DIFFERENTIATING THE ENTREPRENEURIAL LIFE STORY:
INVESTIGATING NARRATIVE IDENTITY IN RELATION
TO BUSINESS FAILURE

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Despite much research, the distinctive personality characteristics of entrepreneurs are yet to be established and the influence of personality on entrepreneurial behaviour remains unclear. This is particularly evident in our understanding of the personal response of entrepreneurs to business failure. In this thesis the Life Story Model of Identity proposed by McAdams’ (1993; McAdams & Pals, 2006) narrative theory of personality formed the main theoretical approach to investigating these two related aspects in the psychological understanding of entrepreneurs. This model overcomes some of the limitations of previous personality research by permitting investigation of personality within the entrepreneurial environment and provides a wholistic and complex view of personality as expressed in the entrepreneurs’ own words. The model’s qualitative methodology and theoretical emphasis on personal meaning making also rendered it most suitable for exploring entrepreneurs’ personal response to business failure.

McAdams’ (1993; McAdams & Pals, 2006) Life Story Interview was employed to explore the self-narrative identities of 40 highly successful entrepreneurs (39 males, one female). Participants were managing directors of businesses sourced from two lists of the fastest growing small to medium companies in Australia, as compiled by the Australian business magazine, the “Business Review Weekly”. Participants were the founders of their businesses, and had been pursuing entrepreneurship for at least five years. A broad range of business sectors were represented, including computer services, manufacturing, engineering and communications. Prior to interviews, participants completed the Life Story Interview Questionnaire (LSIQ), which was an adapted form of the Life Story Interview that
requested written responses to open-ended questions about the content of participants’ life stories. A section requesting affective ratings for key events, derived from Herman’s (Hermans & Hermans-Jansen, 1995) Extended List of Affect Terms, was included to further the exploration of life story themes. A second questionnaire, comprised of measures of personality and a measure of psychological symptoms was also completed. During interviews, participants’ responses to the LSIQ were discussed, concentrating on further investigation of the key events that defined their life stories.

Findings revealed a prototypical life story of the entrepreneur, highlighting distinctive, commonly shared personality characteristics, with much of their self-narrative identity grounded in experiences within the entrepreneurial environment. The prototypical life story contained a core theme with an agentic-type emphasis on strengthening the self, and a lesser theme with a communion-type emphasis on valuing relationships. Each of these themes comprised two further themes. The self-strengthening theme included a redemptive theme of overcoming difficulties in a way that left the protagonist feeling stronger and more able to influence their environment, and a positively toned theme of drawing strength and confidence in one’s abilities from achievements and successes. The relational theme included a redemptive theme of responding to private relationship difficulties and losses in one area by strengthening other private relationships, and a negatively toned, sometimes contaminated theme, of experiencing either private or professional relational difficulties and losses as irresolvable. The resulting prototypical life story of the entrepreneur was a story centred upon overcoming adversity and celebrating personal achievement, of confirming and boosting confidence in one’s abilities and a sense of
personal power to influence their environment. Running parallel to this main storyline was a less prominent plot involving the importance of relationships, with difficulties and losses sometimes redeemed and sometimes left unresolved.

To investigate the impact of business failure, participants were asked to describe their experience of business failure as a key life story event during the Life Story Interview. Additional open-ended questions explored important elements of their critical and retrospective responses. A commonly shared personal response was evidenced. Despite being strongly identified with their business at the time, the failure was evaluated in business rather than personal terms. The causes were most often attributed to a combination of internal and external factors, but business recovery was attributed exclusively to their own actions. The self-narrative meanings given to this event centred upon overcoming the business failure in a self-strengthening way as either: mastering business conflict situations; learning entrepreneurial skills; or affirming entrepreneurial self-confidence. In the midst of the failure, most entrepreneurs remained highly optimistic about their chances of success in the future, based largely upon confidence in their ability to bring about business recovery. Practised coping skills were used to manage negative feelings arising from the failure, and an active problem-solving approach was adopted. When reflecting upon their experience, there was an absence of rumination and regret about the business failure. Instead, it was regarded as an inevitable and even welcome event that provided valuable entrepreneurial learning. In making sense of the failure in relation to the rest of their self-narrative identity, most entrepreneurs were able to integrate its meaning within their larger self-story. This was done by relating the business’ recovery to a
story of overcoming obstacles, or by containing the business’ failure within a story of either repeated success or sustained self-confidence in one’s ability.

It was concluded that these entrepreneurs shared a particular type of self-narrative identity that was conducive to the pursuit of entrepreneurship; positively influencing their behaviour within the entrepreneurial environment and having particular relevance to how they personally responded to business failure. These findings advance understanding of the personality of entrepreneurs, and begin to inform what constitutes a constructive personal response to the event of business failure.
ACKNOWLEDGEMENTS

Undertaking and completing this thesis has been such an extraordinary journey for me – at different times a chore, a challenge, a gift and an adventure. Now, as it draws to a close, I find I have to stop myself from becoming overly nostalgic and “rose-coloured” about it, and overlooking how incredibly demanding it has, at times, been. However, a few moments spent in recollection of experiencing bleary eyes and a fuzzy brain when redrafting for the hundredth time another particularly challenging section of writing soon rebalances my perspective. Yet, despite the fact it has required a lot from me, it has also given me so much, and for that I will always be grateful.

I am also grateful to a number of important people who have encouraged and supported me on this journey. Thanks to Adolph Hanich, of Swinburne’s School of Entrepreneurship, who kindly offered his enthusiasm and practical support in both the early and latter stages of the research. Next, huge thanks must go to my main supervisor, Dr Glen Bates. Glen is quite simply the best supervisor that a student could hope for, with that particular blend of professionalism, expertise, personableness and humour that made working with him such a pleasure. Special thanks also to my second supervisor, Dr Michael Gilding, whose consistent attitude of positive support and provision of useful feedback was much appreciated.

Completing a PhD can be a highly lonely journey at times, with endless hours spent huddled deep in thought over books and computer screens. Much thanks to Swinburne University for providing its graduate students with a spacious shared office in the beautiful old Arts building, whose surrounds no doubt fostered our creative thinking. Special thanks to my fellow students there, Andrew, Cassie and Karin, for sharing many of my “thesis moments” of frustration, despair, joy and elation, often all experienced on the one day! I would also like to thank all of my family and friends for their love and encouragement throughout my studies. In particular, special thanks to my husband, Oscar, who knows so well the challenges I have faced in persevering and seeing this through to completion. Along the way, he has been there to commiserate with me in my struggles, and to cheer me on in my successes, in a manner that has been most supportive. I would also like to thank God for allowing me the opportunity to undertake this incredible journey of discovery, growth and learning.

Finally, I wish to thank the participants in my study, those 40 extraordinary entrepreneurial individuals who gave so freely of their precious time, and shared so generously and honestly with me a lot of very personal information, which gave me such rich data to work with. I seriously never once tired of reading, rereading and then rereading again their life story transcripts. Always, their energetic, optimistic yet down to earth, adventurous spirit came through in their responses, in a way that never failed to either inspire or amuse me.

Undertaking a PhD is an enormous challenge, and one where outcomes are not always guaranteed. But I know already that it has been worthwhile. And besides, in the words of one of the entrepreneurs:

“Considered risks are wonderful – they’re the only exciting thing left in this world…….”
DECLARATION

I declare that this dissertation is my own account of my research and does not contain work that has been previously submitted for a degree at any institution or for publication, without due acknowledgement.

Lyndel A. Cuesta
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CHAPTER ONE
DEFINITION OF THE ENTREPRENEUR AND THE ROLE OF PERSONALITY IN ENTREPRENEURSHIP

Introduction and Overview

This thesis is concerned with better understanding the distinctive characteristics of the personality of entrepreneurs. It is also focused upon improving knowledge of how personality influences entrepreneurial behaviour. More specifically, it considers the issue of how entrepreneurs personally respond to the entrepreneurial event of business failure. The present research examined these two related, yet independent areas of psychological understanding about entrepreneurs. McAdams’ (1993; 2006a) Life Story Model of Identity formed the main theoretical approach for investigating both areas.

Chapter One commences by highlighting the lack of agreement as to what defines the entrepreneur, reviewing the history of the term and formulating a working definition to be used in the present research. Previous research on the role of personality in entrepreneurship is then reviewed. Four different approaches to understanding the personality of the entrepreneur are evaluated. It is proposed that qualitative approaches offer advantages for illuminating the distinctive characteristics of entrepreneurs and how they operate within the entrepreneurial environment.

In Chapter Two an argument is made for the need for research on how entrepreneurs experience business failure. It is proposed that an examination of business failure has the potential to enhance understanding of the distinctive characteristics of entrepreneurs and how they manifest within the entrepreneurial environment. The different forms of business setbacks and failures that may confront
entrepreneurs are described, and the relatively high incidence of their occurrence during the pursuit of entrepreneurship is highlighted. Existing research, which has mostly adopted attribution theories to investigate entrepreneurs’ perceptions of the cause of business failure is then reviewed, and the inconclusive nature of findings noted. It is concluded that a wider investigation of entrepreneurs’ critical and retrospective response is required, focusing on the personal meaning given to this entrepreneurial event.

Chapter Three introduces McAdams’ (1993; 2006a) Life Story Model of Identity as a personality theory that is particularly suited to investigating the personality of entrepreneurs and their experience of business failure. Narrative approaches that form the background to McAdams’ theory are introduced, followed by an overview of the life story model of identity. It is argued that this theory addresses some of the limitations of previous approaches to investigating the personality of the entrepreneur, and offers potential for providing unique information about their psychological characteristics. The utility of the life story model for an examination of how entrepreneurs respond to business failure is then discussed.

The method utilised to investigate the aims of this thesis is outlined in Chapter Four. This includes a description of the criteria used to identify suitable participants, the recruitment process, and details of participants. The measures employed and the procedure followed to obtain the data are also discussed. Chapter Five presents results regarding the psychometric properties of the measures as demonstrated in this study.

Chapter Six presents findings from the investigation of the personality of entrepreneurs using McAdams’ (1985; 1993) life story model of identity. Focus is on thematic findings from analysis of the key events section of the life story assessment.
This includes a comparison of thematic findings with Hermans’ (1995) implicit motivational and affective theme data. An assessment of the level of life story coherence demonstrated in the entrepreneurs’ life stories is also included. It is concluded that results illuminate a distinctive type of life story that is commonly evidenced within this sample of entrepreneurs. A model of a prototypical self-narrative identity of the entrepreneur is put forward.

The investigation of how entrepreneurs experience business failure is presented in Chapter Seven. This chapter summarises the different types of business failure experienced by the participants and presents the thematic findings from exploring business failure as a key life event. The thematic analysis identified the themes used by the entrepreneurs to make sense of this event, and to relate it to the rest of their life stories. Briefly, the themes indicate most of the entrepreneurs integrated it into their life stories. Findings from the further exploration of entrepreneurs’ response to business failure are then outlined. These are organised into three sections of: the explanatory style used for business failure and also business recovery; the nature of entrepreneurs’ critical response to the failure; and the retrospective response to this event. Distinct thematic findings also emerged in these sections. A summary model of the entrepreneurs’ experience of business failure is put forward.

Chapter Eight presents a discussion of findings. First, the life story findings are considered in relation to previous research on the personality of entrepreneurs. These results are also considered in light of claims of important psychological functions served by the life story. Briefly, it is argued that the entrepreneurs in this study share a prototypical self-narrative identity that is organised around a core theme
of strengthening the self and a lesser theme of valuing relationships, and that several key features of the way this story is constructed appear to facilitate their pursuit of entrepreneurship.

Findings from both the life story analysis of the business failure event and wider exploration of entrepreneurs’ experience of it are then discussed. It is concluded that the failure had a strong personal impact on the entrepreneurs, being evaluated by several as the worst moment in their individual life story, with the others also readily able to describe its personal significance. Most entrepreneurs constructed a narrative understanding of their experience of business failure that emphasised redemptive movement to a self-strengthening outcome. Additionally, they were able to integrate the meaning of the event within their larger self-story in a manner that was consistent with it, rather than contaminating it. Although least likely to attribute business failure to their own behaviour, the entrepreneurs were most likely to attribute business recovery to their own efforts. They applied practiced coping skills to effectively manage negative emotions aroused by the failure, and were optimistic about their chances of recovery and of future success. In hindsight, the experience was generally viewed positively and not ruminated upon. It is argued that these results, obtained from successful entrepreneurs who have overcome business failure, highlight important elements of what constitutes a constructive personal response to this entrepreneurial event.

Chapter Nine begins with a discussion of the practical implications of findings. Next, methodological considerations of the approach taken in the present research are addressed and directions for future research are suggested. A final summary of the key findings from this thesis is then presented.
Definition of the Entrepreneur

The term entrepreneur was originally introduced by the French economist, Richard Cantillon in 1725 to describe individuals performing a particular type of economic behaviour within the 18th Century, pre-industrialised market economy of France (Cantillon, 1755). Nearly 300 years later, the entrepreneur is still conceptualised largely in terms of the economic behaviour they undertake (Cromie, 2000; Jennings, 1994). However, during this period there have been several major shifts in perspective on what defines the entrepreneur, and there is currently no universally accepted definition (Burns, 2001; Chapman, 2000; Hisrich & Peters, 2002). Given this lack of consensus, a review of the literature on the development of the term is needed to formulate an adequate working definition of the entrepreneur for the present research.

Cantillon created the word entrepreneur by borrowing from the French verb, entreprendre, meaning to undertake (Bolton & Thompson, 2000). The entrepreneur as defined by Cantillon was an individual who undertook financially risky, yet potentially profitable, trading behaviour in the early market economy. Distinguishing them from other market players such as landowners and hirelings, entrepreneurs recognised that sporadic discrepancies between supply and demand in the marketplace provided opportunities to purchase goods at a low price from the supplier, then sell later at a higher price to the consumer, thus creating profit. Cantillon stressed the risk involved in dealing with the uncertainties of price fluctuations, proposing that entrepreneurs were aware of this risk and willing to accept it when acting upon potential opportunities for profit making (Chell, Haworth, & Brearley, 1991; Hisrich & Peters, 2002).
Throughout the 19th century, theoretical development of the concept of the entrepreneur remained predominantly the province of economists. In 1800, another influential French economist, Say (1803), extended the notion of the entrepreneur from one who simply trades to one who actively manages the resources involved. These additional activities included organising and combining factors of production including labourers and materials to produce goods in accordance with the entrepreneur's estimation of consumer demand. This focus on managerial aspects involved in entrepreneurship gained momentum after the industrial revolution, particularly amongst British economists who tended to view the entrepreneur as synonymous with the business owner capitalist (Chell et al., 1991).

In the first half of the 20th century, the American economist Knight (1921) differentiated the entrepreneur from a capitalist on the basis of the nature of the risk to which each was exposed. According to Knight, the entrepreneur dealt with true uncertainty, having to rely on their own judgement concerning the likely economic outcome of a potentially profitable situation, rather than being able to statistically calculate the probability of such an outcome. This uncertainty constituted incalculable, uninsurable risk for which the entrepreneur bore full responsibility. In contrast, capitalists restricted economic undertakings to those with more predictable outcomes.

Coming shortly after Knight (1921), the German economist Schumpeter (1934) proposed what has subsequently been considered one of the most influential theoretical developments in defining entrepreneurs. Schumpeter revised and extended the concept of the entrepreneur from that of a market player responding to external forces to one who initiates and drives market change through the use of innovation.
Such innovations may take various forms, including discovering new supply sources, creating new products or services, introducing technological advances to create new methods of production, and developing new organisational structures. Schumpeter saw this ability to innovate, or to recognise, formulate and introduce new, more efficient ways of doing things and to create new things, as what differentiated entrepreneurs from other economic actors. He also contended that being an entrepreneur was a functional role that lasted only briefly for the individual, effectively ceasing once their innovation had been implemented and they had resumed normal business activities.

In the second half of the 20th century, several economists built on Schumpeter's (1934) proposal that innovative behaviour distinguished the entrepreneur from other economic actors (Casson, 1982; Kirzner, 1979; Shackle, 1966). By highlighting individual differences considered to be behind such behaviour, these theorists helped to develop the idea that being an entrepreneur was more than a brief functional economic role that could be performed by anyone (Chell et al., 1991). For example, Shackle proposed that entrepreneurs were able to draw on highly creative imaginations to assist them in recognising possible profit opportunities and in making business decisions to pursue those opportunities in conditions of economic uncertainty. Similarly, Kirzner proposed that entrepreneurs were more perceptive than others regarding profit opportunities. Drawing these views together, Casson focused on the entrepreneur's advantage in decision making. He proposed they made different, superior judgements to others regarding the coordination and use of scarce resources. According to Casson, this was due either to greater access to relevant information or
because of individual differences between entrepreneurs and others that enabled them to form a different, more opportunity-aware interpretation of the same information.

In the later part of the 20th century and early 21st century, further economic developments have included the technological revolution, enabling more rapid change and growth, and the globalisation of markets, placing increasing importance on competitiveness. These changes have increased the attention being paid to entrepreneurs and to their ability to influence these developments and to thrive in such an environment (Delmar & Davidsson, 1999; Kanter, 1995). This surge of interest in entrepreneurs has spread beyond economics to include theorists and researchers from fields such as: psychology (Chapman, 2000; Kit Sum Lam, 1999), sociology (Dodd, 2002; Light, 2004), anthropology (Kristiansen, 2002), organisational behaviour (Gartner, Bird, & Starr, 1992; Lumpkin & Dess, 1996), and strategic management (Berry, 1998; Sandberg, 1992). As first noted by Vesper (1980), and later by others such as Koh (1996) and Lambing and Kuehl (2000), the different emphases these fields place on particular entrepreneurial behaviours and on the importance of personal characteristics has helped contribute to the lack of consensus as to what essentially defines the entrepreneur. For example, those in the strategic management field have focused on the leadership skills of the entrepreneur, such as how they influence and direct others involved in the entrepreneurial venture (Berry). In contrast to this emphasis on external behaviours, psychologists have tended to focus on internal factors including distinctive personality factors and other psychological attributes believed to motivate and enable the entrepreneur to successfully undertake entrepreneurship (Chapman, 2000). Alternatively, some sociologists have suggested
that entrepreneurship should be viewed as a social movement centred around the
recognition and adoption of change; thus proposing that entrepreneurs can be found in
all spheres of society (Dodd, 2002).

Apart from differences sparked by different fields of study, there is
considerable disagreement as to whether all business founder owners are
entrepreneurs, and conversely, whether all entrepreneurs necessarily found or own the
business enterprise through which they pursue entrepreneurship (Burns, 2001;
Carland, Hoy, Boulton, & Carland, 1984; Gartner, 1989). Faced with this lack of
consensus, some have retreated to the relative safety of defining the entrepreneur in
general terms as one who creates new business enterprise (Low & MacMillan, 1988;
Naffziger, 1995; Shaver & Scott, 1991). Others, rejecting this as too broad a
generalisation, have addressed specific areas of contention to produce a more
meaningful definition of the entrepreneur that distinguishes them from similar
economic actors. For example, in addressing the issue of whether all business owners
are entrepreneurs, several authors distinguish between entrepreneurs and others on the
basis of the business owner's orientation towards business growth (Carland et al.,
1984; Chell et al., 1991; Sexton & Bowman-Upton, 1991). It is contended that
entrepreneurs set up and manage their business with the intention of achieving
continual expansion of business activities and rising profits. They adopt innovative
business practices whilst tolerating a high level of business risk and uncertainty in
order to pursue rapid growth and manage the operational difficulties it brings. In
contrast, other business owners operate ‘lifestyle firms’. These owners operate their
business with the intention of achieving a certain lifestyle for themselves, wherein
business growth is pursued only to the point at which an adequate income for the
owner can be obtained. In these businesses, risk is minimised to protect income maintenance, and management practices are characterised by routine rather than innovation.

In addressing the issue of whether all entrepreneurs are business owners, some have concluded it is the individual’s actions, rather than venture ownership, that define the entrepreneur (Burns, 2001; Gartner, 1989). Others add a useful distinction between entrepreneurs, whose entrepreneurial behaviour includes the founding and ongoing management of their own business, and those who pursue entrepreneurship from within an existing business owned by others (Jennings, Cox, & Cooper, 1994; Rumball, 1989). This latter group, termed ‘corporate entrepreneurs’ (Kanter, 1983) or more distinctly, ‘intrapreneurs’ (Pinchot, 1985), perform entrepreneurial behaviours that include: innovatively and proactively creating change in what the business produces or how it is produced, in anticipation of market changes or to increase the business' competitiveness; and creating and implementing novel, more effective strategies for dealing with existing business problems. These authors further propose that this distinction is necessary because of differences between the two groups concerning environmental conditions and the nature and level of risk involved. Entrepreneurs operate independently, making all decisions and taking full responsibility for sourcing and managing the resources required to start a new business from scratch. In contrast, the intrapreneur's autonomy is limited by the constraints of the organisation. Yet, intrapreneurs can also draw on the organisation's support system to gain access to resources and for assistance in their ongoing management. Entrepreneurs often risk personal financial assets to secure start up business loans, as well as accepting considerable psychological and social risk by
investing in entrepreneurship as a career. This can include risking a decline in socio-economic status during the start-up stage when finances are limited, and also at later stages as the business experiences setbacks and failures. In contrast, the risk accepted by the intrapreneur is usually restricted to threats to their credibility in the entrepreneurial sphere of their overall employment position.

Another response to the lack of consensus has been to form a definition synthesising those points for which there is considerable agreement in the literature (Chell et al., 1991; Hebert & Link, 1988; Kao, 1991; Timmons, 1990). Based on extensive reviews of the literature, these definitions reflect some of the major historical influences that have emphasised opportunity exploitation, risk taking, and innovation, as well as the more recent emphasis on individual differences in the entrepreneur's abilities and orientation towards business growth. For example, Hebert and Link concluded that the entrepreneur could be defined in terms of their superior opportunity recognition and the movement of resources to exploit it, risk management and innovative change creation. Timmons also focused on the entrepreneur's opportunity recognition and exploitation through business creation, resource management and risk taking, as well as emphasising their goal of business growth. Chell et al. likewise focused upon opportunity recognition and exploitation, risk and resource management, profit and growth aims, as well as innovative solutions to business problems. Similarly, Kao argued that business opportunity recognition and the risk management and innovative resource management needed to bring it to fruition constituted the essential defining features of the entrepreneur. More recently, Hisrich and Peters (2002) formed a similar conclusion. They proposed that the entrepreneur should be defined in terms of their ability to create something new of
value, their application of time and effort to source and manage the resources required to get it operational, responsibility for the financial and personal risks involved, and receipt of any resulting rewards.

In summary, whereas certain elements emphasised early in the development of the term ‘entrepreneur’ continue to be seen as relevant such as opportunity spotting and innovativeness, the term has also altered considerably over the last 300 years. These alterations have arisen partly out of a need to reflect major historical changes in economic organisation that have widened the possibilities for entrepreneurship, and partly out of the diversity of perspectives put forward by subsequent theorists that emphasise different aspects of what it means to be an entrepreneur. Attempts to provide a precise definition have included distinguishing entrepreneurs from other business owners, and distinguishing them from non-business owners, termed intrapreneurs. Definitions which synthesise major points of agreement on essential features of the entrepreneur have also been put forward. In considering these developments, the present research adopts the following working definition of the entrepreneur:

An entrepreneur is an individual who recognises an economic opportunity and creates a new business to realise it, accepting the financial and personal risks involved. In their ongoing management of the new venture they may adopt innovative practices to assist in the achievement of their main objective of continued business growth.
Psychological Research on Entrepreneurs

Entrepreneurs have been the subject of psychological research for more than four decades (Brockhaus, 1982; Kets de Vries, 1977; McClelland, 1961; Yurtsever, 2003). Research has focused predominantly on investigation of entrepreneurs' personality characteristics and other individual difference factors. Four main approaches have been adopted for conceptualising and assessing the personality of entrepreneurs. These approaches comprise: the psychodynamic (Kets de Vries, 1996), trait (e.g., Cromie & Johns, 1983; Kao, 1991), cognitive (e.g., Kirzner, 1979; Mitchell et al., 2002), and social-constructionist (Chell et al., 1991). Findings from each approach are discussed, highlighting the contributions and limitations of each for understanding the personality of the entrepreneur.

The Need for Psychological Research on Entrepreneurs

Interestingly, some have questioned the need for psychological research on entrepreneurship (Burns & Dewhurst, 1989; Gartner, 1989; Kuratko & Hodgetts, 1998). According to this view, an inherent personality disposition is not required to behave entrepreneurially, as given the right conditions, to be successful as an entrepreneur simply requires the acquisition of the right skills and implementing the right procedures. Hence, successful entrepreneurs are 'made' and not 'born' (Drucker, 1985), and an understanding of their psychological profile is therefore unnecessary. In response to this argument, several authors have conceded that some aspects of entrepreneurship can be reduced to learnable skills and techniques. However, being an entrepreneur goes well beyond such specific skills (Bolton & Thompson, 2000; Chapman, 2000; Swedberg, 2000). For example, Bolton and Thompson attributed the successful pursuit of entrepreneurship to technique, talent, and temperament.
Technique involves mastering the required skills, whilst talent reflects being very adept at implementing them. Temperament refers to possessing psychological characteristics (e.g., innovativeness and the motivational drive for achievement) that assist the individual in undertaking and persevering with entrepreneurship. (Carland, Hoy, & Carland, 1988; Cromie, 2000; Johnson, 1990)

Indeed, there is considerable support from writers on entrepreneurship that particular psychological attributes positively influence entrepreneurial performance and success. This list includes: a need for achievement, creativity and innovativeness, an internal locus of control, low aversion to risk, and a tolerance of ambiguity (Burns, 2001; Hisrich & Peters, 2002; Kao, 1991; Lambing & Kuehl, 2000; Morrison, 1998; Timmons, 1990; Wooten, Timmerman, & Folger, 1999). Thus, psychological research offers considerable potential to enhance understanding of why entrepreneurs behave the way they do, and to illuminate personal qualities that may assist them in the pursuit of business success.

**Psychoanalytic View of the Personality of Entrepreneurs**

One early approach was to adopt a psychoanalytic view of the entrepreneur (Kets de Vries, 1977; Kets de Vries, 1980). Drawing on aspects of Freud's (1952) theory of personality development, Kets de Vries proposed that the personality of entrepreneurs is to a large extent moulded by early object relations that feature an absent (physically or emotionally) father and a domineering, controlling mother. These negative early socialisation experiences contribute to a fragile sense of self, low self-confidence and problems in regulating self-esteem, as well as mistrust of others and difficulty accepting authority. According to Kets de Vries, some individuals with this background might pursue self-destructive and acting-out deviant activities, others
might instead be drawn to entrepreneurship. This second option provides an environment that offers a socially accepted means of avoiding conformity to an existing organisation, and a career choice that may enhance feelings of independence, control, and self-worth, thus improving upon the early socialisation environment.

Entrepreneurial behaviour is also thought to be influenced by personality characteristics moulded by the early environment such as a high need for control, strong distrust of others, and unrealistic optimism. These characteristics are dual-edged, in that they drive the entrepreneur to create their own business venture yet could also play a role in its destruction. For example, a high need for control may assist the entrepreneur in the initial start up phase when the ability to act independently to marshall resources is needed. However, this may interfere with their ability to delegate areas of responsibility to others as the business grows and the entrepreneur's role needs to change from 'hands on' to higher level tasks such as focusing on the business' future direction.

As well as influencing general entrepreneurial behaviour, Kets de Vries (1977; 1980) argues that the attitudes of entrepreneurs towards entrepreneurial phenomena are also to a large extent moulded by psychodynamic influences. For example, the fragile sense of self produced by this pattern of early socialisation results in both a fear of success and of failure. Their attitude to success is that it cannot be trusted and will inevitably turn to failure. Thus, entrepreneurs may exhibit confident behaviour whilst being plagued internally by doubts and fears. This results in the use of rigid, high control strategies within their business that may actually contribute to business failure. Failure itself is viewed as devastating because the self is inextricably linked to
the object; in this instance being the entrepreneur’s venture through which they may be seeking restoration of earlier object relations injuries.

In later theorising, Kets de Vries (1996) identified an additional, less common group of entrepreneurs characterised by a more positive and adaptive pattern of attitudes and behaviours. These individuals were believed to have experienced “constructive narcissistic development” (p. 874), by being exposed to an early environment that was both nurturing and encouraging of the self’s development and abilities. As a result, these entrepreneurs possess a strong self-confidence, high self-esteem and optimism. Furthermore, in contrast to their less securely attached counterparts, they are able to tolerate business failure because the self has developed so as to be less emotionally attached to a single object. Therefore, if the business fails, they can turn to other outlets such as family or sport to restore their emotional equilibrium.

There is some support for the existence of a negative pattern of object relations in the background of entrepreneurs (Collins & Moore, 1970; Zaleznik & Kets de Vries, 1975) and the contention that this personality type influences entrepreneurial behaviour (Kets de Vries, 1996). Furthermore, some applaud this theory as one of the few to recognise that not all personality characteristics of entrepreneurs are necessarily positive or socially desirable (Kao, 1991). However, the psychodynamic approach has not been widely accepted (Chell et al., 1991; Kuratko, 1995). Criticisms include a lack of supportive research findings, partly due to difficulties in measuring its claims (Gibb & Ritchie, 1982). Concerns have also been raised about its lack of consideration of other personal and situational factors that may
influence why entrepreneurship is undertaken, as well as how it is pursued (Chell, 1985; Scase & Goffee, 1980).

**Trait View Of The Personality Of Entrepreneurs**

The trait approach to conceptualising the personality and individual differences of the entrepreneur has received considerably more attention from researchers (e.g., Brandstaetter, 1997; Lee & Tsang, 2001; Utsch & Rauch, 2000). Trait theories of personality propose that individuals possess characteristic ways of behaving, thinking and feeling that tend to be stable, generally invariant across situations, and enduring across the lifespan (Cattell, 1965; Costa & McCrae, 1992). The rationale behind much of this research is that entrepreneurs are characterised by a certain set of these characteristic dispositions that draw them to entrepreneurship and enable them to pursue it successfully. Based on this assumption, self-report measures have been used to assess a range of traits considered complementary to entrepreneurship including: a need for achievement, need for autonomy, innovativeness, creativity, openness to experience, risk-taking propensity, internal locus of control, self-confidence, optimism, extroversion, and tolerance of ambiguity (e.g., McClelland, 1987; Shukla, 1995; Utsch & Rauch, 2000).

Despite theoretical claims that these traits exist in entrepreneurs, most recent reviews of trait research conclude that results are mixed (Cromie, 2000; Knutson, 2000; Mitchell et al., 2002). For example, Cromie noted the absence of clear-cut findings for several much-researched traits postulated as characteristic of entrepreneurs, such as a need for achievement, internal locus of control, and risk taking. Likewise, Mitchell et al. concluded research is yet to identify a set of personality traits that could be considered to be unique to entrepreneurs. A similar
conclusion was reached by Miner (1997), whose comprehensive analysis of trait research on entrepreneurs considered the findings of 23 independent reviews of this literature. Miner's analysis highlighted two opposing views as to whether existing research has identified a common set of entrepreneurial personality traits. Those concluding that entrepreneurs do share some essential personality traits included Brockhaus and Horwitz (1986) and Caird (1993), who argued that entrepreneurs appear to be characterised by an internal locus of control, a propensity for risk taking and to be highly achievement oriented. Caird also referred to the entrepreneurs' high need for autonomy, as did Block and MacMillan (1993). Cooper and Gasco`n (1992) concluded that a high need for achievement was the psychological characteristic most commonly found to be associated with entrepreneurial success.

Those holding the view that evidence for a shared set of traits is inconclusive include Aldrich and Zimmer (1986), Gartner (1989), Vesper (1990), Shaver and Scott (1991), Amit, Glosten and Muller (1993), and Eggers (1995). Arguments put forward in these reviews include Shaver and Scott's contention that many traits thought to be linked to entrepreneurial behaviour have either been shown to be unrelated, or have been measured inaccurately. Amit et al. also raised measurement concerns, contending that the traits being measured may be more the product of entrepreneurial experience than its precursor. Gartner dismissed trait research as having created a picture of the entrepreneur that included so many traits as to constitute someone much larger than life, whilst Egger simply concluded that the evidence from trait research is mixed. Finally, Miner (1997) himself concluded that this lack of consensus amongst reviewers suggested that further research was needed to establish whether there is a definitive list of personality characteristics of entrepreneurs.
Research investigating whether the motivation of a need for achievement is a distinguishing attribute of entrepreneurs offers an example of the inconclusive nature of trait findings. According to several authors, the need for achievement motivation is the psychological attribute most consistently evidenced in studies of entrepreneurs' personality characteristics (Johnson, 1990; Koh, 1996, Shaver & Scott, 1991). However, the role and importance of this factor in influencing the pursuit of entrepreneurship has not been clearly demonstrated (Hisrich & Peters, 2002).

McClelland (1961) pioneered this research, drawing on Murray's (1938) theory of personality to develop the construct of a need for achievement (nAch) motivation. Murray devised a taxonomy of personality needs that included the need for achievement, proposing that these constructs represented key psychological forces that drive human behaviour. Reflecting the psychodynamic theoretical assumption that behaviour is guided by unconscious processes (Freud, 1952), he proposed that these motivations are implicit, in that they are not usually able to be consciously acknowledged or expressed. In order to facilitate their assessment, Murray developed a semi-projective testing technique, entitled the Thematic Apperceptive Test (TAT). The TAT consists of a set of pictures depicting social situations in an ambiguous way, thus allowing subjects to impose their own interpretation on what is being represented in the picture. When analysing test results, it is proposed that what a participant’s storied account features and emphasises, as well as what elements of the picture it ignores, is influenced by unconscious motives.

Sharing Murray's (1938) view that motives were largely unconscious, McClelland (1962) utilised the TAT to assess nAch in entrepreneurs. Based on early data from content analysis of respondents' stories, McClelland proposed that high
nAch could be reduced to three key behavioural traits, namely: assuming responsibility for problem solving, setting achievement goals and undertaking calculated risks to pursue them, and desiring feedback on task performance related to goal achievement. Utilising the TAT and this conceptualisation of nAch, McClelland conducted three studies involving potential and current entrepreneurs, concluding that a high nAch positively influences the decision to pursue entrepreneurship (McClelland, 1961; McClelland, 1965a; McClelland & Winter, 1969). However, these findings have subsequently been questioned due to concerns regarding the interpretation of results and the fact that a broad range of business occupations had been included in samples of entrepreneurs (Johnson, 1990; Miner, 1980; Schatz, 1971).

Addressing both measurement and sample concerns, further research has been conducted utilising a range of self-report questionnaires to assess nAch in samples of business owners and prospective business owners. A comprehensive review by Johnson (1990) described six alternative measures of the need for achievement. These include subscales of measures assessing a broad range of personality traits, such as the achievement subscale of the Personality Research Form-E (Jackson, 1974), as well as measures exclusively created to assess McClelland's (1961; 1962) conceptualisation of the nAch factor, such as the Lynn Achievement Motivation Scale (Lynn, 1969). Although all scales are considered to measure achievement motivation, unlike McClelland, the authors of these tests have assumed that the achievement motive is more conscious than unconscious, and thus can be assessed via self-report measures.

Findings from the studies listed in Johnson’s (1990) review have been inconclusive about the influence of the need for achievement in entrepreneurs. For
example, in support of the contention that a high nAch may predict business start-up, Pandy and Tewary (1979) found that prospective entrepreneurs with higher levels of nAch were significantly more likely to obtain business loans to commence new ventures. In contrast, Hull, Bosley and Udell (1980) found that in a student sample of potential entrepreneurs, nAch scores did not discriminate between low and high likelihood of starting a new venture. In support of the contention that high nAch may distinguish successful entrepreneurs from unsuccessful ones, Carsrud et al. (1986) observed that three types of achievement motivations, namely mastery needs, work orientation, and interpersonal competitiveness, were significant predictors of business success. However, this relationship only held for entrepreneurs with less than 50% ownership of their business. In support of the contention that entrepreneurs are distinguished from other populations by a high nAch, Lachman (1980) observed that owner-managers of enterprises scored higher in nAch than non-founder managers. Similar findings were reported by Begley and Boyd (1986). Additionally, Hines (1973) found that entrepreneurs obtained significantly higher nAch scores than engineers, accountants, and middle managers. Yet other research by Mescon and Montanari (1981) and Sexton and Bowman (1983) showed that nAch scores did not differentiate entrepreneurs from non-entrepreneurs, nor students of entrepreneurship from other students, respectively.

Johnson (1990) concluded that, overall, the data suggest that entrepreneurs are characterised by the need for achievement motivation. However, the diversity of measures used to assess this construct may have contributed to the inconsistency in findings regarding whether or not entrepreneurs have distinctively high levels of this
motivation. Furthermore, it remains to be established how the need for achievement might influence the ways in which entrepreneurs pursue entrepreneurship.

Apart from inconclusive research findings, two theoretical concerns have been raised about the adequacy of a trait approach for studying entrepreneurs. One concern is the limited ability of traits to go beyond a description of the way entrepreneurs behave to explain why entrepreneurs behave that way (Baron & Brush, 1999; Chell, 2000; Shaver & Scott, 1991). This concern reflects a more process-oriented approach to understanding personality, which posits that both the relatively consistent and more variable behaviour of an individual is the result of a range of internal processes involving factors including thoughts, emotions, values, and goals, as well as a consideration of situational elements (Cantor & Kihlstrom, 1987; Mischel & Shoda, 1998; Westen, 1995). Traits describe only explicit behavioural outcomes, and not these more implicit psychological processes that lead to them. The extent to which this constitutes a limitation can be illustrated by considering different research objectives. For example, trait risk-taking propensity may be a useful construct to address when investigating how the behaviour of entrepreneurs differs from that of other populations. However, it does not tell us why they may be more inclined to engage in risk-taking behaviour where others would not (Hisrich & Peters, 2002).

The second concern is the utility of a trait approach for investigating how entrepreneurs behave specifically within the entrepreneurial environment (Cromie, 2000; Shaver & Scott, 1991). As previously noted, traits describe broadly defined behavioural dispositions considered to be relatively consistent across situations and time. This is reflected in the way traits have traditionally been assessed via self-report measures of context-free behaviour (Mischel & Shoda, 1998). However, evidence
suggests that individuals can divert from their usual behaviour in certain situations or environmental settings (Feist & Barron, 2003; O'Connor et al., 2002; Pervin, 1990). Entrepreneurship takes place in a particular kind of environment that tends to be characterised by high uncertainty and activity, high circulation of information, time pressures, extensive interpersonal interactions and strong emotions (Baron, 1998). Indeed, several authors refer to the uniqueness and complexity of the environment in which entrepreneurs work, and stress the importance of assessing context in entrepreneurial research (Johnson, 1990). Thus, as traditionally assessed, trait measures are not specific measures of an entrepreneurs’ behaviour within the entrepreneurial environment. For instance, despite inconsistencies in findings, existing trait research would suggest that entrepreneurs tend to have a high need for achievement. However, this does not explain how they demonstrate that need within the pursuit of entrepreneurship (Burns, 2001).

**Cognitive View Of The Personality Of Entrepreneurs**

The cognitive approach focuses on the cognitive style or information processing system of entrepreneurs (Forbes, 1999; Markman & Baron, 2003; Mitchell et al., 2002). Pioneered by Kirzner (1973;1979) in the early 1970s, and more enthusiastically embraced in the 1990s, the cognitive approach considers the mental processes involving perceptions, memory, and thinking, proposed to influence behaviour. According to proponents of this approach, illuminating how entrepreneurs organise and process information about themselves and their environment can enhance understanding of why they behave the way they do in the pursuit of entrepreneurship.
Palich and Bagby's (1995) investigation of how entrepreneurs think about risk taking provides an instructive example of research adopting this approach. In their study, both entrepreneurs and non-entrepreneurs rated their overall risk-taking propensity, as well as their perceptions of the viability of an imaginary firm described in various business scenarios. Interestingly, there was no group difference in the inclination to take risks. However, entrepreneurs tended to perceive the business scenarios more optimistically than non-entrepreneurs in terms of the current strength and growth potential of a firm. Thus, rather than being predisposed to take greater risks more often, as suggested by trait research, Palich and Bagby concluded that entrepreneurs might simply be more likely to perceive less risk in the situation and so be more willing to go ahead with new business activities where others might not.

A variety of other cognitive factors presumed to be related to characteristic entrepreneurial behaviours such as opportunity spotting, decision making, and innovativeness, have also been investigated. These include attributional style, illusion of control, heuristics and biases involved in entrepreneurial decision-making, use of mental models, and cognitive adaptability (Busenitz & Barney, 1997; Grundvag & Gronhaug, 2005; Haynie, 2005; Kahneman & Lovallo, 1993; Simon, Houghton, & Aquino, 2000). A comprehensive review of research investigating how such cognitive factors influence the process of conceiving and commencing new venture creation by Forbes (1999) identified four distinctive features of the cognitive functioning of entrepreneurs. First, entrepreneurs’ intentions to start new ventures are predominantly based on the perceived feasibility and desirability of that action. Second, entrepreneurs prefer informal to formal sources of information, such as relying upon social networks rather than media sources for discovering and exploiting new market
opportunities. Third, the use of mental models, such as metaphors to convey ideas to others and organisational milestones to bracket time, play a key role in how entrepreneurs structure behaviour within their new business. Finally, entrepreneurs appear to utilise a distinctive set of thought processes to interpret information from their environment, termed 'entrepreneurial cognitions' (Busenitz & Lau, 1996).

The proposal that entrepreneurs might be characterised by a distinctive cognitive functioning style gained further support in a more recent review by Mitchell et al. (2002) that focused specifically on the issue of 'entrepreneurial cognitions'. These authors defined entrepreneurial cognitions as the knowledge structures or simplifying mental models that entrepreneurs draw upon to assist them in forming evaluations and making decisions in relation to the pursuit of entrepreneurship. Mitchell et al.'s review cited findings supportive of the existence of this phenomenon. These included: decision-making biases that reflect the use of schemas highlighting opportunity and controllability; heuristic-based logic leading to more favourable perceptions of equivocal situations; and cognitive errors such as overconfidence and illusion of control considered to assist the entrepreneur in dealing with ambiguous and difficult business situations (Krueger & Carsrud, 1993; McGrath, 1999; Simon et al., 2000).

According to both Forbes (1999) and Mitchell et al. (2002), the relative consistency of results and the nature of findings suggest that a cognitive approach is particularly suited to identifying distinctive characteristics of entrepreneurs. However, focusing exclusively on cognitions does not provide a complete picture of why individuals behave the way they do (Mischel & Shoda, 1998). Instead, thought processes need to be considered in relation to other important psychological attributes
such as dispositional behaviours, motivations and emotions that also help to
determine an individual's behaviour. Additionally, cognitive research shares the
limitation of trait research in that the measurement of cognitive attributes has
generally been assessed in isolation from the entrepreneurial environment (Das &
Teng, 1997; Kit Sum Lam, 1999; Naffziger, 1995). For example, to return to Palich
and Bagby's (1995) study, hypothetical rather than actual business scenarios were
used to assess entrepreneurs' risk-taking propensity. As noted by Bird (1989, p.91),
"Entrepreneurs deal with very real, personally relevant and emotionally charged
business and financial events, not hypothetical situations in a variety of contexts". In
light of this limitation, concerns have been raised regarding the generalisation of such
findings to the actual entrepreneurial environment.

**A Social-constructionist View of the Personality of Entrepreneurs**

Context is a central construct in the social constructionist approach to
conceptualising the personality of the entrepreneur proposed by Chell, Haworth and
Brearley (1991). Chell et al. contended that it is not sufficient to assess the
characteristic behaviours of the entrepreneur in isolation from the environment in
which they are performed as traditional self-report personality measures do. Instead,
the personality of the entrepreneurial individual is best understood and assessed in the
context of the entrepreneur's business environment and their ongoing entrepreneurial
experience within that setting (Chell, 2000). Underlying their approach is Hampson's
(1988) theory of the social construction of personality. This theory proposes that
personality is a social phenomenon. That is, rather than residing exclusively within
the individual, personality also metaphorically exists between people, in that it is
represented in actual observable behaviour. This social behaviour, assessed by both
the self-observer and an outside observer, can be categorised into traits. In Hampson's theory, a trait is defined as a categorising concept that is an ideal example or prototype of a particular behaviour. Thus, according to this theory, personality cannot be adequately assessed using only self-report measures. Furthermore, it is best assessed from biographical data as this permits the respondent to describe their own behaviour and allows the observer to consider the person's behaviour both in its social context and over time, thus obtaining a clearer picture of actual behavioural consistencies.

Adopting this approach, Chell et al. (1991) conducted semi-structured interviews with 31 business owners. Critical incidents in the owner's life history and the development of their business were explored. Focus was on the relationship between their personal experience and their actual behaviour within the business setting. Prior to data collection, the researchers formed four separate categories of business owner termed entrepreneur, quasi-entrepreneur, administrator and caretaker - each defined by a small set of business activity-related traits deemed prototypical of that category. For example, traits defining the entrepreneur business owner were behaviours involving initiative taking and alertness to business opportunity, use of innovations throughout the life of the business, high profile image making for the self and the business, and pursuit of opportunity, challenge and change through business activities. Chell et al. were able to categorise their sample into these four types of business owner, and concluded that this approach offered great potential for improving understanding of the distinctively entrepreneurial features of the personalities of those who pursue entrepreneurship.
Chell et al.’s (1991) social-constructionist view of the entrepreneurial personality has received little attention in subsequent research (Pittaway, 2000). However, their study sparked considerable interest by highlighting some of the advantages of utilising qualitative measurement of personality and individual differences among entrepreneurs (Chapman, 2000; Cromie, 2000). In this respect, Chell et al.’s study advances Mitton’s (1989) argument that self-report quantitative measurement may not be adequate to uncover the true characteristics of entrepreneurs. According to Mitton, more accurate and detailed information about the personality of entrepreneurs can be obtained via observation of entrepreneurs by researchers with entrepreneurial experience, within the entrepreneur’s business environment. Based on this view, Mitton proposed that entrepreneurs can be characterised by eight patterns of entrepreneurial conduct. These comprise: having a big picture perspective, opportunity spotting, high commitment to entrepreneurship, high need for control, a utilitarian view of right and wrong, a welcoming of uncertainty, strong use of contacts, valuing competence, and high levels of entrepreneurial ability specific to their business. Of all these factors, he proposed that entrepreneurs’ ability to see the bigger picture most clearly distinguished them from other populations such as small business owners. This ability to comprehend the total scene, whilst remaining aware of its various components and how they fit together, is seen as a strong determinant of other entrepreneurial characteristics such as opportunity spotting and innovation, optimism and confidence.

A number of other qualitative approaches have emerged subsequently. These commonly involve the process of allowing entrepreneurs to use their own words to respond to open-ended questions addressing one or more facets of their experience of
entrepreneurship. The entrepreneur’s accounts are then subjected to content analysis to identify and code common themes to highlight various entrepreneurial phenomena, such as characteristic thoughts, behaviours and motivations (Manimala, 1992; Pitt, 1998; Young, 1992). For instance, Manimala utilised archival accounts of the decision to commence new ventures to identify a set of decision-making heuristics that had been employed by entrepreneurs of highly innovative businesses. Five general decision-making orientations emerged, namely: (1) an intrinsic orientation, referring to a reliance on their own ideas rather than consulting experts, (2) an organic growth orientation, referring to a focus on flexible, incrementally achieved business growth, (3) an entity orientation, referring to a conceptualisation of the business as a distinct entity rather than as belonging to someone, (4) a people orientation, referring to a tendency to consider others rather than be self-focused, and (5) a vision orientation, referring to an attitude of seeking innovations because of a commitment to goals rather than a blind opportunism.

Although some of Manimala’s (1992) findings could be expected based on previous research, others were not. Notably, the 'people orientation' contrasts with trait findings that characterise entrepreneurs by the need for achievement motivation that reflects a self-oriented, rather than other-oriented striving. Additionally, the 'entity orientation' is not specific to any one trait, nor is it encompassed in any of the cognitive attributes identified in this population. Thus, by permitting exploration of entrepreneurs' actual thoughts and behaviours within the entrepreneurial setting, rather than restricting assessment to predefined constructs as traditional personality tests do, more distinctively entrepreneurial characteristics of this population may be identified and understood. In this way, qualitative research offers the potential to build on the
findings from other approaches by uncovering theoretically unexpected yet potentially important information.

