between the venture and the entrepreneur and the influence of coping strategies with relation to stress in order to mitigate against negative effects upon the venture and to investigate ways that positive stresses can be used to advantage ventures.

Wincent and Örtqvist (2009) place emphasis upon the importance of knowing what stresses to avoid as much as what to pursue by the entrepreneur in order for ventures to profit from entrepreneurial influences. It is not known whether entrepreneurs are of the disposition to actually implement these strategies if they were aware of them or how they would effect long term venture performance. It is proposed that although some strategies may advance the venture, others may have less impact.

There appears to exist enough theoretical support to assume that implementing effective coping strategies, and understanding the connection between the entrepreneur and the venture, depends on the entrepreneurs perception of stress and their ability to moderate the relationship between chosen coping strategies and the performance of the venture.

The implications of this research has benefit not only to the entrepreneur in increased awareness, but also to stakeholders such as banks, insurance agencies and family members, who may gain better insight into possible venture failure based on the entrepreneur’s ability to maximize the effects of positive stress and to minimize the negative stress impacts upon the venture and upon the entrepreneur.
REFERENCES