**Summary Of Defining The Entrepreneur And Review Of Personality Research**

This chapter commenced with a discussion of how the definition of the entrepreneur has been much revised and extended since its inception in 1725. Currently, there is no universally agreed upon definition. However, based on the literature, this thesis adopted a working definition of the entrepreneur that is as follows. An entrepreneur is an individual who recognises economic opportunity and creates a new business to realise it, accepting the financial and personal risks involved. In their ongoing management of the new venture they adopt innovative practices to solve business problems and assist in achievement of their main objective of continued business growth.

This chapter then outlined how the personality of entrepreneurs has been conceptualised and assessed from four major theoretical perspectives. These comprise: the psychoanalytic view of entrepreneurs as being mostly characterised by a deviant personality type that is moulded by negative early socialisation; the trait view of entrepreneurs as being characterised by a particular set of stable dispositions to behave in certain ways; the cognitive view of entrepreneurs as being characterised by a certain style of information processing; and the social-constructionist view of entrepreneurs as being characterised by certain types of specifically entrepreneurial behaviours evident within the entrepreneurial environment. Despite some inconsistencies in research findings, each approach has contributed to current understanding of the psychological characteristics of entrepreneurs. This research also provides information about background influences that may contribute to determining
entrepreneurs’ behaviour, and insights into the way entrepreneurs tend to behave, feel, and think, including the particular types of thought patterns involved in entrepreneurial decisions.

Some of the more recent qualitative research has started to provide insight into how entrepreneurs manifest these personal characteristics within the entrepreneurial environment. Indeed, whereas much of the existing research employed conventional self-report measures, qualitative assessment methods have begun to receive more attention because of their ability to address important limitations of quantitative approaches. This includes the assessment of characteristics in entrepreneurs’ own words and within the physical setting of the entrepreneurial environment.

In the next chapter, the need to assess entrepreneurial characteristics within the entrepreneurial environment is taken further to highlight the utility of identifying personality factors involved in how entrepreneurs experience particular entrepreneurial events encountered over the course of their pursuit of entrepreneurship. An argument is put forward concerning the advantages of investigating how entrepreneurs respond to the event of business setbacks and failures.
This chapter develops the argument that investigating entrepreneurs’ experience within the entrepreneurial environment is relevant to an understanding of their personality. The need to consider entrepreneurs’ behaviour in response to specific entrepreneurial events beyond the start-up phase of entrepreneurship is discussed. The experience of business failure is identified as an entrepreneurial event that offers particular advantages for illuminating important features of the personality of entrepreneurs. Existing research on business failure is reviewed, highlighting the present understanding and the theoretical and methodological limitations of approaches taken.

The Need To Look Beyond New Venture Start-up

Most research has assessed the psychological characteristics of entrepreneurs either just prior to, or at the time of new venture start-up. This approach reflects the emphasis on establishing the psychological attributes that distinguish those who become entrepreneurs from those who do not (Baron & Markman, 1999; Koh, 1996; Wooten et al., 1999). However, researchers such as Delmar and Davidson (1999) and Dyer (2000) argue that this research is limited because it concentrates on the business start-up phase to the neglect of later stages in business development and the longer term pursuit of entrepreneurship. This reflects the recognition that entrepreneurship is an ongoing process not confined to the single act of new venture creation (Cardon & McGrath, 1999; Kao, 1991). Thus, an overconcentration on this stage has neglected
the individual difference factors of entrepreneurs that are involved beyond the start-up phase of entrepreneurship (Reuber & Fischer, 1993).

Several authors have identified different stages or phases through which a new business venture passes as part of the ongoing process of undertaking entrepreneurship (Bolton & Thompson, 2000; Burns, 2001; Hisrich & Peters, 2002). For instance, Bolton and Thompson describe a getting ready stage, a building and growing stage, and an established viable and growing enterprise stage, with each of these also involving several sub-stages. Burns argues that although there is continuity in the entrepreneur’s approach, each stage also requires certain distinctive behaviours. For example, in the early stages the entrepreneur assumes a hands-on management role, which later is replaced by a concentration on vision and development of the enterprise. To successfully negotiate these different stages, an entrepreneur must draw upon a broad range of personal skills and psychological resources, several of which are likely to be different from those required during start-up (Dyer, 2000). To illustrate, the ability to act independently that is required early on in the business draws upon characteristics such as a high internal locus of control. This differs from characteristics such as extroversion and agreeableness that are more strongly associated with later business stages involving the ability to collaborate with others who become integrally involved in the venture, and to establish and maintain supplier and market networks as the business expands. Therefore, to fully understand the psychological functioning of entrepreneurs, it is necessary to assess their psychological characteristics both in context and throughout the pursuit of entrepreneurship (Cardon & McGrath, 1999).
In addition to the ongoing day-to-day activities and the different stages involved in growing a new venture, the pursuit of entrepreneurship is sporadically punctuated by important, relatively discrete events (Reuber & Fischer, 1993). These include forming strategic alliances, business successes, and business setbacks. Strategic alliances comprise forming a partnership with a similar business, and establishing an association with a major supplier. Business successes cover market acceptance of a new product, acquiring a new international market for an existing product, and securing lucrative supply contracts. Business failures range from relatively minor setbacks, such as failure to win a new contract, to the major event of outright business failure and bankruptcy (Bolton & Thompson, 2000; Sitkin, 1992; Useem, 1998).

**The Utility of Investigating Entrepreneurs’ Experience of Business Failure**

Investigating how entrepreneurs respond to different entrepreneurial events provides information about their individual attributes that is contextualised within the entrepreneurial environment and within a certain entrepreneurial time frame and situation. Thus, each type of event merits investigation. However, exploring entrepreneurs’ personal response to business failure offers particular advantages for enhancing understanding of their psychological characteristics. This is due to the distinctive nature of this type of entrepreneurial event and its effect upon the entrepreneur. Business successes and alliances are positively associated with the pursuit of entrepreneurship. They are expected, even desired, aspects of entrepreneurship that enable the enterprise to move forward in the right direction. In contrast, business failures are unwanted events that tend to be unexpected and constitute a blockage to the enterprise continuing, or at the very least an obstacle to
the enterprise moving forward in the desired direction (Burns, 2001; McGrath, 1999). Hence, business failure is likely to have a different, more challenging psychological impact on the entrepreneur to that of successes and building alliances. This may include challenging the entrepreneur’s motivations and commitment to continue pursuing entrepreneurship in the face of such difficulties (Cardon & McGrath, 1999). Failure may also elicit strong, potentially overwhelming negative emotions such as frustration and anger at having entrepreneurial goals blocked, and fear and anxiety produced by doubts about one’s ability to attain business recovery (Kets de Vries, 1980; Lambing & Kuehl, 2000; Morrison, 1998).

Despite being unexpected and unwanted, business failure events occur frequently (Sitkin, 1992; Timmons, 1994). Indeed, it is common for entrepreneurs to commence several unsuccessful ventures before achieving substantial business success (Useem, 1998). Accordingly, the ability to bounce back from failure and continue the pursuit of entrepreneurship is regarded as one feature that distinguishes successful entrepreneurs from those who exit entrepreneurship at this point (Bolton & Thompson, 2000; Brockhaus, 1980; Sitkin, 1992). Dyer (2000) contended that for the business to successfully recover from a serious setback or failure requires a constructive personal response from the entrepreneur. Bolton and Thompson propose that this response involves drawing upon psychological factors such as a positive self-belief and high optimism to sustain motivation in the face of failure, and creativity to find innovative solutions to overcome business problems. Others have highlighted the need to draw upon effective coping skills and other internal resources to manage the affective reaction to failure (Askim, 1999; Lambing & Kuehl, 2000). Thus, by studying personal responses to business failure, more may be learnt about the
psychological attributes that characterise those entrepreneurs who do overcome business failure and go on to engage in the long-term pursuit of entrepreneurship.

Interestingly, despite much recognition that the process of entrepreneurship involves business setbacks and failures, the issue of how entrepreneurs experience and respond to this type of entrepreneurial event has received little attention in psychological research (Cardon & McGrath, 1999; Useem, 1998; Zacharakis & Meyer, 1999). It has been suggested that in part this reflects a negative bias towards business failure. This is evident in economic research that has focused exclusively on identifying the causes of business failure, implying it should be avoided, as well as in social norms that regard failure negatively (McGrath, 1999). Recently, however, the potential gains of business failure have been noted. It has been proposed that at an organisational level, business failures are valuable (Sitkin, 1992). According to Sitkin, business setbacks and failures may actually benefit an organisation by encouraging innovative experimentation and risk-taking to deal with the problem, and developing resilience and flexibility to deal with subsequent unexpected changes and setbacks. Confronting these challenging experiences thereby guards against complacency, risk-aversion, homogeneity of thought and rigidity of business practices within the organisation. It has also been noted that many venture capitalists tend to prefer entrepreneurs who have experienced significant business setbacks and failures, assuming that such individuals have learnt valuable lessons from their experience that make them less likely to fail in future ventures (Cooper, 1993). Finally, many anecdotal accounts of entrepreneurs’ experiences of business failure suggest that entrepreneurs themselves value this experience because it provides valuable lessons
that can be applied in subsequent entrepreneurial ventures (Shefsky, 1994; Useem, 1998).

**The Nature And Incidence Of Business Failures**

Studies support the proposal that business setbacks and failures are relatively common in entrepreneurship (Cardon & McGrath, 1999; Zacharakis & Meyer, 1999). Indeed, Cardon and McGrath propose that a theory of entrepreneurship is not complete unless it makes reference to such events. Timmons (1994) noted that one in five new ventures fail during the first year of operation, and 66 percent fail within the first six years. Hisrich and Peters (2002) cited similar figures, observing that approximately half of all new ventures fail within five years of being established. In addition to the finite event of firm closure, new ventures are frequently subject to other forms of business setbacks, particularly in the early years of establishing the venture (Anheier & Moulton, 1999). These can include performance below an expected or critical threshold, and significant but temporary cash flow problems that require a reorganisation of business finances (Gimeno, Folta, Cooper, & Woo, 1998; Hisrich & Peters).

Entrepreneurship is often pursued under economic conditions that make business setbacks and failures a distinct possibility (McGrath & MacMillan, 2000). Such economic factors comprise fluctuations in the availability of finance and changing local and international market demands. Deficits in the skills of the entrepreneur have also been implicated in business failure. Particularly evident are poor decision-making in areas such as the marketing and distribution of new goods or services, and lack of management skills, such as an inability to delegate lesser management tasks as the business expands. Other factors are an inability to conduct
adequate long range planning based on a vision for the direction of the business, and an inability to motivate staff to share that vision (Useem, 1998; Zacharakis & Meyer, 1999).

In keeping with Kets de Vries’ (1977) proposal that the personality of entrepreneurs may contain a dark, potentially business-destructive side, it has also been suggested that certain personality characteristics of entrepreneurs may contribute to business failure. One proposal is that an overwhelming need for achievement and public recognition may lead an entrepreneur to decide to pursue too much business growth too soon, thus bringing about excessive financial strain and eventual business collapse (Burns, 2001). Similarly, excessive optimism may lead an entrepreneur to undertake business activities that ignore real, potentially fatal risks to the well-being of the new venture (Busenitz & Barney, 1997).

**Existing Research on Entrepreneurs’ Experience of Business Failure**

Larson and Clute (1979) conducted one of the earliest investigations of business failure in entrepreneurs. They examined reports prepared by business advisors concerning the financial records of 359 small businesses. All businesses were categorised as failing on the basis that they were experiencing financial difficulties and had sought assistance from their national small business administration. The entrepreneurs in the sample tended to possess certain unhelpful characteristics that could be grouped into three categories of personal characteristics, managerial deficiencies, and financial shortcomings. Personal characteristics included an exaggerated view of one’s business competency and inflexibility to meet the changing demands of the organisation. Also apparent was an over-reliance on intuition and inattention to objective criteria in decision-making, and an orientation to the past
rather than a forward focus. Managerial deficiencies involved ignorance of how management problems can contribute to business problems, including poor delegation skills. Financial shortcomings involved a lack of accounting knowledge and reluctance to involve finance professionals. Larson and Clute concluded that this constellation of symptoms constituted a failure syndrome that could be used to predict the failure of small businesses.

Larson and Clute’s (1979) study provides some insight into characteristics of the entrepreneur that might reasonably be considered to contribute to business failure. However, their research had several limitations. First, it is unclear how the data were analysed, and in particular whether there was any empirical analysis. Second, descriptions of businesses in this study mostly depicted self-employed small business ventures that might better be termed lifestyle firms than growth-oriented entrepreneurial businesses (Carland et al., 1984). Thus, findings may not be representative of entrepreneurs. Third, Larson and Clute focused on businesses currently in the process of failing and only considered characteristics associated with business failure. This leaves open the question of how other personal characteristics of entrepreneurs may impact on their ability to recover from business failure. It is also unclear whether the findings can be generalised to those ‘serial’ or ‘habitual’ entrepreneurs who bounce back from the experience of business setbacks and failures to resume the pursuit of entrepreneurship.

The importance that entrepreneurs’ place on business failure as a learning experience has also been investigated. Reuber and Fischer (1993) asked forty-three founding managers of Canadian biotechnology and telecommunications firms to rate 33 discrete past entrepreneurial experiences according to how highly they were valued
in terms of enabling the entrepreneurs to develop the skills required in their current venture. On average, the experience of previous business failure was rated in the top third of experiences, denoting those that were most highly valued for the learning opportunity they provided.

The remaining research on business failure has looked at entrepreneurs’ perceptions of the causes of business failure (Bruno & Leidecker, 1987; Cardon & McGrath, 1999; Zacharakis & Meyer, 1999). In 1987, Bruno and Leidecker conducted interviews with 22 founders of failed new business ventures to explore their perceptions of what had caused their business to fail. Ten had commenced high technology businesses during the period 1960-1963, and were part of a larger response set used by the authors in an initial exploratory project on the causes of business failure (Bruno, Leidecker, & Harder, 1986). Another 12 had commenced similar ventures between 1980 and 1986. All ventures had subsequently failed, as evidenced by bankruptcy. Twelve factors were identified by entrepreneurs as having contributed to the occurrence of business failure. These were categorised as external or internal factors. External factors consisted of those related to either product/marketing problems or financial issues. Product/marketing comprised: timing, design, distribution, business definition issues and over-reliance on a single customer. Financial issues comprised: initial undercapitalisation, assuming debt too early, and problematic relationships with venture capitalists. Internal factors were related to managerial issues and comprised: ineffective team building, personal problems and one-track thinking. Although Bruno and Leidecker did not perform statistical analysis of results, they concluded that perceived causes of business failure were comparable
from entrepreneurs across the two time periods, and were spread across a range of external and internal factors.

A comparison of failed entrepreneurs’ perceptions of the causes of their own business failure with their perceptions of the causes of others’ business failure was conducted by Zacharakis and Meyer (1999). In light of Bruno and Leidecker’s (1987) findings of discrete internal and external explanations for business failure, the authors employed Weiner’s (1979) attribution model to guide their interpretation of entrepreneurs’ responses. The concept of psychological attributions was initially raised by Heider (1944; 1958). Heider proposed that over time, individuals build up certain patterns or schemas regarding what they perceive to be the usual causes of their own and of others’ behaviour and experiences. These schemas form different types of attributions that guide interpretations of current events, with subsequent behaviour being influenced by the type of attribution made.

Building on Heider’s work, Weiner’s (1979) model proposes that different causal attributions made about success and failure outcomes in achievement situations influence the impact of those outcomes. According to Weiner, attributions in achievement situations may vary on three dimensions: (a) locus of causality, referring to perceiving an internal or external cause; (b) stability, referring to perceiving the cause to be a temporary or permanent factor, and (c) controllability, referring to whether the situation is perceived as controllable or uncontrollable. Zacharakis and Meyer’s study utilised the locus of causality dimension to assess entrepreneurs’ perceptions of the causes of their own business failure. To make an internal attribution is to perceive the cause of some outcome as emanating from within oneself. With external attributions, the cause is perceived as emanating from something outside of
oneself, such as other persons or environmental factors. To assess respondents’ perceptions of the causes of others’ business failure, another attribution theory concept, termed the Fundamental Attribution Error (FAE) (Fiske & Taylor, 1991) was utilised. The FAE contends that individuals tend to attribute the behaviour of others to internal, dispositional factors rather than to external causes. In contrast, individuals tend to attribute their own problems or failures to external causes. This asymmetry in attribution style is believed to facilitate prediction of the behaviour of others and to protect one’s self-esteem and positive self-perceptions (Miller & Ross, 1975).

Zacharakis and Meyer (1999) conducted in-depth structured interviews with eight entrepreneurs of high technology firms. Six firms had recently been declared bankrupt, and the other two were evaluated by venture capitalists as in the process of failing. Open-ended questions explored the entrepreneurs’ perceptions of factors that had contributed to failure in their own firm, and those that contributed to the failure of new business ventures in general. Business failure was defined as bankruptcy.

Content analysis of interview transcripts identified perceived internal and external causes of business failure generated by the entrepreneurs. Internal causes were defined as those originating within the firm and included poor management style, obsolete technology, and initial under-capitalisation. External causes were defined as those originating outside of the entrepreneurial firm, and included product market conditions, competition, availability of financing, and material costs.

Consistent with theoretical predictions, Zacharakis and Meyer (1999) observed that entrepreneurs predominantly cited internal causes when making attributions for the venture failure of others. Furthermore, consistent with Bruno and Leidecker’s (1987) findings, respondents attributed their own business failure to a
range of internal and external factors. However, contrary to attribution theory, the entrepreneurs more frequently attributed their own business failure to internal rather than external factors. The most prominent internal factor referred to was poor management strategy. This included issues such as a lack of product knowledge, lack of experience, and lack of a stable business focus. The unexpected tendency for the entrepreneurs to cite internal causes for their own business failure was considered to be a reflection of the strong internal locus of control thought to be characteristic of entrepreneurs. Accordingly, an internal attribution for business failure may allow the entrepreneur to retain a sense of control over the venture’s fate, rather than perceiving the situation as beyond their control due to external factors. Given the small sample size, these conclusions must be considered speculative.

Askim (1999) utilised a broader range of attribution dimensions to explore relationships between perceived causes of business failure and perceived consequences of business failure. The three dimensions of causal explanation posited by Abramson, Seligman and Teasedale (1978) were incorporated with Weiner’s (1979) three attribution dimensions. Abramson et al.’s dimensions comprise internality, stability, and globality of attribution. The first two dimensions share conceptual similarities with Weiner’s locus of causality and stability dimensions. The globality dimension refers to whether an outcome is seen as having a specific or global cause, with global attributions resulting in generalisations of the causal explanation to other situations. Drawing on both models, Askim assessed internality, stability, globality and controllability attribution dimensions for business failure. Overall explanatory style, consisting of various combinations of the four attribution dimensions, was also assessed. The association of attribution variables and four
different categories of perceived outcomes of business failure were investigated. These comprised: financial well-being, career opportunities, family relations, and psychic well-being or self-esteem.

Three hundred and thirty-six university students drawn from business, consumer science and retail courses, completed the Entrepreneurial Attitude Orientation (EAO) scale, (Robinson, Stimpson, Hueffner, & Hunt, 1991) and a version of the Attributional Style Questionnaire (ASQ; Peterson et al., 1982), adapted to include Weiner’s (1979) controllability dimension. Students also completed a Business Venture Scenarios (BVS) measure developed by Askim to assess attributions for business failure and the four areas of perceived outcomes. A subset of 168 students was created from those in the sample scoring in the upper 50th percentile on the innovation subscale of the EAO. Results pertained to this subset.

Askim (1999) found positive relationships among external attributions for business failure, perceived outcomes of financial well-being and self-esteem. There was also a positive association between unstable attributions and family relations. Positive relationships were observed between specific attributions and financial well-being, family relations and self-esteem, and among uncontrollable attributions, financial well-being and self-esteem. An overall explanatory style of business failure caused by external, unstable, specific and uncontrollable factors was positively associated with all outcome variables. Askim proposed that this explanatory style represented a tendency to perceive business failure as caused by factors that: (a) would result in the same outcome for any individual placed in that situation (external); (b) were chance, situational, and unlikely to occur again (unstable); (c) were causes specific to that particular event (specific); and (d) were outside the
control and influence of the entrepreneur (uncontrollable). Askim (1999) concluded that the personal impact of business failure depends on how the causal nature of that event is interpreted. Furthermore, given the inconsistencies for single attribution dimensions, overall explanatory style may be a better indicator of how perceived causes of business failure influence its perceived outcomes.

Askim’s (1999) research suggests that entrepreneurs’ perceptions of the cause of business failure can influence perceptions of the outcomes of business failure. However, in addition to the obvious limitations arising from assessing a student sample’s responses to artificial business scenarios, there were two other important limitations of this study. First, in the Business Venture Scenarios (BVS) measure developed by Askim, attributions were rated before consequences on the assumption that perceived consequences of the business failure would be influenced by attributions made about that event. In the BVS, assessment of the perceived causes of business failure was based on a format similar to that used in the ASQ (Peterson et al., 1982). However, Askim based findings on correlations between attribution scores assessed by the ASQ and perceived business failure outcomes scores as assessed by the BVS. Thus, the attribution scores for attributions made for that scenario in the BVS were not used in these correlations. As there was no information about the correlations between ASQ scores and attributions for business failure scenario scores, this renders Askim’s results more tentative. Second, the scenario used to assess business failure in the BVS defined it as a lack of success rather than overtly stating it as failure. Additionally, the entrepreneur was described as deciding to exit the business due to the lack of success. Findings based on this scenario may not generalise to other types of business failure events where the entrepreneur is
confronted with actual venture failure and is either able to work through it or is forced to cease operations.

Cardon and McGrath (1999) explored different types of internal attributions for business failure. These authors drew upon Dweck’s (Dweck & Leggett, 1988) self-theory as an attribution-based model that has particular relevance for understanding how different types of internal attributions for business failure may influence an entrepreneur’s reactions to that event. In particular, they noted its relevance for considering how the motivation and subsequent behaviour of entrepreneurs may be affected. According to Dweck, individuals make one of two key internal attributions about the cause of failure in achievement situations. One is to interpret failure as the result of a lack of innate ability to do the task. The other is to interpret failure as the due to a lack of effort on the task. These different attributions reflect different types of self-beliefs regarding one’s ability in an achievement area and are associated with different goals or definitions of success in that area. Attributing failure to a lack of ability reflects a view of one’s ability as a fixed entity that is difficult if not impossible to alter. This belief fuels a motivation within the individual to establish to themselves and to others what that level of ability is. This becomes the focus of goals, and success is defined as having reached an objectively high level of achievement or performance. In contrast, attributing failure to a lack of effort reflects a view that one’s ability is malleable according to the level of effort the individual applies. This belief fuels a motivation to pursue challenges for the opportunities they provide to learn new skills or develop existing ones and becomes the focus of goals, with success defined as an outcome that enhances personal development.
It is further proposed by Dweck (2000) that making one or the other of these internal attributions for failure in an achievement situation results in markedly different reactions. Those attributing failure to a lack of innate ability react to this event with a sense of helplessness, assuming nothing can be done to alter the outcome. Such individuals tend to give up on the task and avoid further challenging situations, having lost motivation and lowered their self-expectations. In contrast, those who attribute failure to a lack of effort react with a sense of mastery, assuming that they can do something to alter the outcome. Such individuals are motivated to persevere, either through application of increased effort, or adoption of alternative, more effective strategies to overcome problems and achieve the desired outcome.

Based on Dweck’s (Dweck & Leggett, 1988) self-theory, Cardon and McGrath (1999) developed a self-report measure to assess the three separate factors of attributions about failure, reactions, and goals. Their measure consisted of separate scales for each of the variables, as assessed on a continuum. For example, on the attribution scale, lower scores represented setbacks being attributed to ability, and higher scores represented setbacks being attributed to effort. Respondents rated statements designed to tap the different variables according to a 7-point Likert scale. Respondents were an unspecified number of business school students enrolled in an entrepreneurship course. Despite some variance in responses, students tended to attribute failure to a lack of effort more than to a lack of ability. They also tended to have mastery rather than helpless reactions to setbacks, and to hold development rather than performance goals. Furthermore, a higher level of confidence in one’s ability to be a successful entrepreneur was strongly associated with an effort attribution, mastery reaction and holding development goals.
It was argued that the observed tendency for these entrepreneurial students to make effort attributions about failure events and to indicate mastery responses to those events helps to explain the reactions and behaviour of entrepreneurs who persevere when faced with business failure (Cardon & McGrath, 1999). That is, evaluating the failure of their business as being caused by a lack of effort on their part, rather than an inherent lack of ability to fulfil the requirements of operating an entrepreneurial venture, provides such entrepreneurs with the motivation to continue. This perception prompts them to take control of the situation and seek out avenues for entrepreneurial recovery. The researchers further proposed that entrepreneurs who attribute business failure to a lack of entrepreneurial ability would be more likely to exit entrepreneurship when presented with any serious obstacle to business success, and be discouraged from re-entering the field.

Cardon and McGrath’s (1999) study has several important limitations. As with Askim’s (1999) study, results based on responses from a student sample presented with artificial scenarios may not generalise to entrepreneurs presented with actual business failures. Second, although Cardon and McGrath observed a positive relationship between attributions scores and reaction scores for students in a failure situation, none of the failure situations specifically addressed business failure. Therefore, on its own, this positive correlation provides insufficient grounds to conclude that entrepreneurs who make effort attributions about business failure will actually persevere in this situation. Third, although the authors report positive associations between entrepreneurial confidence and attribution, reaction and goal variables, they do not explain how the confidence variable was measured. As well as the omission of sample size details, these limitations render findings more tentative.
Summary of Findings Concerning Entrepreneurs’ Experience Of Business Failure

In summary, psychological research has concentrated on identifying entrepreneurs’ perceptions of the causes of business failure, with most studies employing attribution theories as a theoretical framework. Utilising samples of failed entrepreneurs, Bruno and Leidecker (1986; 1987) found that entrepreneurs tend to make both internal and external attributions regarding the perceived causes of business failure, whilst Zacharakis and Meyer (1999) observed that there was a tendency to rely more on internal attributions. They concluded that this gave entrepreneurs a sense of control over the business failure event. In contrast, Askim (1999) concluded from the results of a student sample that it may be more adaptive for entrepreneurs to make external attributions for business failure. Also utilising a student sample, Cardon and McGrath (1999) concluded that entrepreneurs who make a particular type of internal attribution for business failure react constructively to that event.

Taken together, these findings are inconclusive and offer different views on whether entrepreneurs perceive the causes of business failure as emanating from external factors or from within themselves, and the effect this has on the way they respond to the business failure. Furthermore, in addition to concerns over the measurement design and analysis used in these studies, existing attribution research has relied on samples of students and ex-entrepreneurs. Therefore, it has not yet been established how “habitual entrepreneurs” (Cardon & McGrath, 1999. p.64) who experience and overcome business failures and continue to pursue entrepreneurship, respond when faced with business failure. Despite these shortcomings, attribution
theory appears to have some relevance as a framework for understanding
trepreneurs’ reactions to business failure. This approach can be used to assist the
categorisation of entrepreneur’s perceptions of the causes of business failure, to help
explain why they perceive it that way, and to help explain how they respond based
upon what they perceive to be its causes.

**Limitations of Attribution Theory for Investigating Business Failure**

Attribution theories have limitations in relation to an understanding of how
entrepreneurs respond to business failure. Importantly, attribution models do not make
allowance for the possibility that entrepreneurs may make more than one type of
internal attribution about a business failure, and may also make some external
attributions about it as well. This possibility is suggested by findings from the earlier
qualitative studies involving samples of failed entrepreneurs (Bruno & Leidecker,
1987; Zacharakis & Meyer, 1999).

A second limitation is that attribution theory deals with perceived causes of
events. This is only one element of the much larger picture of how an individual
responds to a significant life event. For instance, as noted earlier, a range of internal
psychological resources including personality factors such as optimism, along with
appropriate coping skills, are considered necessary to effectively respond to business
failure (e.g., Bolton & Thompson, 2000; Dyer, 2000). Furthermore, both theoretical
writings and research on how people adjust to negative life events in general suggests
that a more complex analysis of the meaning a person gives to such an experience is
necessary to understand its impact on them (Affleck & Tennen, 1996; Davis, Nolen-
Hoeksema, & Larson, 1998; Moos & Schaefer, 1986). For example, Moos and
Schaefer developed a crisis theory that addresses how individuals adjust to major life
transitions and life crises. They proposed that establishing the meaning of a crisis situation, and in particular understanding the personal significance of that situation, constitutes one of five major sets of essential adaptive tasks needed to successfully adapt to such an event. This factor is given equal weighting with other crucial tasks such as responding to the external requirements of the situation, sustaining supportive relationships, engaging in emotion regulation to manage distress arising from the situation, and maintaining a positive self image and sense of competence to effectively deal with the crisis.

Whereas Moos and Schaefer (1986) highlight meaning making as part of the critical response to difficult life events, others such as Davis, Nolen-Hoeksema and Larson (1998) focus on meaning making as a retrospective response. Davis et al. refer to a number of theoretical models that give meaning making a central role in determining an individual’s adjustment to difficult life events. This process of meaning making has been variously termed finding meaning (Bulman & Wortman, 1977), explaining the event (Burgess & Holmstrom, 1979), and account-making (Harvey, Orbuch, Chwalisz, & Garwood, 1991). Meaning making refers to creating a personalised, coherent and integrated understanding of an event (Horowitz, 1976; Taylor, 1983). This understanding usually centres upon how the event relates to one’s existing world view, how it relates to one’s view of oneself, or both of these factors (Affleck & Tennen, 1996; Tedeshi & Calhoun, 1996). In their own research, Davis et al. observed that these two different aspects of meaning making were independently associated with better adjustment to a critical life event. Individuals who were able to incorporate the event into their current world view, and to place positive self-relevant
meaning on the negative event, such as perceiving some personal benefit to have arisen from it, tended to experience less distress following a significant personal loss.

The importance of addressing self-relevant aspects of meaning making when investigating entrepreneurs’ experience of business failure is supported by anecdotal evidence provided by Useem (1998). Findings from informal interviews conducted with failed entrepreneurs showed that although attributions of why the business failed are important, entrepreneurs’ understandings of what has failed may be more critical to the impact it has on them, and their ability to react constructively to this event. That is, the self-relevant meaning that entrepreneurs give to business failure may be more important to their adjustment to it than what they perceive to be its cause.

Specifically, it was shown that entrepreneurs who over-identified themselves with their business interpreted business failure as themselves failing, regardless of whether they had made internal or external attributions for the cause of the business setback. These individuals were unable to separate their personal identity from their business, experiencing high levels of distress when it failed, and subsequently exiting entrepreneurship.

In summary, attribution theory helps inform investigations of entrepreneurs’ experience of business failure. However, attribution theories alone are not adequate to fully account for this phenomenon. This theoretical approach cannot address complex attributions made regarding the perceived causes of business failure. Furthermore, causal attributions constitute only one aspect of the larger picture of how individuals experience and make sense of an event. A comprehensive approach to investigating this phenomenon needs to involve additional theoretical constructs that can address
other important elements of the critical and retrospective response of entrepreneurs to business failure.

**Overall Summary of Existing Research on Entrepreneurs**

In summary, research on the personality of entrepreneurs has concentrated on four theoretical approaches to conceptualising and assessing their personalities. These comprise the psychoanalytic, trait, cognitive and social-constructionist approaches. Although each approach has made a unique contribution to the understanding of the psychology of the entrepreneur, limitations have also been shown. These include the difficulty of operationalising psychodynamic constructs for assessment, a focus on single trait and cognitive personality elements in isolation, and a lack of investigation of entrepreneurs actual behaviours within the entrepreneurial context. Qualitative assessment methods can address these limitations.

As well as not considering behaviour within the context of the entrepreneurial environment, insufficient attention has been given to entrepreneurs’ behaviour beyond the start-up phase of entrepreneurship. Business failure is one important post start-up event that has received some attention from researchers, with most studies using attribution theories to explore the perceived cause of business failure. However, results of these studies have been mixed, and provide little insight into the larger question of how entrepreneurs experience and respond to business failure, including what personal meaning they give to that event.

**Aims of the Present Research**

The purpose of this thesis was to further develop the psychological understanding of entrepreneurs. Two related areas of focus were addressed. The first aim was to better understand the distinctive characteristics of the personality of
entrepreneurs, including how they manifest within the entrepreneurial environment. The second aim was to more fully explore entrepreneurs’ personal response to business failure. This included the investigation of additional important elements of their critical and retrospective response, focusing on the personal meaning given to this event.

The four main approaches previously adopted for understanding the personality of the entrepreneur are insufficient to fully address the aims of this thesis. Chapter Three presents the life story model of identity (McAdams, 1993; 2006a) as a narrative based model of personality that is well suited to addressing these aims.
CHAPTER THREE
THE LIFE STORY MODEL OF IDENTITY

The life story model of identity proposed by McAdams (1993; 2006a) is a theoretical approach that offers particular advantages for addressing the research aims of this thesis. This chapter first reviews narrative approaches to conceptualising personality and the self that form the background to McAdam’s theory. McAdams’ life story model of identity is then presented, and its utility for assessing the personality of the entrepreneur is discussed. This includes the model’s capacity to provide insights into personality in a way that is not possible using other theoretical approaches. Suitability of the model for investigating how entrepreneurs experience and overcome business failure is then discussed. Consideration is given to how an entrepreneur’s self-narrative identity may influence the meaning they give to business failure, as well as how narrative methodology can facilitate further qualitative exploration of how business failure is experienced.

Narrative Theories of Personality

McAdams’ (2001b; 2006a) life story model of identity belongs to a larger group of theories that can be collectively described as narrative approaches to personality and the self (Hermans & Kempen, 1993; Polkinghorne, 1988; Singer, 2006; Tomkins, 1979). Narrative approaches share three central underlying assumptions. First, they assume that humans possess a distinctive narrative mode of thinking, which is used to construct a narrative sense of self. Second, it is proposed that central motivational concerns of individuals are embedded in the self-narratives
they construct. Third, it is posited that self-narratives serve important psychological functions. These key assumptions are now discussed.

**Narrative Thinking and Self-understanding**

Bruner (1986; 1990) has proposed that humans use two distinct modes of thinking to understand themselves and the world around them. These comprise the ‘paradigmatic’ mode of thinking and the ‘narrative’ mode of thinking. These modes are complementary, in that together they provide a complete picture of how an individual thinks. However, they differ in terms of what is focused upon, the principles and form used to comprehend reality, and the language used to describe it.

The focus of paradigmatic thinking is on illuminating and understanding cause and effect relationships in order to explain objective, factual phenomena. In contrast, narrative thinking focuses on human intention, in order to express strivings for the satisfaction of wants and needs and for the achievement of goals. Paradigmatic thinking employs the forms of logical reasoning and argument, utilising principles such as empirical observation, testable hypotheses, reasoned analyses and logic-based theories. These are used to understand how the self and the world is and to predict how things are likely to be in future. In comparison, the narrative mode of thinking employs the form of stories, using principles such as characters, settings and plots arranged in a sequence with beginning, middle and end, to explain and understand one’s experience and the world. Finally, paradigmatic thinking employs language that emphasises clarity and precision, conveying information concisely in rational, non-emotive words. Narrative thinking employs language that emphasises expression of the meaning of an individual’s intentions and strivings, conveying information with more liberal use of words to create evocative and emotional imagery (Josselson, 1995;
McAdams, 2001b). Thus, paradigmatic thinking is essentially concerned with facts, whereas narrative thinking is essentially concerned with meaning making.

Narrative theories of personality propose that individuals draw upon the narrative mode of thinking to create stories about the self that detail who they understand themselves to be (Erikson, 1980; Hermans, 1989; Hermans & Hermans-Jansen, 1995; Vollmer, 2005; White, 1995). Over time, some of the stories an individual has composed drop away, whilst others are retained and given prominence by being more frequently internally recounted. It is proposed that the stories that are retained form an individual’s subjectively defined, storied sense of self (Bruner, 1990; Polkinghorne, 1988).

To some extent, the content as well as the structure of the self-story is influenced by the culture in which the storyteller lives (Habermas & Bluck, 2000; Ross & Buehler, 1994). Thus, commonalities in story style occur within the life narratives of individuals from a particular group. However, each individual’s self-story also includes unique elements that represent that individual’s particular experiences occurring in specific places and at specific times, and the idiosyncratic way in which they represent them in narrative form. Thus, narrative personality is conceived of as an individualistic, narrative account that conveys the meaning an individual attributes to their self and their experiences as expressed in context and over time (Pillemer, 1998; Polkinghorne, 1988).

**Self-narratives and Motivation**

Several narrative theorists have discussed the relationship between self-narratives and personality motivation (e.g., Hermans, 1989; Singer & Salovey, 1993). One early advocate of a link between narratives and motivations was Henry Murray
(1938). As discussed earlier (see page 19), Murray developed a story-based methodology, the Thematic Apperception Test (TAT) for assessing individual’s motivational states. Whereas Murray focused on the presence of motivations in stories constructed about ambiguous pictures, several later narrative theorists have proposed that motivations are represented in stories constructed about the self (Bruner, 1986; Hermans & Kempen, 1993; Ross & Buehler, 1994). For example, according to Bruner self-narratives are not composed of randomly selected memories of past events. Rather, motivational needs and drives influence which memories are chosen for inclusion in the self-story.

Other narrative theorists propose that motivations are represented in the affective component of narratives about the self (Blagov & Singer, 2004; Bulman & Wortman, 1977; Burgess & Holmstrom, 1979; Janet, 1925). For example, Singer and Salovey (1993) identified a subset of autobiographical memories termed ‘self-defining memories’. Self-defining memories are distinguished from other memories by being especially vivid, highly emotional, repetitively recalled, and related to other memories that share many similarities with them (Singer, 2006). It is contended that the feelings described as being associated with a remembered event reflect how relevant it is to one’s motives and goals. In studies addressing this contention, a relationship has been observed between the affective intensity of key autobiographical memories and the relevance of those memories to the achievement of current life goals (Moffitt & Singer, 1994; Singer, 1990).

It has also been proposed that motivations are represented in the overarching themes of self-narratives (Ross & Buehler, 1994; Tomkins, 1979). Research conducted by Woike and colleagues (1994; Woike et al., 1999; Woike & Polo, 2001)
offers support for this contention. In several studies exploring associations between personal memories and personality motives, the thematic content of autobiographical memories was found to be related to respondents’ motivations. Indeed, different narrative theorists have proposed that motivations may be represented in different aspects of story themes (Hermans & Kempen, 1993; Polkinghorne, 1988). These can include the descriptive content of stories about the self that depict events related to striving for valued goals, the affective content of stories in terms of one or more discrete feelings dominating a life story, or elements of both.

In Tomkins’ (1979) script theory, motivations are reflected in both the affective themes and the goal-related-behaviour themes of self-narratives. Tomkins proposed that individuals tend to arrange their self-stories around a central script. He suggested that variants of two types of scripts, termed the commitment script and the nuclear script, were commonly drawn upon by individuals to construct their life narratives. Each of these scripts is associated with a different pattern of affective content.

The commitment script is used to construct a self-narrative that emphasises striving for a particular life goal that is perceived to offer the reward of intense positive affect. Beginning with very positive early childhood events centred on experiences of joy and excitement, a commitment-based self story concentrates on goal-related events described in generally positive affective terms. If events that represent obstacles to goals occur, these experiences and the negative affect accompanying them are contained and incorporated into a larger story theme in which bad things are overcome and dwarfed by a greater good that is associated with the pursuit and fulfilment of the commitment goal. In contrast, the nuclear script is used
to construct a narrative that reflects ambivalence about goals, and is dominated by the experience of negative affect. As with the commitment script, the nuclear script begins with a childhood experience that is initially positive. However, this positive experience is negatively transformed by the emergence on the scene of factors evaluated as either intimidating, contaminating or confusing, which irrevocably alter the good experience. Thus, the initial experience of joy and excitement is wiped out and replaced with negative feelings such as fear, disgust, shame and sadness. Although actions may be taken to try and restore the good scene, they eventually fail to do so. In this way, the nuclear-based self story highlights a repeated pattern of good things turning bad, positive feelings being replaced with negative ones, and goals strived for but then not attained (Carlson, 1995; McAdams, 2001b).

**Functions Served by Self-narratives**

Narrative theorists propose that narratives about the self are not simply creative stories put together for personal nostalgia or entertainment. Rather, it is believed that they are constructed in order to fulfill important psychological functions (Habermas & Bluck, 2000; Singer, 2001). At the broadest level, self-narratives function to make sense of oneself and one’s life experiences (Cohler, 1982; Pillemer, 1998). According to Polkinghorne (1988), narrative is the primary means an individual has for psychologically representing to themselves the meaningfulness of their existence. Self-narratives give form to a person’s understanding of their life as having purpose. They facilitate the integration of diverse life experiences that differ in terms of substance, context and time, into one or more unifying, personally meaningful life stories.
Other narrative theorists have outlined more specific psychological functions served by self-narratives. For example, Singer (2006) contends that an individual’s narratives about the self are used to highlight what they value as important life goals. It is proposed that self-defining memories reflect an individual’s unresolved life themes and ongoing concerns, especially in relation to self-important goals (Singer, 1995; Singer & Salovey, 1993). According to Tomkin’s (1979) script theory of personality, narratives about the self function as prototypes that are utilised to interpret current experience and guide one’s response to it. Tomkins proposed that self-narratives are organised into two basic units, termed scenes and scripts. A scene is a memory of something that has happened to an individual. The memory includes some objective information about the event as well as the subjective meaning ascribed to it by the individual. It is expressed in narrative form, including time, place, the persons involved, and one or more key affects associated with that experience. Scripts are developed by combining related scenes. Thus, based on earlier experiences in one’s life, an individual creates narrative scripts in the form of affectively charged sequences that organise and categorise their self-knowledge. By comparing the present with these internalised scripts that detail one’s self-understanding and how one usually operates in social situations, these narrative structures can be drawn upon to influence an individual’s perception of the current situation and their behavioural response to it (Carlson, 1995; Conway, Singer, & Tagini, 2004).

It has also been proposed that narratives about the self may play a constructive role in adjustment to traumatic events and points of life-transition, in mood regulation, and in maintaining general psychological well-being (e.g., King et al., 2000; Leonard & Burns, 1999; Singer, 2001). For example, in an exploration of the role of narratives
in adjustment to traumatic events, King et al. investigated the narratives created by parents who gave birth to disabled children. Those who told stories that were able to blend the initially negative aspects of that event into an overall positively toned life narrative tended to experience enhanced subjective well-being at a two-year follow up point.

**McAdams’ Life Story Model of Identity**

Amongst the narrative theories, McAdams’ (1985; 1993; 2006a) life story model of identity was selected for its suitability for investigating the personality of entrepreneurs and how they respond to business failure. Many of the other theorists have provided either broad theoretical views of narrative thinking (e.g., Bruner, 1990; Polkinghorne, 1988) or have highlighted more specific facets or functions of narrative thinking, such as Singer and Salovey’s (1993) self defining memories, or Thomkins’s (1979) scripts. McAdams’ life story model of identity is a specific working model that provides a complex, integrative view of personality that is also interactive with ongoing experience. This model is first explained, with emphasis on how it relates to the three key assumptions of narrative theories outlined above. The utility of adopting this model to address the aims of the present research is then discussed.

**Narrative Thinking And The Self**

McAdams’ (2001b; 2006a) life story model of identity shares the assumption of other narrative theorists that individuals use narrative thinking to create meaningful stories about the self. It also goes beyond this general claim to propose that narrative thinking is utilised to construct a story about the self that represents and expresses one’s sense of personal identity. McAdams contends that this self-narrative identity constitutes a third, most individualised level of personality. At the first level are
dispositional behavioural traits, which are general categories of behavioural consistencies that can be used to provide an outline of an individual’s personality. The second level contains characteristic adaptations. These adaptations comprise more particular social-cognitive, motivational and developmental personality elements such as defense mechanisms, coping strategies, mental representations of self and other, and goals, values and beliefs. These can be utilised to begin to fill in the details of an individual’s personality. At the third level is the life story, consisting of an integrated narrative account of who a person understands themselves to be. This level provides a complex, cohesive, and highly individualised picture of the personality of the individual as expressed in time and culture (McAdams & Pals, 2006).

Noting James’ (1890) distinction between the self as subject, the doer, and the self as object, the doer reflected upon, McAdams (2001a) contends that narrative identity is an aspect of the self as object. That is, it is one expression of the self as reflected upon. He further proposes that in Western cultures, when reflecting upon the self, individuals feel the need to construct a narrative identity that organises the various parts of who they think they are into a meaningful whole. In making this contention, McAdams has acknowledged the influence of Erikson’s (1963; 1980) ego identity theory on the development of the life story model of identity.

In his eight-stage model of psychosocial development, Erikson contended that in late adolescence to early adulthood, individuals enter the fifth stage, which involves the problem of personal identity versus role confusion. To successfully resolve this stage, individuals must form a coherent and cohesive identity for themselves, which centres upon making sense of who they are in the adult world. To accomplish this developmental task, they construct a story about the self that brings together disparate
elements of self-understanding and experience into an integrated whole. Individuals may have some form of narrative sense of self before entering this stage of ego development. However, it is only during the corresponding stage of psychological development that adolescents come to possess the cognitive tools required to construct a comprehensive and relatively complete narrative identity (Habermas & Bluck, 2000). That is, individuals develop the mental capacity to integrate different self-aspects from different time periods and locations in a way that retains their differences but also allows them to be seen as part of the larger self-configuration. Whereas Erikson confined this personal identity creation activity to the psychosocial stage of emerging adulthood, McAdams (2001b) proposes that individuals continue to revise their self-narrative throughout the adult life course. Thus, narrative identity is the self expressed and arranged as an internalised and evolving life story.

Although narrative identity draws heavily on autobiographical memory, identity is not simply one’s total store of such memories (McAdams, 1993; McAdams, 2001a; Robinson & Taylor, 1998). Instead, only certain memories are selected, and are interpreted and described in a particular way that is consistent with how individuals understand themselves narratively. In addition to remembered experiences, an individual’s life story also incorporates information selected from a wide variety of other life aspects considered personally relevant. In order to make sense to the self of who one is, the life story organises and integrates aspects of the remembered past with all the other factors related to the experience of self as expressed in present and future elements. For example, the sorts of life aspects incorporated into a life story can include memories of personally significant events from the distant past, such as the day you learnt to ride a bicycle, as well as current
life aspects, such as one’s role as a post-graduate student. It may also contain future aspirations, such as a desire to become a research team leader, and ongoing self-representations such as ‘I am an achiever and can accomplish anything I really set my mind to do’.

According to McAdams (1993; 2001a; 2006b), the way in which these select group of memories and other elements of self-understanding are arranged and integrated takes the shape of an internalised story. Although the content and precise arrangement of a life story is unique to an individual, the organising structural elements used in life stories are commonly shared. Thus, in keeping with the traditional story format, self-narrative identity includes a central plot and subplots as part of an overall story theme, central characters, chapters and key events. The story theme helps draw together disparate elements of remembered experience and idealised views of the self into a unified whole.

Central characters, termed imagoes, are the idealised personifications of the self that actively inhabit the story. Imagoes may represent who one believes oneself to be, who one wants to be, and even who one doesn’t want to become (McAdams, 2001b). Although several imagoes may be represented in a single life story, the meanings of these characters converge around the two main motivational trends that underlie all aspects of the life story, termed the need for power and the need for intimacy (McAdams, 2001a). Chapters help to divide the life story into meaningful segments. A single chapter often contains a range of experiences connected by a particular time period and place, such as one’s childhood adventures at primary school. The arrangement of chapters usually follows a temporal sequence, allowing the story line to develop over time and place.
Key events portray discrete, peak experiences within the overall life story. They are considered to be a particularly salient subset of what Singer and Salovey (1993) termed self-defining memories, selected for their perceived significance in defining one’s self-understanding. There is no set limit as to how many key events a life story contains, and what types of key events it contains. However, three key events are identified as especially important as they represent critical moments in one’s self understanding. These comprise a life story high point, a life story low point, and a life story turning point. The life story high point describes an experience that has been evaluated as the best moment in one’s life, whilst the life story low point portrays the worst moment in one’s life. The life story turning point describes an experience that has subsequently come to be perceived as heralding a significant alteration in one’s self-understanding. This may take the form of conveying either change in the self and the self’s direction, or conveying substantial confirmation of an existing view of one’s self and one’s direction. Other key events frequently included in studies investigating life stories comprise peak experiences from particular developmental life stages, such as childhood, adolescence and adulthood (Baerger & McAdams, 1999; McAdams & Bowman, 2001; McAdams et al., 1997).

In addition to sharing a traditional story structure, Mc Adams (2001a; 2006a) contends that all life stories are shaped and imbued with self-relevant meaning through the presence of particular common story themes. Some of the more central themes that organise life stories are overall affective tone themes, themes of redemption and contamination sequences, and motivational themes. These thematic categories have been identified in several studies (McAdams, 1980; McAdams 1982; McAdams et al., 1996; McAdams et al., 2001). The overarching emotional tone of a
life story can be categorised as either positive or negative. This is reflected in the way individuals describe their feelings associated with those experiences they choose to include in life story chapters and key events. A positive affective tone may be represented in repeated references to positive emotions, such as feelings of joy experienced in good relationships with others, or feelings of pride and satisfaction experienced in the attainment of a self-important goal. A negative affective tone may be represented in repeated accounts of negative emotions, such as descriptions of feelings of loss and anger in destructive relationships with others, and feelings of disappointment, frustration and hopelessness when self-important goals are either temporarily blocked or not achieved and abandoned altogether (2001b).

McAdams (1993) contends that an individual’s emphasis on a positive or negative affective tone in their life story is to some extent determined by the quality of attachment to significant caregivers that they experience during their first few years. This underscores McAdams’ general contention that life stories are a psychosocial construction. That is, although internal, genetic factors partially determine how the life story will be told, external, environmental factors of the psychosocial context in which a person lives, also contribute. It is suggested that experiencing secure attachment as an infant can produce an internalised sense of trust and optimism, which can influence individuals to adopt a more positive affective tone in their self-narrative. Conversely, insecure attachment may instill a sense of distrust and pessimism, and lead to a more negative affective tone becoming dominant in one’s self-narrative.

McAdams (1993; McAdams & Bowman, 2001) proposes that in addition to being coloured by an overall affective tone, life stories are expressed in particular
repeated patterns of affective experience. Termed redemption and contamination, these distinct patterns of affect are evidenced in descriptions of life story key events in which a discrete episode is evaluated as involving movement from one affective state to another (Singer, 1996). McAdams’ (2001b) themes of redemption and contamination share conceptually similarities with Tomkin’s (1979) commitment and nuclear scripts, respectively. However, commitment scripts start off with a positive experience, whereas redemptive accounts commence on an emotionally negative tone. The redemption theme reflects the optimistic view that such initially negative experiences somehow lead to positive outcomes, thus ending on an emotionally upbeat tone. Consistent with the nuclear script, the contamination theme portrays movement from positive to negative affect, and reflects the pessimistic view that good things will not last, and will always be followed by something that ruins them.

As well as helping to signify the meaning an individual gives to a particular life experience, themes of redemption and contamination also convey the greater meaning of that experience within the individual’s overall life story (McAdams & Bowman, 2001). Contamination themes convey a sense of the self as stagnating or going backwards. In contrast, redemptive themes reflect a sense of the self as growing, improving, or in some other way moving forward over time. McAdams et al. (2001) identified three distinct categories of personal growth that might be depicted in a redemptive life story account. These categories were developed from an examination of the literature investigating how individuals cope with adversity, and in particular the adaptive function of perceiving benefits in adverse circumstances (Affleck & Tennen, 1996; Taylor, 1983; Tedeschi & Calhoun, 1995). That is, when faced with a negative life event such as serious illness, bereavement, or some other
form of personal trauma, individuals who are able to evaluate that experience as either having already yielded some positive gain, or as being likely to lead to some positive gain in the near future, show better psychological adjustment to the negative event and also better recovery from it.

According to Tedeschi and Calhoun (1995; 1996), perceiving benefits in the face of trauma and suffering involves identifying positive outcomes that have occurred, or will shortly occur, in one or more of three major life areas. These comprise: (a) changes in the self; (b) changes in relationships with others, and (c) changes in philosophy of life and existential beliefs. Adapting these concepts to convey positive personal growth within one’s life story, McAdams et al. (2001) identified three subcategories of the redemption theme, comprising: (a) enhanced agency; (b) enhanced communion; and (c) ultimate concerns. Enhanced agency refers to personal growth in terms of improved strength, self-confidence, self-efficacy or self-understanding, whereas enhanced communion involves improvements in personal intimacy in terms of love or friendship. Ultimate concerns relates to spiritual matters, or confrontation with existential issues such as death. Tedeschi and Calhoun focus upon personal growth in the face of highly traumatic life events, whereas McAdams et al.’s concepts refer to personal growth from any life event that is initially appraised as negative, regardless of whether it is particularly adverse or not. Thus, McAdams’ concepts provide insight into the nature of redemptive growth that might be depicted in self-narrative accounts of negative events of any magnitude.

**Self-narrative Identity and Motivation**

McAdams (1993; 2001b) shares the view of other narrative theorists that motivations are present in narratives about the self. He proposes that motivational
themes reflected in life stories represent actual key motivations of an individual that sustain and reinforce one’s view of self and what they want from life (Bauer, McAdams, & Sakaeda, 2005b; McAdams et al., 1996). According to McAdams (1985), self-narrative identity is primarily organised around two dominant motivational themes termed ‘power’ and ‘intimacy’. These themes can be detected in the way that an individual’s actions, and interactions with others, are depicted in the life story. The power and intimacy motivational themes represent different subtypes of the two central human action tendencies described by Bakan (1966) as agency and communion. Agency refers to the drive to assert and to protect oneself, and to move towards self-mastery and self-expansion. Agency is chiefly concerned with advancing the self as a separate individual, whereas communion refers to the drive to be connected to others through relationships. A single life story commonly includes the presence of both types of motivational themes, with one often being more dominantly represented than the other (McAdams, 2001b). The dominance of either agency or communion themes in a life story reveals whether an individual’s main motivation is to advance the self or to connect with others, respectively.

A coding system has been developed for investigating the presence of a range of positive and negative agency themes and communion themes in the content of life stories (McAdams, 1993; McAdams et al., 1996). Positive themes are used to interpret positive accounts of events, in which the individual experiences some satisfaction of a motive. Negative themes are used to interpret negative accounts of events, in which the individual experiences a lack of satisfaction of a motive. Definitions of the four key positive agentic themes and four negative agentic themes are presented in Table 3.01.
Table 3.01

*Positive and Negative Themes of Agency*

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Definition of Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Positive Agency Themes</strong></td>
<td></td>
</tr>
<tr>
<td>Self-mastery</td>
<td>Striving to strengthen or protect the self, to increase one’s sense of personal control and become a more powerful agent in the world.</td>
</tr>
<tr>
<td>Status/Victory</td>
<td>Striving to achieve a heightened, positive standing in relation to one’s peers, to be awarded special recognition or honour for one’s achievements, winning in competitive situations.</td>
</tr>
<tr>
<td>Achievement/Responsibility</td>
<td>Striving to do things to meet a standard of excellence, for self-recognition rather than external recognition.</td>
</tr>
<tr>
<td>Empowerment</td>
<td>Being made stronger, better, in some way enhanced agentically, through association with an entity larger and more powerful than the self</td>
</tr>
<tr>
<td><strong>Negative Agency Themes</strong></td>
<td></td>
</tr>
<tr>
<td>Failure/Weakness</td>
<td>Failing at a task and thereby not experiencing the desired state of feeling powerful.</td>
</tr>
<tr>
<td>Losing Face</td>
<td>Experiencing embarrassment or shame in a social situation.</td>
</tr>
<tr>
<td>Ignorance</td>
<td>Being denied of desired information, so that mental strength is not experienced.</td>
</tr>
<tr>
<td>Conflict</td>
<td>Engaging in disagreement with others.</td>
</tr>
</tbody>
</table>
As shown in Table 3.01, four positive agentic themes have been identified, comprising: Self-mastery, Status/Victory, Achievement/Responsibility, and Empowerment. The four negative agentic themes comprise: Failure/Weakness, Losing Face, Ignorance, and Conflict.

Positive and negative communion themes are presented in Table 3.02 (see page 73). As shown in Table 3.02, the four key positive communion themes comprise Love/friendship, Dialogue, Caring/Help, and Unity/Togetherness. The four key negative communion motivations comprise Separation, Rejection, Disillusionment, and Another’s Misfortune.

**Functions Served by Self-narrative Identity**

**Overall Life Story**

McAdams’ (2001b; McAdams & Pals, 2006) life story model of identity shares the assumption that self-narratives serve important psychological functions. First, as previously noted, McAdams proposes that an internalised life story serves the key function of enabling an individual to experience a sense of personal identity that is unified and purposeful. It allows individuals to integrate diverse life experiences and diverse self-representations into a coherent whole that provides a unique, self-defined, storied account of personality. In this way, the construction of a self-narrative identity helps individuals to resolve the developmental stage noted by Erikson (1980) where a meaningful and unified answer to the question of ‘who am I?’ is required. McAdams (2001a) contends that this function of the life story has taken on increasing psychosocial importance in modern societies, in which the self tends to be conveyed as a developmental project that the individual should consciously work upon to expand and perfect throughout their lifetime.
### Table 3.02

**Positive and Negative Themes of Communion**

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Definition of Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Positive Communion Themes</strong></td>
<td></td>
</tr>
<tr>
<td>Love/Friendship</td>
<td>Experiencing positive feelings of connectedness through love or friendship with another.</td>
</tr>
<tr>
<td>Dialogue</td>
<td>Enjoying meaningful conversation with another.</td>
</tr>
<tr>
<td>Caring/Help</td>
<td>Striving to personally assist others.</td>
</tr>
<tr>
<td>Unity/Togetherness</td>
<td>Experiencing feelings of belongingness to a group of others.</td>
</tr>
<tr>
<td><strong>Negative Communion Themes</strong></td>
<td></td>
</tr>
<tr>
<td>Separation</td>
<td>Being removed from family, friends or lovers through uncontrollable circumstances such as death or moving house, and feeling bad about this loss.</td>
</tr>
<tr>
<td>Rejection</td>
<td>Being rejected by a friend or lover, which results in the breakdown of that relationship.</td>
</tr>
<tr>
<td>Disillusionment</td>
<td>Losing faith in others through an aversive experience, often involving feeling betrayed.</td>
</tr>
<tr>
<td>Another’s Misfortune</td>
<td>Vicariously experiencing another person’s negative situation.</td>
</tr>
</tbody>
</table>
Results of a study by McAdams et al. (1997) suggest that the life story also functions to facilitate a person’s pursuit of purpose and meaning in their external world. The findings suggested that a distinctive type of life story may be commonly evidenced among individuals belonging to particular career groups with shared prosocial aims, and that the way in which that story is constructed serves to sustain and reinforce what they perceive to be purposeful behaviour. McAdams et al. conducted life story interviews with two groups of participants matched on the variables age, gender, education level and professional status, but differing by occupation type and level of generativity. Generativity refers to a mature stage of identity development as defined by Erikson (1963). It is evidenced in a person’s concern as an adult for the next generation, and their commitment to facilitating the well-being of individuals in that generation. Participants in the first group were identified as highly generative according to their scores on two self-report measures of generativity and their professional/volunteer status. More than half of these individuals were employed as teachers, with the rest employed in mental health professions or engaged in volunteer work helping children, families and students. By the same criteria, participants in the second group were assessed to be low on generativity. These individuals came from different professional fields to those of the first group, with the majority employed in business and management, and some as professors, lawyers and engineers. None of the second group were involved in volunteer activities for the benefit of others.

McAdams et al. observed that the two groups constructed life stories that differed significantly in terms of several narrative themes that together highlighted a distinctive type of life story. On average, the life stories of adults in the high
generativity group could be distinguished from those of the low generativity group by their greater tendency to include these themes. Drawing on Tomkins’ (1979) commitment script, the prototypical life story of the generative adults was termed the commitment life story. Core themes of the commitment story are summarised in Table 3.03.

Table 3.03

*Life Story Themes of the Commitment Story of Generative Adults*

<table>
<thead>
<tr>
<th>Theme</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early family blessings</td>
<td>During childhood the protagonist recognises that they possess some special advantage.</td>
</tr>
<tr>
<td>Suffering of others</td>
<td>Their blessing stands out in contrast to an awareness of others’ misfortune.</td>
</tr>
<tr>
<td>Moral steadfastness</td>
<td>Establishment of values and beliefs around need to care for others, informing and guiding ongoing behaviour.</td>
</tr>
<tr>
<td>Redemption sequences</td>
<td>Bad events transformed through good outcomes.</td>
</tr>
<tr>
<td>Prosocial goals for future</td>
<td>Forward focus on continuing to care for others and to act in ways that benefit society as a whole.</td>
</tr>
</tbody>
</table>
As shown in Table 3.03, the commitment life story was characterised by early family blessings, concern for others less well off, valuing of prosocial aims, redemptive accounts of overcoming bad events to experience good outcomes, and an optimistic outlook regarding being able to continue to assist others in the future. Given the congruence between these themes and the generative concerns of these adults, McAdams et al. concluded that individuals construct their self-narrative identity in a way that supports their progress in the world in those life pursuits through which they find purpose and meaning.

Redemption and Contamination Themes

McAdams (2006b) also proposes that the way a life story is constructed may have implications for psychological health. For example, the narrative styles that a person uses to depict their life story may influence the way they deal with the process of adjustment to a difficult life event. This, in turn, may influence their psychological well-being (Baerger & McAdams, 1999; McAdams, 2001a). According to McAdams (McAdams & Pals, 2006), the form a given life story takes is influenced by cultural factors and genetic factors, as well as an individuals’ actual range and type of life experiences. However, it is also determined to some extent by choices made by the storyteller. Although it is assumed that individuals provide veridical accounts of the life events they describe, choice is involved in terms of which events are selected, precisely how they are represented, and the significance they are given in the overall life narrative. It is speculated that such choices are generally made from a less than conscious position that is influenced by an individual’s level of psychosocial adaptation, and that such choices may in turn influence an individual’s ongoing level of psychosocial adaptation (McAdams & Bowman, 2001).
As noted earlier, being able to perceive some sort of benefit or other type of positive outcome as having resulted from an initially negatively appraised event is seen as a form of constructive personal coping (Affleck & Tennen, 1996; Davis et al., 1998). Making sense of the experience in this way can provide a sense of control over seemingly uncontrollable negative events, and a sense of hope that good will triumph over bad in the individual’s life (Habermas & Bluck, 2000). McAdams et al. (2001) found that individuals who told life stories that were constructed in a way that reflected this ability to perceive benefits arising from adversity tended to report higher levels of psychological well-being than those whose life stories did not acknowledge such benefits. McAdams et al. conducted life story interviews with 74 midlife adults, in which participants described a life story high point, life story low point and turning point, along with five other key events. A second sample of 125 students completed an open-ended questionnaire, describing the same three central life events, along with seven other key events. All participants also completed measures of life satisfaction and of psychological well-being. Key events from both samples were coded for redemption sequences, wherein an experience is evaluated as turning from bad to good.

Only the key events from the midlife adult sample contained an adequate number of contamination sequences, wherein an experience is evaluated as turning from good to bad. Interestingly, those who described key events more often in terms of redemptive sequences tended to report greater life satisfaction, higher self-esteem and lower levels of depression than those who made less use of this narrative tool. In contrast, those who made comparatively greater use of contamination sequences when describing key events tended to report less life satisfaction, lower self-esteem and
greater depression. McAdams et al. concluded that these findings support literature that suggests benefit finding is linked to more adaptive coping with adversity. More particularly, the contrasting associations between redemption and contamination themes and well-being reflect the power of narrative strategies to influence psychological adjustment.

Research by Grossbaum and Bates (2002) extended knowledge of the relationship between the narrative themes of redemption and contamination and psychological adjustment at midlife. In their study, 49 midlife adults were asked to write about five key life events, comprising: (a) an earliest childhood memory, (b) a high point experience, (c) a turning point experience, (d) a low point experience, and (e) one other significant experience. Participants also completed self-report measures of life satisfaction, of generativity, and a multidimensional measure of psychological well-being, the Scales of Psychological Well-Being (SPWB; Ryff, 1989). The SPWB is comprised of six subscales: (a) self-acceptance, (b) positive relations with others, (c) autonomy, (d) environmental mastery, (e) purpose in life, and (f) personal growth.

Consistent with Mc Adams et al.’s (2001) findings, positive relationships were observed for the redemptive theme with life satisfaction and all six subscales of the well-being measure. Conversely, there were negative relationships between the contamination theme and these measures. However, regression analyses highlighted additional, different relationships between each of the narrative themes and the measures of life satisfaction and well-being. It was noted that when considered on its own, the redemption theme was a significant predictor of the four SPWB subscales of self-acceptance, positive relations with others, environmental mastery and personal growth. It was concluded that the influence of the redemptive theme, which centres
upon negatives being overcome and resolved through good outcomes, may contribute to an overall redemptive view of both the self and others, as represented in these four dimensions of well-being.

The contamination theme was a significant predictor of the environmental mastery and personal growth subscales. It was concluded that the presence of a contamination theme in important life memories may act as a barrier to experiencing these two dimensions of well-being. That is, through its focus on good things turning irrevocably bad, contamination evokes feelings of stagnation and an inability to exercise control over one’s life. The salience of this theme in key memories may thereby prevent an individual from experiencing a sense of mastery over their environment and a sense of the self as moving forward through life’s experiences.

Grossbaum and Bates’ (2002) study provides further insights into the relationship between narrative themes of redemption and contamination and psychological well-being. Hierarchical regression analyses were conducted to investigate the independent contribution of narrative themes over and above that of the self-report measures of generativity. It was observed that whereas the contamination theme contributed to the prediction of environmental mastery, personal growth and life satisfaction, the redemptive theme made no significant contribution in addition to that already made by the self-report measures. It was speculated that this pattern of results underscored important differences between these two narrative themes in terms of how they impact upon one’s general view of self. The redemptive theme enables initially difficult life events to be resolved, such that they no longer stand out in memory as problematic. This in turn allows an individual to hold an uninterrupted summary view of self, which overlaps with the summary view of self.
captured by the self-report measures. In contrast, the contamination theme exposes a lack of resolution of difficult life events, creating an overall view of self that is punctuated by specific memories of painful, unresolved experiences. By causing certain experiences to stand out in a negative manner, the contamination theme provides information related to an individual’s well-being not captured by summary self-report measures.

Further support for a link between the use of redemptive themes in life stories and better psychological adjustment comes from Singer’s (2001) observations in clinical practice. Singer applied McAdams’ (1985; 1993) life story model of identity to the analysis of the self-narratives he obtained from chronically addicted adults. Singer concluded that a critical factor influencing recovery from addiction was the ability to apply redemptive themes to evaluations of past traumatic, painful life experiences. According to Singer’s observations, being able to perceive some positive outcome, such as increased wisdom as a result of one’s negative life experiences, played a greater role in achieving and maintaining the life transition to sobriety than did the actual number of negative life experiences to which an addicted individual had been exposed.

**Life Story Coherence**

Another aspect of the way the life story is told that has implications for psychological well-being is its degree of coherence (Baerger & McAdams, 1999; McAdams, 2006b). Habermas and Bluck (2000) contend that psychological recovery from major negative life events involves more than simply engaging in “autobiographical reminiscing” (p. 762), whereby an individual reflects on such experiences in a way that makes some sense of their cause and significance. They
argue that successful adjustment to such experiences requires what they have termed “autobiographical reasoning” (p. 762). Autobiographical reasoning involves a determination of how to integrate the often novel and disparate experiences that constitute major negative life events into one’s life story in a way that re-establishes coherence within the overall life story. In this way, narratives can assist in emotional healing and psychological recovery from negative events such as serious illness or the death of a loved one. Integrating such extraordinary experiences involves a process of finding a place for them within self-understanding (Grossbaum & Bates, 2002; Janet, 1925). Creating a narrative account of this type of event enables individuals to clarify the meaning of the experience to themselves and to others. Locating the narrative of that event within a larger, complex self-story that accommodates both negative and positive life experiences enables the negative event to be contained and integrated, thus facilitating emotional and cognitive adjustment.

Research conducted by Baerger and McAdams (1999) supports the contention that life story coherence has implications for psychological well-being. Baerger and McAdams developed a coding scheme that enables the level of coherence in a life story to be quantitatively assessed. Drawing upon a number of narrative theorists (Clark, 1992; Linde, 1993; Peterson & McCabe, 1983; Stein & Glen, 1979), a model of life story coherence was proposed, consisting of four inter-related indices. These comprise: orientation, structure, affect and integration. The orientation index refers to providing adequate details in the narrative about the main story characters, and placing the story within a specific personal, social and temporal context. Thus, orientation is concerned with setting the scene in a manner that conveys the personal significance of the event (Peterson & McCabe). The structure index refers to
representing the elements of an episode system (Stein & Glen) in a way that
displays some level of chronological or causal ordering. An episode system consists
of an initiating event, an internal response to it, such as a thought, feeling, goal or
plan, an attempt to address that internal response, such as carrying out the plan, and a
consequence flowing from that attempt. The affect index refers to employing the use
of emotion expressed through feeling statements, drama, humour and pathos to
convey the evaluative point of the story (Linde). The integration index refers to
synthesising life story events into the larger life story, communicating the meaning of
each event as it relates to the meaning of the story overall. This last aspect of life story
coherence makes particular demands upon the creativity of the storyteller, in order to
successfully weave discrepant, contradictory and inconsistent life events into an
integrated and meaningful life narrative. Each of these indices is assessed on a 7-point
Likert-type scale, indicating the extent to which they are evident in a life story
account.

Baerger and McAdams (1999) conducted Life Story Interviews (LSI) with 50
adults, who also completed self-report measures of life satisfaction, depression and
happiness. Their responses to the key events section of the LSI were coded for life
story coherence. Eight key events, including a life story high point, low point, and
turning point, were separately coded for each life story coherence index. A total life
story coherence score was also obtained for each key event, and for the sum of all key
events. Interestingly, participants who told more coherent life stories reported greater
satisfaction with life, higher levels of happiness and lower levels of depression. In
contrast, those reporting higher levels of depression exhibited less coherence in their
life stories. It was concluded that being able to convey the meaning of a life story
event, and to integrate its meaning with that of the whole life story, may be linked to more adaptive psychological functioning.

A case study by Singer (2001) suggests that the degree of life story coherence in one’s self-narrative identity may also influence present and future life experience, in addition to facilitating adjustment to past challenging life events. Singer utilised McAdams’ (1985, 1993) life story model of identity to investigate the life story of an addicted man. The individual’s life story extracted from therapeutic sessions over a period of several years, was found to comprise diverse characters and themes. These were organised around two opposing views of self; one depicting a hopelessly addicted, self-destructing self, the other depicting a recovered, healthy and coping self. Over time, the man was seen to alternate between these two imagoes, with the more destructive self-view resurfacing whenever the man’s behaviour began to be consistent with the more positive self-view. It was concluded that the man’s inability to reconcile and integrate these disparate self-stories into a complex, yet unified narrative identity contributed to his inability to successfully make the transition from addiction to recovery.

In summary, the life story model of identity proposed by McAdams (1993; 2001b; 2006a) details how individuals create a storied sense of self that forms their self-narrative identity. McAdams’ model reflects the influence of other narrative theories. This is evident in McAdams’ theoretical contentions that: (a) narrative thinking is used to construct a life story that is internalised as one’s sense of personal identity; (b) an individual’s motivations are represented thematically in the life story; and (c) the life story serves important psychological functions, including providing an
individual with a sense of personal identity that is unified, purposeful and meaningful, and influencing psychological adjustment to difficult life events.

**Utility of Life Story Model of Identity For Addressing Research Aims**

McAdams’ (1993; 2001a) life story model of identity provides a theoretical approach that is especially suited to addressing the two central aims of this thesis. This thesis aims to better understand the distinctive characteristics of the personality of entrepreneurs, including how they manifest within the entrepreneurial environment. The second aim is to more fully explore entrepreneurs’ personal response to business failure. This includes the investigation of additional important elements of their critical and retrospective response, focusing on the personal meaning given to this event.

The way in which the life story model can be used to extend knowledge of the personality of entrepreneurs is first outlined. Next, its relevance for exploring how entrepreneurs respond to business failure is highlighted. Finally, additional, complimentary measures that can further enrich findings from adopting the life story model of identity are presented.

**Self-narrative Identity and the Personality of Entrepreneurs**

McAdams’ (1993; McAdams & Pals, 2006) life story model of identity can be used to better understand the distinctive characteristics of entrepreneurs. As mentioned earlier, McAdams (1995) contends that self-narrative identity constitutes a third level of personality, with traits and characteristic adaptations being levels one and two, respectively. To date, research on the personality of entrepreneurs has been located within the first two levels. This includes the psychoanalytic approach, which has concentrated on characteristic behaviours and thinking styles produced by certain
patterns of early socialisation experiences, the trait and cognitive areas of research, and the social constructionist approach which involves trait categories. Importantly, self-narrative identity can provide a much more individualised and unique view of personality than the other two levels. This is because it is expressed in the entrepreneur’s own words as organised in their own format, drawing from their own range and type of life experiences (McAdams, 1993). In this way, the life story analysis can go beyond previous approaches to reveal entrepreneurs’ particular understanding of who they are. Furthermore, this approach addresses the limitation of the restricted self-report format used in much of the previous research in this field. This is because the Life Story Interview used to assess self-narrative identity is a qualitative measure consisting of open-ended questions about one’s life experiences, with responses recorded in participants’ own words.

Self-narrative identity further differs from other singular, more narrowly defined personality attributes located at levels one and two by being a more wholistic personality construct, providing a complex and detailed view of one’s overall self-understanding through integrated life story themes. In this way, the life story assessment can provide information about personality that is comprehensive in detail as well as unique to the individual (McAdams, 1995). Additionally, as discussed earlier, research with other populations suggests that a distinctive type of life story that draws together common elements from unique individualised accounts may be evidenced among individuals belonging to a particular career group (McAdams et al., 1997). Applying the life story model of identity to the study of entrepreneurs may similarly reveal a view of the personality of individuals who have made a career of pursuing entrepreneurship that is distinctively characteristic of this population.
Personality at the level of self-narrative identity interacts with experience in a manner that differs from constructs located at the other two levels. To varying degrees, the psychoanalytic, trait, and cognitive personality theories all share the assumption that these constructs are shaped by past experience and influence how one interprets and responds to current experience. Self-narrative identity shares this assumption, but goes beyond it by also involving an ongoing evaluation of one’s experience. This evaluation is narratively conducted in relation to one’s existing storied understanding of the self, which then becomes enriched by those new, personally valued experiences that are incorporated into the life story as key events. It is unlikely that entrepreneurs would exclusively draw upon entrepreneurial experiences as life story key events. However, given their strong commitment to the pursuit of entrepreneurship, together with the dynamic nature of the entrepreneurial environment, it is reasonable to expect some personally valued events from their workplace to feature at some points in their life stories. Thus, the life story model can also be used to obtain an understanding of how the distinctive characteristics of entrepreneurs manifest within the entrepreneurial environment. This addresses the limitation of decontextualised personality assessment, which has plagued much of the earlier research.

Finally, as well as being embedded in a spatial context, narrative identity is also related within a temporal context (McAdams, 2001b; McAdams & Pals, 2006), with chapters and key events depicting experiences occurring in certain places at certain times, usually presented in chronological order. Thus, it permits an exploration of whether personality elements of entrepreneurs demonstrate consistencies across
situations and over time; an issue that has been largely overlooked in previous research.

**Self-narrative Identity and Entrepreneurs’ Response to Business Failure**

McAdams’ (1993, 2001a) life story model of identity is also relevant to investigating how entrepreneurs personally respond to business failure. As business failure has a significant impact on entrepreneurs (Sitkin, 1992; Useem, 1998), it may be one of the key events entrepreneurs use to define their life stories. By investigating business failure as a key life event, the life story model of identity can be used to expand understanding of how entrepreneurs experience this entrepreneurial event. This can be achieved by investigating several important aspects of the way in which they describe the self-relevant meaning given to the failure.

To begin, a life story analysis of the business failure event can address and extend previous research in this area, which has focused exclusively on the attributions entrepreneurs make regarding the perceived causes of business failure (e.g., Askim, 1999; Cardon & McGrath, 1999). As mentioned earlier, attribution models do not make allowance for the possibility that entrepreneurs may make both internal and external attributions about the cause of their business failure. As a qualitative methodology, the LSI permits exploration of both types of attributions, and can also explore both the nature of those attributions and the amount of weight they are accorded by entrepreneurs. Furthermore, in the conclusions of previous research, assumptions were made regarding how different attributions for business failure impacted subsequent entrepreneurial motivation. The LSI can be used to extend knowledge in this area by exploring the actual motivational impact of entrepreneur’s attributions for business failure as described in life story accounts of how they went
on to respond to that event. Additionally, an exploration of the underlying motivational themes represented in those descriptions can reveal whether agentic or communal motivations were affected, including highlighting which specific sub-types of these motivations were affected, and in what ways. Given the proposed theoretical connection between motivational themes and an individual’s actual motivational tendencies (McAdams, 1993), this can provide insight into the motivational impact of this particular type of entrepreneurial experience.

Other aspects of the personal impact of business failure can be investigated utilising the life story model of identity. This includes exploring entrepreneurs’ use of redemption and contamination themes to describe their evaluations of the personal consequences of this event; that is, whether it is described as redemptively yielding some good outcome, or as turning irrevocably bad. It also includes assessing the level of life story coherence represented in descriptions of the event, which provides an indication of how well entrepreneurs have personally resolved this event and incorporated it into their narrative identity. Comparing the level of life story coherence for this key event to overall life story coherence across all key events can further reveal the impact of the business failure event, and the extent to which it has been contained and resolved.

As a qualitative methodology, the Life Story Interview can be used as a springboard to undertaking wider investigation of the narrative meaning that entrepreneurs give to business failure (Crossley, 2000; McAdams et al., 1996; McAdams et al., 1997). For instance, additional open-ended questions based on Moos and Schaeffer’s (1986) crisis theory, which considers the critical impact of major life transitions and crises on established patterns of personal identity, can be used to
further explore entrepreneurs’ critical response to this event. As mentioned earlier, these authors propose that an individual is confronted with five different adaptive tasks that facilitate adjustment to a negative life event. These comprise: establishing the meaning of the event and its personal significance; confronting reality and responding to external requirements; maintaining relationships with supportive others; maintaining emotional balance through effective management of distressing feelings; and maintaining a positive self-image around one’s sense of personal competence. Questions based on these tasks can thereby widen the exploration of the meaning given to business failure and the way that entrepreneurs respond to it.

The LSI can also explore additional elements of entrepreneurs’ retrospective response to business failure. Notably, whether or not business failure is included as a life story key event provides information about the extent to which entrepreneurs’ continue to think about this particular entrepreneurial experience once it has occurred. More specifically, the way in which they narratively describe it reflects the way in which they continue to think about it, and whether or not they continue to ruminate about it. Rumination is a form of negatively valenced self-attentiveness motivated by perceived threats to the self, including losses and injustices towards the self (Trapnell & Campbell, 1999).

Findings from the coping literature suggest that in general, the tendency to engage in rumination after experiencing a negative life event is associated with poorer psychological adjustment (Robinson & Alloy, 2003; Holman & Silver, 1998). Robinson and Alloy found that the tendency to be focused upon such maladaptive self-referential thoughts following a stressful event was a predictor of both subsequently experiencing a depressive episode and the length of that depressive
episode. In their study, conducted over a two and a half year period, students with a
greater tendency to think about the negative implications for themselves resulting
from everyday unpleasant experiences were found to be more likely to experience
depression and to be depressed for longer periods than those who were less inclined to
ruminate about such experiences. A similar result was obtained in a study of
individuals who had recently experienced the death of a loved one, with those who
adopted a ruminative coping style tending to report higher levels of depression both
immediately, and also six months after, experiencing their loss (Nolen-Hoeksema,
Parker, & Larson, 1994). In their summary of previous studies exploring the
connection between rumination and depression, Lyobomirsky et al. (Lyobomirsky,
Caldwell, & Nolen-Hoeksema, 1998) suggested that rumination exacerbates rather
than relieves dysphoric responses to negative events by increasing retrieval of and
attention to other negative life memories. This, in turn, leads to pessimistic
evaluations about oneself, one’s future, and one’s ability to resolve problems, which
increases negative affect and subsequently revives the focus on negative
autobiographical memories; thus trapping the individual in a cycle of thinking
negatively about the self. Investigating whether entrepreneurs continue to negatively
reflect upon their experience of business failure can thereby provide further insight
into their personal response to this event.

**Hermans’ Valuation Theory of Personality**

McAdams’ (2001b; 2006a) life story model of identity proposes that
motivational themes are represented in the manifest content of life stories. According
to another prominent narrative theorist, Hermans (1989), agency and communion type
motivations are also comprised of elements that are less consciously expressed in self-
narratives. In order to expand the analysis of motivational themes in the present research to address latent as well as manifest expressions of agentic and communal motives in entrepreneurs’ life stories, the present research drew upon Hermans’ (1989; Hermans & Kempen, 1993) valuation theory of personality.

Hermans (1989; Hermans & Kempen, 1993) valuation theory shares some conceptual similarities with McAdams’ (1993, 2001a) life story model of identity. First, valuation theory contends that personality is an organised system whereby individuals arrange a select number and type of valuations about the self into a composite narrative view of the self. Although valuations are considered to be any units of meaning that include personal involvement and have a pleasant or an unpleasant value, they usually consist of key personal memories of events. In this respect, valuations are similar to life story key events. Second, Hermans proposes that individuals organise the meaning of their life overall, as well as the meaning of each important remembered event, on the basis of two central underlying motives. These comprise the self-enhancement motive, which is concerned with striving for self-maintenance and self-expansion, and the other-oriented motive, which is concerned with longing for positive connection to others. As with McAdams’ power and intimacy motives, Hermans (1991) acknowledges the influence of Bakan’s (1966) agency and communion motivation constructs on the development of the self-enhancement and other-oriented motives. Thus, both theories highlight the importance of key life experiences and the centrality of agentic and communion motivational concerns to a narrative understanding of personality.

Hermans’ (1989; Hermans & Kempen, 1993) valuation theory differs from McAdams’s (1993, 2001a) life story model by proposing that an individual’s
motivations are latently represented in the affective component of their self-narrative. According to Hermans, the latent motivational meaning of a valuation such as an important life experience is manifestly expressed in the affective terms used to describe that event. This includes the type of affects used to describe it as well as the extent to which an affect is felt to characterise that experience. Thus, according to Hermans (Hermans & Hermans-Jansen, 1995), p. 116), “When a person values something, he or she always feels something about it and in these feelings basic motives are reflected”.

In order to assess the presence of latent motivations in valuations, participants rate a list of positive and negative affect terms on a six point Likert-type scale, indicating the extent to which they experienced each affect in relation to that valuation. Different affects are proposed to represent the two different types of motivation, and may be more or less intensely experienced in relation to a remembered event. In addition, certain other positive and negative affects are proposed to indicate the extent to which a motivation was gratified in an event. For example, describing an experience of becoming a parent as eliciting strong feelings of joy (a positive affect term) and also involving both pride (a self-enhancement affect term) and love (an other-oriented affect term), would suggest that the individual experienced some gratification of both types of motivations in this event. In contrast, describing an experience of being bullied as eliciting strong feelings of powerlessness (a negative affect term) and also involving feeling low levels of strength (a self-enhancement affect term) would suggest that the individual experienced a lack of gratification of the self-enhancement motivation. Finally, the overall affective pattern associated with a remembered event reveals the extent to which an individual’s
underlying motivations were both represented in an event and gratified by that event (Hermans & Hermans-Jansen, 1995).

Utilising Hermans’ (1989; Hermans & Kempen, 1993) affect ratings in the present research also offers potential for expanding understanding of how entrepreneurs personally respond to business failure. In addition to illuminating the types of motivational themes latently represented in narrative accounts of business failure, it can also provide details about the extent to which those motivations were satisfied or not satisfied within that event.

**Self-concept Clarity**

The self-concept clarity construct developed by Campbell et al. (Campbell et al., 1996) was also incorporated into the design of the present study. Self-concept clarity is a subjective assessment about the way the contents of one’s self-concept are presented and arranged. It is a measure of how clearly described, how internally consistent, and how stable over time, an individual judges their self-understanding to be defined. The relevance of self-concept clarity to the present research is based on conceptual similarities between the construct of the self-concept and the narrative identity construct. Both factors provide an internalised picture of an individual’s understanding of who they are. Additionally, as with narrative identity, one’s self-concept includes information about the self that is in part based on memories, that reflects one’s values, and that may contain reference to other personality structures such as traits (Campbell & Lavallee, 1993; McAdams, 1995). Furthermore, both factors are proposed to be involved in the processing of self-relevant information; the self-concept playing a more direct and influential role in this process by functioning
as an individual’s primary cognitive self-schema (Greenwald & Pratkanis, 1984; Kihlstrom & Cantor, 1984; McAdams, 2001b).

Just as similarities exist between the self-concept and self-narrative identity constructs, comparisons can also be drawn between the self-concept clarity factor and the life story coherence factor. Both of these measures involve judgements about the way an individual’s self-understanding is presented and arranged. Thus, whilst the self-concept and self-narrative identity constructs are concerned with the content of one’s self-understanding, self-concept clarity and life story coherence are concerned with the structure that the content of one’s self-understanding takes on. However, self-concept clarity and life story coherence do differ in terms of the perspective on self-organisation that they provide. Life story coherence is an objective, specific measure of how well an individual has integrated and imbued with meaning the different parts of their life story, as assessed by the researcher. In contrast, self-concept clarity is a subjective, general measure of how well an individual perceives their self-concept to be defined, as assessed by the individual themselves. The assessment of entrepreneurs’ levels of self-concept clarity can thereby enrich findings by acting as a meta-level measure that complements the information obtained by assessing life story coherence in the self-narrative identities of entrepreneurs. That is, whereas life story coherence can assess the level of integration that an entrepreneur actually demonstrates in their narrative self-understanding, self-concept clarity can provide some indication of how well integrated the entrepreneur perceives their self-understanding to be. In addition to providing what could to some extent be considered an insider’s view of life story coherence, including the construct of self-concept clarity can also contribute new information. That is, the construct can provide an
indication of how sure entrepreneurs are of who they understand themselves to be, and how enduring they consider their view of self to be over time.

Assessing the self-concept clarity of entrepreneurs also offers the potential to enrich understanding of how entrepreneurs personally respond to business failure. As with life story coherence, self-concept clarity has been linked to psychological adjustment and well-being (Campbell et al., 1996). Utilising a variety of measures across three separate studies, Campbell et al. consistently observed that individuals with higher levels of self-concept clarity tended to report lower scores on measures of anxiety and depression, and a decreased tendency to ruminate. In contrast, those with low self-concept clarity tended to report higher levels of anxiety and depression, and increased rumination. Campbell et al. concluded that this negative association could be explained in terms of motivations for attending to the self. By definition, individuals with low levels of self-concept clarity do not have a clear or consistent view of who they are. This causes psychological distress, resulting in an anxious preoccupation with the self in an attempt to resolve ongoing confusion about who they understand themselves to be. In the present research, investigating the relationship between the level of self-concept clarity of entrepreneurs and their tendency to ruminate about business failure may help to explain how they experience and respond to this event.

**Focus on Successful Entrepreneurs**

The present research chose to focus on highly successful entrepreneurs. This population was selected because of its perceived suitability for addressing the aims of this thesis. Highly successful entrepreneurs were considered likely to have taken several years to achieve their current high level of success, and were therefore situated
well beyond the phase of business start-up. This addresses the concern that most previous research has been restricted to ‘pre-entrepreneurs’ in the process of considering a business venture, and those in the initial phase of entrepreneurship. It was further reasoned that highly successful entrepreneurs would be that group of individuals pursuing entrepreneurship that most closely approximated the type of individual referred to in the definition of entrepreneur that was adopted in this research. That is, ‘an entrepreneur is an individual who recognises an economic opportunity and creates a new business to realise it, accepting the financial and personal risks involved. In their ongoing management of the new venture they adopt innovative practices to solve business problems and to assist in the achievement of their main objective of continued business growth.’ As indicated by their outstanding success, this group of entrepreneurs were likely to have superior opportunity spotting ability, to have used innovative practices, and to be growth-oriented in their approach to their business. Thus, they were considered to be strongly characteristic of the entrepreneurial population, and therefore more likely to exhibit a shared, distinctively entrepreneurial self-narrative identity.

It was expected that entrepreneurs within the upper echelons of entrepreneurial success would have encountered some form of business setback or failure. Their longevity within the pursuit of entrepreneurship was in turn likely to have exposed them to the full vicissitudes of the marketplace, including business setbacks and failures. Such experiences would render this group suitable for exploring entrepreneurs’ personal response to business failure. Furthermore, these entrepreneurs are likely to have constructed their narrative understanding of this event in a way that proved constructive for them, thereby enabling them to continue in the pursuit of
entrepreneurship rather than be overwhelmed by the failure and exit entrepreneurship. This highlights an additional advantage of focusing on this particular group of entrepreneurs. By restricting analysis to this population, a thorough investigation of what constitutes an adaptive personal response to business failure can be conducted through exploration of the self-relevant meaning that this event is given in the life stories of entrepreneurs.

By looking at the life stories of entrepreneurs that are likely to include an adaptive personal response to business failure, this study is in keeping with the emerging attitude within the entrepreneurial literature that the experience of business failure and how to constructively deal with it, is something that needs to be better understood (Bolton & Thompson, 2000; Cardon & McGrath, 1999; Sitkin, 1992). This also locates the present research within the growing psychological field that is placing an emphasis on ‘wellness’ rather than ‘pathology’ in psychological research (Herman et al., 2004; Sheung-Tack, Chan, & Phillips, 2004; Spence, Oades, & Caputi, 2004).

**Research Questions**

The present research was conducted as one study with two independent but related aims. The first aim was to better understand the distinctive characteristics of the personality of the entrepreneur, including how they manifest within the entrepreneurial environment. The second aim was to more fully explore entrepreneurs’ personal response to business failure, including the investigation of additional important elements of their critical and retrospective response, and focusing on the personal meaning given to this event. Concerning the first aim, in light of the lack of consensus from previous personality research, and the scant
existing literature on personality within the entrepreneurial environment, it was decided that an exploratory approach was warranted. Additionally, given that no previous research had applied the life story analysis to a group of entrepreneurs, it was further considered that an exploratory investigation would avoid unnecessarily narrowing the inquiry. Concerning the second aim, due to the sparse and conflicting nature of existing research on entrepreneurs’ experience of business failure, an exploratory approach was considered appropriate. Thus, no formal hypotheses were made.

In order to provide general areas of focus for the exploratory investigations, four key research questions relating to the two aims of this study were posed.

The first aim, which was to better understand the distinctive characteristics of the personality of the entrepreneur, was addressed through the following two questions. These are:

1. What sorts of life stories do entrepreneurs construct?
2. Is there a ‘typical’ self-narrative identity shared by entrepreneurs?

The second aim was to more fully explore entrepreneurs’ personal response to business failure. The second two questions relate to this aim. These are:

3. How do entrepreneurs make sense of business failure as part of their self-narrative identity?
4. How do entrepreneurs personally respond to business failure?

Interview data relevant to the first aim are presented in Chapter Six. Interview data relevant to the second aim are presented in Chapter Seven.
CHAPTER FOUR

METHOD

Participants

Criteria For Selection

_Inclusion Factors_

Three selection criteria were chosen to reflect key aspects of the definition of entrepreneurs used in the present research, and to meet the research aims. First, consistent with the definition’s emphasis on involvement in new business creation, participants had to be the founder of their current business, or at least to have played an integral role in its establishment. Second, reflecting the definition’s contention that entrepreneurs are focused on continual business growth, participants had to be currently achieving an objectively high level of entrepreneurial success. Third, participants had to have been in business for at least five years. This placed them beyond the start-up phase of entrepreneurship and maximised the likelihood that they had some experience of business failure.

_Exclusion Factors_

A further three criteria were utilised to identify and exclude those who were involved in successful businesses, yet according to the working definition were not entrepreneurs. First, individuals were excluded if they had helped to create an entrepreneurial venture and were in charge of its ongoing activities, but did not have significant ownership of that business. This was because this factor qualified them as intrapreneurs who manage the risks of others (Jennings et al., 1994; Pinchot, 1985), rather than entrepreneurs who undertake the financial and social risks associated with entrepreneurship themselves. Individuals were also excluded if they were in charge of
an entrepreneurial venture and owned it, but had acquired it after the initial start-up phase had been completed. This was because involvement in business creation is central to the working definition of entrepreneurs. Finally, individuals were excluded if they had founded an entrepreneurial venture, were in charge of it and had significant ownership of it, but were not experiencing continued business growth, because this qualified them as lifestyle firm owners rather than entrepreneurs (Burns, 2001; Sexton & Bowman-Upton, 1991).

**Recruitment Procedure**

To obtain a suitable sample, successful entrepreneurial ventures were identified by consulting two lists produced by a prominent Australian business magazine, the *Business Review Weekly* (BRW). The first list was the BRW Year 2000 list of the Top 100 Fastest Growing Private Companies in Australia (Gome, 2000a). To be selected for this list, businesses had to be independently owned and have an annual turnover in excess of $250,000 Australian dollars for the last five years to the end of the financial year in June, 1999. The company also needed to have experienced ongoing growth, with turnover in each subsequent year exceeding the turnover of the year before. The second list was the BRW Year 2000 Fast 100 (Gome, 2000b). This list comprised the 100 fastest growing small and medium sized companies in Australia as at the end of the financial year in June, 2000. To meet the selection criteria for this list, businesses could be either publicly listed or privately owned, whilst the period of growth was reduced from five years to three. Businesses were ranked according to the average turnover growth for the last three years, with all those included having a turnover of more than A$250,000 for the financial year of 1997-1998.
When managing directors of the businesses appearing on the two lists were approached, it was established that these individuals were founders of their current businesses and had been pursuing entrepreneurship for at least five years. Thus, all prospective participants met the criteria for inclusion in the present research.

A total of 75 businesses from the two lists were approached, with 27 businesses agreeing to participate in the study. Seven of these were ranked within the top 20 businesses, eight were ranked within the top 21 to 50 businesses, and the remaining 12 were ranked within the top 51 to 100 businesses appearing on the two BRW lists. A further 33 businesses that had met the selection criteria for the first list but were ranked outside of the Top 100 were contacted, with 13 of these agreeing to participate in the study. Thus, of the total 108 businesses contacted, 40 agreed to participate, providing a participation rate of 37%. Notably, the diversity in the sample in terms of financial standing of their businesses indicates that there was no clear distinction on this factor between those who chose to participate and those who did not. Similarly, some other characteristics of the sample as outlined below, such as the gender distribution and range of types of business ventures, were also representative of the total group of entrepreneurs who were approached to participate in the study.

**Characteristics of the Sample of Entrepreneurs**

Participants were 39 men (\(m=42.54\) years, \(sd = 8.67\) years), and one woman (44 years). The amount of time participants had been managing their current business ranged from three to 21 years (\(m=9.1\) years, \(sd = 4.97\) years). The number of previous businesses that participants had established ranged from zero to 14, with 65% having established at least one previous business. Table 4.01 presents details of the types of businesses that participants were currently undertaking.
Table 4.01

*Current Business Undertakings of Entrepreneurs*

<table>
<thead>
<tr>
<th>Business Type</th>
<th>n</th>
<th>Percentage</th>
<th>Business Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT Services</td>
<td>9</td>
<td>22.5</td>
<td>Internet Management</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>6</td>
<td>15.0</td>
<td>Clothing</td>
</tr>
<tr>
<td>Engineering</td>
<td>5</td>
<td>12.5</td>
<td>Business Construction</td>
</tr>
<tr>
<td>Retail</td>
<td>4</td>
<td>10.0</td>
<td>Clothing</td>
</tr>
<tr>
<td>Recruitment</td>
<td>3</td>
<td>7.5</td>
<td>IT Recruitment</td>
</tr>
<tr>
<td>Exporting</td>
<td>3</td>
<td>7.5</td>
<td>Consumables</td>
</tr>
<tr>
<td>Communications</td>
<td>3</td>
<td>7.5</td>
<td>Advertising</td>
</tr>
<tr>
<td>Other</td>
<td>7</td>
<td>17.5</td>
<td>Financial Services</td>
</tr>
</tbody>
</table>

*N* = 40

As shown in Table 4.01, the participants were drawn from a broad range of business types. The highest percentage of participants were pursuing entrepreneurship within the IT services area (22.5%), with manufacturing (15%) and engineering (12.5%) ventures also well represented. Businesses grouped under the heading of ‘other’ were predominantly ventures representing different service industries.

On average, participants had been in business for approximately six and a half years (*m* = 6.58 years) before experiencing business failure. However, there was considerable variation within the sample (*sd* = 5.41 years), with the actual range of time extending from one to 22 years. Demonstrating similar variability, on average it had been approximately seven years (*m* = 6.83 years, *sd* = 4.44 years) since the
business failure occurred, with actual times ranging from one to 21 years, including two entrepreneurs who were currently experiencing significant business setbacks. As entrepreneurial ventures undergo a range of more or less severe setbacks and failures (Bolton & Thompson, 2000; Sitkin, 1992), and because the present research focused on entrepreneurs’ perceptions of how they experienced business failure, it was considered appropriate to let entrepreneurs define business failure in their own terms. Table 4.02 details the different types of business failure reported by participants. These are arranged in descending order of their negative impact on the entrepreneurial venture.

Table 4.02

Type of Business Failure Experienced by Entrepreneurs

<table>
<thead>
<tr>
<th>Failure Type</th>
<th>n</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bankruptcy</td>
<td>13</td>
<td>32.5</td>
<td>32.5</td>
</tr>
<tr>
<td>Near Bankruptcy</td>
<td>5</td>
<td>12.5</td>
<td>45.0</td>
</tr>
<tr>
<td>Major Financial Loss</td>
<td>3</td>
<td>7.5</td>
<td>52.5</td>
</tr>
<tr>
<td>Failed Expansion</td>
<td>7</td>
<td>17.5</td>
<td>70.0</td>
</tr>
<tr>
<td>Loss of Key Contract</td>
<td>3</td>
<td>7.5</td>
<td>77.5</td>
</tr>
<tr>
<td>Downturn in Clients</td>
<td>2</td>
<td>5.0</td>
<td>82.5</td>
</tr>
<tr>
<td>Client Difficulties</td>
<td>2</td>
<td>5.0</td>
<td>87.5</td>
</tr>
<tr>
<td>Loss of Business Partners</td>
<td>1</td>
<td>2.5</td>
<td>90.0</td>
</tr>
<tr>
<td>Financial Theft</td>
<td>1</td>
<td>2.5</td>
<td>92.5</td>
</tr>
<tr>
<td>No Failure</td>
<td>3</td>
<td>7.5</td>
<td>100.0</td>
</tr>
</tbody>
</table>

N = 40
As shown in Table 4.02, more than two thirds (70.0%) of the total sample had experienced severe business failures that involved bankruptcy, near bankruptcy, major financial losses, or the failed expansion of the business to additional locations. Another 17.5% had experienced business setbacks that centred upon contractual and client issues. Although three participants stated that they had no previous experience of outright business failure, it was decided to include their data as their life story accounts referred to business difficulties in general that could be regarded as minor business setbacks.

Measures

Measures administered to participants comprised an open-ended measure of self-narrative identity with added affect ratings for key events, presented as the ‘Life Story Interview’ questionnaire. This questionnaire formed the basis of what was discussed during the Life Story Interview. Participants were also administered self-report measures to assess self-concept clarity, agentic and communion motivations, current levels of psychological distress, and optimism. These four measures were part of a broader range of quantitative assessments, presented to participants as the ‘Thoughts and Feelings’ questionnaire. A copy of the introductory and cover letters, the consent form, and a form requesting basic demographic details, the Life Story Interview questionnaire, and the Thoughts and Feelings questionnaire, is included as Appendix A. A copy of the set of standard open-ended questions used to further explore entrepreneurs’ responses to business failure during the face-to-face interviews is included as Appendix B.
Life Story Interview

An adapted form of McAdams’ Life Story Interview (1985; 1993) was used to explore the narrative identities of entrepreneurs. The version of the LSI used in the present research consisted of two stages: 1. the preliminary stage, prior to the interview, and 2. the interview stage.

1. Preliminary stage. In the preliminary stage, participants completed the Life Story Interview (LSI) questionnaire, comprised of the following sections:

Chapters. To encourage participants to begin to think narratively about themselves, the initial section of the LSI requested that participants think of their life as if it were a book, and to divide the book into chapters. For each chapter they were requested to provide a title and to write a summary of the chapter’s contents. Participants were free to list as many chapters as they liked. Based on McAdams (1985), it was suggested that between three and eight chapters would be best.

Key events. Participants were asked to describe a series of outstanding personal experiences from their lives. These were referred to as key events. A key event was defined as a memory of a particular moment that involved specific characters in a specific time and place. To clarify this definition, two examples of what would constitute a key event were provided. These comprised: (1) a particular conversation you had with your teacher in the sixth grade, and (2) a decision you made one morning last summer. Six different types of key events were requested. These were selected on the basis of earlier studies by McAdams and colleagues that had examined those life story themes that were to be investigated in the present study (Baerger & McAdams, 1999; McAdams, 1985; McAdams et al., 1997; McAdams et al., 2001). Table 4.03 presents details of the six key events that were requested.
Table 4.03

*Definition of Life Story Key Events*

<table>
<thead>
<tr>
<th>Type of Key Event</th>
<th>Definition of Key Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life Story High Point</td>
<td>A peak experience, the best moment in your life</td>
</tr>
<tr>
<td>Life Story Low Point</td>
<td>The worst moment in your life</td>
</tr>
<tr>
<td>Turning Point</td>
<td>An episode where you underwent a significant change in your understanding of yourself</td>
</tr>
<tr>
<td>Significant Childhood Memory</td>
<td>Some event which stands out clearly from your pre-adolescent years</td>
</tr>
<tr>
<td>Significant Adolescent Memory</td>
<td>Some event which stands out clearly from your adolescent years</td>
</tr>
<tr>
<td>Significant Adult Memory</td>
<td>Some event which stands out clearly from your adult years</td>
</tr>
</tbody>
</table>

As shown in Table 4.03, the key events section of the LSI asked participants to describe three distinctive moments from their life overall (high point, low point and turning point), as well a distinctive moment from each of the three main stages of
development (childhood, adolescence, and adulthood). In addition to these six key events, participants were asked to describe any other important memories that stood out to them and seemed important in defining who they were.

Details of each key event were requested, including what happened, where and when it happened, and what the participant had been thinking and feeling at the time. Participants were also instructed to describe briefly the impact of that event on their life, including whether it had changed them in any way. A half-page lined space was provided for participants to write their responses for each key event.

**Key characters.** Participants were asked to list up to four people who had the biggest impact upon their life story, and to briefly describe what that impact was. Additionally, they were asked to list any personal hero or heroine, real or fictional, and to describe what characteristics about them caused the participant to regard them this way.

**Current concerns.** Participants were asked to briefly describe two areas of concern in their lives in which they were currently experiencing tensions or conflicts.

The LSI concluded with a note to respondents offering details of counselling services that participants could make use of if they felt that completing the questionnaire had raised any emotional issues with which they would like assistance.

**2. Interview stage.** In the second stage, participants took part in a face-to-face interview with the researcher. The interview was guided by two groups of questions; namely those referring to participants’ written responses to the LSI questionnaire, and those referring to participants’ experiences of business failure.

**Life story questions.** Open-ended questions were used within a semi-structured interview format to further explore participants’ responses to the LSI
questionnaire during a face-to-face interview with the researcher. The first section of these questions largely followed the format outlined by McAdams et al. (1997) and Baerger and McAdams (1999) and centred upon the key events section of the LSI. Participants were encouraged to elaborate on their written accounts of what had happened and their responses, and also to consider how they saw each key event fitting with the rest of their life story. Participants were then requested to provide a brief statement of what they considered to be the overall theme of their life story. Consistent with the format of semi-structured interviews (Crossley, 2000; Smith, 1995), where necessary, additional questions were asked to clarify responses and to further explore themes that emerged during the interview.

**Business failure questions.** The second section of the LSI comprised questions that addressed participants’ responses to business failure. Participants who had not already volunteered an experience of business failure as one of their life story key events were asked to recount both a high point and then a low point from their entrepreneurial career. This was designed to elicit an example of business failure in a way that introduced the topic as part of the normal flow of an entrepreneur’s experience. The premise was that this might make the participant more willing to openly discuss it. If an example of business failure was not elicited, the participant was then directly asked if he or she could recall such an experience.

Subsequent questions included the objective issues of how long the participant had been in business at the time of the business failure, and how long ago the failure had occurred. Participants’ subjective assessments of the business failure were also explored, by drawing on models of causal attribution (Dweck & Leggett, 1988;
Weiner, 1979) and Moos and Schaefer’s (1986) theory of how individuals cope with a life crisis. Examples of questions are presented in Table 4.04.

Table 4.04

*Questions Used to Explore Entrepreneurs’ Subjective Assessment of Business Failure*

<table>
<thead>
<tr>
<th>Area Investigated</th>
<th>Examples of Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Explanatory Style</td>
<td>At the time, what did you attribute the business setback to?</td>
</tr>
<tr>
<td></td>
<td>What did you attribute business recovery to?</td>
</tr>
<tr>
<td>Critical Response</td>
<td>Describe for me what you were thinking and feeling at that time.</td>
</tr>
<tr>
<td></td>
<td>How did you manage your thoughts and feelings at the time?</td>
</tr>
<tr>
<td>Retrospective Response</td>
<td>How often would you think about that event now?</td>
</tr>
<tr>
<td></td>
<td>When you look back on that event, is there any aspect of it that you would like to change?</td>
</tr>
<tr>
<td>Relation to Life Story</td>
<td>What parts of your life story, if any, seem relevant to how you coped with business failure?</td>
</tr>
<tr>
<td></td>
<td>How do you see that event as fitting with the rest of your life story?</td>
</tr>
</tbody>
</table>
Coding categories investigated comprised: positive and negative affective tone themes, agency and communion motivational themes, redemption and contamination themes, and life story coherence themes. (See Appendix C, The Coder’s Manual For Life Story Themes, for further details on how themes were coded.)

**Affective Tone.** The overall affective tone of narratives was assessed according to the coding categories provided by McAdams (1985; 1993). A predominantly negative affective tone, as indicated by descriptions of experiencing feelings such as sadness, fear, anger and disappointment, received a score of 1. A predominantly positive affective tone, as indicated by descriptions of experiencing feelings such as joy, excitement, love, and feelings of achievement, received a score of 2. In support of the validity of affective tone themes, Grossbaum and Bates (2002) observed that individuals with more positively toned narratives tended to report higher levels of self-acceptance ($r = .42$) and life satisfaction ($r = .54$), whilst McAdams et al. (2004) observed that individuals with more negatively toned narratives tended to report higher levels of neuroticism ($r = .30$).

**Agency and Communion.** Narrative accounts of key events were assessed for the presence of underlying positive and negative agency and communion motivation themes using McAdams’ (1996) coding categories. Descriptions of themes are presented in Table 4.05.
Table 4.05

**Agency and Communion Motivation Themes**

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Positive Agency</strong></td>
<td></td>
</tr>
<tr>
<td>Self-mastery</td>
<td>Perfecting and strengthening the self</td>
</tr>
<tr>
<td>Status/victory</td>
<td>Winning, being recognised</td>
</tr>
<tr>
<td>Achievement/responsibility</td>
<td>Achieving goals, assuming responsibility</td>
</tr>
<tr>
<td>Empowerment</td>
<td>Enhanced by a more powerful other</td>
</tr>
<tr>
<td><strong>Negative Agency</strong></td>
<td></td>
</tr>
<tr>
<td>Failure/weakness</td>
<td>Task failure, unable to feel powerful</td>
</tr>
<tr>
<td>Losing Face</td>
<td>Experiencing shame around others</td>
</tr>
<tr>
<td>Ignorance</td>
<td>Not knowing, unable to feel mental strength</td>
</tr>
<tr>
<td><strong>Conflict</strong></td>
<td>Interpersonal disputes and arguments</td>
</tr>
<tr>
<td><strong>Positive Communion</strong></td>
<td></td>
</tr>
<tr>
<td>Love/friendship</td>
<td>Enhanced feelings of love for another</td>
</tr>
<tr>
<td>Dialogue</td>
<td>Good communication with others</td>
</tr>
<tr>
<td>Caring/help</td>
<td>Nurturing, helping another</td>
</tr>
<tr>
<td>Unity/togetherness</td>
<td>Experiencing belonging to a group</td>
</tr>
<tr>
<td><strong>Negative Communion</strong></td>
<td></td>
</tr>
<tr>
<td>Separation</td>
<td>Placed apart from important others</td>
</tr>
<tr>
<td>Rejection</td>
<td>Being discarded by an important other</td>
</tr>
<tr>
<td>Disillusionment About People</td>
<td>Losing faith in others</td>
</tr>
<tr>
<td>Another’s misfortune</td>
<td>Vicarious experience of another’s difficulties or distress</td>
</tr>
</tbody>
</table>

As shown in Table 4.05, the four positive agency themes comprised Self-mastery, Status/Victory, Achievement/Responsibility, and Empowerment. The four
negative agency themes comprised Failure/Weakness, Losing Face, Ignorance and Conflict. Communal themes comprised the four positive themes of Love/Friendship, Dialogue, Caring/Help, and Unity/Togetherness, and the four negative themes of Separation, Rejection, Disillusionment About People, and Another’s Misfortune. More detailed descriptions of each motivational thematic category are presented in Appendix C, The Coder’s Manual For Life Story Themes.

Each of the 16 motivational thematic categories received a score of 1 if present in a narrative account, and 0 if not included. Consistent support for the validity of the positive agency and communion motivational constructs was observed in a series of three studies conducted by McAdams et al. (1996). For example, in the first study, individual agency motivations tended to be positively related to Thematic Apperception Test (TAT) measures of achievement and power, whilst individual communion motivations tended to be positively related to the TAT measure of intimacy. Furthermore, total agency scores, obtained by summing results for all four positive agentic motivations, were positively related to achievement ($r = .40$) and power ($r = .27$), but were not significantly related to intimacy. Additionally, total communion scores were positively related to intimacy ($r = .47$), but not significantly related to achievement or power.

**Redemption and contamination.** Narrative accounts of key events were coded for the presence of redemption and contamination themes based upon the coding categories provided by McAdams et al. (McAdams & Bowman, 2001; McAdams et al., 1997; McAdams et al., 2001). The theme of redemption is evidenced in narrative accounts where the story moves from an initially bad situation, described in negative affective terms, to become either a good situation or one that yields some type of
positive outcome, as described in positive affective terms. This type of story arrangement emphasises different types of positive benefit finding such as recovery, growth, learning and improvement that are perceived to result from initially negative events. A narrative account received a score of 0 if the redemption theme was not evident, 1 if it was present, and 2 if the redemptive shift was the result of the person’s own efforts to change things from bad to good.

Redemptive accounts were also coded for the presence of the three sub-themes of redemption that are proposed by McAdams et al. (2001) to be different forms of personal growth that might be evidenced in a redemptive life story account. These comprised: enhanced agency, enhanced communion, and ultimate concerns. Each theme received a score of 0 if it was not present in a narrative account, and a score of 1 if it was present. Enhanced agency was evident in accounts that highlighted personal growth in the form of improved strength, self-confidence, self-efficacy or self-understanding that resulted from the redemptive shift from negative to positive affect state. Enhanced communion was evident in accounts that highlighted improvements in personal intimacy in terms of love, friendship, or caring, or a greater sense of community. Ultimate concerns was evident in redemptive accounts that highlighted transcendent, spiritual meaning or confrontation with existential issues such as death.

The contamination theme is evidenced in narrative accounts where the story moves from an initially good or positive situation to one that becomes unchangeably bad or negative. If the contamination theme was not present in a narrative account, a score of 0 was recorded. The presence of a contamination theme received a score of 1. Support for the validity of redemption and contamination themes was observed across two studies conducted by McAdams et al. (2001). For example, in the first study
involving 74 adult participants, redemption themes were positively related to life satisfaction ($r = .37$) and negatively related to depression ($r = -.32$), whereas the opposite pattern of results was observed for contamination themes, ($r = -.40$ and $r = .49$, respectively).

**Underlying life story themes.** The life stories of entrepreneurs were also investigated for the presence of additional underlying themes. This exploration was undertaken for each of the six key events and the event of business failure. In identifying underlying themes, a grounded theory approach (Charmaz, 2003; Denzin & Lincoln, 2003; Strauss & Corbin, 1998) was adopted. In a grounded theory approach, concepts and categories are derived directly from the qualitative data rather than being decided upon apriori. Because they are drawn from the data, and are grounded in the data, they offer the potential to discover relevant insights into the area of study that would not be captured by strict adherence to theoretically expected concepts and categories (Patton, 2002; Smith, 2003).

The identification of underlying themes was carried out in several stages. First, each participant’s account of a life story key event was closely inspected for any commonly occurring or particularly striking words, phrases, and sentences. The underlying theme that a participant appeared to be highlighting in the meaning that they gave to that event was noted. For example, one participant’s account of a life story high point about starting a new business used words and phrases including “it was fantastic”, “I created it”, “Ah, I can do it”, and “creating something that wasn’t there before”. These words and phrases were noted, and an underlying theme of “I can create” was recorded for this participant. This procedure was followed through for each participant’s account of that key event.
Second, notes of each participant’s descriptions of the event and the theme represented in that event were compared and contrasted across all the participants. Once a commonly occurring theme was identified, further evidence both in support of it and also against it was sought in order to strengthen the case that such a theme was an important feature of the data (Patton, 2002; Strauss & Corbin, 1998). The same process was followed for less commonly occurring themes that were evaluated as striking and in some way important (Murray, 2003). For example, whilst the underlying theme of “I can create” proved common in accounts of the high point event, an infrequently occurring theme of “increased duty and obligation” also emerged for this key event. This theme was deemed important in that it contrasted sharply with all other themes, both in terms of its negative affective tone and the negative imagery used to describe it. Thus, it helped to provide a richer picture of how entrepreneurs constructed their understanding in their narratives of the best moment in their lives.

Finally, underlying themes were then compared to McAdams’ (1993; 2001b) thematic categories of agency and communion to identify any similarities and differences. Utilising findings from the grounded theory approach in this way enabled the identification of underlying themes that illustrated how McAdams’ thematic categories were specifically represented in the life stories of entrepreneurs. For example, the “I can create” theme was identified as a particular representation of the positive agentic themes of Self-mastery and Achievement/responsibility that was frequently endorsed by entrepreneurs in this sample. The use of a grounded theory approach also facilitated the identification of other important underlying themes not captured by McAdams’ themes. For example, exploration for underlying themes in
accounts of business failure yielded three unique themes detailing how entrepreneurs integrated that event into their life stories. These comprised: containing personal failure within a larger story of success; separating personal identity from business identity; and overcoming business failure as part of a larger story of overcoming obstacles.

**Life Story Coherence.** Life story coherence refers to the structural qualities of a narrative in terms of how clearly articulated it is and how meaningfully it is put together. Life story coherence was assessed by rating narrative accounts for the four indices of orientation, structure, affect and integration. Following Baerger and McAdams (1999), each index was rated on a 7-point Likert-type scale, where 1 = very low, 2 = low, 3 = somewhat low, 4 = neutral, 5 = somewhat high, 6 = high, and 7 = very high.

**Orientation.** Orientation was measured by assessment of the extent to which a narrative account introduced the main characters and provided adequate details about the personal, social and temporal setting, so as to convey the significance of the event being described. Narratives that received higher scores on the orientation index included these elements in a way that conveyed the specific context of that life event and its personal meaning. Narratives receiving lower scores on the orientation index omitted one or more of these setting details, and communicated the life event in a disembodied fashion.

**Structure.** Structure was measured by assessment of the extent to which a narrative account included the episode system elements comprising an initiating event, an internal response to it, an attempt to address that internal response, and a consequence resulting from that attempt. Higher scoring narratives included most or
all of these elements and presented them in a manner that conveyed chronological or causal ordering. Narratives receiving lower scores on the structure index omitted several of these elements, presenting the account in a way that was not consistent with chronological or causal ordering.

**Affect.** Affect was measured by assessment of the extent to which a narrative account utilised feeling statements, drama, humour and pathos to convey an evaluative point that signified the personal meaning of the narrative event. Higher scoring narratives made greater use of such descriptors to more clearly illustrate the personal significance of the event, whilst lower scoring narratives made less or no use of affect, thus failing to emotively convey the personal meaning of the event.

**Integration.** Integration was measured by assessment of the extent to which a narrative was able to synthesise a single narrative event into the larger self-narrative story. Higher scoring narratives were able to overcome discrepancies, contradictions and inconsistencies between a narrative event and the larger narrative, integrating them in a manner that created an overall unified life story. Narratives receiving lower scores on the integration index failed to reconcile disparate narrative events, resulting in an overall disjointed life story.

In support of the reliability of the life story coherence measure, Baerger and McAdams (1999) reported alpha co-efficients for the orientation, structure, affect and integration indices of .78, .76, .82 and .84, respectively. In addition, good internal consistency was also reported for a total coherence score, obtained by summing the four index scores, with an alpha co-efficient of .86. In support of the validity of the measure, total life story coherence scores for a sample of 50 adults were positively
related to happiness ($r = .28$) and satisfaction with life ($r = .29$), and negatively related to depression ($r = .49$).

**Extended List of Affect Terms**

For each of the key events listed in the LSI, participants were requested to rate the extent to which they had experienced each of 24 different feelings. The 24 feelings consisted of Hermans’ (Hermans & Hermans-Jansen, 1995) Extended List of Affect Terms. These affective terms represent different kinds of meanings related to motivations, and the satisfaction of motivations, that individuals may associate with important life experiences. Details of the affective terms and the motives they refer to are provided in Table 4.06.

Table 4.06

*Motivations Represented in Hermans’ Extended List of Affect Terms*

<table>
<thead>
<tr>
<th>Type of Motive</th>
<th>Affect Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-enhancement</td>
<td>Self-Esteem</td>
</tr>
<tr>
<td></td>
<td>Strength</td>
</tr>
<tr>
<td></td>
<td>Self-Confidence</td>
</tr>
<tr>
<td></td>
<td>Pride</td>
</tr>
<tr>
<td>Other-Oriented</td>
<td>Care</td>
</tr>
<tr>
<td></td>
<td>Love</td>
</tr>
<tr>
<td></td>
<td>Tenderness</td>
</tr>
<tr>
<td></td>
<td>Intimacy</td>
</tr>
</tbody>
</table>
As shown in Table 4.06, the list comprises four affects referring to self-enhancement motives, such as strength and pride, and four referring to other-oriented motives for contact and union with others, such as care and intimacy. Table 4.07 (see page 120) presents the 16 remaining affective terms, which related to either the gratification or lack of gratification of both types of motives. It shows that there are eight affects referring to positive feelings arising from the gratification of either type of motive, such as joy and satisfaction, and eight negative feelings arising from perceived obstacles to the gratification of, or an outright lack of gratification of either motive, such as anger and shame.

A list of the 24 affects was provided for each type of key event. Participants rated the extent to which each affect was experienced in relation to each key event according to a 6 point Likert-type scale, where 0 = not at all, 1 = a little bit, 2 = to some extent, 3 = rather much, 4 = much, 5 = very much. An indication of the relative involvement of the self and other motives in each key event is obtained by subtracting an overall Self (S) index score from an overall Other (O) index score for that event. An indication of the extent to which motivations represented in a key event were gratified in that event is obtained by subtracting an overall Negative (N) index score from an overall Positive (P) index score for that key event.

In a study examining the psychometric properties of the list of affect terms, 43 students each provided between 20 and 40 accounts of key life experiences, then rated each experience for the presence of the affect terms (Hermans, 1987). Good internal consistency was obtained for total self-enhancement motive, other-oriented motive, positive and negative affect ratings scores, with Cronbach’s alphas of .83, .86, .90 and .88, respectively. In support of the discriminant validity of valuation constructs, a low
positive relationship was observed between total self-enhancement motive and other-oriented motive affect rating scores \( (r = .27) \), and a moderate negative relationship between total positive and negative affect ratings scores \( (r = -.67) \).

Table 4.07

*Gratification of Motivations Represented in Hermans’ Extended List of Affect Terms*

<table>
<thead>
<tr>
<th>Type of Motivation Gratification</th>
<th>Affect Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gratification</td>
<td>Joy</td>
</tr>
<tr>
<td></td>
<td>Satisfaction</td>
</tr>
<tr>
<td></td>
<td>Enjoyment</td>
</tr>
<tr>
<td></td>
<td>Trust</td>
</tr>
<tr>
<td></td>
<td>Safety</td>
</tr>
<tr>
<td></td>
<td>Energy</td>
</tr>
<tr>
<td></td>
<td>Inner Calm</td>
</tr>
<tr>
<td></td>
<td>Freedom</td>
</tr>
<tr>
<td>Lack of Gratification</td>
<td>Powerlessness</td>
</tr>
<tr>
<td></td>
<td>Anxiety</td>
</tr>
<tr>
<td></td>
<td>Shame</td>
</tr>
<tr>
<td></td>
<td>Self-Alienation</td>
</tr>
<tr>
<td></td>
<td>Guilt</td>
</tr>
<tr>
<td></td>
<td>Loneliness</td>
</tr>
<tr>
<td></td>
<td>Inferiority</td>
</tr>
<tr>
<td></td>
<td>Anger</td>
</tr>
</tbody>
</table>
Self-Report Measures

Self-report measures comprised measures of personality and a measure of psychological symptoms. These are described as follows.

Measures of Personality

**PRF-Form E.** Jackson’s (1984) Personality Research Form (PRF), Form E, is a self-report inventory comprised of 22 independent scales that measure trait-like motivational dispositions or personality needs. The four scales of Achievement, Dominance, Nurturance and Affiliation were utilised in the present study. These scales were chosen because of their conceptual similarity to the agentic and communal motivational needs behind McAdams’ (1985; 1993) agency and communion life story themes. That is, the Achievement and Dominance scales represent agentic needs, whilst the Nurturance and Affiliation scales represent communal needs. In the present study, these four scales were included to provide quantitative measurement of these two motivational dispositions, which could then be used to validate themes of agency and communion observed in participants’ responses to the Life Story Interview.

These four scales have been utilised in many studies to measure personality factors linked to agency and communion motivational themes (de St. Aubin & McAdams, 1995; Mansfield & McAdams, 1996; McAdams et al., 1996). McAdams et al. (1996) found support for the contention that life story themes of agency and communion were associated with the PRF measures of agentic and communal personality needs; observing positive correlations between agentic themes and the scales of Achievement ($r = .17$) and Dominance ($r = .29$), and between communal themes and the scales of Affiliation ($r = .21$) and Nurturance ($r = .27$).
The PRF-Form E Achievement subscale consists of 16 items assessing an individual’s need to strive for and accomplish difficult tasks and long term goals. The 16-item Dominance subscale measures an individual’s need to gain control of their environment, including influencing and directing others within that environment. The 16-item Affiliation subscale measures the need to seek out others for friendship and for intimacy, whilst the Nurturance subscale assesses the need to provide care, support, and encouragement to others. Each item consists of a statement reflecting the personality need that it represents, with eight items phrased in the affirmative and the other eight phrased in the negative. For each item, participants indicate True if they agree with the statement or consider that it describes them, or False if they disagree with it or feel that it does not describe them.

A total score for each scale is obtained by summing scores across all 16 items, with possible scores ranging from 16 to 32. Higher scores are indicative of that personality need being more characteristic of the individual, whilst lower scores indicate that the opposite of that need is more characteristic of the individual. For example, an individual with a very low score for the Dominance subscale is more strongly characterised by the need to be submissive. Utilising a college sample, Jackson (1974) reported mostly acceptable levels of internal consistency for the Achievement, Dominance, Affiliation and Nurturance scales, with Spearman-Brown correlations of .57, .67, .86 and .65, respectively. In support of the validity of these scales, Jackson observed correlations in the predicted directions between PRF-E scales and similar personality constructs included in the Bentler Psychological Inventory (Bentler, 1972). For example, the Achievement subscale was positively related to diligence ($r = .33$), the Dominance subscale was positively related to
invulnerability \( (r = .39) \), the Affiliation scale was positively related to extraversion 
\( (r = .51) \), and the Nurturance scale was positively related to generosity \( (r = .54) \).

**Self-concept Clarity Scale.** The Self-Concept Clarity Scale (SCC; Campbell et al., 1996) is a 12-item measure of how clearly described, how internally consistent, and how stable over time, an individual judges their self-understanding to be defined. This measure was included to provide a comparison with life story coherence findings, and to explore the relationship between self-concept clarity and the extent to which participants continue to ruminate about previous experiences of business failure. Each item consists of a statement about the self that reflects either self-concept clarity or a lack of self-concept clarity. Each item is rated according to a 5-point Likert-type scale, where 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, and 5 = strongly agree.

A total score for self-concept clarity is obtained by summing scores across all items, after reversing scores for those items that describe a lack of self-concept clarity. In a series of three studies undertaken by Campbell et al. (1996), the 12-item self-concept clarity scale was found to have good internal consistency, with an average alpha reliability coefficient of .86. The scale also demonstrated high stability over time, with test-retest correlations of .79 and .70 observed after four and five month intervals, respectively, between retesting. There was also support for the construct validity of the scale, with moderate positive correlations between self-concept clarity and self-esteem over three studies \( (r = .67, .62 \text{ and } .60) \). These findings were deemed consistent with prior research using unobtrusive measures of self-concept clarity.
**Life Orientation Test.** The Life Orientation Test (LOT; Scheier & Carver, 1985) is a 12-item measure of dispositional optimism that was included as a form of quantitative validation of redemption and contamination theme findings from participants’ LSI responses. Eight of the items tap this construct, whilst four additional items act as fillers. Half of the eight items assessing optimism are statements phrased in the affirmative, and the other half in the negative. Respondents rate the extent to which they agree with each statement according to a 5-point Likert-type scale, where 0 = strongly disagree, 1 = disagree, 2 = neutral, 3 = agree, and 4 = strongly agree. A total optimism score is obtained by summing responses to the eight active items, after reversing scores for those items illustrating a lack of optimism. Higher scores are indicative of greater optimism. Good internal consistency for the LOT was observed in a large study by Scheier, Carver and Bridges (1994), in which Cronbach’s alpha co-efficient was reported as .82. In support of the validity of the scale, optimism scores were positively related to self-mastery (r = .55) and self-esteem (r = .54), and negatively related to trait anxiety (r = -.59) and neuroticism (r = -.50).

**Measure of Psychological Symptoms**

**Brief Symptoms Inventory.** The Brief Symptoms Inventory (BSI; Derogatis, 1993) is a 53-item self-report inventory that measures an individual’s prevailing level of psychological distress over the last week, as assessed across nine symptom dimensions. Some previous research has suggested congruence between an individuals’ prevailing mood and the type of autobiographical memories that individuals most readily access (e.g., Mayer, McCormick, & Strong, 1995; McFarland & Buehler, 1998), and between mood and responses to quantitative measures relating
to a participants’ outlook about themselves and their future (Chang & Sanna, 2001; Eid & Deiner, 2004). Therefore, the BSI was included to control for the potentially confounding effects of a participant’s negative mood on their responses to the Life Story Interview and the Thoughts and Feelings Questionnaire.

In the present research, Anxiety, Depression and Hostility dimensions of the BSI were considered most relevant for detecting non-clinical levels of negative affect. The Anxiety and Depression subscales are comprised of six items each, whilst the Hostility subscale comprises five items. In order to also permit calculation of the Global Severity Index (GSI), participants were administered all 53 items of the scale. The GSI is a single indicator of a respondents’ level of psychological distress that combines information about the number of symptoms they are experiencing, and the intensity with which they are experiencing those symptoms. Thus, it was included on the basis that it might help to detect the influence of any negative mood on participants’ responses.

To complete the BSI, participants rate the extent to which the problem described in each item has distressed or bothered them during the past seven days. Ratings are made according to a 5-point Likert-type scale, where 0 = not at all, 1 = a little bit, 2 = moderately, 3 = quite a bit, and 4 = extremely. Scores for each symptom dimension are calculated by summing across the items assessing that dimension, then dividing the total score by the number of items for the dimension that were actually responded to by the participant. The GSI score is calculated by summing scores for all 53 items, then dividing that amount by the total number of items responded to. The BSI demonstrated good internal consistency in a large study of men with mild to moderate hypertension, where Cronbach’s alpha co-efficients ranged from .78 to .83.
for the nine symptom dimensions (Croog et al., 1986). Support for the validity of
the BSI has been shown in a study by Derogatis and Melisaratos (1983), in which
weak to moderate correlations were observed between BSI dimensions and similar
constructs on both the SCL-90-R (Derogatis, 1977) from which this measure is
derived, and the MMPI (Hathaway & McKinley, 1951).

**Procedure**

Prospective participants identified from the BRW lists of successful entrepreneurial
ventures were first contacted via an introductory letter from the author. The letter
invited the managing directors of successful businesses to take part in a research
project that was generally concerned with learning more about the personality of
entrepreneurs. Feedback concerning the study’s findings was offered as an incentive
to participate.

One week later, all prospective participants were contacted by telephone to
ascertain whether they wanted to take part in the study. Those who agreed to
participate were sent a consent form, a basic demographic form, and two
questionnaires. The first of the questionnaires was the Life Story Interview (LSI)
questionnaire, which covered the preliminary stage of the Life Story Interview by
asking participants to provide written responses to open-ended questions about their
life story, and also asked them to rate their affective responses to life story key events.
The second questionnaire was entitled the Thoughts and Feelings questionnaire. This
comprised the self-report measures of agentic and communion type motivations,
current psychological state, optimism, and self-concept clarity.

Completing the LSI questionnaire involves the recall of affectively charged
memories of life events. Some of these, such as the life story low point, are likely to
elicit the memory of strong negative feelings. Research into mood effects associated with the recall of negatively valenced information suggests that an individual’s mood may temporarily be lowered following this type of activity (Park, Goodyer, & Teasedale, 2004; Van der Does, 2002). To minimise the possibility that potential negative mood effects might confound participants’ responses to the Thoughts and Feelings questionnaire, participants were requested to complete it at least one day after the LSI questionnaire.

An appointment was made with each participant for a one hour, follow-up interview with the author, to take place approximately one week after the questionnaires had been completed. Interviews were scheduled during business hours, and took place at the business premises of each participant. Participants were informed that during the interview they would be asked to discuss some of their responses to the first questionnaire, as well as answer some questions regarding their general experiences as an entrepreneur. To avoid potential biasing of participants’ responses by them being aware of the study’s aim to address business failure, the issue of business failure was not specifically mentioned at this stage. Participants’ verbal consent was sought for the audiotaping of interviews, with the assurance that they would be sent a typed transcript of the interview for their approval before it was included in the study.

The Life Story Interview was conducted as a one-to-one interview between each participant and the author. During interviews, participants’ responses to the LSI questionnaire were the main focus of discussions. Based on the approach adopted by McAdams et al. (McAdams et al., 1997; McAdams et al., 2001), these discussions centred upon further elaboration of the life story key events section. This included
asking participants to provide further details about what had happened and how they had been thinking and feeling at the time, and to describe how they saw each key event as fitting with the rest of their life story.

The subject of business failure was not specifically broached until the second half of the interview. This order of discussion was followed for two reasons: first, to avoid the possibility that participants may modify their discussions of their written LSI responses in light of the focus on their business failure experience; and second, this approach maximised the potential for establishing a good rapport with participants before addressing what might be for them a difficult subject to openly discuss (Useem, 1998). To further minimise any defensiveness on the part of participants, in keeping with the LSI questionnaire’s request for a life story high point followed by a life story low point, participants were asked to describe a high point and then a low point in their entrepreneurial career so far. Where participants had already mentioned business failure as a life story key event, the failure was further discussed using the additional questions formulated to probe their personal response to it. In instances where participants had not mentioned business failure as a key life story event and also did not volunteer business failure as an entrepreneurial low point, they were directly asked if they could recall such an experience. Of the nine participants specifically asked about business failure, three could not recall such an experience.

At the close of the interview, participants were thanked for taking part in the study and were given the space to ask questions. The consent form, demographic form, and the two questionnaires were collected. Audio-taped interviews were then transcribed and a draft was submitted to participants for their approval. In most instances, participants requested that transcript drafts be sent to them via secure
internet mail services, with the remainder sent printed copies via traditional postal services. Only one of the 40 participants requested that alterations be made to their transcript. These were minor changes that involved slight alteration of the grammar the participant had used to describe two key events. In giving feedback on the transcripts, several participants commented that the interview seemed to have captured themselves and their experience very well.

The next chapter presents findings from an assessment of the reliability and validity of the measures used in this research.
CHAPTER FIVE

PSYCHOMETRIC RESULTS

This chapter presents results from an assessment of the psychometric properties of measures used in this study. Investigation of mood effects upon responses to these measures was also undertaken. In brief, all measures demonstrated adequate reliability and validity when used to assess the psychological attributes of this sample of entrepreneurs, and there were no confounding effects of mood.

Preliminary Analysis of Distributions

Results were analysed using SPSS for Windows Statistical Package Version 11.5 (See Appendix D for data analyses output). Prior to analysis, the data were screened in several ways. To check for accuracy of data entry, the data set was visually inspected and the distribution of each variable examined to identify any data values outside the possible range. One data value that had been incorrectly entered was identified and corrected. Scatterplots were inspected to ensure linearity of relationships among variables, with no non-linear relationships detected. To check for normality of distributions, skewness and kurtosis figures were calculated for each variable. Several variables were found to be either highly peaked or skewed, with some being both peaked and skewed. Transformations were conducted upon these variables in order to obtain more normal shaped distributions for use in data analyses. Histograms and probability plots for each variable were also produced to help identify those variables requiring transformation, and to inform judgement of which transformations were most appropriate.

Data distribution patterns, as well as reliability and validity findings, are discussed separately for the quantitative self-report measures and the life story
thematic categories and affect terms from the Life Story Interview. This is due to
the different nature and properties of the quantitative variables as compared to the
qualitative variables, which necessitated different assessments of reliability and
validity.

**Distributions of Quantitative Measures**

Table 5.01 presents skewness and kurtosis figures for the quantitative
measures, along with means and standard deviations obtained for each measure. To
facilitate interpretation, possible range of scores for each scale are also included.

Table 5.01

**Summary Statistics for Quantitative Measures**

<table>
<thead>
<tr>
<th>Scale</th>
<th>Range</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCC</td>
<td>12-60</td>
<td>45.77</td>
<td>9.16</td>
<td>-0.400</td>
<td>-0.936</td>
</tr>
<tr>
<td>LOT</td>
<td>0-32</td>
<td>26.03</td>
<td>3.99</td>
<td>-0.449</td>
<td>-0.302</td>
</tr>
<tr>
<td>BSI ANX</td>
<td>0 - 4</td>
<td>.36</td>
<td>.46</td>
<td>2.152</td>
<td>6.278</td>
</tr>
<tr>
<td>BSI DEP</td>
<td>0 - 4</td>
<td>.26</td>
<td>.34</td>
<td>1.102</td>
<td>-0.048</td>
</tr>
<tr>
<td>BSI HOS</td>
<td>0 - 4</td>
<td>.39</td>
<td>.42</td>
<td>1.291</td>
<td>1.472</td>
</tr>
<tr>
<td>BSI GSI</td>
<td>0 - 4</td>
<td>.34</td>
<td>.30</td>
<td>1.011</td>
<td>-0.027</td>
</tr>
<tr>
<td>PRF ACH</td>
<td>16-32</td>
<td>29.70</td>
<td>2.53</td>
<td>-1.865</td>
<td>3.810</td>
</tr>
<tr>
<td>PRF DOM</td>
<td>16-32</td>
<td>29.10</td>
<td>2.69</td>
<td>-0.969</td>
<td>0.572</td>
</tr>
<tr>
<td>PRF AFF</td>
<td>16-32</td>
<td>25.38</td>
<td>3.88</td>
<td>-0.782</td>
<td>-0.217</td>
</tr>
<tr>
<td>PRF NUR</td>
<td>16-32</td>
<td>26.28</td>
<td>2.57</td>
<td>-0.212</td>
<td>-0.431</td>
</tr>
</tbody>
</table>

*Note: n ranged from 29-32. SCC = Self-concept Clarity; LOT = Life Orientation Test; BSI ANX = Brief Symptoms Inventory Anxiety scale; BSI DEP = Brief Symptoms Inventory Depression scale; BSI HOS = Brief Symptoms Inventory Hostility scale, BSI GSI = Brief Symptoms Inventory Global Severity Index scale; PRF ACH = Personality Research Form-E Achievement scale; PRF DOM = Personality Research Form-E Dominance scale; PRF AFF = Personality Research Form-E Affiliation scale; PRF NUR = Personality Research Form Nurturance scale.*
As shown in Table 5.01, the distribution of Self-concept clarity was close to normal, thus no transformation was required. As indicated by the high mean score relative to the possible score range, participants tended to report greater levels of self-concept clarity. This suggests that participants appraised their self-understanding as clearly defined, internally consistent and stable over time. The distribution of scores on the Life Orientation Test was also reasonably normal. As indicated by the high mean, participants tended to report greater levels of optimism. This finding suggests that participants were strongly characterised by an outlook for the future that involved negative things improving and positive things occurring.

As indicated by skewness and kurtosis figures, the distribution of each of the four BSI scales was quite skewed and peaked. For example, the distribution of BSI Anxiety was both highly peaked and positively skewed. A square root transformation was applied to achieve a distribution for this variable that more closely approximated the normal shape. Similarly, square root transformations were also applied to BSI Depression, BSI Hostility, and BSI Global Severity Index to achieve more normal distributions. An inspection of the means for the four BSI scales revealed that, on average, participants reported low levels of anxiety, depression, hostility, and of general psychological distress. That is, participants indicated that during the past week they had not been bothered by feelings of apprehension and nervous tension, feelings of a lack of interest in things and a dysphoric mood, or feelings of irritation and annoyance and an urge to lash out at things. Thus, in general participants had tended to experience either very few or no symptoms of psychological distress in the week leading up to participation in this study.
The distribution of the PRF Achievement scale was highly peaked and strongly negatively skewed. This was improved by a square root transformation. Square root transformations were also applied to PRF Dominance and PRF Affiliation to achieve more normal distributions. On average, participants were strongly characterised by the need for achievement and the need for dominance. They were also characterised by needs for affiliation and for nurturance. These findings are made more meaningful by comparing the results obtained in the present research with those from an earlier study that also utilised Australian participants (Bates & Findlay, 2002). A sample of 290 university students, comprising 109 men (\( m = 32.96 \) years, \( sd = 13.29 \) years) and 157 women (\( m = 31.43 \) years, \( sd = 11.99 \) years) with missing age and sex data for 23 participants, completed Jackson’s (Jackson, 1984) Personality Research Form, Form-E. Means and standard deviations for each of the four PRF scales for both samples are displayed in Table 5.02 (see page 134).

As shown in Table 5.02, on average, the entrepreneurs scored higher than university students on all four PRF scales. T-tests for independent samples were conducted to establish whether the differences in mean scores were significant. In checking assumptions for t-tests, it was noted that the distribution of both PRF Achievement and PRF Dominance for the entrepreneurial sample did not have the same variance as the distributions of these variables for the student sample, with Levene’s test for equality of variances of \( F(2, 321) = 4.200, p < .05 \), and \( F(2, 321) = 9.69, p < .05 \), respectively. In both instances, there was significantly less variability in the scores obtained by the entrepreneurs. However, these differences in the variability of scores were considered acceptable because the entrepreneur sample comprised a distinctive, rather than general or normative, sample of individuals. That the
entrepreneurs scored highly on these two measures of agentic needs, and showed little variation in their tendency to do so, is theoretically consistent with what might be expected of a sample of highly successful entrepreneurs.

Table 5.02

Comparison of Means and Standard Deviations for PRF Scores Obtained From Entrepreneurs and University Students

<table>
<thead>
<tr>
<th>Scale</th>
<th>Sample</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRF Achievement</td>
<td>Entrepreneurs</td>
<td>29.70</td>
<td>2.53</td>
<td>33</td>
</tr>
<tr>
<td></td>
<td>Students</td>
<td>25.95</td>
<td>3.03</td>
<td>290</td>
</tr>
<tr>
<td>PRF Dominance</td>
<td>Entrepreneurs</td>
<td>29.10</td>
<td>2.69</td>
<td>31</td>
</tr>
<tr>
<td></td>
<td>Students</td>
<td>24.95</td>
<td>4.09</td>
<td>290</td>
</tr>
<tr>
<td>PRF Affiliation</td>
<td>Entrepreneurs</td>
<td>25.38</td>
<td>3.88</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>Students</td>
<td>24.90</td>
<td>3.86</td>
<td>290</td>
</tr>
<tr>
<td>PRF Nurturance</td>
<td>Entrepreneurs</td>
<td>26.28</td>
<td>2.57</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>Students</td>
<td>26.21</td>
<td>3.14</td>
<td>290</td>
</tr>
</tbody>
</table>

Note: PRF Achievement = Personality Research Form-E Achievement scale; PRF Dominance = Personality Research Form-E Dominance scale; PRF Affiliation = Personality Research Form-E Affiliation scale; PRF Nurturance = Personality Research Form Nurturance scale.

The greater variation in scores within the student sample is consistent with what might be expected of a more heterogeneous population. That is, students as a whole could be expected to hold a certain level of the need for achievement in
particular, because they are undertaking achievement-based work as university students. However, university studies may also be undertaken to address communion needs, both through the social life of being a student as well as in courses that are more communion-focused, such as Sociology and Psychology. Thus, some differences in the variation of scores could be expected between entrepreneurs and other, more general population samples such as that represented by the students.

An independent t-test revealed that on average, entrepreneurs scored significantly higher than students on PRF Achievement ($t(43.17) = -7.89, p < .001$). This suggests the entrepreneurs were strongly characterised by behaviours including being ambitious, task-focused, and willing to engage in effortful and purposeful actions to achieve productive outcomes. Similarly, they scored higher than students on PRF Dominance ($t(46.40) = -7.69, p < .001$), and so were more strongly characterised by behaviours including adopting an authoritative and influential stance in the presence of others, leading and directing them as a means to exercise control.

The entrepreneurs also scored more highly on PRF Affiliation than the university students. However, this difference was not significant ($t(320) = -0.654, p > .05$). Furthermore, there was no significant difference in the variability of the need for affiliation in the two samples ($F(2, 320) = .016, p > .05$). This pattern of findings suggests that rather than holding especially high or low levels of the need for affiliation, the entrepreneurs were characterised by a normal level of the tendency to be friendly, hospitable, and to value social relationships, and to demonstrate a range of variability in this tendency. On average, entrepreneurs also obtained higher scores for PRF Nurturance than university students. Nevertheless, the difference in the means of the two samples was very small, and, as with PRF Affiliation, was not
statistically significant ($t(320) = -.118, p < .05$). Similarly, there was no significant group difference in the variability of the need for nurturance ($F(2, 320) = 1.575, p > .05$). This pattern of findings suggests that entrepreneurs were characterised by a normal level of awareness of the needs of others, and of the tendency to be helpful and supportive of those in less favourable circumstances than themselves.

**Reliability of Quantitative Measures**

To check for internal consistency, Cronbach’s alphas were calculated for each of the scales and are presented in Table 5.03.

Table 5.03

*Cronbach’s Alphas for Quantitative Measures*

<table>
<thead>
<tr>
<th>Scale</th>
<th>Alpha</th>
<th>Number Of Items</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCC</td>
<td>.89</td>
<td>12</td>
<td>31</td>
</tr>
<tr>
<td>LOT</td>
<td>.78</td>
<td>8</td>
<td>29</td>
</tr>
<tr>
<td>BSI ANX</td>
<td>.72</td>
<td>6</td>
<td>33</td>
</tr>
<tr>
<td>BSI DEP</td>
<td>.67</td>
<td>6</td>
<td>33</td>
</tr>
<tr>
<td>BSI HOS</td>
<td>.72</td>
<td>5</td>
<td>33</td>
</tr>
<tr>
<td>BSI GSI</td>
<td>.93</td>
<td>50</td>
<td>32</td>
</tr>
<tr>
<td>PRF ACH</td>
<td>.75</td>
<td>16</td>
<td>33</td>
</tr>
<tr>
<td>PRF DOM</td>
<td>.78</td>
<td>13</td>
<td>31</td>
</tr>
<tr>
<td>PRF AFF</td>
<td>.82</td>
<td>16</td>
<td>32</td>
</tr>
<tr>
<td>PRF NUR</td>
<td>.58</td>
<td>16</td>
<td>32</td>
</tr>
</tbody>
</table>

*Note: SCC = Self-concept Clarity; LOT = Life Orientation Test; BSI ANX = Brief Symptoms Inventory Anxiety scale; BSI DEP = Brief Symptoms Inventory Depression scale; BSI HOS = Brief Symptoms Inventory Hostility scale, BSI GSI = Brief Symptoms Inventory Global Severity Index scale; PRF ACH = Personality Research Form-E Achievement scale; PRF DOM = Personality Research Form-E Dominance scale; PRF AFF = Personality Research Form-E Affiliation scale; PRF NUR = Personality Research Form Nurturance scale.*
As shown in Table 5.03, with the exception of PRF Nurturance (alpha = .58), all scales demonstrated adequate reliability, with Cronbach’s alphas ranging from .67 to .93. An inspection of the results for PRF Nurturance revealed that seven items had corrected item-total correlations of less than .2, and that for five of these items, the alpha would be improved without them. By removing the three items with the poorest results, a more acceptable alpha of .64 was obtained. Split-half analysis achieved the same result, with an equal length Spearman-Brown co-efficient of .64. Given the acceptable alpha obtained by split-half reliability analysis, all items for this scale were retained. In calculating Cronbach’s alpha for the BSI Global Scale, three items were omitted from the analysis by SPSS on the basis that they showed zero variance. These were all items related to feeling anxious when alone or outdoors. Similarly, three items were omitted from the PRF Dominance scale. These were all items pertaining to feeling uncomfortable about being in a position of influence within the workplace. Given the distinctive nature of the entrepreneurial sample, comprising only highly successful entrepreneurs, and that the observed scores on these items were in a direction that would theoretically be expected of this population, all items were retained in subsequent analyses.

Reliability of Life Story Thematic Categories

Coding of McAdams’ (1993; 2001b) life story themes for the total sample was carried out by the researcher. In addition, a psychologist was employed as an independent rater to code a randomly selected sample of 25% of the total responses. This was done to establish inter-rater reliability, which measures the extent to which the researcher and psychologist agreed in their ratings of thematic codings. This was achieved by calculating Cohen’s (1960) Kappa (K) for each theme. Cohen’s kappa
assesses the level of agreement between two independent codings, corrected for
chance. In order to allow both raters to obtain agreement on the application of
category definitions prior to coding, training was first conducted on a separate random
sample. Overall, kappa was found to be good to excellent across all scales. These
findings are discussed as follows.

**Agency and communion themes.** Cohen’s Kappa was calculated for each of
the agency and communion themes by comparing 25% of the ratings for each theme
across the seven key events of a life story high point, life story low point, life story
turning point, significant childhood memory, significant adolescent memory,
significant adult memory, and the event of business failure. Good inter-rater reliability
was established for all positive and negative agency themes. Cohen’s Kappa for the
positive agency themes ranged from $K = .65$ for empowerment to $K = .89$ for
status/victory. For the negative agency themes, scores ranged from $K = .87$ for losing
face, to $K = 1.0$ for the other three themes. Cohen’s Kappa for the positive
communion themes ranged from $K = .86$ for caring/help to $K = 1.0$ for love/friendship
and dialogue. For the negative communion themes, $K$ ranged from .84 for
disillusionment to 1.0 for the three other themes.

**Redemption and contamination themes.** Cohen’s Kappa was calculated for
the redemption and contamination themes by comparing ratings for each theme across
the seven key events. Excellent inter-rater reliability was established for the
redemption and contamination themes, with $K = .98$ and $K = .94$, respectively.

**Life story affective tone.** Cohen’s kappa was calculated for life story affective
tone by comparing the single overall affective tone rating for each case. Excellent
inter-rater reliability was established, with $K = 1.0$, indicating perfect agreement between the researcher and the independent coder for this life story theme.

**Life story coherence.** Cohen’s kappa was calculated for the four life story coherence indices. Excellent inter-rater reliability was established for all four indices, with Cohen’s Kappas of .97, .96, .98 and .95 for the orientation, structure, affect and integration indices, respectively.

The life story coherence indices are measured on a quantitative scale. Therefore, in addition to establishing inter-rater reliability, the internal consistency of these factors can be assessed. Cronbach’s alphas were calculated for each of the four indices and for overall life story coherence. All scales demonstrated adequate reliability, with Cronbach’s alphas of .76, .77, .68 and .68 for the orientation, structure, affect and integration indices, respectively. Cronbach’s alpha of .92 was reported for overall life story coherence.

**Reliability of Extended List of Affect Terms**

Internal consistency of Hermans’ (Hermans & Hermans-Jansen, 1995) Extended List of Affect Terms was examined. Cronbach’s alphas were calculated for total Self-enhancement motive, Other-oriented motive, and Positive and Negative affect ratings scores. For the total Self-enhancement motive, ratings of the four affects that comprise this motive, as rated across the six life story key events and also the business failure event, were entered in the analysis. For the total Other-oriented motive, ratings of the four affects that comprise this motive, rated across these same seven key events, were included in the analysis. Similarly, for the total Positive and Negative affects, ratings of the eight affects that comprised each of these totals, rated across the seven key events, were included in the analyses. Good internal consistency
was obtained for each factor, with Cronbach’s alphas of .72 for self-enhancement motive, .76 for other-oriented motive, .79 for positive affect, and .79 for negative affect.

**Mood Effects on Findings**

*Mood effects on quantitative measures.* To explore whether mood had influenced responses, Pearson’s product moment correlations were calculated between each of the four BSI scales, namely BSI Anxiety, BSI Depression, BSI Hostility and BSI Global Severity Index, and all other variables from the quantitative measures of personality. Regression analyses were performed on significant correlations. Table 5.04 presents the correlations among each of the four BSI scales and the measures of personality.

Table 5.04

*Correlations Among BSI Scales and Measures of Personality*

<table>
<thead>
<tr>
<th>Scale</th>
<th>BSI ANX</th>
<th>BSI DEP</th>
<th>BSIHOS</th>
<th>BSIGSI</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRF ACH</td>
<td>.13</td>
<td>.11</td>
<td>-.07</td>
<td>.07</td>
</tr>
<tr>
<td>PRF DOM</td>
<td>.23</td>
<td>.03</td>
<td>-.01</td>
<td>.10</td>
</tr>
<tr>
<td>PRF AFF</td>
<td>.20</td>
<td>.33</td>
<td>.13</td>
<td>.11</td>
</tr>
<tr>
<td>PRF NUR</td>
<td>-.33</td>
<td>-.30</td>
<td>-.21</td>
<td>-.24</td>
</tr>
<tr>
<td>SCC</td>
<td>-.35</td>
<td>-.32</td>
<td>-.35</td>
<td>-.36</td>
</tr>
<tr>
<td>LOT</td>
<td>-.32</td>
<td>-.44*</td>
<td>-.22</td>
<td>-.48*</td>
</tr>
</tbody>
</table>

*Note:* n ranged from 28-33. BSI ANX = Brief Symptoms Inventory Anxiety scale; BSI DEP = Brief Symptoms Inventory Depression scale; BSI HOS = Brief Symptoms Inventory Hostility scale, BSI GSI = Brief Symptoms Inventory Global Severity Index scale, PRF ACH = Personality Research Form-E Achievement scale; PRF DOM = Personality Research Form-E Dominance scale; PRF AFF = Personality Research Form-E Affiliation scale; PRF NUR = Personality Research Form Nurturance scale, SCC = Self-concept Clarity; LOT = Life Orientation Test. * = p<.05.
As shown in Table 5.04, none of the four BSI scales were significantly correlated with PRF Achievement, PRF Dominance, PRF Affiliation, and PRF Nurturance. Similarly, no significant correlations were observed between the four BSI scales and Self-concept clarity. Significant negative correlations were observed between BSI Depression and Optimism, and between BSI Global Severity Index and Optimism. Given the strong correlation between these two BSI scales ($r = .73$, $p < .001$) due in part to item overlap, separate multiple regression analyses were conducted with each scale as a predictor of Optimism. BSI Depression was a significant predictor of Optimism ($t(27) = -2.568$, $p = .016$), accounting for 19.6% of the variation in Optimism scores ($R^2 = .196$; $F(1,26) = 6.592$, $p < .05$). BSI Global was also a significant predictor of Optimism ($t(27) = -2.772$, $p = .010$), accounting for 22.8% of the variation in scores ($R^2 = .228$; $F(1,26) = 7.685$, $p < .05$). As each scale accounted for approximately 20% of the variability in Optimism scores, a large part of the variation in scores remained unaccounted for. Additionally, higher BSI Depression and Global Severity Index Scores are theoretically consistent with lower levels of optimism. Thus, mood appeared not to be a major influence on participants’ responses to Optimism or to any of the other quantitative measures.

**Mood effects on life story thematic categories.** Summary variables were created for each of McAdams’ (1985; 1993) thematic categories to check for any confounding effects of mood on participants’ responses. These were created by summing each thematic score across the life story high point, low point and turning point key events. Summary variables were restricted to these three key events because of their central importance to defining the life story (Baerger & McAdams, 1999; McAdams & Bowman, 2001), and because they were the key events that were most consistently
responded to by the participants. Summary variables comprised: each agency and communion theme; redemption and contamination themes; life story affective tone; life story, orientation, structure, affect and integration indices, and overall life story coherence.

An examination of the distribution of these summary variables revealed that several were highly skewed and/or overly peaked. For example, the Love/friendship summary variable was strongly positively skewed and highly peaked, with skewness and kurtosis figures of 1.180 and 3.438 respectively. A range of transformations was applied to each of these variables in order to try and achieve distributions that more closely approximated the normal shape. Log transformations were successfully applied to Love/friendship and to Empowerment, and a square root transformation was applied to Failure/weakness. However, for some of the other summary variables such as Conflict, most of the data values had taken an extremely small range, rendering it almost a constant (skewness = 1.981, kurtosis = 4.866) and thereby resistant to improvement by transformations. This pattern of results was considered to be in keeping with the characteristics of the sample, in that this group of highly successful entrepreneurs tended to express the same themes in relation to a particular key event in their life stories. Thus, these summary variables were retained for use in the analysis.

Pearson’s product moment correlations were calculated among each of the four BSI scales and each summary variable of each agency and communion theme. Results are presented in Table 5.05.
As shown in Table 5.05, the BSI Depression and BSI Global Severity Index scales were not significantly correlated with any individual agency or communion
theme. A significant positive correlation was observed between the BSI Anxiety scale and the negative communion theme of Another’s Misfortune. Regression analysis revealed that although BSI Anxiety was a significant predictor of Another’s Misfortune ($t(28) = 2.307, p = .029$), it accounted for only 17% of the variation in scores for this summary variable ($R^2 = .170; F(1,27) = 5.322, p < .05$). A significant negative correlation was observed between BSI Hostility and the negative agentic theme of Conflict. However, as the Conflict summary variable had taken such a narrow range and been almost a constant, this result was considered unreliable.

Pearson’s product moment correlations were calculated for the four BSI scales and the summary variables of redemption, contamination, overall affective tone, each of the four indices of Life Story Coherence, and total Life Story Coherence. There were no significant correlations between the four BSI scales and any of these measures.

**Mood effects on the Extended List of Affect Terms.** To check for any confounding effects of mood on participants’ responses to the 24 affects included in Hermans’ (Hermans & Hermans-Jansen, 1995) Extended List of Affect Terms, summary variables were also created for each of these variables. As with McAdams’(1985; 1993) thematic summary variables, these were created by summing each affect term’s score across the life story high point, low point and turning point key events. Examination of the distributions of these summary variables revealed that three were overly peaked and skewed. These were Self-esteem, Satisfaction and Energy. All three variables were improved by square root transformations.

Pearson’s product moment correlations were calculated between each of the four BSI scales and each of the summary variables. Mostly correlations were non-
significant. However, significant negative correlations were observed between BSI Anxiety and both Strength ($r = -.455, p < .05$), and Inner calm ($r = -.434, p < .05$).

Regression analyses revealed that BSI Anxiety was a significant predictor of Strength ($t(21) = -2.282, p = .034$), accounting for 20.7% of the variation in Strength scores ($R^2 = .207; F(1,20) = 5.208, p = .05$). It was also a significant predictor of Inner Calm ($t(21) = -2.155, p = .044$), accounting for 18.8% of the variation in scores ($R^2 = .188, F(1,20) = 4.643, p < .05$).

The only other significant correlations were the negative relationships between the Affect Term of Freedom and both BSI Anxiety ($r = -.428, p < .05$) and BSI Hostility ($r = -.446, p < .05$). Due to the strong correlation between BSI Anxiety and BSI Hostility ($r = .731, p < .05$), these variables were entered in separate regression analyses as predictors of Freedom. When entered separately, both BSI Anxiety ($t(21) = -2.214, p = .039$) and BSI Hostility ($t(21) = -2.229, p = .037$) were significant predictors of Freedom, accounting for 19.7% ($R^2 = .197; F(1,20) = 4.901, p < .05$) and 19.9% ($R^2 = .199; F(1,20) = 4.969, p < .05$) respectively, of the variation in Freedom scores. Thus, for the three Affect Term variables that were predicted by BSI scales, much of the variation in scores remained unaccounted for. It was concluded that the participants’ mood had not biased the results.

In summary, few significant correlations were observed among any of the four measures of different types of negative mood states and either the personality variables, Life Story themes, or Affect Terms. In those instances where significant associations were evident, regression analyses revealed that much of the variation remained unexplained. Therefore, it was concluded that, in general, mood had not
confounded participants’ responses to the self-report measures or themes evidence in the Life Story Interview.

**Validity of Quantitative Measures**

Factor analysis was not performed on the quantitative measures as the data were deemed unsuitable for several reasons. First, the sample size of 40 cases is too small to obtain valid results from factor analysis. Second, the data distributions of most of the quantitative measures appears to reflect the particular nature of the sample used. That is, the sample, which represents the higher end of the range of entrepreneurs ranging from moderately successful to most successful, tended to produce highly peaked, highly skewed distributions of scores. This narrow spread of scores also renders factor analysis less reliable. Third, the present research did not include a contrast group, so that comparison of results across different factors is not necessary.

**Validity of Life Story Thematic Categories**

*Agentic themes.* Pearson’s Product Moment Correlations were calculated for the summary variables of each of McAdams’(1993; 2001b) Life Story themes of agency and the PRF scales of Achievement, Dominance, Affiliation and Nurturance. This was to check for correspondence between self-report measures of motivations and motivations represented in narrative themes. Findings are presented in Table 5.06 (see page 147). Table 5.06 reveals that there was support for the discriminant validity of thematic codings of agentic themes, with none being significantly related to PRF Affiliation and Nurturance. Some support was also evident for the construct validity of thematic codings of agentic themes.
Table 5.06

Correlations Among Agentic Themes and Personality Strivings

<table>
<thead>
<tr>
<th>Agentic Theme</th>
<th>PRF Ach</th>
<th>PRF Dom</th>
<th>PRF Aff</th>
<th>PRF Nur</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-mastery</td>
<td>.06</td>
<td>.43*</td>
<td>-.12</td>
<td>-.04</td>
</tr>
<tr>
<td>Status/victory</td>
<td>.20</td>
<td>.02</td>
<td>.01</td>
<td>-.02</td>
</tr>
<tr>
<td>Achievement/responsibility</td>
<td>.49**</td>
<td>.44*</td>
<td>-.10</td>
<td>-.07</td>
</tr>
<tr>
<td>Empowerment</td>
<td>-.06</td>
<td>.09</td>
<td>-.35</td>
<td>-.04</td>
</tr>
<tr>
<td>Failure/weakness</td>
<td>-.21</td>
<td>-.10</td>
<td>.13</td>
<td>-.21</td>
</tr>
<tr>
<td>Losing Face</td>
<td>.15</td>
<td>-.02</td>
<td>.35</td>
<td>.07</td>
</tr>
<tr>
<td>Ignorance</td>
<td>.18</td>
<td>.19</td>
<td>.21</td>
<td>-.14</td>
</tr>
<tr>
<td>Conflict</td>
<td>-.14</td>
<td>-.18</td>
<td>.20</td>
<td>.22</td>
</tr>
</tbody>
</table>

*Note: n ranged from 27 to 28. PRF Ach = PRF Achievement, PRF Dom = PRF Dominance, PRF Aff = PRF Affiliation, PRF Nur = PRF Nurturance.*

* *p < .05, **p < .01

Interestingly, this support was restricted to the positive agentic themes, with moderate positive correlations observed between the Status/victory theme and PRF Dominance, and between the theme of Achievement/responsibility and both PRF Achievement and Dominance. The same pattern of correlations emerged when further correlation analysis was conducted between each theme for each key event considered separately and the PRF scales. Thus, participants who made more reference in their life stories to experiences of winning in competitive situations tended to be more strongly characterised by a striving to exercise control over their environment and to influence and direct others. Participants who made greater reference in their life stories to experiences where they felt they had attained important goals also tended to be more strongly characterised by this striving for dominance over others and their
environment. Additionally, they were more strongly characterised by a striving to achieve high standards and attain a level of excellence in their activities.

The lack of significant associations between negative agentic themes and these two agentic-type PRF scales may in part be due to the fact that negative life story themes are distinct thematic categories, and not simply opposite ends of the continuum of the positive agentic themes. For example, whereas a positive relationship between the agentic theme of Achievement/responsibility and PRF Achievement would be expected conceptually, the drive to achieve may be less directly related to the negative agentic theme of Conflict as expressed in a life story account of a disagreement with another person. A second factor that may have contributed to the absence of a significant correlation is that the distributions of most of the summary thematic variables for the negative agentic themes were extremely peaked and sometimes also highly skewed, rendering the range of scores for those variables close to a constant value. The lack of variation in scores for these variables thereby reduced the likelihood of obtaining significant correlations with the PRF scales.

Communion themes. Pearson’s Product Moment Correlations were calculated among the summary variables of each of McAdams’ (1993; 2001b) life story themes of communion and the PRF scales of Achievement, Dominance, Affiliation and Nurturance. Results are presented in Table 5.07 (see page 149). There was some support for the discriminant validity of communion themes, with most themes being unrelated to the PRF Achievement and Dominance scales. A significant negative relationship was apparent between the positive communion theme of Love/friendship and PRF Dominance.
Table 5.07

**Correlations Among Communion Themes and Personality Strivings**

<table>
<thead>
<tr>
<th>Agentic Theme</th>
<th>PRF Ach</th>
<th>PRF Dom</th>
<th>PRF Aff</th>
<th>PRF Nur</th>
</tr>
</thead>
<tbody>
<tr>
<td>Love/friendship</td>
<td>-.37</td>
<td>-.46*</td>
<td>.22</td>
<td>.03</td>
</tr>
<tr>
<td>Dialogue</td>
<td>-.17</td>
<td>-.19</td>
<td>-.24</td>
<td>-.18</td>
</tr>
<tr>
<td>Caring/help</td>
<td>.04</td>
<td>-.07</td>
<td>-.14</td>
<td>-.14</td>
</tr>
<tr>
<td>Unity/togetherness</td>
<td>.20</td>
<td>.25</td>
<td>-.06</td>
<td>-.09</td>
</tr>
<tr>
<td>Separation</td>
<td>.12</td>
<td>-.15</td>
<td>-.05</td>
<td>.07</td>
</tr>
<tr>
<td>Rejection</td>
<td>-.13</td>
<td>-.30</td>
<td>-.08</td>
<td>.00</td>
</tr>
<tr>
<td>Disillusionment</td>
<td>-.28</td>
<td>-.07</td>
<td>-.11</td>
<td>-.02</td>
</tr>
<tr>
<td>Another’s Misfortune</td>
<td>-.18</td>
<td>-.35</td>
<td>.03</td>
<td>-.18</td>
</tr>
</tbody>
</table>

*Note: n ranged from 27 to 28. PRF Ach = PRF Achievement, PRF Dom = PRF Dominance, PRF Aff = PRF Affiliation, PRF Nur = PRF Nurturance.  
* p < .05.

Thus, participants who made greater reference in their life stories to experiences of enhanced feelings of romantic love or friendship tended to be less characterised by a striving to dominate others; a finding that supports the construct validity of this communion theme.

Unexpectedly, there were no significant relationships for any of the communion themes and either PRF Affiliation or PRF Nurturance. The absence of a relationship was also evident when considering the communion theme separately for each key event. As with many of the agentic themes, the lack of significant correlations may be partly due to the highly peaked and skewed distributions of many of these communion summary variables.
Another factor that may have contributed to these findings is the possible influence of a social desirability bias on participants’ responses to the Affiliation and Nurturance scales of the PRF. Several of the items that make up these scales are transparent items likely to elicit a particular, more socially acceptable response. For example, the Nurturance item “It doesn’t affect me one way or another to see a child being spanked”, is likely to elicit a response of “False” rather than “True”. In contrast, participants’ accounts of life story events involving communal needs are likely to be more authentically volunteered. This is because life story themes tend to be both less consciously drawn upon and also less overtly highlighted by the narrator, so that their inclusion is therefore less likely to be influenced by any social desirability bias.

*Redemption, contamination and affective tone themes.* Pearson’s Product Moment Correlations were calculated for Optimism and each of the summary variables of the Redemption theme, the Contamination theme and the Affective tone theme. Results are presented in Table 5.08.

Table 5.08

*Correlations Between Redemption, Contamination and Overall affective Tone Themes and Optimism*

<table>
<thead>
<tr>
<th>Theme</th>
<th>Optimism</th>
<th>n</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redemption</td>
<td>.09</td>
<td>23</td>
</tr>
<tr>
<td>Contamination</td>
<td>-.41</td>
<td>23</td>
</tr>
<tr>
<td>Affective Tone</td>
<td>-.11</td>
<td>29</td>
</tr>
</tbody>
</table>
As shown in Table 5.8, there was no significant correlation between Optimism and either the Redemption theme, the Contamination theme or Affective tone. Again, this pattern of results persisted even when considering thematic results for each key event separately. The moderate strength negative relationship observed between Optimism and the summary variable of the Contamination theme approached significance \( r = -.41, p = .052 \). At the least, this provides some support that the relationship between these two variables was in the expected direction. The non-significant findings may be partly due to the restricted range of scores on most of these thematic variables. It may also have been influenced by the small sample size, which makes significant relationships more difficult to detect.

In summary, findings from an examination of the psychometric properties of the measures used in this research yielded acceptable findings. All scales, life story thematic findings, and affect term findings, demonstrated adequate internal reliability. They also showed no evidence of participants’ mood confounding their responses. Additionally, some support for the validity of both the quantitative and qualitative measures was observed. The next chapter presents thematic findings from the Life Story Interview.
CHAPTER SIX

LIFE STORY ANALYSIS OF THE PERSONALITY OF ENTREPRENEURS

This chapter presents results from the thematic analysis of the entrepreneurs’ life stories. Thematic findings are first considered separately for each of the six key events of the life story. The explicit content of each key event is presented, followed by thematic findings for McAdams’ (2001b; 2006a) life story motivational themes and redemption and contamination themes. Findings from Hermans’ (1993; 1989) affective patterns denoting implicit motivational themes are also presented for each key event, and considered in relation to McAdams’ life story themes. Results for the level of life story coherence observed within the life stories of the entrepreneurs are also presented. An overall summary of life story findings is then presented. Distinct patterns in the life stories of the entrepreneurs are noted, and a model of the defining elements of a prototypical self-narrative identity of the entrepreneurs is put forward.

Thematic Analysis of Entrepreneurs’ Life Stories

The thematic content of the entrepreneurs’ life stories was explored by examining their written responses to the Life Story Questionnaire in combination with transcripts of the verbal responses from the Life Story Interview. Most participants could readily identify themes in their life stories, and were able to discuss them at length. The Chapters section of the written Life Story responses was not subjected to thematic analysis. This is because participants had mostly presented the contents of chapters in the form of lists. These tended to be lists of educational development, and lists of business development. They were described in affectively neutral terms, and from an objective, impersonal stance. Thus, they were considered inappropriate for thematic analysis. However, when exploring the thematic content of life stories, the
life story chapters were read in order to obtain an outline of participants’ personal development that might assist an understanding of the rest of their life stories. Similarly, rather than being separately coded for thematic findings, results from any additional important memories provided by participants, overall life story themes, and the Key Characters and Current Concerns sections of the life story, were used to inform understanding of the themes that emerged for the life story overall.

Responses to the life story key events clearly reflected narrative thinking, both in the initial written format and in the additional verbal data obtained from the life story interviews. Participants described key events in a manner that emphasised their personal significance as well as the objective content. To do this, they relayed the accounts in a storied format, complete with characters, settings, and some level of plot developing through a beginning, middle and end of the event. They often drew upon affect and occasionally imagery to highlight the meaning of an event. They also described how the meaning of an event related to the larger meaning of the rest of their life story. Thematic analysis was conducted for the six life story key events of a life story high point, life story low point, life story turning point, significant childhood memory, significant adolescent memory, and significant adult memory. Results for each key event are now presented.

**Life Story High Point**

*Explicit Content Of High Point Event*

The explicit content of life story highpoints was examined in order to explore the extent to which participants chose to describe the same sorts of experiences as the best moments in their lives. Only one participant was unable to identify a life story
high point. Table 6.01 presents a summary of the events described by the 39 other participants.

Table 6.01

*Events Described in Life Story High Points*

<table>
<thead>
<tr>
<th>Type of Event</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creating a new business</td>
<td>8</td>
<td>20.51</td>
</tr>
<tr>
<td>First major business success</td>
<td>6</td>
<td>15.38</td>
</tr>
<tr>
<td>Workplace success</td>
<td>4</td>
<td>10.26</td>
</tr>
<tr>
<td>Getting married</td>
<td>6</td>
<td>15.38</td>
</tr>
<tr>
<td>Birth of first child</td>
<td>7</td>
<td>17.95</td>
</tr>
<tr>
<td>Other life experiences</td>
<td>8</td>
<td>20.51</td>
</tr>
</tbody>
</table>

*N = 39*

As shown in Table 6.01, more than a third of participants (35.89%) chose to focus upon an experience from the entrepreneurial sphere of their life as a life story high point, with another 10.26% highlighting success in their business careers prior to becoming an entrepreneur. Significant adult experiences involving personal relationships constituted another 33.3% of events described. In fact, most high points occurred during the adult phase of participants’ lives. The remaining 20% comprised a variety of experiences including being encouraged by a parent or teacher as a child, winning sports awards, and emigrating to Australia.
The presence of agentic and communal themes in the participants’ accounts of life story high points was examined. Frequency and percentages regarding the presence of each theme are presented in descending order in Table 6.02.

Table 6.02

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Thematic Group</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-mastery</td>
<td>+A</td>
<td>29</td>
<td>74.4</td>
</tr>
<tr>
<td>Achievement/responsibility</td>
<td>+A</td>
<td>21</td>
<td>53.8</td>
</tr>
<tr>
<td>Status/victory</td>
<td>+A</td>
<td>13</td>
<td>33.3</td>
</tr>
<tr>
<td>Love/friendship</td>
<td>+C</td>
<td>7</td>
<td>17.9</td>
</tr>
<tr>
<td>Empowerment</td>
<td>+A</td>
<td>5</td>
<td>12.8</td>
</tr>
<tr>
<td>Losing Face</td>
<td>-A</td>
<td>4</td>
<td>10.3</td>
</tr>
<tr>
<td>Ignorance</td>
<td>-A</td>
<td>4</td>
<td>10.3</td>
</tr>
<tr>
<td>Separation</td>
<td>-C</td>
<td>4</td>
<td>10.3</td>
</tr>
<tr>
<td>Caring/help</td>
<td>+C</td>
<td>3</td>
<td>7.7</td>
</tr>
<tr>
<td>Unity/togetherness</td>
<td>+C</td>
<td>3</td>
<td>7.7</td>
</tr>
<tr>
<td>Failure/weakness</td>
<td>-A</td>
<td>2</td>
<td>5.1</td>
</tr>
<tr>
<td>Dialogue</td>
<td>+C</td>
<td>1</td>
<td>2.6</td>
</tr>
<tr>
<td>Conflict</td>
<td>-A</td>
<td>1</td>
<td>2.6</td>
</tr>
<tr>
<td>Another’s Misfortune</td>
<td>-C</td>
<td>1</td>
<td>2.6</td>
</tr>
<tr>
<td>Rejection</td>
<td>-C</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Disillusionment</td>
<td>-C</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

\(N = 39\). Note: +A = positive agency theme; -A = negative agency theme; +C = positive communion theme; -C = negative communion theme.
Table 6.02 shows that the positive agentic theme of Self-mastery was the most frequent theme evidenced in participants’ accounts of their life story high point, with almost three quarters of the sample referring to it. The positive agentic theme of Achievement/responsibility was also prominently represented. Indeed, all four of the positive agentic themes were amongst the five most frequently represented themes for this event. The positive communion theme of Love/friendship was also in the top five. Self-mastery was not just the most frequently included theme, but also tended to dominate participants’ accounts. Thus, life story high points reflected either Self-mastery alone, or included it in combination with one or two of the five top themes.

The Self-mastery theme can be narratively expressed in several ways. It can be portrayed in descriptions of attaining insights about the self that result in a fundamental change in one’s self-understanding. This can include experiencing a much stronger sense of being in control of one’s destiny, feeling strengthened by an event, and gaining a feeling of power from an experience. All four of these manifestations of Self-mastery were expressed in participants’ accounts of the life story high point, combining in an almost universally represented underlying theme of gaining confidence in the self and the self’s abilities. This involved either having self-confidence instilled for the first time, or having an existing level of self-confidence considerably boosted. Sub-themes of this overall underlying theme were “I can do it”, “I can create”, “I can make what I want happen”, “I can believe in myself and trust myself” and “I feel strengthened in myself and my abilities.” The theme was expressed in specific words and phrases, such as: “confidence”, “an enormous boost of self-confidence”, “Ah, I can do it”, “power”, “I felt powerful”, “realised”, “The realisation that I could create something,” “I created it”, and “creating”.

Theme of Self-mastery combined with Status/victory as a boost to entrepreneurial self-confidence through recognition of superior performance.

Several high point accounts of entrepreneurial success combined the Self-mastery theme with the Status/victory theme. The Status/victory theme is narratively expressed as winning, and experiencing victory or triumph over one’s competition. Thus, it is about achievement in relation to others, and gaining others’ recognition for that achievement. This theme was expressed in life story high point accounts that emphasised words such as “challenge” and “recognition”, and phrases such as “I could do it better than others were doing it”, “We were a small player up against the big boys,” and “We won it against tough competition”. Notably, in most instances this recognition from others was described as boosting the entrepreneur’s confidence in the ability to pursue entrepreneurship.

The following excerpt from one entrepreneurs’ account of a life story high point demonstrates how the two positive agentic themes were linked in accounts of entrepreneurial success. By portraying this success against a backdrop of frustration and disappointment around always coming second, this account also illustrates redemptive movement from the negative agentic theme of Failure/weakness to the positive outcome centred upon Self-mastery. In this and subsequent examples, bolding is used to highlight key statements related to Life Story themes.

I got a telephone call from a client to tell me I’d won a mega project. That might sound like a fairly small thing in terms of a life event, but for me… It was recognition really. Recognition of work and effort really, it was fantastic…... a sense that all
the work had paid off, a great euphoria. It changed me to the extent of believing more in myself. Gave me an enormous confidence boost, ... confidence, once you’ve achieved something, you’ve got a track record. And I think a lifetime of running second, it’s very frustrating coming second all the time, so that was like a break in the chain of my life story, actually coming first. I think that people can fall into a pattern of coming second throughout their entire life. So just to run first was just fantastic.

Theme of Self-mastery with Achievement/responsibility as enhanced self-confidence in personal power and the ability to create and achieve. Interestingly, all high point accounts of entrepreneurial experiences centred upon either the successful creation of a new business or achieving outstanding success in one’s existing business. This suggests that entrepreneurs find self-defining meaning in experiences of achievement and success in those arenas of life that can be objectively observed and evaluated by others; a proposition which gains support from the above excerpt. However, the meanings that participants gave to entrepreneurial successes were usually centred upon the personal realisation of strength, power, and the ability to create and achieve that it brought to them, rather than upon any interpersonal accolades accompanying it. This may help to explain why success in the entrepreneurial sphere was selected as a life story high point much more frequently than successes in other competitive arenas such as sporting activities. That is, entrepreneurial experiences are especially valued by these participants because they
allow them to highlight the personal meaning of self-confidence in the ability to create, rather than just to achieve success over others. This particular construction of entrepreneurial success is important to their self-understanding.

The following excerpt from another participant’s account of success in new business creation illustrates this self-affirming, self-confidence enhancing meaning afforded to many high point accounts involving entrepreneurial experience. Here the participant refers to a more intrapreneurial activity, in that he creates new business from within an existing business that he does not own. However, this experience is included because it plays an integral role in the participant going on to develop his own business venture.

*I established a new division, something that wasn’t there before,*

for a company I was working for, and it went very well. Went very well, and *so I think that was when I realised,* that I was working well and *I obviously knew how to make it work, so all of my dreams of how to make businesses work were realised .... that was a highpoint in the sense that I convinced myself that I could do it.* You know I probably spent many years before then convincing everybody else that I could, but you know I think you’re your own toughest critic. ....*And yes just the feeling of excitement that it does work..... I think it probably changed my expectations of the things I could and should achieve in my life.* I came from a fairly modest family and background and so I think *it helped me reset my own targets and goals for myself*
to say that, you know I can achieve whatever I want to with my life and with my business ..... and so it changes you in terms of self-confidence ..... I wouldn’t say that I was lacking in self-confidence, but I think your own self-confidence changes when you prove to yourself that you can succeed at something. And I suppose from that point on I’ve been on a bit of a mission to fulfil my own expectations of myself, whereas prior to that I think you just try and make the best out of life that you can.

This account encapsulates the Achievement element of the theme of Achievement/responsibility. There are explicit references to this factor as well as the story being about the attainment of valued goals. It also clearly highlights the manifestation of the Self-mastery theme as a fundamental change in a person’s understanding of who they are, and how this alteration in self-knowledge leads on to corresponding changes in goals and behaviours. Here, achievement in business creation prompts a lasting change in self-understanding to a more positive, confident view of one’s self and one’s entrepreneurial ability. This fosters an enthusiasm to consider new challenges and set higher goals for himself.

Theme of Self-mastery through self-confidence realisation in a communion-type event. Another striking feature of the data was that regardless of the objective nature of the actual high point event, the Self-mastery-based theme of gaining confidence in one’s ability, and particularly in the ability to create, was consistently represented. Although this theme might reasonably be expected to occur in high point accounts centred upon new business creation and business success, as outlined above,
it was also well-represented in high point accounts centred upon significant moments in interpersonal relationships such as the birth of a child or getting married. The communal Caring/Help theme in response to a child’s birth, and the Love/friendship theme in response to getting married, were also apparent in many descriptions of such key interpersonal experiences. These were expressed in words and phrases such as “love”, “joy”, “care” and “the fact that you can hold this baby you’ve never met before and totally love that person” for the Caring/help theme, and “love”; “brought us closer together” and “I had finally found my best friend” for the Love/friendship theme. However, agentic themes often took centre stage. For example, the following excerpt from one participant’s account of their wedding day illustrates how what might be considered a communion-type event is given a predominantly agentic-type interpretation, involving the underlying theme of gaining self-confidence and the subthemes of “I can create” and “I can make what I want happen”.

Getting married. ….we had a really fantastic day, it had taken us a long time to organise everything just the way we wanted it, and we produced a fantastic day…. I mean we created it, it was a wedding that noone had ever been to before… it was done flamboyantly, it was planned, it was a surprise, it was theatrical, it was a major production …Having achieved what I’ve achieved in business, …. I always knew I was going to have a very interesting life, because of what I was able to do, and able to create. What I know now is that I can put some of that energy into creating a family, and that’s a good feeling.
In this account, the meaning attributed to the participant’s wedding day emphasises how he was able to exercise control over events, and was able to create a celebration that reflected what he wanted it to. Additionally, by generalising from the confidence he has developed in his entrepreneurial abilities to interpersonal relationships, he forms the realisation that he can also have confidence in creating what he wants in the familial sphere of life.

Theme of Self-mastery with Empowerment through self-confidence instilled in early socialisation experience. The overall underlying theme of gaining self-confidence was also clearly represented in the range of other, less commonly referred to experiences that were included as life story high points. The following excerpt from one participant’s account of being empowered by his mother, aunty, and their neighbour to have more confidence in his abilities illustrates this theme:

I suppose *when I was young, I think I lacked a lot of confidence, very shy.* One day my aunty was having coffee with my mother and the lady across the road, *and I admired them both very much.* And they sort of, they didn’t tell me off *but they said,* get out of this shyness, *you can do whatever you want* in life, *and it just clicked and I said, yeah I can do whatever I want.* And I think that’s when I started improving at school...started getting some marks that I thought I’d never ever get. *...It was relief. Yes, just relief, knowing that someone else had the confidence in myself.* ...Yes, I think it *just made me become more confident,* and not shy at tackling something, and tackling new things and achieving the goal. *Yes, so*
just knowing that I could achieve, I became a lot more confident.
Well I don’t think I’ve ever looked back I suppose.

In this account, the meaning attributed to this brief conversation between the participant and the older, admired women, centres upon the participant being instilled for the first time with a sense of confidence in his abilities. As with the earlier excerpt concerning new business success, this extract clearly highlights the manifestation of the Self-mastery theme as a fundamental change in a person’s understanding of who they are, and how such a significant, positive alteration in self-knowledge results in subsequent corresponding changes in goals and behaviours. The account also emphasises the positive agentic theme of Empowerment. Empowerment is narratively expressed as being enhanced, built up, or made better through one’s association with something larger than the self. In this instance, the participant specifically notes his admiration for these women, spelling out their encouraging, liberating message for him, which he embraces. In this way, they are qualified as the empowering agents in this account. This redemptive theme of moving from a lack of self-belief to being instilled with confidence by significant others was a less frequent feature of the data.

Theme of Achievement/responsibility through increased duty and obligation.

The agentic theme of Achievement/responsibility was evidenced in participants’ references to the achievement of success in entrepreneurial activities, in the workplace prior to the pursuit of entrepreneurship, and in sporting activities. The achievement aspect of this theme was also apparent in several participants’ positive accounts of the birth of their first child, in the form of phrases used to describe this event such as “it
makes you suddenly feel that you can actually do something, this is something you create” and “the joy and excitement of being part of creating something”.

A quite different thematic meaning accorded to the birth of one’s child was evident in two participants’ accounts. Here, references to a sense of achievement or satisfaction about producing a child were minimal. Instead, this experience was described almost entirely in terms of the increased personal responsibility it created by producing a sense of duty and obligation for the child’s wellbeing. Thus, it focused on the responsibility aspect of the Achievement/responsibility theme. In these accounts, a negative affective tone prevailed through words and phrases such as “serious”, “emotionally gruelling”, “a hard time of adjustment” and “loss of freedom”. This was in stark contrast to the positively toned accounts of this event and of all other events included as life story high points, in which words such as “joy”, “excitement”, “amazing” and “fantastic” regularly featured. This focus on the responsibility element of the Achievement/responsibility agentic theme is illustrated in the following extract:

Yes, the birth of my first child……has a fairly instant impact in terms of crystallising your responsibilities. And there’s the loss of youth and freedom…Well, the responsibility and the maturity, and less focus on yourself, all those things changed….work takes on more importance because you’ve got that responsibility. You think a lot more about career path….so I became much more serious about work, about the choices I made.
In summary, participants’ life story high point accounts were mostly centred upon the self. This was especially evident in descriptions of the experience of business and workplace successes, but also frequently the focus of interpersonal events such as getting married or having a child. The most prominent agentic or communion theme was the positive agentic theme of Self-mastery, expressed in terms of gaining confidence in one’s ability, and especially the ability to create and to achieve. This theme was evident across a wide range of events described as high points, including entrepreneurial successes, getting married, positive early socialisation experiences, and the birth of one’s first child. A contrasting theme featuring Achievement/responsibility through increased responsibility couched in somewhat negative terms was evident in a few of the accounts of the birth of one’s first child.

**Themes Of Redemption And Contamination In Life Story Highpoint**

The presence of themes of redemption and contamination in participants’ accounts of life story high points was examined. Themes included evidence of redemption, evaluating the redemptive movement as being the result of one’s own efforts, describing the redemptive change as resulting in enhanced agency, enhanced communion, or as challenging ultimate concerns, and evidence of contamination. Frequencies and percentage figures regarding the presence of each theme are displayed in Table 6.03.
Table 6.03

*Presence of Themes of Redemption and Contamination in Life Story High Point*

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redemption</td>
<td>17</td>
<td>43.59</td>
</tr>
<tr>
<td>Redemption own effort</td>
<td>11</td>
<td>28.21</td>
</tr>
<tr>
<td>Enhanced agency</td>
<td>10</td>
<td>25.64</td>
</tr>
<tr>
<td>Enhanced communion</td>
<td>3</td>
<td>7.69</td>
</tr>
<tr>
<td>Ultimate concerns</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Contamination</td>
<td>2</td>
<td>5.13</td>
</tr>
</tbody>
</table>

*N = 39*

As shown in Table 6.03, life story high points were much more likely to reflect redemption than contamination. Whereas more than a third of the sample (43.59%) described story movement from a negative situation to a positive outcome, only two participants (5.13%) described movement from a positive situation to a negative outcome. More than a quarter of the sample (28.21%) attributed this redemptive shift to their own efforts. In terms of the types of personal growth highlighted in these redemptive accounts, participants made much more frequent reference to experiences of enhanced agency than either of the other two themes.

The two participants’ accounts that reflected a contamination sequence were the accounts of the birth of one’s first child that emphasised negative changes flowing on from this event such as a loss of freedom. In contrast, participants described a range of experiences that followed a redemptive sequence. These included moving from the struggle of new business survival to the achievement of significant business success, moving from a negative or unfulfilling work situation to obtaining better
employment, being put down by one significant other then uplifted by another, and moving from a negative or lost relationship to a positive one. Despite the diversity of experience, most redemptive accounts reflected one of the main underlying themes centred upon Self-mastery through a self-confidence boost. For example, redemptive movement from Failure/Weakness to Self-mastery and Status-victory is indicated in the example given for the theme of ‘Self-mastery through a self-confidence boost, combined with Status/victory through recognition of superior performance’. In this account, the entrepreneur retrospectively describes moving from the “frustration” of always coming second to the “euphoria” of finally winning a major business contract. The comment that it was “recognition of work and effort” highlights how this redemptive movement is seen as the product of one’s own efforts. This type of redemptive sequence was common amongst accounts of business success.

The example given for the theme of ‘Self-mastery through self-confidence instilled in early socialisation experience’ indicates redemptive movement from Failure/weakness to Empowerment and Self-mastery. This participant’s account of moving from feeling shy and lacking in confidence as a child to believing in oneself and one’s abilities after being encouraged by one’s mother and aunty, also demonstrates an improved sense of personal agency. Although initially triggered by the input of others, the participant goes on to describe how this enhanced agency has been confirmed through his own subsequent actions, such as doing well at school.

Although less frequent, some redemptive accounts focused more upon communion themes, moving from Separation to either Love/friendship or Caring/help, and highlighting an enhanced sense of communion. These were accounts of getting married or the birth of one’s first child, in which the joy from the gain of
the new relationship was depicted as the redemptive emergence from a background of the sadness at the loss of parents due to divorce or death. Occasionally, both agentic and communion themes were involved in redemptive accounts. This is evident in the following quote, which depicts movement from Separation and Failure/weakness to Self-mastery. This is a particularly clear example of those life story high point accounts where redemptive movement was seen to be due to one’s own efforts, and as resulting in enhanced agency.

Basically the wheels just came off….. death of a close relative, I divorced, the job I had I was bored with, and I just sort of burnt out. Having gone through a very traumatic time, suddenly I was alone. And then it occurred to me that I was better off …. It was a discovery of a meaning of my life at that point in time. There were no support systems, so a point in time of high anxiety, then depression, then get your act together. Suddenly I’d come to the realisation that, hang on a minute, where am I in all of this? And that realisation was like, hang on a minute, I can do this myself. You back off over there, you go over there, and this is where I am myself. So rebuilding my own position was significant. And at that time I had an awareness of where I was, and I felt very happy with it. It gave me a better realisation of who I was in the world, and a new construct with which to work from my own position.
In this example, the participant clearly articulates how feeling overwhelmed by a build-up of negative events, including separation from important others, gives way to a time of personal insight into who they are, and their ability to cope with and recover from this situation. By taking action to regroup, and to redefine their position in relation to others, they experience enhanced agency in terms of a clearer sense of their personal identity, which in turn is evaluated as the positive product of their own efforts.

In summary, almost half of the sample described their life story high point as following a redemptive sequence, whereas contamination sequences were rare. Redemptive accounts were frequently perceived as resulting in an enhanced sense of agency, which was often attributed to the entrepreneur’s own actions. Although a range of experiences were described as redemptive, most fell within the major underlying themes of Self-mastery through a boost to self-confidence in ability.

**Hermans’ Affect Themes In Life Story Highpoint**

Hermans’ (Hermans & Hermans-Jansen, 1995) Extended List of Affect Terms was included at the end of each key event within the Life Story Interview Questionnaire. The number of participants who responded to this list varied unsystematically across the different key events. For instance, whereas 27 of the 40 participants fully completed affective ratings for the life story high point, only 18 participants did so for the significant adolescent memory. In many instances, no affective ratings were given for one or more of the key events, despite having given both written and verbal accounts of a memory. There was no apparent reason for these varied response patterns. The total absence of affect ratings for a key event meant that such data were unsuitable for substitution of missing values with calculated estimate
values. Therefore, only completed ratings for a key event were included in the analysis. Given the absence of systematic variation, the relationship between latent motivations as captured by Hermans’ (1989; 1995) themes, and manifest motivations as captured by McAdams’ (2001b) life story themes, could still be examined for those participants who had completed both types of responses.

Indices of the two motivational themes of Self-Enhancement (S) and Contact With Others (O), and the two affective themes of Positive affect (P) and Negative affect (N), were calculated from the affective ratings for the life story high point. The S:O ratio was then obtained to identify whether participants had more strongly experienced one of these motives in relation to this key event. Similarly, the P:N ratio was calculated to identify whether participants had experienced higher levels of positive or negative affect in relation to this key event. Results for the 27 participants who completed affect ratings for this key event are presented in Table 6.04 (see page 171).

Results show that most participants indicated that their life story high point involved relatively equal experiences of the Self-enhancement motive and the Contact With Others motive with almost half of the sample (48.1%) reporting this affective pattern. This suggests that even though communion themes were less frequent, and given less explicit attention than agentic themes, concern with one’s relation to others was often evaluated as an important underlying meaning element of high point experiences. A much higher percentage (37% as compared to 14.8%) reported that this event involved greater experience of the self motive than the other motive, rather than the opposite affective pattern. Thus, positive agentic themes were most frequent in this key event, and dominated participants’ explicit accounts. Consistent with life
story high points being defined as the best moment in one’s life, all entrepreneurs rated this key event as involving greater presence of positive affect than of negative affect. This finding further suggests that in the large proportion of high point accounts reflecting the redemption theme, the positive outcome was evaluated as outweighing the negative situation from which it arose.

Table 6.04

*S:O and P:N Ratios for Life Story High Point Event*

<table>
<thead>
<tr>
<th>Ratio Indices</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Self: Other</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-enhancement</td>
<td>10</td>
<td>37.00</td>
</tr>
<tr>
<td>Equal self with other</td>
<td>13</td>
<td>48.10</td>
</tr>
<tr>
<td>Contact with others</td>
<td>4</td>
<td>14.80</td>
</tr>
<tr>
<td><strong>Positive: Negative</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive Affect</td>
<td>27</td>
<td>100.00</td>
</tr>
<tr>
<td>Equal positive with negative</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative Affect</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

\(N = 27\)

Different sums of the four indices of S, O, P and N, were calculated to investigate nine different types of affective patterns that can be represented in a narrative account (Hermans & Hermans-Jansen, 1995). Definitions of these nine affective patterns are presented in Table 6.05.
<table>
<thead>
<tr>
<th>Type of Affective Pattern</th>
<th>Definition of Affective Pattern</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive self-enhancement (+S)</td>
<td>more self-enhancement affect than contact with others affect, plus more positive affect than negative affect</td>
</tr>
<tr>
<td>Self-enhancement (S)</td>
<td>more self-enhancement affect than contact with others affect, plus relatively equal levels of positive and negative affect</td>
</tr>
<tr>
<td>Negative self-enhancement (-S)</td>
<td>more self-enhancement affect than contact with others affect, plus more negative affect than positive affect</td>
</tr>
<tr>
<td>Positive contact with others (+O)</td>
<td>more contact with others affect than self-enhancement affect, plus more positive affect than negative affect</td>
</tr>
<tr>
<td>Contact with others (O)</td>
<td>more contact with others affect than self-enhancement affect, plus relatively equal levels of positive and negative affect</td>
</tr>
<tr>
<td>Negative contact with others (-O)</td>
<td>more contact with others affect than self-enhancement affect, plus more negative affect than positive affect</td>
</tr>
<tr>
<td>Positive combination of high self-enhancement and high contact with others (+HH)</td>
<td>high levels of affect for both motives plus more positive affect than negative affect</td>
</tr>
<tr>
<td>Positive combination of low self-enhancement and low contact with others (+LL)</td>
<td>low levels of affect for both motives plus more positive affect than negative affect</td>
</tr>
<tr>
<td>Negative combination of low self-enhancement and low contact with others (-LL)</td>
<td>low levels of affect for both motives plus more negative affect than positive affect</td>
</tr>
</tbody>
</table>

*Note: see Appendix E for more detailed descriptions of affective patterns.*
Table 6.05 is referred to for definitions of the pattern types in all subsequent discussions of the frequency of affective patterns.

Results of the calculation of these nine different affective patterns from entrepreneurs’ responses to the affect ratings for the life story high point are presented in Table 6.06.

Table 6.06

*Affective Patterns Represented in Life Story High Point*

<table>
<thead>
<tr>
<th>Type of Affective Pattern</th>
<th>Abbreviation Of Pattern</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Individual Motives</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive self-enhancement</td>
<td>+S</td>
<td>10</td>
<td>37.00</td>
</tr>
<tr>
<td>Self-enhancement</td>
<td>S</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative self-enhancement</td>
<td>-S</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Positive contact with others</td>
<td>+O</td>
<td>4</td>
<td>14.80</td>
</tr>
<tr>
<td>Contact with others</td>
<td>O</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative contact with others</td>
<td>-O</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Motive Combinations</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive high self with high other</td>
<td>+HH</td>
<td>18</td>
<td>66.70</td>
</tr>
<tr>
<td>Positive low self with low other</td>
<td>+LL</td>
<td>1</td>
<td>3.70</td>
</tr>
<tr>
<td>Negative low self with low other</td>
<td>-LL</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

*N = 27.*

Interestingly, the most prevalent affective pattern was +HH, denoting the positive combination of high Self-enhancement (S) and high Contact With Others.
(CWO), with just over two-thirds of these participants’ affective ratings revealing this pattern. This indicates that many entrepreneurs evaluated their life story high point as involving some satisfaction of both types of motives. According to Hermans (Hermans & Hermans-Jansen, 1995), the context of a narrative needs to be considered when interpreting the different types of affective patterns that are observed. In the case of the +HH pattern, this is because individuals often explicitly emphasise only one of these two motives within a narrative account, whilst the other is only implicitly evident in the form of the affect ratings for that account. Examination of the content of high point accounts with this affective pattern confirmed this tendency in the descriptions. Notably, these high point accounts were drawn almost equally from either the personal relationship sphere of life, or the entrepreneurial sphere. That is, they were either about relational events, such as getting married or the birth of one’s child, or about business events, such as launching a new venture or winning an important business contract. Regardless of the nature of the event, almost all descriptions explicitly emphasised the S motive, and made little or no reference to the CWO motive. With regard to relational experiences, this is consistent with the analysis using McAdams’ (1985; 1993) themes, where apparently communal events were awarded an overwhelmingly agentic meaning. This is typified in the example of one participant’s wedding day that was used to illustrate the theme of ‘Self-mastery through self-confidence realisation in a communion-type event’. With regard to the entrepreneurial experiences, the finding suggests that the CWO motive may be important to entrepreneurs’ pursuit of entrepreneurship, but at a less than conscious level, whereas they more consciously focus on agentic concerns associated with it.
More than one third (37%) of participants’ accounts of this key event highlighted the +S affective pattern. In contrast to the +HH pattern, none of these experiences related to personal relationships. Furthermore, although many were experiences of entrepreneurial success, only a small proportion were the same accounts of entrepreneurship that had been included in the +HH pattern. Thus, most high point accounts of entrepreneurial experiences (e.g., successfully launching a new venture or securing a major business contract) placed greater value on the satisfaction of the S motive, both explicitly and implicitly. The remaining accounts demonstrating the +S pattern involved success in other endeavours, such as getting one’s first job or winning a sports award.

The +S affective pattern indicates a stronger experience of the S motive than the CWO motive, together with greater Positive affect than Negative affect. Such positive experiences of self-enhancement can differ in the extent to which they are internalised or externalised. In an internalised +S narrative account, the narrator describes themselves as the source of the self-enhancement, via their autonomy and ability to influence the situation to produce a favourable outcome. In an externalised +S narrative account, the narrator evaluates the positive experience of self-enhancement as resulting from external sources, such as the praise or approval of others. Examination of the narrative accounts demonstrating this affective pattern indicates that most descriptions reflected an internalised source of self-enhancement. Specifically, more than half were represented by either of the underlying themes of ‘Self-mastery through a self-confidence boost in personal power and the ability to create’, or ‘Self-mastery through self-confidence realisation in a communion-type event’. The few accounts that reflected more of an externalised source of self-
enhancement were represented by the underlying themes of ‘Self-mastery through a self-confidence boost, combined with Status/victory through recognition of superior performance’, and ‘Self-mastery through self-confidence instilled in early socialisation experiences’.

Four participants’ accounts highlighted the +O affective pattern, indicating a stronger experience of the CWO motive than the S motive, together with greater Positive affect than Negative affect. All of these were events involving interpersonal relationships such as the birth of one’s child. Additionally, all had been included in the +HH affective pattern. Thus, although they emphasised the positive connection to others, these experiences also involved some satisfaction of the S motive. The accounts were equally divided in the extent to which they explicitly emphasised connection to others. Whilst two accounts did so, the other two were consistent with the general approach encapsulated by the underlying theme of ‘Self-mastery through self-confidence realisation in a communion-type event’.

One participant’s account highlighted the +LL affective pattern, indicating low levels of both motive types together with greater positive affect than negative affect. According to Hermans (1995), mystic experiences may fall into this category, with supernatural encounters being evaluated as rewarding for both motives, although not directly involving them. This participant’s account of seeing his absent mother in a vision is consistent with this view of +LL narrative accounts.

In general, results obtained for Hermans’ (1989; 1995) affect themes for the life story high point were highly consistent with the pattern of findings from McAdams’ (1985; 1993) life story themes. The dominance of positive affect, the greater presence of self than other motives, and the clear presence of the +S affective
pattern are all congruent with the high frequency and dominance of positive agentic themes. The dominance of positive affect is also consistent with the strong presence of redemptive sequences in the accounts. The high proportion of participants giving relatively equal weight to the self and other motives involved in this experience, and the strong presence of the +HH affective pattern, enriched findings by suggesting that in contrast to the explicit focus on self-concern, at a latent level, connection to others was also a valued element of high point experiences.

**Life Story Low Point**

*Explicit Content of Low Point Event*

The explicit content of life story low points, denoting the worst moment in participants’ lives, was examined. All but three participants identified a life story low point, with findings summarised in Table 6.07.

<table>
<thead>
<tr>
<th>Type of Event</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Death of close relative</td>
<td>11</td>
<td>29.72</td>
</tr>
<tr>
<td>Business failure</td>
<td>8</td>
<td>21.62</td>
</tr>
<tr>
<td>Personal relationship difficulties</td>
<td>6</td>
<td>16.21</td>
</tr>
<tr>
<td>Illness of close relative</td>
<td>4</td>
<td>10.81</td>
</tr>
<tr>
<td>Business difficulties</td>
<td>3</td>
<td>8.11</td>
</tr>
<tr>
<td>Other life experiences</td>
<td>5</td>
<td>13.51</td>
</tr>
</tbody>
</table>

*N = 37*
As shown in Table 6.07, the explicit content of life story low points most often had an interpersonal focus. More than 40 percent of participants chose to focus upon either the death of a close relative, such as a father or brother, or the serious illness of a close relative. The third most frequently described event was relationship difficulties, which included divorce as well as major conflicts with personal partners or with other close relatives. As with life story high points, entrepreneurial experiences also featured prominently in participants’ low points. More than 20 percent of participants selected the experience of business failure as their life story low point, with another 8.11 percent highlighting business difficulties such as temporary cash flow problems and threats from competitors. The remaining 13.5% included one’s own serious illness, being deserted by friends, and academic failure at school. Thus, as with the best moments in participants’ lives, the worst moments also predominantly occurred during adulthood.

**Themes of Agency and Communion in Life Story Low Point**

The presence of agentic and communal themes was examined, and frequency and percentages were calculated. Results are presented in Table 6.08 (see page 179). Self-mastery was the theme most frequently evidenced in participants’ accounts, with almost 60 percent of the sample referring to it. However, the negative communion theme of Separation was included nearly as frequently, with more than half of participants’ life story low points reflecting this theme. Indeed, both negative agentic themes and negative communion themes tended to be present in low points, with four of the top five most frequently represented themes coming from these categories.
Table 6.08

Presence of Themes of Agency and Communion in Life Story Low Point

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Thematic Group</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-mastery</td>
<td>+A</td>
<td>22</td>
<td>59.45</td>
</tr>
<tr>
<td>Separation</td>
<td>-C</td>
<td>20</td>
<td>54.05</td>
</tr>
<tr>
<td>Failure/weakness</td>
<td>-A</td>
<td>13</td>
<td>35.13</td>
</tr>
<tr>
<td>Losing Face</td>
<td>-A</td>
<td>10</td>
<td>27.02</td>
</tr>
<tr>
<td>Another’s Misfortune</td>
<td>-C</td>
<td>8</td>
<td>21.62</td>
</tr>
<tr>
<td>Disillusionment</td>
<td>-C</td>
<td>7</td>
<td>18.91</td>
</tr>
<tr>
<td>Caring/help</td>
<td>+C</td>
<td>7</td>
<td>18.91</td>
</tr>
<tr>
<td>Conflict</td>
<td>-A</td>
<td>5</td>
<td>13.51</td>
</tr>
<tr>
<td>Love/friendship</td>
<td>+C</td>
<td>5</td>
<td>13.51</td>
</tr>
<tr>
<td>Unity/togetherness</td>
<td>+C</td>
<td>5</td>
<td>13.51</td>
</tr>
<tr>
<td>Ignorance</td>
<td>-A</td>
<td>4</td>
<td>10.81</td>
</tr>
<tr>
<td>Achievement/responsibility</td>
<td>+A</td>
<td>3</td>
<td>8.10</td>
</tr>
<tr>
<td>Empowerment</td>
<td>+A</td>
<td>3</td>
<td>8.10</td>
</tr>
<tr>
<td>Status/victory</td>
<td>+A</td>
<td>1</td>
<td>2.70</td>
</tr>
<tr>
<td>Rejection</td>
<td>-C</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Dialogue</td>
<td>+C</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

N = 37. Note: +A = positive agency theme; -A = negative agency theme; +C = positive communion theme; -C = negative communion theme.

A notable feature of the interview discussions of life story low points was the tendency for participants to qualify their low points as “not really low points”. This was because they were usually able to perceive some positive outcome from what had
been initially appraised as a negative event. Such an optimistic viewpoint was typified in the following two opening statements from discussions with participants of their life story low point:

Um, actually, I'm an incredible optimist. I find it really hard to think of a real low point, because I've always found something in a low point that was kind of a good point.

Um, yeah, I'm usually pretty optimistic, even about the low points... I try not to let myself get too low if I can help it. If I do have a low point, I won't let them have a big effect or a lingering effect on my life. And so you know it's just an attitude thing.

This sense of optimism was frequently carried through in the participants’ tendency to describe their low points as following a redemptive sequence of events. Typically, this was evident in low points that moved from themes of Failure/weakness to Self-mastery, or from Separation to Love/friendship.

Theme of Failure/weakness to Self-mastery through a strengthened sense of the self being in control. The negative agentic theme of Failure/weakness can be narratively expressed as the individual failing at some task or venture in which they valued success. In participants’ low points, this theme was evident in objective content, such as academic failure at school, and sometimes more implicitly in descriptions of failed key personal relationships. More commonly, it was implicitly
and explicitly evident in participants’ accounts of the experience of business difficulties and failures that were volunteered as their life story low point. This included more implicit references such as “well, it was the recession, and well a hell of a lot of others in this trade also ended up going down the same path”, as well as more explicit references such as “I felt I had let myself down”.

The accounts also featured the theme of Self-mastery. This was especially clear in low points about difficult entrepreneurial experiences. Here, Self-mastery in terms of feeling strengthened by this type of event was expressed in words and phrases such as “it toughened me”, “made me a lot stronger mentally”, and “it matures you”. Self-mastery in terms of experiencing a stronger sense of being in control of one’s destiny was expressed through words and phrases such as “decided to make a stand”, “I was determined”, and “I decided I’m never going to let that happen again.” This redemptive sequence, moving from Failure/weakness to Self-mastery, is illustrated in the following excerpt:

Calculating loss, after the second round, instead of recovering the earlier round’s loss. It was at the start of a business…… we’d expected the first round to run at a loss, but the second one, instead of recovering that, we went further backwards. Left us with quite a big hole to dig ourselves out of. It stands out a little bit….. the fact that it went as far wrong as it did at the start, that was a little bit out of the normal pattern. Having lost the first time, and then to go out and make different mistakes and lose again was unexpected. That’s probably the only aspect that was out of sync with the rest of my story. Chiefly felt anger, …There was a burden, but also a
sense of freedom in that, so now I can do what I like ….. made me feel more sure of myself. Probably more aggressive in the way I thought things should be done. It changed me in a business sense from being more a co-ordinator to a leader. Recognising this is what needs to be done and you’re going to have to do it. That was the point at which it started.

In this example, the participant alludes to a sense of Failure/weakness regarding the unexpected double loss in his new business. Interestingly, the experience of failure is evaluated as inconsistent with the rest of his life story. This temporary discrepancy is overcome by the opportunity the situation provides to take greater control of the direction of the business. It results in an enhanced sense of personal power, which he implies is a continuing aspect of his self-story.

More Failure/weakness than Self-mastery. Two participants’ accounts of low points about business failures and difficulties stood out by emphasising the theme of Failure/weakness more than the theme of Self-mastery. That is, despite concluding their accounts with references to redemptive, personally strengthening outcomes (e.g., learning from their experience or being toughened up by it), they gave greater expression to feelings of a lack of power and success experienced in the initial stages of this event. This is indicated in the following excerpt:

Yes, difficulties with my first business….it was a feeling of being trapped, of having nowhere to go. I mean, in the past I’d been able to say, use some creative thinking to solve the problem, but not here …..And I guess it was the feeling of going down the slippery dip
where the end result, I wasn’t likely to be able to do much about it….trapped, fear, where am I going? ……I’ve always been mentally strong, self-reliant, so you kind of learn from it, I guess, and move on. You have to learn from it.

Life story low points about business failures shared a similarity with participants’ life story high points, in that the meaning given to these experiences was mostly self-focused. In contrast, the meaning given to most other low points had a much greater interpersonal focus. This was evident regardless of whether the event described could objectively be considered agentic, such as failing academically at school, or communal, such as the death of a loved one. Within this interpersonal focus, three distinctive underlying communal-type themes emerged. These comprised two “moving towards others” themes, and a “moving away from others” theme.

Moving towards others through Separation to Love/friendship. This theme involved redemptive movement from the negative communion theme of Separation to the positive communion theme of Love/friendship. The theme of Separation is narratively expressed as being physically removed from others through uncontrollable circumstances, such as their death. Love/friendship is expressed as the development of these types of warm feelings towards others within a relationship. This thematic combination was common in accounts of the death of a parent that prompted a positive re-evaluation of a participant’s relationship with others. The words “loss” and “regret” appeared often in participants’ descriptions of disappointment that a neglected relationship with a parent could now no longer be improved. In a redemptive sequence of events, participants then described taking action to address
and strengthen their relationships with others, such as their own children. This thematic pattern is clearly illustrated in the following excerpt of a life story low point:

Well, *my father died when he was relatively young*, and I was a teenager at the time. So especially in late teens, *you’re taking your parents for granted*, and you’re not spending much time with them. *And so I felt some regret that I didn’t spend more time getting to know my father*.….. So yes, I think one of the lessons for me is that *I’ve gone out of my way to spend time with my son*.….. *So I’ve gone out of my way to make sure that I spend time with my son.*

*Moving towards others through Failure/weakness and Separation to Caring/help.* Although less frequent, there was an alternate manifestation of the moving towards others theme. This involved the negative agentic theme of Failure/weakness, the negative communion theme of Separation, and the positive communion theme of Caring/help. Caring/help can be expressed as developing feelings of empathy towards others. Here, participants described how their own experiences of personal failure and of feeling alone and separated from others had made them more empathic towards the plight of those in similarly unpleasant circumstances.

This redemptive movement through these three themes is illustrated in the following excerpt from one participant’s description of a business difficulty involving temporary cash flow problems:
Yes, I had two credit cards cut up in front of me at an interstate airport …I had no money on me and I’d just arrived….Well I guess I felt very lonely. It was late at night and I was up there on my own…..there was some loneliness and desperation, but more frustration with myself, how ridiculous, I’ve got to get better organised….. it’s given me empathy for how hard it can be to start out in your own business….Yeah, and so I can really identify with people who, you know, maybe they’re going through a tough time.

Moving away from others through Disillusionment about people. This underlying theme centred upon the negative communion theme of Disillusionment about people. Disillusionment about people is narratively expressed as losing faith in another’s goodness. That is, a loss of trust in others, or a sense of being betrayed by others through an experience that in some way includes those others. This theme was evident in three accounts of business failures and difficulties, two of which took on a more contaminated than redemptive outlook by emphasising a loss of faith in others rather than the learning that experience provided. Here, participants described psychologically distancing themselves from others in their entrepreneurial environment such as competitors, key contract recipients, and even co-workers, who were now regarded as untrustworthy. This was expressed in words and phrases such as “felt betrayed”, “realised I was being manipulated”, and “it makes you realise, well maybe you didn’t know them as well as you thought you did”. This theme is illustrated in the following excerpt:
We lost a big client that we’d fought hard for, we lost them after a year. …they had the word communication on the top of the list as one of the reasons. Inside I was absolutely gutted, but also terribly angry at the client for saying that, because at the end of the day communication is everything. And I said…why couldn’t you, just as a fellow human being, saying, “you’re at risk of losing out here”…and then we could have done something. Not that I expect a level playing field, but I do expect integrity.

This moving away from others theme was also evident in two life story low points about personal relationships. The following excerpt from one participant’s account of being deserted by supposed friends during a time of need highlights this theme, even though it includes a redemptive note that new friends were found:

I woke up one morning in a cold sweat, all my adolescent and teen friends no longer wanted anything to do with me. I’d been busy, working on a number of things, and at that time I realised I actually had no friends. By friends I mean no one who would actually stand by me and help me in my time of need, because I was actually in need at the time. Shortly after that, I realised the people I did want to spend my life with were already there. But it changed me, big time, I stopped trusting people as much, and also stopped going out of my way to do anything for anyone without stopping first to ask, do they deserve it?
In summary, a redemptive, self-focused, self-strengthening theme highlighting movement from Failure/weakness to Self-mastery was evident in several life story low point accounts, especially those involving business failures and difficulties. In general, however, low points tended to be about the self in relation to others. This interpersonal focus was expressed in three underlying communal-type themes. Redemptive themes of moving towards others highlighted progression from Separation to Love/friendship, and from Failure/weakness and Separation to Caring/help. A contaminated theme of moving away from others highlighted the theme of Disillusionment about people.

**Themes of Redemption and Contamination in Life Story Low Point**

The types of themes of redemption and contamination in participants’ accounts of life story low points are displayed in Table 6.09.

Table 6.09

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redemption</td>
<td>27</td>
<td>72.97</td>
</tr>
<tr>
<td>Redemption own effort</td>
<td>20</td>
<td>54.05</td>
</tr>
<tr>
<td>Enhanced agency</td>
<td>15</td>
<td>40.54</td>
</tr>
<tr>
<td>Enhanced communion</td>
<td>8</td>
<td>21.62</td>
</tr>
<tr>
<td>Ultimate concerns</td>
<td>7</td>
<td>18.92</td>
</tr>
<tr>
<td>Contamination</td>
<td>4</td>
<td>10.81</td>
</tr>
</tbody>
</table>

*N = 37*
Table 6.09 shows that almost three quarters (72.97%) of the entrepreneurs described their life story low point as following a redemptive sequence, whereas only just over 10% arranged this key event in a contamination sequence. This finding is consistent with the earlier observation that entrepreneurs were reluctant to define low point experiences as low points, because they usually saw some form of benefit arising from the negative experience. Just over half of the sample (54.05%) attributed the redemptive outcome to their own efforts. Enhanced agency was again the most frequently alluded to form of positive growth (over 40% of the sample). Additionally, both enhanced communion and ultimate concerns were highlighted by approximately 20% of participants.

As with life story high points, redemptive accounts of this key event were mostly encapsulated in one of the main underlying themes. This included the theme of Failure/weakness to Self-mastery through a strengthened sense of being in control, as discussed earlier. The example used to illustrate this theme, in which the entrepreneur overcomes a business failure by taking greater control of the business’ recovery, and thereby experiences increased self-confidence in his leadership abilities, is an example of a redemptive outcome produced by one’s own efforts that results in an enhanced sense of agency. Furthermore, consistent with the conceptualisation of the redemption theme as indicating improvement over time within the life story, this entrepreneur’s comment that “that was the point at which it started” suggests that this event produced a lasting positive change.

The themes of moving towards others through either Separation to Love/friendship or through Failure/weakness and Separation to Caring/help, and the examples used to illustrate them, highlight redemption involving personal growth in
relationships and in concern for others. Such accounts demonstrate the redemptive theme of enhanced communion. The redemptive theme of ultimate concerns was also reflected in many of the low point accounts of moving towards others through Separation to Love/friendship, wherein the participant was confronted with the death or serious illness of significant others. There were also two striking accounts of how confronting another’s death impacted the entrepreneur in a positive manner that resulted in an enhanced sense of personal agency. This is illustrated in the following excerpt, which reveals redemptive movement from Separation to Self-mastery.

_The sudden death of my father_, he was only 41…. it came as a huge shock. _I think that event probably more than anything has shaped who I am today. If it hadn’t happened, I probably wouldn’t do a lot of the things I’ve done in my life_. It means _never being afraid to take a risk_, never worry about what’s going to happen, life is too short…. You know, _trust in yourself_ and at any given moment _try to do the best you can_, and if you do that for every moment, _chances are that you’ll have a life you’ll be proud of._

Contamination accounts reflected the underlying theme of moving away from others through Disillusionment about people. The following excerpt, concerned with losing faith in a previously idolised senior business partner, provides a clear example of movement from a positive situation to an irrevocably negative outcome.
It was so good, but then it was so bad, unfortunately it did go bad, very sour, and my idol, I ended up seeing him in a very different light at the end of it….And when the thing started to go not his way ….that’s when his true colours started to appear. So I was in awe of him, but then when I saw how he got things done, well, I like to sleep at night, like to know that I’ve done the right thing by people.

In summary, three quarters of the sample described their life story low point as following a redemptive sequence. Most saw this positive outcome from a negative situation as the result of their own efforts, and as resulting in an enhanced sense of agency. Additionally, several redemptive accounts highlighted either enhanced communion or ultimate concerns. Redemptive accounts emphasised underlying themes concerned with a strengthened sense of self or improved relationships. There was little evidence of the contamination theme, with these accounts reflecting relationship damage or loss.

Hermans’ Affect Themes in Life Story Low Point

As with the life story high point, indices of the two motivational themes, the two affective themes, and the S:O and P:N ratios were calculated from the affective ratings for the life story low point. Sixteen participants did not complete this section of the Life Story Interview questionnaire. Results are presented in Table 6.10.
As shown in Table 6.10, more than half (54.2%) of the 24 participants who completed affect ratings reported that their life story low point involved relatively equal experience of the two motives. Additionally, opposite to what was observed for the life story high point, a much higher proportion reported greater experience of the Contact With Others (CWO) motive than the Self-Enhancement (SE) motive. This is consistent with the earlier findings that high points were mostly experiences in which the self was emphasised, whereas most low points were given a meaning that was predominantly about the self in relation to others. Consistent with the notion of life story low points as the worst moment in one’s life, most participants (83.30%) rated their low point as involving greater negative affect than positive affect.
Despite being about the worst moment in one’s life, three quarters of the sample described low points as having a positive outcome, as expressed through a redemptive sequence. To this extent, the clear dominance of negative affect over positive affect may appear inconsistent. However, as noted by McAdams (McAdams et al., 2001), a redemptive outcome need not involve the experience of greater positive affect than the negative affect that it displaces. Thus, entrepreneurs frequently explicitly emphasised the redemptive outcome of low points. Yet the affective ratings data suggest that at a latent level, the positive feelings arising from a good outcome from a bad situation were often outweighed by the negative feelings initially associated with that event.

Different sums of the four indices of S, O, P and N, were calculated to investigate the nine affective patterns (refer to Table 6.05, page 172 for detailed definitions of these affective patterns). Results are displayed in Table 6.11 (see page 193), which shows that the most frequent affective pattern in life story low points was negative contact with others (−O). This pattern was present for 39.1% of the 23 participants who completed affective ratings. The −O pattern involves greater experience of the CWO motive than the SE motive, together with more negative affect than positive affect. Hermans (1995) described this pattern as reflecting unfulfilled longing, in which the desire for positive relationship with another remains unsatisfied because of some immovable obstacle. In the present research, almost all accounts with −O involved the death or serious illness of a loved one. Interestingly, most of these accounts reflected the underlying theme of ‘Moving towards others through Separation to Love/friendship’, in that the loss or threatened loss of a valued relationship prompted the strengthening of another relationship.
Table 6.11

*Affective Patterns Represented in Life Story Low Point*

<table>
<thead>
<tr>
<th>Type of Affective Pattern</th>
<th>Abbreviation Of Pattern</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Motives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive self-enhancement</td>
<td>+S</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Self-enhancement</td>
<td>S</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative self-enhancement</td>
<td>-S</td>
<td>1</td>
<td>4.30</td>
</tr>
<tr>
<td>Positive contact with others</td>
<td>+O</td>
<td>1</td>
<td>4.30</td>
</tr>
<tr>
<td>Contact with others</td>
<td>O</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative contact with others</td>
<td>-O</td>
<td>9</td>
<td>39.1</td>
</tr>
<tr>
<td>Motive Combinations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive high self with high other</td>
<td>+HH</td>
<td>3</td>
<td>13.00</td>
</tr>
<tr>
<td>Positive low self with low other</td>
<td>+LL</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative low self with low other</td>
<td>-LL</td>
<td>8</td>
<td>34.8</td>
</tr>
</tbody>
</table>

N = 23.

Despite the fact that many of these accounts explicitly emphasised this redemptive outcome, the –O pattern here suggests that at a latent level, in many instances the initial relationship loss was given greater emotional weight than the subsequent relationship gain.

The –LL affective pattern was evident in over one third (34.80%) of participants’ affective ratings of this key event. This pattern comprises low levels of the SE and CWO motives, together with greater experience of negative than positive affect. Thus, it reflects the lack of fulfilment of both motives within the one situation.
Hermans (1995) identifies this type of pattern as expressing powerlessness and isolation. That is, the self is unable to overcome some perceived difficulty, and experiences this situation as occurring in isolation from others. In the present research, this affective pattern characterised a variety of low point experiences such as failing at school, being deserted by friends, the death of a loved one, and divorce. As with the –O pattern, many of the accounts demonstrating this pattern explicitly emphasised one of the redemptive themes identified for this key event. These included ‘Failure/weakness through Self-mastery to a strengthened sense of control’ and ‘Moving towards others through Separation to Love/friendship’. The –LL pattern underlying these accounts suggests that whilst participants may have explicitly focused on taking control to resolve or benefit from such negative events, at a latent level, they placed greater emphasis on the experience of disempowerment and isolation that initially characterised these events.

The +HH affective pattern was evidenced in 13.1% of participants’ ratings, with two of the three experiences in this category being redemptive accounts of business failure. In both accounts, positive reference to the SE motive was the explicit focus, as captured by the underlying theme of ‘Failure/weakness through Self-mastery to a strengthened sense of control’. The +HH pattern observed here suggests that satisfaction of the CWO motive was more implicitly involved in these business failure experiences.

In summary, an exploration of affective ratings for the life story low point suggests an even stronger valuing of the need to be connected to others than was apparent at an explicit level as captured by McAdams’ motivational themes. At the same time, it revealed a reduced emphasis on the striving for the self motive. There
was also a distinct dominance of negative affect over positive affect. These findings suggest that at a latent level, the positive feelings connected to the redemptive, often agentic driven outcomes were outweighed at a latent level by the negative feelings that initially characterised these events.

In considering these results, it is noteworthy that relatively few (only about one third) of the participants who completed affective ratings had low points that dealt with entrepreneurial experiences such as business failure and business difficulties. Instead, most were about negative interpersonal experiences such as damage to relationships or the death of a loved one. Thus, the strong presence of the contact with others motive, and to some extent also the emphasis on negative affect that appeared in affective ratings for this key event, may be more representative of relationship loss accounts rather than life story low point accounts in general.

**Life Story Turning Point**

*Explicit Content of Turning Point Event*

The explicit content of life story turning points was examined for all but five participants who could not identify a life story turning point. Table 6.12 presents a summary of findings (see page 196). Notably, the explicit content of life story turning points was predominantly drawn from the “work” sphere of the participants’ lives, with almost two thirds of participants (62.86%) focusing on this area. Of these, 40% highlighted entrepreneurial experiences that included creating a new business, expanding the business, changing the social culture of the business, and dealing with business problems such as difficult co-workers or clients. Workplace experiences included receiving positive feedback from aptitude tests, and being inspired and encouraged by one’s boss.
Table 6.12

*Events Described in Life Story Turning Points*

<table>
<thead>
<tr>
<th>Type of Event</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workplace experiences</td>
<td>8</td>
<td>22.86</td>
</tr>
<tr>
<td>Creating a new business</td>
<td>7</td>
<td>20.00</td>
</tr>
<tr>
<td>Entrepreneurial experiences</td>
<td>7</td>
<td>20.00</td>
</tr>
<tr>
<td>Illness and death</td>
<td>4</td>
<td>11.43</td>
</tr>
<tr>
<td>Positive relationship experiences</td>
<td>3</td>
<td>8.57</td>
</tr>
<tr>
<td>Other life experiences</td>
<td>6</td>
<td>17.14</td>
</tr>
</tbody>
</table>

*N = 35*

Interpersonal experiences were less prominent in this event than they were in life story low points, with some highlighting positive events, such as reuniting with an estranged life partner, and others choosing negative events such as the death of a loved one. The remaining 17.14% included experiences such as moving home to go to university, being put down by a parent, and attaining insight whilst waiting for a bus.

*Themes of Agency and Communion in Life Story Turning Point*

The proportions of agentic and communal themes in the participants’ accounts of life story turning points was examined. Findings are displayed in Table 6.13.
Table 6.13

**Presence of Themes of Agency and Communion in Life Story Turning Point**

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Thematic Group</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-mastery</td>
<td>+A</td>
<td>33</td>
<td>94.28</td>
</tr>
<tr>
<td>Achievement/responsibility</td>
<td>+A</td>
<td>9</td>
<td>25.71</td>
</tr>
<tr>
<td>Failure/weakness</td>
<td>-A</td>
<td>6</td>
<td>17.14</td>
</tr>
<tr>
<td>Empowerment</td>
<td>+A</td>
<td>6</td>
<td>17.14</td>
</tr>
<tr>
<td>Separation</td>
<td>-C</td>
<td>5</td>
<td>14.28</td>
</tr>
<tr>
<td>Disillusionment</td>
<td>-C</td>
<td>4</td>
<td>11.43</td>
</tr>
<tr>
<td>Losing Face</td>
<td>-A</td>
<td>3</td>
<td>8.60</td>
</tr>
<tr>
<td>Conflict</td>
<td>-A</td>
<td>2</td>
<td>5.71</td>
</tr>
<tr>
<td>Love/friendship</td>
<td>+C</td>
<td>2</td>
<td>5.71</td>
</tr>
<tr>
<td>Unity/togetherness</td>
<td>+C</td>
<td>2</td>
<td>5.71</td>
</tr>
<tr>
<td>Ignorance</td>
<td>-A</td>
<td>2</td>
<td>5.71</td>
</tr>
<tr>
<td>Status/victory</td>
<td>+A</td>
<td>2</td>
<td>5.71</td>
</tr>
<tr>
<td>Rejection</td>
<td>-C</td>
<td>2</td>
<td>5.71</td>
</tr>
<tr>
<td>Caring/help</td>
<td>+C</td>
<td>1</td>
<td>2.86</td>
</tr>
<tr>
<td>Another’s Misfortune</td>
<td>-C</td>
<td>1</td>
<td>2.86</td>
</tr>
<tr>
<td>Dialogue</td>
<td>+C</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

*N = 35.* Note: +A = positive agency theme; -A = negative agency theme; +C = positive communion theme; -C = negative communion theme.

As shown in Table 6.13, Self-mastery was the most frequent theme in participants’ accounts of their life story turning point, with almost all participants highlighting this theme. Furthermore, this theme tended to dominate the participants’ accounts. This
was evident in the many varied accounts where Self-mastery was virtually exclusively represented, such as when a participant gained insight into how to effectively manage stress whilst waiting for a bus, or when a participant experienced a change in their self-understanding whilst working overseas. It was also often evident in accounts where participants moved from another thematic focus to a Self-mastery focus. This included moving from the Achievement/responsibility theme to emphasise Self-mastery through descriptions of events such as successfully launching their business, then focusing upon the enhanced sense of control over one’s life that this resulted in. Similarly, it was apparent in accounts moving from Empowerment to Self-mastery, such as being inspired and encouraged by a highly successful boss, then positively re-evaluating one’s view of one’s abilities. Self-mastery also emerged in the many redemptive accounts where participants moved to a position of a strengthened sense of self from either the Failure/weakness, Losing face, Disillusionment or Separation themes. These accounts emphasised Self-mastery as the outcome through descriptions of events such as becoming wiser after being let down by a business client, or experiencing a greater sense of control of one’s life direction after divorcing a spouse. Thus, participants’ accounts of their life story turning points tended to emphasise agentic themes over communion ones, and to focus upon Self-mastery in particular.

The dominance of Self-mastery in the entrepreneurs’ accounts of their life story turning points was evident in four main underlying themes. These comprised: realising personal control over one’s destiny; becoming more the person one wants to be; becoming more confident in one’s own abilities; and realising what is most valuable in one’s life.
**Self-mastery through realising personal control over one’s destiny.** This theme reflected Self-mastery as insight leading to a fundamental change in self-understanding, together with experiencing a much stronger sense of being in control of their environment. Many participants described attaining insight into what they really wanted, together with an enhanced sense of their ability to get whatever it was that they wanted. These expressions of Self-mastery were especially evident in descriptions of the decision to pursue an entrepreneurial venture, or having just created it. This theme is illustrated in the following two accounts that refer to these two experiences, respectively:

Defining moment was _when I realised that what happened in my life was completely up to me_. Yes. I ended up financial manager, and the guy who was running the company was from America, and he wanted me to go back and to work there, and he said, listen, the world’s your oyster, come over with me. And I thought about it long and hard and _I thought, not only do I not want_ to go to America, _but I actually can’t see my future working for someone_. That was the thing that really twigged for me. And _I thought, I’d really love to be my own boss_. And I remember my father in law couldn’t believe that I gave the job up to go and start my own business. He thought I was absolutely bonkers. _It changed everything_, because one was the safe option, and one was not, to give that all up, to _make a choice_ to leave something like that, a career, and go and train yourself in something else. _So I decided that my choices in life were up to me, that it was_
up to me to paint the picture. You can either sit there and be passive
or you can paint the picture. Now whether the picture’s a pretty one
or an ugly one, I think I’d rather be painting it.

In this account, the entrepreneur clearly articulates the personal insight he
obtained through this experience in terms of becoming aware of what career path he
wanted to pursue, and that he was the one who would determine the course that his
life would take. This realisation is emphasised in the description of resistance from
others to his plans, in terms of his father-in-laws’ doubts about the wisdom of his
choices, which he ignores.

Starting my own business, setting it up and getting it going within
three months. That felt really good, felt like I was empowered, it
felt like I was taking control of my own destiny. I was probably
answering all the criticisms I’d made of myself earlier, you know,
you can’t do this or that…..It just made me more powerful, more
happy with the decisions I make…this just fits in with trying to
control your own destiny.

In this excerpt, the participant specifically emphasises the sense of being able
to influence one’s destiny that results from starting a new business. Additionally, to
the extent that he refers to silencing his own inner voice of powerlessness to do what
he wants, this example can be seen to move in a redemptive sequence from the theme
of Failure/weakness to Self-mastery. The newly created business itself serves as an
empowering agent, strengthening the participant through their association with it, thus also reflecting the theme of Empowerment.

*Self-mastery through becoming more the person one wants to be.* This theme reflected the narrative expression of Self-mastery as feeling strengthened by an event. Accounts reflecting this theme described taking actions evaluated as expressions of their real self, thereby resulting in a strengthened sense of that self. Interestingly, as with the earlier examples that highlighted either the resistance of the self or others to the participant pursuing “what I want”, these accounts tended to emphasise that self-expression of “who I want to be” might face opposition from the self or important others, yet would still be pursued. This theme is reflected in the following two excerpts:

I’d always wanted to pursue this creative outlet, but the turning point was when I actually did something about it…*and so I could look at that and say yeah, that’s something from me*…..*at the time, enormous fear*, because when you do something creative, *you go through a love/hate relationship with it yourself, plus you’ve done something that you think they won’t like*…*and the impact of all that is that you need to do this for yourself, and that it didn’t matter whether anybody liked it or not*, it just didn’t matter at all. So doing that, *gave me the confidence to move on and address other things that I’d been suppressing.*

Going away to university. You have to move out of home, and it’s actually very good for you, because *you’ve got the opportunity to grow*
and become who you want to be, instead of who your family wants or thinks you are…it allows you to grow and develop in different ways.

And I learned to be less shy with people, and the growth of ideas and confidence in what I could do.

Self-mastery through becoming more confident in one’s abilities. This theme also reflected Self-mastery as feeling strengthened by an event. As with many of the life story high point accounts that centred upon a self-confidence boost, this theme was apparent in participants’ positive evaluations of their own actions. This is illustrated in the following two excerpts, in which a boost to self-confidence in the workplace is linked to going on to start their own business:

Yes, the company I was working for, I didn’t want to let them down and so I rode my bike to work for two weeks, 82 kilometres and that’s a push bike. And that said to me, gee I am a conscientious person, and that made me feel good, because I realised if I could do that when I was working for somebody else, imagine what I could do if I was working for myself.

Corporate compulsory aptitude appraisal, resulted in a leap of self-confidence. So the general manager, anyway, he told me my IQ was in the top percent, …..So you’re 95% sure of your beliefs, but it was sort of like a vindication. So whatever had been left of self-doubt due to inexperience and age just went out the window. And not long after
that, a couple of colleagues and I decided to start our own business.

Self-mastery through realising what is most valuable in one’s life. This underlying theme reflected Self-mastery as experiencing insight into the meaning of one’s life, prompting a re-evaluation of what one values and strives for. This was evidenced across a diverse range of turning point events, including some involving entrepreneurial experiences. For example, the implementation of a social skills program in one participant’s existing business led to a change in self-understanding of what ethical values were really most important to him, which in turn resulted in a strengthened sense of self as he acted upon them. Another participant described how actually starting an entrepreneurial venture gave him a much clearer sense of how meaningful and satisfying that line of work was for him.

Other accounts highlighting Self-mastery included experiences involving illness, death, and divorce. In a redemptive sequence of events, these negative events were described as initiating significant changes in what those participants personally valued. In turn, these changes were regarded as positive developments in their outlook. This is illustrated in the following excerpt from one participant’s account of their response to serious illness.

A life threatening ski-accident. Yes, that was when I banged myself up pretty badly, spent six weeks in hospital and the first nine days in a coma. I don’t look back on that accident and think, oh what a terrible thing to happen, poor me, I wish I didn’t have to go through it …..I have now learned that the simple things in life are truly all that
matters. Money, power and ego are just a façade for happiness. This accident made me realise my own mortality and understand life is for loving family, friends, and your self-enjoyment. I now work to live, not live to work.

In summary, participants’ accounts of life story turning points tended to be about events occurring in the work sphere of life, with many referring to new business creation and other positive entrepreneurial experiences. The theme of Self-mastery dominated life story turning points, as represented in the four underlying positive agentic-type themes of realising personal control over one’s destiny, becoming more the person one wants to be, becoming more confident in one’s abilities, and realising what is most valuable in one’s life.

**Themes of Redemption and Contamination in Life Story Turning Point**

The frequency of themes of redemption and contamination in participants’ accounts of life story turning points are displayed in Table 6.14.

Table 6.14

*Presence of Themes of Redemption and Contamination in Life Story Turning Point*

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redemption</td>
<td>21</td>
<td>60.00</td>
</tr>
<tr>
<td>Redemption own effort</td>
<td>14</td>
<td>40.00</td>
</tr>
<tr>
<td>Enhanced agency</td>
<td>20</td>
<td>57.14</td>
</tr>
<tr>
<td>Enhanced communion</td>
<td>3</td>
<td>8.57</td>
</tr>
<tr>
<td>Ultimate concerns</td>
<td>3</td>
<td>8.57</td>
</tr>
<tr>
<td>Contamination</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

*N = 35*
Interestingly, almost two-thirds (60%) of participants described their life story turning point as following a redemptive sequence, whilst the contamination narrative strategy was not evidenced at all (see Table 6.14). More than one third (40%) regarded the redemptive outcome as the result of their own efforts. Almost every participant describing a redemptive account regarded the positive outcome as resulting in an enhanced sense of agency, whilst comparatively few noted growth in the areas of enhanced communion or ultimate concerns.

Redemptive accounts of life story turning points covered a diverse range of experiences. Despite this diversity, most could be categorised as demonstrating one of the four main underlying themes identified. For example, redeeming experiences such as overcoming a father’s negative predictions to achieve entrepreneurial success, and emerging from divorce with a greater sense of control of one’s life direction, highlighted the underlying theme of ‘Self-mastery through realising personal control over one’s destiny’. This theme is illustrated in the following redemptive account of taking the initiative to move from a negative work environment to one that is more satisfying:

I was working in England. I had a really responsible job but the weather was just so miserable, really got sick of it getting me down. I just decided I wasn’t going to be somebody who would just sit there in a safe job, so I gave it up and moved back here to Australia. Coming back here and achieving in a much more interesting line of work, being able to do things the way I wanted them to, was just great, satisfying.
Other redemptive accounts emphasised the underlying theme of ‘Self-mastery through becoming the person one wants to be’. These comprised experiences such as: identifying personal weaknesses in a workplace evaluation, then taking action to improve oneself; and moving from feeling uncomfortable about sharing feelings to being able to speak freely of them after seeking psychotherapeutic assistance. Redemptive experiences such as becoming more business-wise after being let down by a major client, and overcoming start-up difficulties to successfully launch one’s business, highlighted the theme of ‘Self-mastery through becoming more confident in one’s abilities’. Finally, experiences such as responding to a parent’s death or one’s own illness by realising the value of family and friends and redressing one’s work/personal life balance accordingly, highlighted the theme of ‘Self-mastery through realising what is most valuable in one’s life’. Thus, most redemptive accounts reflected movement from either negative agentic themes such as Failure/weakness or Losing face to Self-mastery, or from negative communion themes such as Separation or Disillusionment to Self-mastery.

In summary, a high proportion of entrepreneurs described their life story turning point in redemptive terms, whereas none utilised the contamination narrative strategy. Most described redemptive gains in terms of enhanced agency, and tended to regard this outcome as the result of their own efforts. Redemptive experiences were represented by all four of the underlying themes identified for this key event.

Hermans’ Affect Themes in Life Story Turningpoint

Indices of motivational themes, affective themes, and ratios were calculated from the affective ratings for the life story turning point. Seventeen participants did
not complete this section. Results for the S:O and P:N ratios are presented in Table 6.15.

Table 6.15

*S:O and P:N Ratios for Life Story Turning Point Event*

<table>
<thead>
<tr>
<th>Ratio Indices</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Self: Other</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-enhancement</td>
<td>11</td>
<td>47.80</td>
</tr>
<tr>
<td>Equal self with other</td>
<td>10</td>
<td>43.50</td>
</tr>
<tr>
<td>Contact with others</td>
<td>2</td>
<td>8.70</td>
</tr>
<tr>
<td><strong>Positive: Negative</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive Affect</td>
<td>17</td>
<td>70.80</td>
</tr>
<tr>
<td>Equal positive with negative</td>
<td>2</td>
<td>8.30</td>
</tr>
<tr>
<td>Negative Affect</td>
<td>5</td>
<td>20.80</td>
</tr>
</tbody>
</table>

*Note: N for S:0 ratio = 23, N for P:N ratio = 24*

As shown in Table 6.15, participants most frequently indicated that this key event involved greater experience of the Self-Enhancement (SE) motive than the Contact With Others (CWO) motive, with almost half of this sample (47.8%) reporting this affective pattern. However, almost as many participants (43.5%) evaluated their turning point experiences as involving relatively equal levels of both motives. Most participants (70.8%) accorded greater positive affect than negative affect to this key event. These findings are broadly consistent with the earlier observations that turning points were mostly positive or redemptive experiences, both
of which were largely centred upon the positive agentic theme of Self-mastery. The presence of high levels of both affective motivational themes in many accounts suggests that at a latent level, connection to others was also a valued part of turning point experiences.

Different sums of the four indices of S, O, P and N, were calculated to investigate the nine different types of affective patterns. (Refer to Table 6.05, page 172, for detailed definitions of these patterns.) Results are presented in Table 6.16.

Table 6.16

Affective Patterns Represented in Life Story Turning Point

<table>
<thead>
<tr>
<th>Type of Affective Pattern</th>
<th>Abbreviation Of Pattern</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Motives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive self-enhancement</td>
<td>+S</td>
<td>11</td>
<td>47.80</td>
</tr>
<tr>
<td>Self-enhancement</td>
<td>S</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative self-enhancement</td>
<td>-S</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Positive contact with others</td>
<td>+O</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Contact with others</td>
<td>O</td>
<td>1</td>
<td>4.30</td>
</tr>
<tr>
<td>Negative contact with others</td>
<td>-O</td>
<td>1</td>
<td>4.30</td>
</tr>
<tr>
<td>Motive Combinations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive high self with high other</td>
<td>+HH</td>
<td>7</td>
<td>30.40</td>
</tr>
<tr>
<td>Positive low self with low other</td>
<td>+LL</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative low self with low other</td>
<td>-LL</td>
<td>2</td>
<td>8.70</td>
</tr>
</tbody>
</table>

N = 23.
As shown in Table 6.16, +S was the dominant affective pattern evidenced in the entrepreneurs’ turning points. Indeed, almost half the sample (47.8%) reported this pattern. In contrast, the other individual motive patterns, such as –S, +O and –O, were barely evidenced. This finding is in accord with the dominance of Self-mastery in turning point accounts. Experiences rated as +S were almost all concerned with either starting to pursue entrepreneurship or doing well in the workplace. These accounts reflected the underlying themes of ‘Self-mastery through realising control over one’s destiny’ and ‘Self-mastery through becoming more confident in one’s abilities’. Consistent with these themes, most accounts qualified as internalised +S narrative accounts, with participants describing their own actions, and the ability to take action, as the source of their self-enhancement.

Seven participants’ accounts of turning points demonstrated the combined motive pattern of +HH. Only two of these were concerned with new business creation, with the remaining five accounts drawn mostly from other career-related experiences. The two excerpts that were used to illustrate the underlying theme of ‘Self-mastery through becoming who one wants to be’ provide typical examples of explicit reference to others as well as the self, while concentrating the descriptions on how the self was expanded through such experiences. Thus, satisfaction of the CWO motive tended to be more implicitly involved in turning point experiences.

Two entrepreneurs’ turning points showed the –LL affective pattern. As with many of the life story low point accounts with this type of affective pattern, both were accounts of interpersonal experiences that commenced on a negative note, such as being put down by a parent. These were given redemptive, self-focused outcomes, such as rising above a father’s negative predictions to achieve personal success. This
finding suggests that for these participants, at a latent level the initially negative aspects of a key life event were given greater weight than the positive outcomes.

In summary, exploration of affect ratings for the life story turning point yielded affective patterns that were generally consistent with findings from McAdams’ (1993; 2006a) thematic analysis. There was a clear emphasis upon satisfaction of the self-enhancement motive. The presence of some satisfaction of the contact with others motive suggests that although less explicitly emphasised, this motive was also given some importance at a latent level in entrepreneurs’ accounts of their life story turning points.

**Significant Childhood Memory**

*Explicit Content of Significant Childhood Memory Event*

The explicit content of the significant childhood memory was examined. Eight participants could not identify a significant childhood memory. Table 6.17 presents a summary of findings.

Table 6.17

<table>
<thead>
<tr>
<th>Events Described in Significant Childhood Memory</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type of Event</strong></td>
</tr>
<tr>
<td>---------------------------------</td>
</tr>
<tr>
<td>Negative interactions with caregiver</td>
</tr>
<tr>
<td>Positive interactions with caregiver</td>
</tr>
<tr>
<td>Being bullied</td>
</tr>
<tr>
<td>Taking care of sibling</td>
</tr>
<tr>
<td>Winning an award</td>
</tr>
<tr>
<td>Other life experiences</td>
</tr>
</tbody>
</table>

*N* = 32
Table 6.17 shows that the explicit content of significant childhood memories tended to have an interpersonal focus. In particular, important interactions with caregivers were emphasised by over a third of participants (37.50%). Negative interactions included dealing with an argumentative, drunk father, being asked to kill the family pet by a controlling mother, and having an argument with one’s grandfather. Positive interactions included being encouraged in one’s endeavours by an attentive father, feeling understood and valued by a new step-mother, and being inspired by a successful uncle. Other interpersonal experiences included taking care of a sibling, or being bullied. In other accounts, there was considerable variation in the types of experiences volunteered. Some were positively toned, such the joy of learning to tie one’s shoelaces for the first time. However, most of the remaining experiences were negatively toned. These included events such as performing mundane but compulsory chores, and finding out that the Easter Bunny did not exist.

**Themes of Agency and Communion in Significant Childhood Memory**

The presence of agentic and communal themes in participants’ accounts of a significant childhood memory was examined. Findings are displayed in Table 6.18 (see page 212). Self-mastery was the theme most frequently represented. Just over half of all participants referred to Self-mastery, usually expressed in terms of feeling strengthened by an event. Often this was evaluated as the positive result of taking action to redeem initially negative experiences such as being bullied at school, or dealing with a difficult parent or the loss of a parent through divorce or death. Thus, Self-mastery was often the redemptive outcome of events commencing with negative agentic and communion themes such as Conflict, Losing face, and Separation.
Table 6.18

Presence of Themes of Agency and Communion in Significant Childhood Memory

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Thematic Group</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-mastery</td>
<td>+A</td>
<td>17</td>
<td>53.12</td>
</tr>
<tr>
<td>Separation</td>
<td>-C</td>
<td>9</td>
<td>28.12</td>
</tr>
<tr>
<td>Unity/togetherness</td>
<td>+C</td>
<td>8</td>
<td>25.00</td>
</tr>
<tr>
<td>Conflict</td>
<td>-A</td>
<td>5</td>
<td>15.62</td>
</tr>
<tr>
<td>Losing Face</td>
<td>-A</td>
<td>5</td>
<td>15.62</td>
</tr>
<tr>
<td>Achievement/responsibility</td>
<td>+A</td>
<td>5</td>
<td>15.62</td>
</tr>
<tr>
<td>Caring/help</td>
<td>+C</td>
<td>4</td>
<td>12.50</td>
</tr>
<tr>
<td>Failure/weakness</td>
<td>-A</td>
<td>3</td>
<td>9.37</td>
</tr>
<tr>
<td>Empowerment</td>
<td>+A</td>
<td>3</td>
<td>9.37</td>
</tr>
<tr>
<td>Another’s Misfortune</td>
<td>-C</td>
<td>3</td>
<td>9.37</td>
</tr>
<tr>
<td>Disillusionment</td>
<td>-C</td>
<td>2</td>
<td>6.25</td>
</tr>
<tr>
<td>Love/friendship</td>
<td>+C</td>
<td>1</td>
<td>3.12</td>
</tr>
<tr>
<td>Status/victory</td>
<td>+A</td>
<td>1</td>
<td>3.12</td>
</tr>
<tr>
<td>Rejection</td>
<td>-C</td>
<td>1</td>
<td>3.12</td>
</tr>
<tr>
<td>Ignorance</td>
<td>-A</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Dialogue</td>
<td>+C</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

*N = 32. Note: +A = positive agency theme; -A = negative agency theme; +C = positive communion theme; -C = negative communion theme.

Separation also featured in several accounts of unresolved loss, such as a grandfather becoming terminally ill shortly after a disagreement with the participant, or a father
having died before a father and son school camp took place. The positive communion theme of Unity/togetherness was the third most frequently evidenced theme, with one quarter of participants highlighting it. Unity/togetherness can be narratively expressed as experiencing a sense of connectedness to a large group of individuals, and as experiencing being accepted and affirmed by family or other social groups. Both expressions of this theme were represented in those accounts of this key event that included experiences such as enjoying a special outing with friends, and being favourably treated by a new step-mother. Overall, both positive and negative agentic and communion themes were amongst the top five most frequently represented themes for this key event.

Three underlying themes were identified for this key event. These comprised: Self-mastery through overcoming adversity to develop character strengths, a lack of Self-mastery through unresolved early negative experiences, and a lack of caring/help in unresolved early negative experiences.

**Self-mastery through overcoming adversity to develop character strengths.**

Self-mastery in the form of feeling personally strengthened by an event was the positive outcome of experiences that initially reflected negative agentic themes such as Conflict, Losing face, or Failure/weakness. This included standing up to a bully at school, confronting a fearful, previously overpowering figure in a recurrent nightmare, and constructively responding to an abusive parent. These challenging experiences were evaluated as influencing the development of strong personal characteristics such as resilience, optimism, independence, resourcefulness and a sense of personal power. This was expressed through words and phrases such as “so
you learn independence and to rely on your own resources”, “it gave me the
certainty to keep going even in the bleakest of times”, and “as a little kid, maybe I
was a bit wimpy, and I think right after that I just changed”.

This redemptive shift from negative to positive agentic themes is illustrated in
the following two excerpts from significant childhood memories:

From Conflict and Losing face to Self-mastery.

*Being bullied, then eventually getting my own back.* It was so
enjoyable, the bullying stopped, the pain I’d endured, *the joy of
giving it to this bloke was so good,* even for a child….. *It’s
something I’ve lived over and over.* You know, in the world of
business and in the world of life, *everybody’s struggling for top
position, so when I beat them and win, like winning a big contract
with the business, it’s fun.*

In this account, the participant describes how finally confronting and
overpowering a bully results in positive feelings of personal power through being able
to put an end to mistreatment. Thus, it demonstrates redemptive movement from
Conflict and Losing Face to Self-mastery. The participant then voluntarily links this
eyear early experience of gaining confidence in the ability to overpower oppressive others
to their current entrepreneurial experience, where displays of personal power and
ability are still required to beat off competitive others.

From Conflict to Self-mastery.
*He was an aggressive person, you know, argumentative.* And so I would find myself across the kitchen table having an argument with him, and *I discovered that I could outwit him, out-logic him,* and he would concede and go to bed…… And so in some ways I think it helped me, because *today in business I think my most successful skill is that I'm very cool and calm under pressure, and I hold a very strong argument.*

In this account, the participant describes how learning to deal constructively with an argumentative, drunk parent led to the development of powerful communication skills and the ability to retain a sense of control in stressful circumstances. The meaning given to this event highlights redemptive movement from Conflict to Self-mastery. Interestingly, as with the previous example, the sense of increased personal power resulting from this early childhood experience is meaningfully linked to the participants’ current entrepreneurial experience. Indeed, this was a pattern amongst accounts of this key event that highlighted redemptive movement from Conflict and or Losing face to Self-mastery.

The underlying theme of Self-mastery through overcoming adversity was also apparent in some participants’ accounts that emphasised redemptive movement from the negative communion theme of Separation to Self-mastery. This included accounts of having to fend for oneself due to the absence of a parent because of illness, divorce or death. It also included accounts of emigrating to Australia and having to leave behind one’s new friends and make their way in a new school environment. This is illustrated in the following excerpt:
From Separation to Self-mastery.

Obviously big changes for me, realising I was coming out here for good and leaving all my friends behind……going to school and not speaking the language, finding it pretty tough, you know, kids aren’t terribly kind, but I did overcome it. It was like starting my life over, building a whole new network of friends. I’ve always been independent but I think that time really cemented it. You have to put in a lot of effort to go from being the new kid to just one of the boys. The thing that probably stands out the most is having to be independent. And that’s been a constant trait, you know, a high flyer setting high goals.

In this account, the participant describes how the challenge of fitting into a new school environment and learning to communicate in a different language was given the meaning of demonstrating his independence and resourcefulness. Although not directly linking this experience to the entrepreneurial sphere of his life, this is implied through his comments about being a high flyer setting high goals.

_Lack of self-mastery through unresolved early negative experiences._ A second underlying theme served to unite several of the diverse, negatively toned experiences included as this key event. This theme differed from the first underlying theme in three ways. First, accounts reflecting this underlying theme did not involve Self-mastery. Instead, they were centred upon one or more of the negative agentic and communion themes such as Failure/weakness, Conflict, Losing Face, Separation and Disillusionment. Second, and relatedly, whereas the first underlying theme included the resolution of difficulties, accounts reflecting this theme left issues such as
powerlessness, weakness and loss in an unresolved state. In this way, such accounts often implied a lack of Self-mastery. Third, whereas most accounts represented by the first underlying theme expressed the sentiment that “this early experience helped to shape who I am”, some accounts expressed the sentiment that “this early experience seems irrelevant to who I am”. That is, they were described as unresolved and unrelated to the rest of the participants’ self-story. This included accounts of feeling terror and loneliness in repeatedly being bullied at school, being forced by a parent to kill a treasured family pet, and feeling the loss of a father who died before a father and son school camp.

This underlying theme is illustrated in the following two excerpts from participants’ accounts of a significant childhood memory:

Lack of Self-mastery involving Separation and Disillusionment.

Yes, finding out that the Easter Bunny and other characters weren’t real. It was such a sense of loss though, and of grief, because here are these great people and they come and visit me and do nice things for me, and they don’t even exist. Yes, it was disillusionment. The knowledge destroyed the magic of Easter, and other occasions. It was like losing three good friends in the one king hit. I don’t think it changed me, but it was a significant memory. As for how it fits with the rest of my life story, look it probably doesn’t.

In this account, finding out that festive characters don’t really exist is experienced as a major loss of good friends, which is accompanied by a sense of great
disappointment. In this movement from good to irrevocably bad, this account
demonstrates the overarching theme of contamination, moving from Love/friendship
to Separation and Disillusionment. No redemptive actions to address this negative
experience, or positive consequences of this experience, are noted. Additionally, this
intensely negative experience is further isolated in that the participant considers it
unrelated to the rest of their life story.

Lack of Self-mastery involving Failure/weakness.

*I had to walk over a bridge,* we used to have to cross it to get to school

*and I was quite scared I might fall between the cracks.* So really *terror*

*and the thought I might be hurt, might fall between them. I don’t think it*

*changed me in any way,* I mean I’m not scared of heights or anything like

*that now. *It doesn’t fit with the rest of my life story, not really, no.*

This account of the experience of repeatedly having to cross an apparently
dangerous bridge highlights the weakness aspect of the Failure/weakness negative
agentic theme, in that the participant feels a lack of power and control over their
threatening environment. As with the earlier example, no mention is made of any
attempts to resolve this negative situation, or to benefit from it in some way.
Similarly, this event is considered unrelated to the rest of their self-story.

*Lack of Caring/help in unresolved early negative experiences.* The positive
communion theme of Caring/help is typically expressed in positively toned accounts
of the narrator providing some form of physical or emotional assistance or support for
another, which is seen as contributing to that other’s well-being. In the present
research, three accounts were distinguished by an explicit focus on experiences evaluated as demonstrating a lack of the Caring/help theme. These comprised two incidences of feeling responsible for a sibling having an accident whilst in the participant’s care, and one of feeling guilt over a grandfather who became seriously ill shortly after an argument with the participant. Interestingly, unlike the other negative theme for this key event, these accounts included some attempt to make sense of these experiences in relation to the rest of one’s life story. This is illustrated in the following excerpt, which relates aspects of this early experience to current entrepreneurial experience:

My grandfather was driving us home one day, and I was being smart, and he would have said “perhaps you can get out and walk then”. And then probably three minutes later he said, “okay, get back in the car” and I’m saying, “no, I won’t, I’ll walk home”. And so I persisted and walked about a kilometre home. Then later ……they found him about 4 am, they think he’d had a stroke and he’s in an old people’s home…..I just wonder if that was a triggering event for all that. ……well I guess I still like to be heard, but I’m also willing to hear others in this business.

In summary, participants’ accounts of a significant childhood memory tended to emphasise the theme of Self-mastery, and to a lesser extent Separation. Self-mastery was frequently the redemptive outcome of events involving negative agentic and communion themes, especially Conflict and Separation. Separation was also
featured in many non-redemptive accounts. This pattern of thematic findings was
generally evident in three underlying themes. These were Self-mastery through
overcoming adversity to develop character strengths, a lack of Self-mastery through
unresolved early negative experiences, and a lack of Caring/help in unresolved early
negative experiences. Accounts reflecting the theme of a lack of Self-mastery were
distinguished by participants’ evaluation that there was no meaningful connection
between those experiences and either the rest of their life story or their current
entrepreneurial experience.

**Themes of Redemption and Contamination in Significant Childhood Memory**

The presence of themes of redemption and contamination in participants’
accounts of a significant childhood memory was examined. Finding are displayed in
Table 6.19.

Table 6.19

*Presence of Themes of Redemption and Contamination in Significant Childhood Memory*

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redemption</td>
<td>15</td>
<td>46.87</td>
</tr>
<tr>
<td>Redemption own effort</td>
<td>8</td>
<td>25.00</td>
</tr>
<tr>
<td>Enhanced agency</td>
<td>10</td>
<td>31.25</td>
</tr>
<tr>
<td>Enhanced communion</td>
<td>2</td>
<td>6.25</td>
</tr>
<tr>
<td>Ultimate concerns</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Contamination</td>
<td>4</td>
<td>12.50</td>
</tr>
</tbody>
</table>

*N = 32*
As shown in Table 6.19, participants’ accounts of this key event showed much greater evidence of the redemption theme than the contamination theme. Almost half the sample used the redemption sequence, whilst just over 10% used the contamination sequence. A quarter of the sample saw the redemptive outcome as due to their own efforts, and enhanced agency was again clearly the most frequent form of personal growth.

Most redemptive accounts of a significant childhood memory reflected the underlying theme of ‘Self-mastery through overcoming adversity to develop character strengths’, as discussed earlier. Indeed, each of the examples of this theme also show an enhanced sense of agency in terms of improved personal strength and self-efficacy that was described as the positive outcome of the participants’ actions.

Most contamination accounts reflected the underlying theme of ‘A lack of Self-mastery through unresolved early negative experiences’. These included the example of finding out that the Easter Bunny wasn’t real, and other relationship loss experiences such as being forced to kill one’s treasured pet for Christmas dinner, and a happy family day trip followed by the permanent disintegration of the family unit through divorce. This last example is illustrated in the following excerpt:

I remember *we were out driving in the countryside, my mum and dad and my sister and me.* We used to go out for the afternoon in the summer holidays quite a bit and it was just *a really good time,*

*I remember my sister and I laughing. Then* when I was six *my parents split up.* I remember *lots of fighting and not knowing where we would end up.* That *(the driving) didn’t happen anymore.*
In contrast to the personal gain and growth of redemptive accounts, this example demonstrates how contamination accounts emphasised loss and powerlessness. Interestingly, contamination accounts were often specifically identified as being unrelated to the rest of an entrepreneur’s life story. This contrasts with the general pattern in redemptive accounts, where early life experiences were usually linked to ongoing, current strengths in the entrepreneurs’ behaviour.

**Hermans’ Affect Themes in Significant Childhood Memory**

Indices of motivational themes, affective themes, and ratios were calculated from affective ratings for the 24 participants who completed this section. Results are presented in Table 6.20.

Table 6.20

<table>
<thead>
<tr>
<th>Ratio Indices</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Self: Other</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-enhancement</td>
<td>8</td>
<td>33.30</td>
</tr>
<tr>
<td>Equal self with other</td>
<td>11</td>
<td>45.80</td>
</tr>
<tr>
<td>Contact with others</td>
<td>5</td>
<td>20.80</td>
</tr>
<tr>
<td><strong>Positive: Negative</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive Affect</td>
<td>12</td>
<td>50.00</td>
</tr>
<tr>
<td>Equal positive with negative</td>
<td>1</td>
<td>4.20</td>
</tr>
<tr>
<td>Negative Affect</td>
<td>11</td>
<td>45.80</td>
</tr>
</tbody>
</table>

*N = 24*
As shown in Table 6.20, almost half (45.8%) of the sample reported that this key event involved relatively equal experiences of the Self-enhancement (SE) and Contact With Others (CWO) motives. Additionally, although a higher proportion reported greater experience of the SE motive than the CWO motive, rather than the opposite affective pattern, some emphasis on each of these affective patterns was observed. Similarly, whilst a marginally higher proportion (50.0%) reported greater experience of positive affect than negative affect, almost as many (45.8%) reported greater experience of negative affect than positive affect. The relative lack of a dominant motive type and a dominant tone of affective experience is in keeping with the earlier findings that the participants’ significant childhood memories reflected a range of positive and negative experiences that tended to have an interpersonal focus, yet also included many redemptive experiences in which the outcome involved positive gains for the self.

Different sums of the four indices of S, O, P and N, were calculated to investigate the nine affective patterns. (Refer to Table 6.05, page 172, for definitions of affective patterns.) Results are displayed in Table 6.21 (see page 224), which reveals that +HH was the most frequently observed affective pattern, with 29.2% of those providing affective ratings for this key event demonstrating this pattern. An examination of the content of all seven accounts with this pattern revealed no dominance of explicit emphasis on satisfaction of either motive type. Some explicitly highlighted one motive, such as SE in the event of winning an award, or CWO in the event of a happy family outing. Others explicitly highlighted both motives, such as CWO in enjoying a father’s company as he listened to their childhood plans, together with SE through feeling empowered by their father’s attention and encouragement.
### Table 6.21

**Affective Patterns Represented in Significant Childhood Memory**

<table>
<thead>
<tr>
<th>Type of Affective Pattern</th>
<th>Abbreviation Of Pattern</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Motives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive self-enhancement</td>
<td>+S</td>
<td>6</td>
<td>25.00</td>
</tr>
<tr>
<td>Self-enhancement</td>
<td>S</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative self-enhancement</td>
<td>-S</td>
<td>2</td>
<td>8.30</td>
</tr>
<tr>
<td>Positive contact with others</td>
<td>+O</td>
<td>1</td>
<td>4.20</td>
</tr>
<tr>
<td>Contact with others</td>
<td>O</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative contact with others</td>
<td>-O</td>
<td>4</td>
<td>16.70</td>
</tr>
<tr>
<td>Motive Combinations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive high self with high other</td>
<td>+HH</td>
<td>7</td>
<td>29.20</td>
</tr>
<tr>
<td>Positive low self with low other</td>
<td>+LL</td>
<td>1</td>
<td>4.20</td>
</tr>
<tr>
<td>Negative low self with low other</td>
<td>-LL</td>
<td>5</td>
<td>20.80</td>
</tr>
</tbody>
</table>

\( N = 24 \).

It was further noted that apart from sharing a positive focus, these seven accounts were quite diverse in content. As a result, they were not represented by any of the underlying themes identified for this key event.

Unlike the mixed findings with the +HH pattern, the five accounts that reflected the -LL pattern all clearly emphasised a lack of satisfaction of the CWO motive. Furthermore, they were all represented by the underlying theme of ‘A lack of Self-mastery through unresolved early negative experiences’. Consistent with both this underlying theme and the view of the –LL pattern as expressing powerlessness and isolation, these were accounts of the loss of important relationships that the
participants as children had felt unable to control or resolve, such as their parents divorcing or the Easter bunny turning out to be a myth.

Six participants’ responses highlighted the +S affective pattern. These were mostly accounts that reflected the redemptive underlying theme of ‘Self-mastery through overcoming adversity to develop character strengths’. Events described in these accounts included finally standing up to a school bully, defeating a previously overpowering nightmare figure, and developing personal skills to deal constructively with an abusive parent. These redemptive experiences, together with a few exclusively positively toned experiences such as the joy of being able to tie one’s shoelaces for the first time, all demonstrated an internalised source of self-enhancement.

The two accounts containing the –S pattern were also described in redemptive terms. The –S pattern relates to narrative accounts that have more SE than CWO affect, and greater negative affect than positive affect. According to Hermans (Hermans & Hermans-Jansen, 1995), this affective pattern represents the need for self-maintenance and self-expansion in circumstances where a person’s attempts to meet these needs are threatened or thwarted. In most instances, this opposition to meeting one’s needs is perceived as coming from other people. This definition of the –S pattern is consistent with the explicit opening descriptions of these two accounts, in which the behaviour of others was evaluated as self-threatening. That is, one account involved redemptive movement from the uncertainty of a father remarrying to the relief of being embraced by a step-mother, and the other involved redemptive movement from being bullied at school to learning to protect oneself. The –S pattern indicates that despite the explicit redemptive focus present in these two accounts, at a
latent level, the initially negative situation in which these participants found themselves was given more affective weight. Interestingly, many of the +S accounts also involved the same or similar sorts of redemptive experiences to these two –S accounts. This suggests that, overall, participants were more likely to focus both explicitly and implicitly on the positive, self-enhancement-related outcomes of redemptive childhood experiences.

Four participants’ responses highlighted the –O affective pattern. As noted earlier, this pattern represents unresolved longing for positive connection to others, and is typically evidenced in narrative accounts of the death of loved ones. In the present research, none of the accounts with this affective pattern explicitly dealt with the death of another. According to Hermans (Hermans & Hermans-Jansen, 1995), the –O pattern may also be more implicitly present in narratives that involve feelings of guilt regarding one’s perceived responsibility for another’s well-being. Three of the four participants’ accounts with this affective pattern fitted this description, with two describing a sibling coming to harm whilst in their care, and one describing a grandfather becoming seriously ill after an argument with the participant. The other account simply described feeling different to one’s sibling. The lack of satisfaction of the contact with others motive represented in these events is consistent with the earlier finding that most of these accounts were included in the underlying theme of ‘A lack of Caring/help in unresolved early negative experiences’.

In summary, exploration of affective ratings for the life story significant childhood memory revealed a pattern of findings that very closely approximated the earlier findings based upon McAdams’ (1985; 1993) themes. The lack of dominant motives and dominant affective experience was consistent with the varied affective
tone of accounts of this key event, and with the generally mixed agentic and communion thematic findings. The presence of the +S pattern was consistent with the underlying theme of ‘Self-mastery through overcoming adversity to develop character strengths’, whilst the presence of the –LL and –O affective patterns was consistent with the underlying theme of ‘A lack of Caring/help in unresolved early negative experiences’.

**Significant Adolescent Memory**

**Explicit Content of Significant Adolescent Memory**

The explicit content of significant adolescent memories was examined. Table 6.22 presents a summary of findings for the 31 participants who identified this key event.

**Table 6.22**

*Events Described in Significant Adolescent Memory*

<table>
<thead>
<tr>
<th>Type of Event</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive school experiences</td>
<td>10</td>
<td>32.26</td>
</tr>
<tr>
<td>Negative school experiences</td>
<td>5</td>
<td>16.13</td>
</tr>
<tr>
<td>First romance</td>
<td>4</td>
<td>12.90</td>
</tr>
<tr>
<td>First business venture</td>
<td>3</td>
<td>9.68</td>
</tr>
<tr>
<td>Work-related</td>
<td>3</td>
<td>9.68</td>
</tr>
<tr>
<td>Other life experiences</td>
<td>6</td>
<td>19.35</td>
</tr>
</tbody>
</table>

*N = 31*
Table 6.22 indicates that school experiences featured prominently as the objective focus of significant adolescent memories, with almost half of the sample (48.39%) referring to this subject. Positive school experiences mostly involved sporting activities, such as enjoying the status and comraderie of being part of a rugby team, or winning an individual sports event. Negative experiences included dealing with bullies and not liking being sent away to boarding school. Enjoying one’s first romantic relationship, creating one’s first new business venture, and making important career choices were other experiences that were commonly cited. The remaining 19.35% of experiences were mostly interpersonal events such as moving house and leaving behind good friends, a parent leaving either temporarily or permanently, and enjoying being part of a social group.

**Themes of Agency and Communion in Significant Adolescent Memory**

The presence of agentic and communal themes in participants’ accounts of a significant adolescent memory was examined. Results are presented in Table 6.23 (see page 229). Self-mastery was clearly the most frequently represented theme, with more than two thirds of participants highlighting it. Although much less often in evidence, Status/victory and Achievement/responsibility made up the top three most frequently referred to themes. Negative agentic themes, as well as both positive and negative communion themes, were not frequently included.

Significant adolescent memories mostly highlighted the theme of Self-mastery with other positive agentic themes such as Achievement/responsibility, although Self-mastery was sometimes combined with negative agentic themes such as Conflict or Failure/weakness.
Table 6.23  

Presence of Themes of Agency and Communion in Significant Adolescent Memory

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Thematic Group</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-mastery</td>
<td>+A</td>
<td>21</td>
<td>67.74</td>
</tr>
<tr>
<td>Status/victory</td>
<td>+A</td>
<td>7</td>
<td>21.88</td>
</tr>
<tr>
<td>Achievement/responsibility</td>
<td>+A</td>
<td>6</td>
<td>18.75</td>
</tr>
<tr>
<td>Love/friendship</td>
<td>+C</td>
<td>4</td>
<td>12.90</td>
</tr>
<tr>
<td>Unity/togetherness</td>
<td>+C</td>
<td>4</td>
<td>12.90</td>
</tr>
<tr>
<td>Conflict</td>
<td>-A</td>
<td>4</td>
<td>12.90</td>
</tr>
<tr>
<td>Separation</td>
<td>-C</td>
<td>4</td>
<td>12.90</td>
</tr>
<tr>
<td>Empowerment</td>
<td>+A</td>
<td>3</td>
<td>9.68</td>
</tr>
<tr>
<td>Failure/weakness</td>
<td>-A</td>
<td>3</td>
<td>9.68</td>
</tr>
<tr>
<td>Losing Face</td>
<td>-A</td>
<td>2</td>
<td>6.45</td>
</tr>
<tr>
<td>Rejection</td>
<td>-C</td>
<td>2</td>
<td>6.45</td>
</tr>
<tr>
<td>Disillusionment</td>
<td>-C</td>
<td>2</td>
<td>6.45</td>
</tr>
<tr>
<td>Another’s Misfortune</td>
<td>-C</td>
<td>2</td>
<td>6.45</td>
</tr>
<tr>
<td>Caring/help</td>
<td>+C</td>
<td>1</td>
<td>3.22</td>
</tr>
<tr>
<td>Ignorance</td>
<td>-A</td>
<td>1</td>
<td>3.22</td>
</tr>
<tr>
<td>Dialogue</td>
<td>+C</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

N = 31. Note: +A = positive agency theme; -A = negative agency theme; +C = positive communion theme; -C = negative communion theme.

Occasionally, the positive communion theme of Love/friendship was the central thematic focus. This pattern of thematic findings was reflected in the four main underlying themes identified for this key event. These comprised: Self-mastery
through positive experiences of developing independence; Self-mastery through redemptive experiences of developing independence; Self-mastery through a self-confidence boost; and Love/friendship through finding romantic love and valuing relationships.

**Self-mastery through positive experiences of developing independence.** In accounts that reflected this underlying theme, Self-mastery was narratively expressed as participants being strengthened by an experience and gaining a feeling of being more powerful agents in their own lives. Participants described how their experiences helped to point them towards adulthood, and to feel that they could begin to rely upon themselves rather than upon others such as their parents. This was especially evident in accounts of work experiences such as creating an after-school new business venture or getting a first part-time job. These accounts included statements such as “it was the beginning of my first independent actions”, “it meant that I was independent”, and “it was about starting to discover my adult self and becoming free”. These accounts often also highlighted the Achievement/responsibility theme, in that obtaining or creating work was evaluated as the achievement of a personal goal. The combination of these two themes is illustrated in the following excerpt from one participant’s account of their innovative creation of a part-time job:

> Getting my first real job. Yes, *that was significant because it wasn’t a job that was there, I made it up.* I went to them and said I think you need somebody to do this, this and this, so you can combine it all together and give me a place to live while I go through uni. And they agreed to it. *So I got a fairly good sense of achievement out*
of that… I was able to control my own destiny, and it meant that
I had independence.

This underlying theme was also evident in other types of experiences that exclusively concentrated on the Self-mastery theme, such as the following excerpt from one participant’s positive account of a school camp:

I was about 13 and it was walking over three days. We camped at night … It’s wonderful being 13 anywhere but especially here…. It’s discovering, and just that feeling of independence and that feeling of power, becoming more mature and being a grown up, just a really special time. And although I was more adventurous then, I like to think I still have a bit of that adventurous spirit in me…. it’s that willingness to take risks that connects it all.

In this account of what could be considered a communal type event of participating in a school camp, the participant focuses on how the experience of exploration and adventure that it provided him initiated feelings of independence and personal power. The participant then links the emergence of their adventurous spirit to their current risk-taking tendencies, thus implying a link between their personal characteristics and their entrepreneurial behaviour.

Self-mastery through redemptive experiences of developing independence.

The development of a sense of independence was also the focus of this underlying theme. However, in contrast to the first underlying theme which was reflected in
positively toned accounts of good experiences, here redemptively arranged accounts of good outcomes following bad experiences highlighted developing independence. This included thematic movement from Separation to Self-mastery, such as when the prolonged absence of one’s mother was evaluated as initiating the development of the ability to take care of oneself. Another example involved movement from Conflict to Status/victory and Self-mastery through winning a school finals tennis match against a powerful, disliked opponent; thereby developing an awareness of self-reliance and ability. A third example of this theme involved movement from Separation and Conflict to Self-mastery. This is illustrated in the following excerpt from one participant’s account of being sent to boarding school, then overcoming separation from home and being bullied at school to develop a sense of self-reliance:

Probably the biggest thing for me was boarding school….thrown in with 70 other kids, that was a culture shock. *And the pecking order* …*the older kids would relish the challenge of grinding someone into the ground. And being away from home….But I think that made me grow up, I think I needed to gain personal strength and confidence, to be able to stand on my own two feet.* And you had to develop a thick skin to survive it, but that was good.

*Self-mastery through a self-confidence boost.* This underlying theme was similar to the underlying themes represented in life story high points and turning points that focused upon the participant gaining confidence in their own abilities. Thus, Self-mastery was narratively expressed as feeling strengthened in oneself and as
having greater personal power within their environment. With the exception of one account of being promoted in a part-time job, all accounts reflecting this theme were about positive school experiences such as excelling academically or at sports, being accepted for an elite sporting team, or becoming a school prefect. Such accounts often highlighted the Status/victory theme as well as Self-mastery. This is illustrated in the following excerpt:

*Yes, in our school a prefect was a big thing, and I didn’t think I was within coo-ee of a chance.* To be a prefect you were nominated by your peers, so to be one of eight elected by 128 kids, *I think that was good for my self-esteem. It made me realise that I actually had some leadership skills*, which I actually never thought that I had. *That was something to me that I could kind of put away, keep in my store of good memories and building blocks. It actually allowed me to say, well, that’s something I can rely on.*

In this example, the participant clearly articulates how being elected as a school prefect gave him a sense of a heightened status in relation to his peers, and boosted his self-esteem. Additionally, this event served to boost his self-confidence in that it helped him to identify personal strengths in his ability to direct and influence others. The participant then describes how this self-esteem enhancing and self-confidence boosting experience has been consciously incorporated into his ongoing sense of self.
This underlying theme was also represented in accounts that centred upon the Achievement/responsibility theme combined with Self-mastery, as illustrated in the following excerpt:

I went to high school and just stuffed around. And then I decided to work my butt off, otherwise I'd be thrown out. So previously I’d been working just hard enough to get 50.1%, and from there I went to getting distinctions. And so the thing I learnt from that is that if I work hard at anything, I can succeed. Yes, absolutely, that’s why I know I can win anywhere, it was the beginning of the sense of that.

In this example, the participant describes how seeing the difference in academic results produced by putting in extra effort instilled in him a confidence in his ability to succeed. He then describes how this initiating event resulted in the internalisation of a generalisation that he can achieve anything if he puts in the required effort.

Love/friendship through discovering romantic love and the value of relationship. This underlying theme reflected the positive communion theme of Love/friendship narratively expressed as the development of feelings of both love and friendship with a member of the opposite sex. All of the accounts incorporating this theme described positive experiences of discovering and enjoying one’s first romantic relationship, and realising the value of such relationships. This was expressed in words and phrases such as “wonderful, all the sorts of emotions that happen when kids fall in love for the first time”, “it changed me in terms of starting to set
boundaries for me in terms of personal relationships, sexual relationships”, and “we stayed together a long time and had a lot of fun together, and I think there’s a pattern there, I really like a partner in life”. This theme is further illustrated in the following excerpt:

*My first real girlfriend…. gave me a sense of affirmation of me in a way that I hadn’t really experienced before.* It only lasted for a couple of months, but was actually *the very first steps of, I hope this relationship thing works, and actually caring about her too.*

In summary, participants’ accounts of a significant adolescent memory mostly emphasised the theme of Self-mastery expressed as gaining personal strength from either positive or redemptive experiences. Positive experiences of school successes and early work successes combined the Self-mastery theme with either Achievement/responsibility or Status/victory. Redemptive experiences of overcoming difficulties at school or prolonged separation from a parent combined the Self-mastery theme with either Conflict, Failure/weakness or Separation. Love/friendship through discovering romantic love and the value of relationship was also evident.

*Themes of Redemption and Contamination in Significant adolescent memory*

The proportion of themes of redemption and contamination in participants’ accounts of a this key event are displayed in Table 6.24 (see page 236). More than a third (38.71%) of participants described their significant adolescent memory as following a redemptive sequence, whilst only two participants used a contamination sequence.
Table 6.24

*Presence of Themes of Redemption and Contamination in Significant Adolescent Memory*

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redemption</td>
<td>12</td>
<td>38.71</td>
</tr>
<tr>
<td>Redemption own effort</td>
<td>7</td>
<td>22.58</td>
</tr>
<tr>
<td>Enhanced agency</td>
<td>10</td>
<td>32.26</td>
</tr>
<tr>
<td>Enhanced communion</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Ultimate concerns</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Contamination</td>
<td>2</td>
<td>45</td>
</tr>
</tbody>
</table>

*N = 31*

Table 6.24 also reveals that just over half of the redemptive outcomes were described as the result of one’s own efforts, and enhanced agency was the only form of personal growth evident.

Most redemptive accounts reflected the underlying theme of ‘Self-mastery through redemptive experiences of developing independence’. Thus, most involved thematic movement from either Failure/weakness, Conflict, or Separation, to Self-mastery in terms of improved self-confidence and self-efficacy. As with contamination accounts of significant childhood memories, the two contamination accounts emphasised the loss of relationships with others. Interestingly, these contamination accounts were also seen as not connected to the rest of the life story, as illustrated in the following excerpt showing negative movement from Love/friendship to Separation.
When *we shifted across the suburbs* to the other side of the city,

*I felt a bit isolated then. All my friends were back there,* I was very involved with theme, and I had to catch a tram all the way back there to see them…. *I felt isolated, but it didn’t have any lingering effect.*

*I just put it aside. It doesn’t really fit with the rest of my life story,*

*not really.*

**Hermans’ Affect Themes in Significant Adolescent Memory**

Indices of motivational themes, affective themes, and ratios were calculated from the affective ratings for this key event. The ratios were derived from the data provided by the 18 participants who completed this section. Results for the S:O and P:N ratios are presented in Table 6.25.

Table 6.25

* S:O and P:N Ratios for Significant Adolescent Memory

<table>
<thead>
<tr>
<th>Ratio Indices</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Self: Other</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-enhancement</td>
<td>9</td>
<td>50.00</td>
</tr>
<tr>
<td>Equal self with other</td>
<td>5</td>
<td>27.80</td>
</tr>
<tr>
<td>Contact with others</td>
<td>4</td>
<td>22.20</td>
</tr>
</tbody>
</table>

| **Positive: Negative** |         |         |
| Positive Affect | 11       | 61.10   |
| Equal positive with negative | 1       | 5.60    |
| Negative Affect | 6        | 33.30   |

*Note: N = 18*
As shown in Table 6.25, half of the participants reported affect ratings indicating that this key event involved greater experience of the Self-Enhancement (SE) than the Contact With Others (CWO) motive. More than half (61.1%) reported greater experience of positive affect than negative affect. Despite the small sample size, this pattern of findings is consistent with the earlier thematic findings involving the total sample, in which positive agentic themes were strongly evidenced.

Different sums of the four indices of S, O, P and N, were calculated to investigate the nine possible affective patterns (refer to Table 6.05 on page 172 for definitions of affective patterns). Results are presented in Table 6.26.

<table>
<thead>
<tr>
<th>Table 6.26</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Affective Patterns Represented in Significant Adolescent Memory</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type of Affective Pattern</th>
<th>Abbreviation Of Pattern</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Motives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive self-enhancement</td>
<td>+S</td>
<td>8</td>
<td>44.40</td>
</tr>
<tr>
<td>Self-enhancement</td>
<td>S</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative self-enhancement</td>
<td>-S</td>
<td>1</td>
<td>5.60</td>
</tr>
<tr>
<td>Positive contact with others</td>
<td>+O</td>
<td>1</td>
<td>5.60</td>
</tr>
<tr>
<td>Contact with others</td>
<td>O</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative contact with others</td>
<td>-O</td>
<td>2</td>
<td>11.10</td>
</tr>
<tr>
<td>Motive Combinations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive high self with high other</td>
<td>+HH</td>
<td>5</td>
<td>27.80</td>
</tr>
<tr>
<td>Positive low self with low other</td>
<td>+LL</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative low self with low other</td>
<td>-LL</td>
<td>4</td>
<td>22.20</td>
</tr>
</tbody>
</table>

N = 18
As shown in Table 6.26, the most frequently observed affective pattern was +S. Five of the eight accounts reflecting this pattern clearly reflected an internalised source of self-enhancement as captured by the underlying themes of ‘Self-mastery through positive experiences of independence’ and ‘Self-mastery through redemptive experiences of developing independence’. These included events such as creating a first after-school business venture, and finally beating up a school bully. The three other accounts covered experiences represented by the underlying theme of ‘Self-mastery through a self-confidence boost’ such as being elected a school prefect. Here, the self-enhancement gain was explicitly described as resulting from perceived positive evaluations from others.

Five participants’ accounts highlighted the +HH affective pattern. Two were descriptions of falling in love, both of which explicitly gave greater emphasis to the CWO motive. Consistent with this finding, these were represented by the underlying theme of ‘Love/friendship through discovering romantic love and the value of relationship’. The other three were descriptions of first business ventures and other work-related experiences, which explicitly placed greater emphasis on the SE motive. These accounts were represented by the underlying theme of ‘Self-mastery through positive experiences of developing independence’.

Each of the four accounts with the –LL affective pattern began with explicit emphasis on a lack of satisfaction of both types of motives. For example, one described feeling helpless to act when watching a fellow student being bullied, and another highlighted feeling both inferior to and distant from other, more wealthy classmates. However, all four accounts ended on a redemptive note that explicitly emphasised actions taken to address feelings of powerlessness and separation. In one
case, the participant who watched another being bullied went on to describe how he had subsequently resolved to intervene in any similar situations in future, and that he had often done so. These four accounts were represented by the underlying theme of ‘Separation and Failure/weakness to Self-mastery’. As with many of the accounts represented by negative affective patterns, the –LL pattern in these accounts suggests that the initial negative affect sparked by these incidents was more strongly focused upon in participants’ affect ratings than the positive, redemptive outcome that followed.

In summary, the affective ratings for the significant adolescent memory were very much aligned with the pattern of findings that emerged using McAdams’ (1985; 1993) themes. Despite the fact that less than half of the total sample of 40 participants completed this section, the trend towards greater presence of the SE than CWO motive, together with greater positive affect than negative affect, was consistent with the prevalence of positive agentic themes and of underlying themes centred upon Self-mastery. Additionally, the two affective patterns involving the considerable presence of the CWO motive, namely +HH and –LL, were evident in accounts that highlighted underlying themes that also emphasised the value of positive connection to others.

**Significant Adult Memory**

**Explicit Content of Significant Adult Memory Event**

The explicit content of the significant adult memory was examined and is summarised in Table 6.27.
Table 6.27

*Events Described in Significant Adult Memory*

<table>
<thead>
<tr>
<th>Type of Event</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurial experiences</td>
<td>7</td>
<td>24.14</td>
</tr>
<tr>
<td>Birth of first child</td>
<td>5</td>
<td>17.24</td>
</tr>
<tr>
<td>Workplace experiences</td>
<td>5</td>
<td>17.24</td>
</tr>
<tr>
<td>Holiday experiences</td>
<td>3</td>
<td>10.34</td>
</tr>
<tr>
<td>Other life experiences</td>
<td>9</td>
<td>31.03</td>
</tr>
</tbody>
</table>

*N = 29*

Experiences from the “work” sphere of participants’ lives featured prominently as the explicit focus of significant adult memories, with over one third (41.38%) of the sample describing this type of event (see Table 6.27). More than 20% of participants highlighted entrepreneurial experiences. Most of these were positive accounts of events such as successful commencement of a new business venture, winning a major business contract, and having their business ranked in a high position on the BRW Fast 100 list. The only negative event included as an entrepreneurial experience was a situation of conflict with a business partner. Similarly, positive accounts predominated accounts of workplace experiences with a focus on events such as being promoted and winning an award for outstanding achievement. Positive accounts of the birth of one’s first child and of experiences on overseas holidays also featured prominently. The remaining 30.13% of experiences described included positive events such as winning a boat race, learning to play the guitar, and meeting famous people, and negative events such as being criticised by friends or associates, and feeling that one had not done their best in competitive situations.
Themes of Agency and Communion in Significant Adult Memory

The proportion of agentic and communal themes in participants’ accounts of a significant adult memory are displayed in Table 6.28.

Table 6.28

Presence of Themes of Agency and Communion in Significant Adult Memory

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Thematic Group</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-mastery</td>
<td>+A</td>
<td>15</td>
<td>51.72</td>
</tr>
<tr>
<td>Achievement/responsibility</td>
<td>+A</td>
<td>14</td>
<td>48.27</td>
</tr>
<tr>
<td>Status/victory</td>
<td>+A</td>
<td>7</td>
<td>24.13</td>
</tr>
<tr>
<td>Failure/weakness</td>
<td>-A</td>
<td>4</td>
<td>13.79</td>
</tr>
<tr>
<td>Separation</td>
<td>-C</td>
<td>3</td>
<td>10.34</td>
</tr>
<tr>
<td>Empowerment</td>
<td>+A</td>
<td>2</td>
<td>6.90</td>
</tr>
<tr>
<td>Caring/help</td>
<td>+C</td>
<td>2</td>
<td>6.90</td>
</tr>
<tr>
<td>Unity/togetherness</td>
<td>+C</td>
<td>2</td>
<td>6.90</td>
</tr>
<tr>
<td>Losing Face</td>
<td>-A</td>
<td>2</td>
<td>6.90</td>
</tr>
<tr>
<td>Conflict</td>
<td>-A</td>
<td>2</td>
<td>6.90</td>
</tr>
<tr>
<td>Disillusionment</td>
<td>-C</td>
<td>2</td>
<td>6.90</td>
</tr>
<tr>
<td>Love/friendship</td>
<td>+C</td>
<td>1</td>
<td>3.45</td>
</tr>
<tr>
<td>Dialogue</td>
<td>+C</td>
<td>1</td>
<td>3.45</td>
</tr>
<tr>
<td>Ignorance</td>
<td>-A</td>
<td>1</td>
<td>3.45</td>
</tr>
<tr>
<td>Rejection</td>
<td>-C</td>
<td>1</td>
<td>3.45</td>
</tr>
<tr>
<td>Another’s Misfortune</td>
<td>-C</td>
<td>1</td>
<td>3.45</td>
</tr>
</tbody>
</table>

N = 29. Note: +A = positive agency theme; -A = negative agency theme; +C = positive communion theme; -C = negative communion theme.
As shown in Table 6.28, Self-mastery and Achievement/responsibility were the most frequently evidenced themes in participants’ accounts of a significant adult memory, with almost half of the sample emphasising these themes. Together with Status/victory, these three positive agentic themes made up the top three most frequently referred to themes. The negative agentic theme of Failure/weakness together with the negative communion theme of Separation were also amongst the top five most frequently referred to themes. However, these two themes, together with the remaining positive and negative agentic and communion themes, were referred to comparatively infrequently.

In many accounts, the themes of Status/victory and Achievement/responsibility either featured exclusively, or maintained a more prominent position than some of the other, overall less frequently referred to themes that were included, such as Failure/weakness or Caring/help. For example, an account of overcoming claustrophobia whilst on holidays emphasised the sense of achievement in overcoming their fears, more so than the initial feeling that they had been unable to do it. In this way, the theme of Achievement/responsibility was more prominent than Failure/weakness. In several other accounts, Self-mastery was given equal prominence along with Status/victory or Achievement/responsibility. This occurred in accounts where experiences of winning and of achieving were accompanied by a strengthened sense of one’s abilities. This pattern of thematic findings was reflected in three of the four main underlying themes that emerged. These comprised: Status victory through pleasure in winning; Achievement/responsibility through positive experiences of attaining personal goals; and Self-mastery with Status/victory and Achievement/responsibility through success.
prompting risk to do even better. A fourth, less frequent yet clearly articulated underlying theme of Separation through the loss of positive contact with others was also evidenced in participants’ accounts.

**Status/victory through pleasure in winning.** This theme was the focal point of descriptions of events such as winning a workplace award for outstanding achievement, and securing an important business contract over other competitors. Here, Status/victory was narratively expressed as the participant valuing the receipt of positive recognition from others for their superior ability. This was conveyed in words and phrases such as “they couldn’t award it to anyone else, there just wasn’t anyone better” and “we were chosen by this fairly significant player over some others that had more proven credentials”. This underlying theme was also expressed more simply in terms of the positive feelings associated with beating others in a competitive situation, as illustrated in the following excerpt:

*Winning* that funny little cup over there, *actually a yacht race*. I put together a crew of six. It was about a three hour race across the harbour and we won by about two metres. And it was *just the most wonderful experience of beating this other boat. Great to win, it was a lot of fun….*

Probably reflecting my competitive nature, the will to win.

**Achievement/responsibility in experiences of attaining goals.** Here, the achievement aspect of the Achievement/responsibility theme was emphasised. This was narratively expressed through descriptions of attaining important personal goals, as well as through direct statements of achieving. This underlying theme was apparent
in a variety of positively toned accounts that included being approached for a business takeover, successfully sitting for a driver’s licence or aeroplane license, and having achieved the level of financial success that funded an extravagant overseas holiday. It was expressed in words and phrases such as “it was definitely a sense of achievement”, “a sense of achievement in that somebody wanted to take over what we’d built up”, and “this was a significant achievement for me, it had been a lifelong dream”. This is illustrated in the following excerpt which highlights the positive feelings associated with attaining a self-important goal:

*Getting my license* was a pretty big thing. Again, *just achievement*. I think *I felt good that I’d achieved*, I think that again. *I like setting a goal, and I get pretty happy when I achieve it.*

This theme was also present in several redemptively arranged accounts of overcoming personal difficulties to achieve a valued positive outcome. These accounts commenced with negative descriptions that mostly highlighted the theme of Failure/weakness. These were experiences of overcoming claustrophobia, overcoming self-doubt to succeed in a high level exam, overcoming anxiety about personal problems to attain a sense of self-control through positive coping behaviours, and moving from the frustration of working as an employee to the freedom of achieving success in one’s own business venture.

*Self-mastery with Status/victory or Achievement/responsibility through success inspiring greater success.* This underlying theme was expressed in descriptions of varied events that included attaining a high ranking on the BRW Top
100 list of growing businesses, doing well in an accounting exam, being promoted at work, successfully launching a new business, and experiencing business development and growth. In accounts that highlighted this theme, the Status/victory and Achievement/responsibility themes were shown as winning in competitive situations or attaining a high status position, and achieving important goals, respectively. One of these themes was then paired with Self-mastery, which was narratively expressed as experiencing a strengthened sense of oneself, together with a strengthened resolve to in some way better or expand the self or one’s abilities. Thus, as with many highpoint accounts, experiences of winning or achieving were given the meaning of strengthening the participants’ belief in their existing ability, and spurring them on to even greater successes. This theme is illustrated in the following two excerpts.

I was offered a position to join another company…

becoming a managing director of a big company…So it was significant in two points of view, of getting that experience as managing director, but then it was a catalyst for starting my own company. I’ve always taken on challenges, whatever it might be, and I think this was just a carry on from all that, getting the job and then starting my own business.

In this account, the participant describes how attaining a high status position and mastering the challenge it represented gave them faith in their abilities and
motivated them to start their own business venture. In this way it highlighted the themes of Status/victory and Self-mastery.

There was an opportunity to purchase a business…. we were able to take the business and promote it and grow it to a level that was unseen in that industry….. And I was actually quite surprised, because I thought it would be more difficult in terms of existing players hanging onto their market share…I think it was nerve wracking, I think it was exhilarating, terrifying, but a tremendous accomplishment to be able to do it…. It gives you confidence. As you go forward, I won’t be afraid of taking the same sort of risks, as long as I put in the same sort of effort.

In this account, the participant describes how taking action to build up an existing business enabled his business to perform well against strong competition, and strengthened his belief in his ability to succeed and to go forward and achieve further successes. In this way, this account highlights both the Achievement/responsibility and Status/victory themes as well as Self-mastery.

Within this underlying theme of success inspiring greater success, some participants highlighted an additional sub-theme of enjoying the risk-taking element involved in the pursuit of greater success. This is illustrated in the following excerpt:

Yes, getting that ranking on the BRW list of fastest growing Companies…. it’s made me realise that I still want to achieve
more in my business. I have a few other things I’d like to achieve. Well I guess it’s the adventure thing, maybe you just need bigger and bigger adventures all the time to give you that adrenaline rush. I don’t know, maybe I still haven’t had my biggest adventure.

In this example, the entrepreneur describes how attaining a high ranking in relation to other top performing entrepreneurial ventures elicits a desire to achieve even better results. The reference to needing “bigger and bigger adventures” highlights a preference for risk-taking as part of this underlying theme. This willingness to risk it all in the adventure of seeing what they can accomplish is clearly expressed in the following excerpt. Here, the participant describes how the risks involved in undertaking a dangerous sport parallels their entrepreneurial experience:

I keep trying (to excel at motorbike riding), I like risk, I’m in the right business then, it’s just the best. It’s just the most exciting when you’re close to the edge of what you can do. I think that’s what the excitement comes from, is doing something that is at the edge of your mental ability or skill ability. You know, it's wondering whether you can do that, that's so exciting. Yes, it’s just the best.

Separation through the loss of positive contact with others. The three accounts highlighting this underlying theme were united in their depiction of the loss of positive contact with valued others. Demonstrating a contaminated sequence of
events, two of these included reference to the negative communion theme of Disillusionment, in terms of losing faith in a formerly valued and admired business associate, and losing faith in previously close family friends. The other account focused more exclusively on the Separation theme, describing the permanent loss of a close friend through their death.

In summary, participants’ accounts of significant adult memories were dominated by positively toned descriptions of entrepreneurial experiences and workplace experiences. The positive agentic themes of Self-mastery, Achievement/responsibility and Status/victory were most frequently evident in this key event. These were highlighted in three of the four underlying themes that emerged. The first two of these themes were characteristic examples of the Status/victory and Achievement/responsibility themes, with the first emphasising pleasure in winning and the second emphasising positive experiences of attaining goals. The third underlying theme reflected a combination of either one or both of these themes together with Self-mastery, highlighting how winning and achieving lead to a strengthened sense of oneself and one’s abilities, and the desire for further success. A sub-theme of this third theme was also identified, in which participants’ emphasised enjoyment of the risk-taking element involved in the pursuit of greater success. In contrast to these agentic-based themes, the fourth underlying theme had a communion focus, being centred upon the experience of unpleasant separation from previously valued others.

**Themes of Redemption and Contamination in Significant Adult Memory**

The presence of themes of redemption and contamination in participants’ accounts of a significant adult memory was examined. Frequencies and percentage
figures regarding the presence of each theme in this key event are displayed in Table 6.29.

Table 6.29

Presence of Themes of Redemption and Contamination in Significant Adult Memories

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redemption</td>
<td>7</td>
<td>24.14</td>
</tr>
<tr>
<td>Redemption own effort</td>
<td>5</td>
<td>17.24</td>
</tr>
<tr>
<td>Enhanced agency</td>
<td>6</td>
<td>20.69</td>
</tr>
<tr>
<td>Enhanced communion</td>
<td>1</td>
<td>3.45</td>
</tr>
<tr>
<td>Ultimate concerns</td>
<td>1</td>
<td>3.45</td>
</tr>
<tr>
<td>Contamination</td>
<td>4</td>
<td>13.79</td>
</tr>
</tbody>
</table>

\(N = 29\)

The data in Table 6.29 show that almost one quarter (24.14%) of participants described their significant adult memory as following a redemptive sequence, with most redemptive accounts perceived to be the result of one’s own efforts, and as providing an enhanced sense of agency. Interestingly, in comparison to the number of redemptive accounts, more than half as many participants described this key event as following a contamination sequence.

Most redemptive accounts reflected the underlying theme of ‘Achievement/responsibility through experiences of attaining goals’, as discussed earlier. Two of the contamination accounts were interpersonal in nature, as represented by the underlying theme of ‘Separation through the loss of positive
contact with others’. The other two accounts were focused on the self, describing movement from positive experiences of achievement in competitive situations to negative feelings of self-criticism that they should have done better.

**Hermans’ Affect Themes in Significant Adult Memory**

Indices of motivational themes, affective themes, and ratios were calculated from the affective ratings for this key event provided by 22 participants. Results for the S:O and P:N ratios are presented in Table 6.30.

<table>
<thead>
<tr>
<th>Ratio Indices</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self: Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-enhancement</td>
<td>13</td>
<td>59.10</td>
</tr>
<tr>
<td>Equal self with other</td>
<td>7</td>
<td>31.80</td>
</tr>
<tr>
<td>Contact with others</td>
<td>2</td>
<td>9.10</td>
</tr>
<tr>
<td>Positive: Negative</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive Affect</td>
<td>19</td>
<td>86.40</td>
</tr>
<tr>
<td>Equal positive with negative</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative Affect</td>
<td>3</td>
<td>13.60</td>
</tr>
</tbody>
</table>

*N = 22

As shown in Table 6.30, more than half (59.1%) of the respondents reported that their significant adult memory involved greater experience of the Self-
enhancement (SE) motive than the Contact With Others (CWO) motive. In contrast, only two participants reported the opposite affective pattern. There was a clear preference for evaluating this key event as involving greater levels of positive affect than negative affect. These findings are consistent with the earlier observations that significant adult memories were mostly positively toned accounts that strongly emphasised positive agentic themes and made little reference to communion themes.

Different sums of the four indices of S, O, P and N, were calculated to investigate the nine possible affective patterns. (Refer to Table 6.05, page 6.179, for definitions of affective patterns). Results are displayed in Table 6.31.

Table 6.31

Affective Patterns Represented in Significant Adult Memory

<table>
<thead>
<tr>
<th>Type of Affective Pattern</th>
<th>Abbreviation Of Pattern</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Motives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive self-enhancement</td>
<td>+S</td>
<td>13</td>
<td>59.10</td>
</tr>
<tr>
<td>Self-enhancement</td>
<td>S</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative self-enhancement</td>
<td>-S</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Positive contact with others</td>
<td>+O</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Contact with others</td>
<td>O</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative contact with others</td>
<td>-O</td>
<td>2</td>
<td>9.10</td>
</tr>
<tr>
<td>Motive Combinations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive high self with high other</td>
<td>+HH</td>
<td>10</td>
<td>45.50</td>
</tr>
<tr>
<td>Positive low self with low other</td>
<td>+LL</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative low self with low other</td>
<td>-LL</td>
<td>2</td>
<td>9.10</td>
</tr>
</tbody>
</table>

N = 22
As shown in Table 6.31, +S was the most frequent affective pattern, with more than half (59.1%) of those completing affective ratings reporting this pattern. Most accounts with this pattern described positive entrepreneurial experiences. These included successfully launching a new venture, securing a major business contract, and attaining a high position in a publicised listing of fast growing businesses. Demonstrating consistency between the +S pattern and the dominant use of the positive agentic themes of Self-mastery, Status/victory and Achievement/responsibility, these accounts reflected all three of the agentic underlying themes identified for this key event. The nature of these three themes suggests that these accounts were mixed in the tendency to see the source of a gain in self-enhancement as originating from the self’s efforts or from the praise and approval of others. That is, although Self-mastery and in some instances Achievement/responsibility involve an internalised source of self-enhancement, Status/victory implies an externalised source.

Ten participants’ responses highlighted the +HH affective pattern. Four of these were accounts of the birth of one’s first child, which varied in the extent to which they explicitly emphasised one or both of the motives of SE and CWO. The remaining six accounts comprised diverse experiences such as getting a driver’s licence, having an animated conversation with a friend, and learning to play the guitar. Most narratives placed greater explicit emphasis on the SE motive than the CWO motive. For example, one participant’s account of an extravagant holiday with his wife focused primarily on the personal recognition of his ability to succeed financially in business, which made such experiences possible. Thus, the CWO
motive was generally involved at a more implicit level in +HH accounts of significant adult memories.

Of the two accounts highlighting the –LL affective pattern, one of these was also one of the two accounts highlighting the –O pattern. Together, these three accounts were united in their depiction of the loss of positive contact with others. One described losing faith in a business associate, one described losing faith in friends after an argument, and the third, which featured in both affective patterns, described the death of a close friend. The affective patterns in these accounts are consistent with their representation in the underlying theme of ‘Separation through loss of positive contact with others’. The finding that two of these accounts were evaluated as involving low levels of both the SE and CWO motives suggests that the lack of fulfilment of the SE motive was more implicitly involved in these experiences.

In summary, results from an exploration of the affective ratings for the significant adult memory were generally in line with the pattern of findings observed using McAdams’ (1985; 1993) themes. In particular, the clear presence of positive experiences of Self-enhancement was consistent with the earlier finding of the dominance of positive agentic themes for this key event. Additionally, the presence of some experience of a lack of satisfaction of the Contact With Others motive was generally consistent with the earlier finding of an underlying theme of ‘Separation through loss of positive contact with others’.

**Life Story Coherence**

The level of life story coherence demonstrated in the participants’ narrations of their life stories was examined. Life story coherence was considered separately for
each of the key events, including the event of business failure. For each key event, means and standard deviations were calculated for each of the four life story coherence indices of orientation, structure, affect and integration. These four indices were also summed to form a total life story coherence score for each key event.

A series of independent t-tests was conducted to identify any significant differences in the levels of life story coherence between low points about business failure and low points in general, and also between low points about business failure and business failure accounts that were not included as low points (see Appendix D.4). Across the four life story coherence indices, there were no significant differences between either of these two sets of groups. Given that low point accounts of business failure did not significantly differ in average life story coherence scores from either low points in general or other business failure accounts, it was concluded that they could be removed from the low points section and combined with the other business failure accounts to form a larger group that was exclusively concerned with the business failure event. This permitted a clearer examination of any differences in the level of life story coherence represented in the business failure event as compared to each of the other types of key events.

Table 6.32 presents means and standard deviations for each of the life story coherence indices and a life story coherence total, calculated for each of the key events and for the event of business failure.
Table 6.32

Descriptive Statistics For Life Story Coherence Evidenced in Life Story Key Events and the Event of Business Failure

<table>
<thead>
<tr>
<th>Type of Key Event</th>
<th>Type of Life Story Coherence Index</th>
<th>Total LSC Score</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Orientation</td>
<td>Structure</td>
</tr>
<tr>
<td>High Point</td>
<td>Mean</td>
<td>4.31</td>
</tr>
<tr>
<td></td>
<td>SD</td>
<td>1.56</td>
</tr>
<tr>
<td>Low Point</td>
<td>Mean</td>
<td>4.32</td>
</tr>
<tr>
<td></td>
<td>SD</td>
<td>1.52</td>
</tr>
<tr>
<td>Turn Point</td>
<td>Mean</td>
<td>4.33</td>
</tr>
<tr>
<td></td>
<td>SD</td>
<td>1.43</td>
</tr>
<tr>
<td>Child Mem</td>
<td>Mean</td>
<td>4.35</td>
</tr>
<tr>
<td></td>
<td>SD</td>
<td>1.45</td>
</tr>
<tr>
<td>Adlesc Mem</td>
<td>Mean</td>
<td>4.03</td>
</tr>
<tr>
<td></td>
<td>SD</td>
<td>1.64</td>
</tr>
<tr>
<td>Adult Mem</td>
<td>Mean</td>
<td>3.89</td>
</tr>
<tr>
<td></td>
<td>SD</td>
<td>1.47</td>
</tr>
<tr>
<td>Bus Failure</td>
<td>Mean</td>
<td>4.51</td>
</tr>
<tr>
<td></td>
<td>SD</td>
<td>1.93</td>
</tr>
</tbody>
</table>

N ranged from 28 to 38. Note: Turn Point = turning point; Child Mem = significant childhood memory; Adlesc Mem = significant adolescent memory; Adult Mem = significant adult memory; Bus Failure = business failure event. Total LSC Score = Total Life Story Coherence Score.

As shown in Table 6.32, on average, participants demonstrated similar levels of life story coherence for each coherence index across each type of key event,
including business failure. Within each key event, average index scores ranged between three and four. Overall, average scores ranged from 3.15 for the affect index of the life story turning point, to 4.51 for the orientation index of the business failure event. A score of three indicated a somewhat low level of coherence, whilst a score of four indicated a neutral, neither high nor low level of coherence. Thus, participants tended to demonstrate low to neutral levels of coherence for each of the four life story coherence indices across each key event.

Despite the similar results for all indices across all key events, some trends were evident in the pattern of life story coherence scores within each key event. Notably, the orientation index was the highest average index score within each key event, including business failure. In most instances, this was followed by scores on the structure index. Interestingly, the low point and business failure events were distinguished by having the lowest average scores for the integration index. In all other key events, the affect index received the lowest average score. Business failure and low points were further distinguished by having the highest levels of total life story coherence.

**Relationship Between Life Story Coherence and Self-concept Clarity**

Pearson’s product moment correlations were calculated for the life story coherence index scores and self-concept clarity scores. This was done to explore the relationship between how clearly articulated and meaningfully put together the participants’ life stories were, and how clearly described, internally consistent and stable over time they judged their self-concept. No significant correlations were found between self-concept clarity and either total life story coherence scores, or any life story coherence index, for any key event. There was also no relationship between the
total life story coherence score summed across all key events, and self-concept clarity. In almost all instances, correlations were very weak, and not approaching significance \( (r \text{ ranged from } -0.273, p = .15, \text{ to } .336, p = .074). \) Notably, only the strongest correlation, observed between self-concept clarity and the structure index of the business failure event \((r = .336, p = .074), \) approached significance.

**Initial Summary of the Life Story of the Entrepreneur**

The exploration of the six key events of a life story high point, low point, turning point, and a significant childhood, adolescent and adult memory, revealed distinct patterns within the life stories of this sample of entrepreneurs. These findings are considered in terms of (a) the dominant use of certain agentic and communion themes in conveying the self-relevant meaning of the different key events (b) the prevalence of redemption and contamination narrative strategies within the participants’ life stories, (c) the relation between McAdams’ (1985; 1993) explicit themes and the implicit themes represented by Hermans’ (1989; Hermans & Hermans-Jansen, 1995) affect ratings and (d) the overall affective tone of the life story and level of life story coherence. A summary model of the defining elements of the life stories is then presented.

**Dominant Agentic and Communal Themes in Entrepreneurs’ Life Stories**

A distinctive feature of the life stories of this sample of entrepreneurs was that specific agentic and communal themes were repeatedly emphasised across the six key life events. Regarding agentic themes, the positive themes of Self-mastery, and to a lesser extent Status/victory and Achievement/responsibility, dominated the life story accounts. These themes featured strongly in accounts of life story high points, turning
points, significant adolescent memories, and adult memories. Although still present in life story low points and significant childhood memories, this constellation of agentic themes was less exclusively the focus in those key events. For Communion themes, the negative themes of Separation and to a lesser extent Disillusionment, as well as the positive communion theme of Love/friendship, were less frequently referred to, yet were important, elements of some key events. These communal themes featured most strongly in the participants’ accounts of life story low points and significant childhood memories.

**Life story high point.** All four of the positive agentic themes were evidenced in life story high points, with the strongest reference being to Self-mastery. Indeed, regardless of whether a highpoint explicitly addressed business experiences or personal relationships (the two main subjects referred to for this key event), the underlying meaning consistently emphasised satisfaction of the Self-mastery theme. More specifically, the meaning generally given to highpoints, as expressed in four of the five underlying themes that emerged for this key event, was centred upon experiencing a sense of self-confidence in one’s ability, and in particular one’s entrepreneurial ability. For example, in two of the underlying themes, Self-mastery was specifically expressed as either developing or affirming a confident and secure belief in one’s ability to successfully pursue entrepreneurship. The first theme, combining Self-mastery with Status/victory, was reflected in accounts of achieving entrepreneurial success in the sight of others, such as securing a major business contract amidst stiff competition. Here, the positive recognition from others was not simply valued in itself, but given importance in the story for its role in strengthening the participants’ belief in their entrepreneurial ability. The second theme combined
Self-mastery with Achievement/responsibility, highlighting how the participant’s own recognition of their entrepreneurial ability served to establish or bolster an entrepreneurial self-confidence.

The third theme involved positively toned personal relational events, such as getting married or the birth of a child. However, these were narratively expressed in a manner that focused much more upon the self than upon the relationship. Moreover, consistent with the first two themes, the development or affirmation of self-confidence in one’s ability was again the central meaning given to these high point experiences. These accounts often emphasised confidence in the ability to create, and to make things happen. Self-mastery was also emphasised in the fourth theme. However, in this instance it was expressed as the outcome of empowering early socialisation experiences that fostered the development of a generalised self-confidence in one’s ability to achieve anything one wanted to.

**Life story low point.** Although often present as a thematic element of life story low points, Self-mastery featured prominently in only one of the underlying themes identified. Notably, most accounts highlighting Self-mastery were redemptive experiences related to overcoming major business difficulties and failures. Moving from Failure/weakness to Self-mastery, the meaning given to taking action to successfully resolve business difficulties often went beyond a boost in entrepreneurial self-confidence to a more general strengthening of one’s self-confidence and sense of personal power in the ability to influence their environment. A contrasting theme, involving greater emphasis on Failure/weakness than Self-mastery, was also evident for a minority of participants. This theme reflected greater expression of the
powerlessness initially associated with the business failure experience, than the strengths associated with business recovery.

In contrast to the almost exclusively agentic focus of life story highpoints, many low points emphasised communion themes. Apart from accounts of business failure, in general, low points focused explicitly upon negative relational issues, such as the death of a loved one or relationship difficulties. Many low points were interpersonal events, that were given an interpersonal meaning. The meaning was arranged around either redemptively moving towards others, or moving away from others in a contamination of that relationship. Many accounts of moving towards others described movement from the negative of Separation to the positive of Love/friendship, such as when the loss of one important relationship prompted a positive re-evaluation of another. Accounts of moving away from others highlighted feelings of betrayal and disappointment in others, thereby reflecting the theme of Disillusionment.

Life story turning point. Self-mastery was given a particularly strong emphasis in entrepreneurs’ accounts of a life story turning point, often forming the exclusive motivational focus. Most turning points explicitly focused upon the work sphere of participants’ lives, with many describing positive entrepreneurial experiences such as successful new business creation or business expansion. The usual meaning given to turning points was about taking control of one’s life direction, especially in career advancement and personal development. Self-mastery was expressed in a clearly articulated process of self-change that centred upon a move to feeling stronger and more confident in oneself, and to being better able to influence one’s environment so as to achieve desired aims. This move to a more confident,
purposeful and powerful self was evident in the underlying themes. In the first theme, a range of positively toned experiences such as successfully launching a new business or getting promoted at work, together with redeeming experiences such as overcoming a father’s negative predictions to achieve business success, were described in a manner that highlighted to the participant their ability to control their own destiny. In the second theme, events outside of entrepreneurship, such as finally taking up a valued creative pursuit, were described as self-affirming. The third theme mirrored the high point general thematic focus on self-confidence, with a range of positive and redemptive workplace experiences evaluated as facilitating greater self-belief in one’s abilities. The fourth theme was represented across a diverse range of life experiences including entrepreneurial events, and focused on insights through experience that left the participant with a clearer sense of what they valued.

**Significant childhood memory.** As with life story low points, the explicit content of significant childhood memories tended to have an interpersonal focus. However, as with high points, the meaning given to many of these interpersonal experiences reflected an emphasis on Self-mastery. These were mostly redemptive accounts of experiences such as finally facing up to a schoolyard bully, or learning to deal with the early loss of a parent, in a way that left the participant feeling some form of personal gain such as increased personal power, resilience, or independence. A contrasting underlying theme, involving a lack of Self-mastery, was also evident in accounts of diverse early experiences. Many of these also highlighted negative agentic and communal themes such as Conflict, Separation, and Disillusionment. These accounts were united in implicitly suggesting a lack of Self-mastery through a sense
of powerlessness about not being able to resolve issues of relationship difficulties and relationship loss.

**Significant adolescent memory.** Self-mastery featured prominently in accounts of significant adolescent memories. Usually these descriptions focused explicitly upon positive or negative school experiences, with some early work-related experiences and a few accounts of first romantic relationships. The most common meaning given to significant adolescent memories was expressed in three of the four underlying themes and referred to the development of independence and gaining confidence in oneself and one’s abilities. In the first two themes, accounts of both positive experiences (e.g., getting one’s first part-time job), and redemptive experiences (e.g., overcoming loneliness and bullying at boarding school) reflected Self-mastery as the development of self-reliance and the ability to be a more powerful agent in one’s own life. In the third theme, accounts of positive school experiences expressed Self-mastery as gains in general self-confidence, with some also emphasising self-confidence in specific areas such as leadership. The fourth theme was the sole underlying theme within the participants’ life stories to exclusively highlight a positive communion theme. In this theme, Love/friendship was emphasised as a positive connection to another in accounts of early romantic relationships.

**Significant adult memory.** Self-mastery was frequently evidenced in accounts of significant adult memories, whilst other positive agentic themes were also prominently, and in some instances exclusively, represented. Specifically, Achievement/responsibility and Status/victory were central to two of the four underlying themes identified for this key event. Many accounts explicitly focused
upon positive entrepreneurial and other workplace experiences, with the remainder comprised of a variety of both positive and negative personal and interpersonal events. The first two themes described experiences of winning and achieving in ways that characteristically reflected the Status/victory and Achievement/responsibility themes, respectively. The third theme highlighted Self-mastery in terms of a strengthened sense of self and increased confidence in one’s ability to achieve further success, which arose out of self-enhancing evaluations of situations of winning and achieving. A fourth theme, reflecting Separation and sometimes Disillusionment in a contamination sequence, was evident in accounts of permanently damaged relationships both within the work and personal spheres of participants’ lives.

**Redemption and Contamination in Entrepreneurs’ Life Stories**

Another distinctive feature of the life stories of this sample of entrepreneurs was the much greater evidence of the redemption narrative strategy than the contamination narrative strategy. Across all key events, participants frequently described an experience as moving from an initially negative situation to a positive outcome, and rarely as moving from good to bad. Furthermore, the redemptive outcome was usually attributed to the participants’ own efforts to resolve the situation, and was most often evaluated as resulting in an enhanced sense of personal agency.

The redemption theme was evident in two main areas. First, it was associated with an emphasis on Self-mastery, especially as a personal growth outcome of difficult experiences that were evaluated as strengthening the self or boosting one’s self-confidence. Here, negative elements, highlighting themes such as Failure/weakness, Conflict or Separation, were first introduced as the background
context. For example, many accounts of entrepreneurial experiences such as finally succeeding or overcoming setbacks that appeared as life story high points, low points or turning points, were narratively structured to emphasise positive outcomes such as improved self-confidence and a stronger sense of controlling one’s life direction.

Second, and to a lesser extent, redemptive narrative sequences also covered the resolution of relationship loss and other relational difficulties. Usually, this was expressed as a movement from being disconnected from others, as represented by the Separation theme, to some form of positive outcome. The positive outcome occurred most often in the form of relationship reconnection. This involved being able to improve that relationship, or some other valued relationship; thereby resulting in some satisfaction of the Love/friendship or Caring/help communion themes. Occasionally, redemption occurred through a perception of some personal benefit resulting from one’s response to negative relationship issues. For instance, a redemptive emphasis on Self-mastery was evident in those accounts of negative interpersonal childhood experiences that, rather than focusing on the lost or difficult relationship, were essentially about overcoming such interpersonal difficulties in a way that fostered self-confidence, resilience and greater independence.

Whereas redemption mainly comprised agentic concerns, the contamination narrative was largely confined to highlighting the importance of communion concerns. In particular, it described unresolved relationship loss or damage. The application of this narrative strategy was most evident in life story low points about moving away from others, but also appeared in significant childhood and adult memories that described some form of separation from valued others which was left unresolved.
The implicit themes represented by Hermans’ (1989; 1995) affect ratings and the explicit themes of McAdams’ (1985; 1993) life story analysis were essentially the same for each key event. For example, five significant childhood memory accounts reflected the –LL affective pattern, which describes a lack of satisfaction of both the Self-Enhancement (SE) motive and the Contact With Others (CWO) motive, expressing feelings of powerlessness and isolation. All five of these accounts explicitly described the loss of important childhood relationships, and were represented by the underlying theme of ‘A lack of Self-mastery with Separation and Disillusionment’. Similarly, eight significant adolescent memory accounts reflected the +S affective pattern, which denotes positive experiences involving greater satisfaction of the SE motive than the CWO motive. These eight accounts were spread across the three Self-mastery-dominated underlying themes that were identified for this key event.

Across the six key events, the greater evidence of the SE motive than the CWO motive was consistent with the dominance of positive agentic themes, and in particular Self-mastery. The tendency to associate greater positive affect than negative affect with most key events was consistent with the dominance of the positive agentic themes. The greater positive affect was also consistent with the much greater evidence of the redemption narrative strategy rather than contamination. Additionally, the strong presence of the +S affective pattern and relative absence of any affective pattern centred upon the CWO motive underscored the dominance of positive agentic
themes. It was consistent as well with the tendency to describe redemptive outcomes as the result of one’s own efforts, and as resulting in an enhanced sense of agency.

Notwithstanding the consistency in results, there were three main points of divergence between the explicit life story themes and the implicit affective themes. First, several key events that explicitly emphasised Self-mastery and other positive agentic themes were rated by many as involving relatively equal levels of the CWO motive and the SE motive. For example, although most turning points were clearly explicitly focused on Self-mastery, 43.5% of participants provided affective ratings for this key event that demonstrated a mixed affective pattern. The second point of divergence was that for several of these same key events, one of the most frequently observed affective patterns was +HH. This affective pattern indicates high levels of satisfaction of the need for connection to others as well as satisfaction of the striving for self-enhancement. In both instances, the contrasting findings of the affective ratings appeared to reflect a stronger latent emphasis on the value of relationship with others than what participants expressed in manifest terms. That is, many events narratively constructed as being mainly about some form of advancement for the self were at a less than conscious level also valued for their positive relational content. The third point of divergence was that despite the strong tendency to explicitly describe negative events as having redemptive, positive outcomes, some key events such as the life story low point were evaluated as involving greater negative affect than positive affect. This suggests that at a more implicit level, the initially negative component of such experiences is emphasised, rather than the positive outcome.
Overall Affective Tone of Life Story, and Degree of Life Story Coherence

Most participants’ life stories were conveyed in an overall positive affective tone. This was evidenced in the many positive and redemptive themes that predominantly characterised each participants’ life story. The degree of life story coherence evidenced in participants’ accounts was found to be generally somewhat low to average. This pattern was evident across each key event considered separately, and across each of the four life story coherence indices assessed within each key event.

A Model of the Defining Elements of the Life Stories of Entrepreneurs

The findings emphasise the similarities in the nature of experiences that participants volunteered as significant key events, and in the way they described the self-relevant meanings attributed to those experiences. Drawing together these commonalities, a prototypical life story emerges, with some level of thematic variation at specific points in the story’s development. This story contains a core theme of strengthening the self, and a lesser theme of valuing relationships. The positive, self-strengthening theme maintained centre stage throughout the life story, apart from childhood memories and low points which more equally represented both themes. Furthermore, this theme showed development over time. The relational theme, with a more mixed affective tone, remained in the background and occasionally disappeared altogether as in the case of life story high points and turning points. It also demonstrated less progression over time. Experiences which anchored each of these themes in the life story were often framed as moving from a bad situation to a good outcome, with the positive ending the result of the protagonist’s actions. This was especially evident in experiences pertaining to the self-strengthening theme. In
contrast, events rarely moved from good to bad, and those that did were more likely to involve the relational theme.

The core theme of strengthening the self comprised two further themes. One was a redemptive theme of confronting either personal weaknesses and difficulties or interpersonal difficulties, and overcoming them in a manner that left the protagonist feeling stronger. This theme conveyed a self-understanding of feeling confident in one’s personal resourcefulness, capable of overcoming adversity and able to influence one’s environment for personal gain. The other theme was a positively toned theme of drawing strength and confidence in one’s ability from the achievement of goals and attainment of success. This theme conveyed an understanding of the self as one who can achieve what they want to achieve and, again reflecting the ability to influence one’s environment, as one who can make what they want to happen, happen.

The lesser theme of valuing relationships also comprised further themes. One was a negatively toned theme of experiencing relational difficulties and loss as unresolvable. This conveyed a self-understanding that valued connections to others may be lost. The other was a redemptive theme of responding to relationship difficulties or loss in one area by fostering relationship growth in another area, expressing a self-understanding that the protagonist could influence their level of connection to others. Notably, whilst individual participants showed some variability in terms of which further theme of the two main themes was highlighted in a particular key event, every one of the forty participants’ life stories was structured with the self-strengthening theme as the central theme, and the valuing of relationships as a lesser theme.
The prototypical life story is presented in terms of its two central themes. First, the dominant self-strengthening theme develops chronologically across the six key events that define a life story. During childhood, the protagonist is faced with a challenging interpersonal situation involving either separation or conflict. By acting to resolve the difficult situation in a personally satisfying way, a theme of a positive self-understanding, featuring a self-confidence in the entrepreneur’s personal resourcefulness and their ability to overcome adversity, begins to emerge. Moving through adolescence, both positive and redemptive school experiences build upon the theme of a self-confident view of self by highlighting the development of independence as well as a growing self-belief in one’s abilities.

Sometime between late adolescence and early adulthood, a turning point features in the life story. Here, further positive and redemptive experiences, now concerned with career progression and in particular the pursuit of entrepreneurship, are portrayed as more concretely affirming for the protagonist their sense of personal strength and self-confidence in their abilities. The crystallisation of self-belief at this point ushers in a shift in the protagonists’ self-narrative understanding whereby they became more consciously aware of being able to actively direct their life course. That is, they realise the ability they have to create the future they want for themselves, making things happen in accordance with their values and goals.

Moving through adulthood, the protagonist encounters experiences that rate as the best and worst moments of their lives. Best moments, involving either achievements in the entrepreneurial sphere or interpersonal achievements in other areas, affirm and reinforce the protagonist’s self-confidence in their ability, including their ability to create and to make things happen. Worst moments, involving
redemptive experiences of recovering from either academic or business failure, further affirm the protagonists’ confidence in their ability to overcome adversity. In other significant adult experiences the protagonist experiences winning and achieving in a variety of settings; thereby further strengthening self-belief and self-confidence. The meaning given to some of these positive experiences that occur within the entrepreneurial sphere point towards a positive future for the protagonist that continues to be focused upon setting challenging personal and business goals and achieving them. In this way, the life story of the entrepreneur pauses at the present time on a note of positive expectation for future advancement of the self.

The less prominent valuing of relationships theme demonstrates less progression across the prototypical life story of the entrepreneur. In particular, there is movement backwards and forwards over time concerning being able to redeem relationship difficulties and losses and leaving them problematic and unresolved. During childhood, through the lack of an effective response to a challenging interpersonal situation involving separation or conflict, a theme emerges that positive connections to others may not last. However, in adolescence, positive first romantic relationships re-affirm a valuing of connection to others, and an enjoyment of that bond. In adulthood, challenging interpersonal situations that again involve either separation or conflict are sometimes redemptively resolved. In such instances, including worst moments about the death of a loved one, being able to enhance their relationship with another loved one introduces the theme that they can influence their connection to others. In other challenging interpersonal adult experiences, the protagonist moves away from others due to the contamination of a previously good
relationship; in this way reinforcing the earlier theme that valued connections to others may not last.

In sum, the prototypical life story of the entrepreneur is predominantly a positive story of celebrating personal achievement and of overcoming adversity, of developing confidence in one’s ability and a belief that they can make their own outcomes. Running parallel to this main storyline is a less prominent theme of valuing of relationships. This includes enjoying relationships and encountering relational difficulties. At times the difficulties are resolved in a personally satisfying way, and at other times they remain unresolved.

The next chapter explores findings from the life story analysis of the event of business failure. It also describes findings from the further exploration of the entrepreneurs’ personal response to this event.
CHAPTER SEVEN
EXPLORATION OF THE ENTREPRENEURS’ RESPONSE TO BUSINESS FAILURE

This chapter presents results of the exploration of the entrepreneurs’ personal responses to business failure. After identifying the source of data on business failure, a summary is presented of the different types of business failure that were experienced by participants. This is followed by analysis using McAdams’ (1985; 1993) life story motivational, redemption and contamination categories, and findings from Hermans’ (1995) affective patterns denoting implicit motivational themes. Data from the further exploration of entrepreneurs’ responses to business failure is then outlined. This is organised into three sections: the explanatory style used for business failure and business recovery; the nature of the entrepreneurs’ critical response to the event; and their retrospective response. Distinct thematic findings emerged in all sections. These are incorporated into a summary model of the entrepreneur’s experience of business failure.

Preliminary Analysis of the Event of Business Failure

Some participants volunteered accounts of business failure as a life story low point, whereas others gave narrative accounts of this event when specifically requested. An initial qualitative exploration of the two data sources suggested that they shared similarities in terms of the nature of events included as a business failure (e.g., both included outright bankruptcy, loss of a major contract, and failed expansion) and the types of narrative themes they contained (e.g., both made clear reference to Self-mastery and Failure/weakness, and no reference to Separation). Differences in thematic findings from the two sources were explored through a series
of independent samples t-tests. There were only two significant differences across
the sixteen themes comprising positive and negative agentic and communal themes.
On average, participants who identified a business failure experience as a life story
low point made significantly less reference to the negative agentic themes of
Ignorance ($t(35) = 3.52, p < .05$) and Conflict ($t(35) = 3.52, p < .05$) than participants
who identified business failure as a separate event from their life story low point.
Given that thematic differences were few, and that these particular themes were still
clearly, if not as frequently, evidenced in low point accounts of business failure, it
was decided that data from these two groups did not need to be considered separately.
Thus, findings represent all narrative accounts of business failure.

**Business Failure Event: Explicit Content of Event**

The explicit content of participants’ descriptions was examined to identify the types
of entrepreneurial experiences volunteered as significant business setbacks or failures.
Three participants declared they had not experienced this type of event. Table 7.01
(see page 275) presents a summary of the nature of business failures that were
described by the remaining 37 participants. These are arranged in descending order of
severity based on descriptions of their impact on the entrepreneurial venture.

Interestingly, more than one third (35.13%) of the sample described an
experience of business failure resulting in their entrepreneurial venture being declared
bankrupt, and another 13.51% had come very close to bankruptcy. Failed expansion
of the business into other states or internationally was volunteered by nearly 20% of
participants. Major financial loss due to international market forces, and experiences
that centred upon contractual and client issues, made up the remainder of the
accounts.
Table 7.01

Type of Business Failure Experienced by Entrepreneurs

<table>
<thead>
<tr>
<th>Failure Type</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bankruptcy</td>
<td>13</td>
<td>35.13</td>
</tr>
<tr>
<td>Near Bankruptcy</td>
<td>5</td>
<td>13.51</td>
</tr>
<tr>
<td>Major Financial Loss</td>
<td>3</td>
<td>8.11</td>
</tr>
<tr>
<td>Failed Expansion</td>
<td>7</td>
<td>18.92</td>
</tr>
<tr>
<td>Loss of Key Contract</td>
<td>3</td>
<td>8.11</td>
</tr>
<tr>
<td>Downturn in Clients</td>
<td>2</td>
<td>5.40</td>
</tr>
<tr>
<td>Client Difficulties</td>
<td>2</td>
<td>5.40</td>
</tr>
<tr>
<td>Loss of Business Partners</td>
<td>1</td>
<td>2.70</td>
</tr>
<tr>
<td>Financial Theft</td>
<td>1</td>
<td>2.70</td>
</tr>
</tbody>
</table>

\( N = 37 \)

Themes of Agency and Communion in Business Failure Event

The proportions of agentic and communal themes in participants’ accounts of business failure are presented in Table 7.02 (see page 276), which shows that Self-mastery was clearly the most frequently represented theme, being evident in almost all (91.9%) of the participants’ accounts. By comparison, the next most frequent theme was apparent in just under one third (32.4%) of participants’ accounts. This was the negative agentic theme of Conflict. Other negative agentic themes, namely Failure/weakness and Ignorance, also featured amongst the top five most frequently referred to themes for this event.
Table 7.02

Presence of Themes of Agency and Communion in Business Failure Event

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Thematic Group</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-mastery</td>
<td>+A</td>
<td>34</td>
<td>91.90</td>
</tr>
<tr>
<td>Conflict</td>
<td>-A</td>
<td>12</td>
<td>32.40</td>
</tr>
<tr>
<td>Failure/weakness</td>
<td>-A</td>
<td>9</td>
<td>24.30</td>
</tr>
<tr>
<td>Ignorance</td>
<td>-A</td>
<td>9</td>
<td>24.30</td>
</tr>
<tr>
<td>Disillusionment</td>
<td>-C</td>
<td>8</td>
<td>21.60</td>
</tr>
<tr>
<td>Losing Face</td>
<td>-A</td>
<td>7</td>
<td>18.90</td>
</tr>
<tr>
<td>Unity/togetherness</td>
<td>+C</td>
<td>4</td>
<td>10.80</td>
</tr>
<tr>
<td>Another’s misfortune</td>
<td>-C</td>
<td>3</td>
<td>8.10</td>
</tr>
<tr>
<td>Caring/help</td>
<td>+C</td>
<td>2</td>
<td>5.40</td>
</tr>
<tr>
<td>Achievement/responsibility</td>
<td>+A</td>
<td>1</td>
<td>2.70</td>
</tr>
<tr>
<td>Empowerment</td>
<td>+A</td>
<td>1</td>
<td>2.70</td>
</tr>
<tr>
<td>Love/friendship</td>
<td>+C</td>
<td>1</td>
<td>2.70</td>
</tr>
<tr>
<td>Status/victory</td>
<td>+A</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Dialogue</td>
<td>+C</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Separation</td>
<td>-C</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Rejection</td>
<td>-C</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

*N = 37. Note: +A = positive agency theme; -A = negative agency theme; +C = positive communion theme; -C = negative communion theme.

The negative communion theme of Disillusionment completed the top five grouping, being evidenced in 21.6% of participants’ accounts. Apart from the negative agentic theme of Losing Face, evidenced in just under 20% of accounts, all other positive and
negative agentic and communion themes were rare, with several not referred to at all. Thus, with the exception of the communion theme of Disillusionment, accounts of business failure tended to emphasise agentic themes over communion ones, focused strongly upon the positive agentic theme of Self-mastery, and to a lesser extent upon negative agentic themes.

**Meaning of Business Failure Event**

Three themes were prominent in the meanings participants gave to their experience of business failure. Interestingly, each theme was evident across a range of different types of failure and setback experiences. Thus, the meaning attributed to a business failure experience did not depend on its explicit nature or severity. Each underlying theme highlighted a particular focus. These comprised: conflict within the entrepreneurial environment; entrepreneurial learning; and entrepreneurial self-confidence. Each of these focal elements was mentioned to a greater or lesser degree. For example, most included a reference to having experienced some form of entrepreneurial learning as a result of having to deal with the business failure. Similarly, many accounts alluded to disagreements with external parties such as banks or major contract providers, or internal parties such as business partners. Many also described an optimistic confidence in their ability to recover from the business setback that was grounded in self-belief in their entrepreneurial ability. However, almost all participants’ narratives could be placed into one of these three distinct categories of meaning on the basis that they had emphasised one particular element of the business failure experience whilst the others were played down or in some instances ignored.
Certain agentic and communion themes were evident in the descriptive details of the three specific focal points of: conflict within the entrepreneurial environment; entrepreneurial learning; and entrepreneurial self-confidence. Indeed, these were consistent with the pattern of most frequently evidenced motivational themes discussed earlier. The resulting three underlying themes of the meaning given to business failure comprised: From Conflict and Failure/weakness to Self-mastery through learning to handle difficult people in the entrepreneurial environment; From Ignorance to Self-mastery through developing entrepreneurial skills and a strengthened sense of the self being in control; and From Failure/weakness to Self-mastery by drawing upon confidence in one’s entrepreneurial ability.

**From Conflict and Failure/Weakness to Self-mastery Through Learning to Handle Difficult People in the Entrepreneurial Environment**

This theme was apparent where the central focus was upon an experience of conflict within the entrepreneurial environment. The negative agentic theme of Conflict is narratively expressed in descriptions of disagreements between the narrator and other key characters included in a narrative account (McAdams, 1993). This negative interpersonal experience is regarded as the source of some form of unpleasant outcome for the narrator. The Conflict theme was expressed in vivid, emotionally charged descriptions of a disagreement with another party, whose difficult behaviour was considered to be part of the cause of business failure. The conflict was expressed in words and phrases such as:

*We both had different views, we had been friends but we fell out.*
It was a low point in terms of the conflict and falling out, very angry and anxiety ..... and

I had an overwhelming desire to beat the living crap out of the company we were suing.

The negative agentic theme of Failure/weakness can be expressed as being unable to do something due to internal limitations, so that the person is unable to feel strong or powerful (McAdams, 1993). This theme was expressed as a perceived inability to initially respond to the conflict situation in a satisfactory manner. This was conveyed in evaluative comments about the conflict such as:

I had to replay it in my mind, how much of it was my own fault ..... and

I wasn’t disappointed in anyone other than myself. Their contribution was to stop what was right, my problem was that I wasn’t fighting.

The opening thematic combination of Conflict and Failure/weakness in this underlying theme about business failure is illustrated in the following excerpt. In this account, the participant describes feeling powerless to adequately defend himself and his business activities from the attacks of a difficult contract provider.

This client we had, well the guy is an animal. His method of managing a project is to stand six inches away from you and scream at you that
you’re incompetent and tell you what a lousy job you’re doing. I remember the first time he did it, that caused me tremendous personal grief, because I thought we were doing a really good job….I took it terribly personally…. it nearly broke me. How did I feel, I felt like shit, like I was being totally condemned for everything I was doing.

This excerpt also exemplifies the strong reference to negative affect that was especially evident in this underlying theme. Here, participants often highlighted distressing feelings in general, and more particularly feelings of anxiety, disappointment, frustration, and anger. This is evident in the next excerpt, which further illustrates the opening thematic combination of Conflict and Failure/Weakness. Here, a differing opinion with significant others involved in the venture simultaneously leads to feeling a lack of personal power to stand up for what the entrepreneur believes in, and a failure to implement actions in the best interests of the business.

The market moved and we didn’t. And I could see the market changing and I was trying to tell people. But it was making so much money and everyone’s like, you’ve got to be kidding, why kill the goose that’s laying golden eggs. The banks said do this, my partner said do this, everyone was saying do this, do this. And they were zigging. I wanted to zag, but I zigged….. I was so angry, so disappointed in myself. I felt like a coward, you know, you built this business on courage and you did not try hard enough, it’s like,
who are you kidding, who are you fooling when you can’t even fight the battle that’s going to consummate your vision? You know, how can you let the people defeat you?

Narrative accounts featuring the underlying thematic pattern of Conflict and Failure/Weakness generally demonstrated clear redemptive movement toward outcomes that highlighted Self-mastery. Mostly, this was expressed as gaining a stronger sense of being in control of one’s destiny by learning from the experience to be more assertive in order to be more influential in determining the outcome of future business conflict situations. This is illustrated in the following two excerpts, from the same two entrepreneurs quoted above. Interestingly, however, both accounts also suggest the theme of contamination. That is, although the entrepreneurs have become better able to handle conflict, the relationships involved in the initial conflict have irrevocably soured. In the first account, the wisdom, strength and confidence gained from that experience is balanced by lingering bad feelings over it. In the second account, the entrepreneur describes how the negative experience of backing down in a business conflict has had a redemptive impact by reinforcing his resolution to be assertive when faced with important entrepreneurial decisions. However, his comments about a changed, less favourable view of others arising from this conflict situation also suggest the negative communion theme of Disillusionment.

I suppose it was a growing experience. You know, grow up, you’re playing with the big boys now. So you learn to hold your head high, stick your chest out and say, ‘we’re right, you’re wrong’…… you
learn to handle it differently. There’s a whole lot of things we would do now with this experience we’ve got. We would structure the job differently and I would handle clients like that differently….even though we ended up making a lot of money out of it, I can’t let go of how badly I felt, it’s still with me.

They had money, and I gave them credit that they also had brains, that they had an understanding of our business and my vision, but they didn’t……but now, every now and again when I find myself in a situation where I just know in my heart, in my gut things need to be done, again that experience comes to mind, you know, say it, say it, you’re not supposed to, but say it. So since then I’ve never zigged, I’ve always zagged.

From Ignorance to Self-mastery Through Developing Entrepreneurial Skills and a Strengthened Sense of the Self Being in Control

Accounts reflecting this underlying theme described the business failure event as a challenging experience that could be responded to in a manner that provided important entrepreneurial learning. Whereas the Failure/weakness theme is expressed as being unable to do something, the Ignorance theme is expressed as being unable to know something. This was included in an initial acknowledgment of the entrepreneur’s role in the business failure. That is, the failure was often attributed to a lack of entrepreneurial knowledge specific to that situation. This focus was subsequently offset by a greater emphasis on the learning attained through the process
of business recovery. Reference was made to the enhancement of existing skills, such as how to manage cash flow, and how to deal with debtors, as well as the development of new ones, such as understanding the steps involved in the expansion of the business to other locations. Such entrepreneurial learnings were highlighted in comments including:

*I would say that if I'd gone to Harvard and done a Master’s degree, I'd probably have got less out of the degree than I did out of that experience.*

*It was an opportunity to understand your shortcomings as a manager and a decision maker, so all it did was teach me, is really all it was.*

and

*The thing that kept us going was the lessons that we were going to learn. Genuinely, the lessons we were going to learn.*

The Ignorance theme is illustrated in the following excerpt, in which this entrepreneur describes feeling overwhelmed by external market forces impacting upon his venture:

*The stockmarket crash, that was a significant challenge, it really pushed the stress levels up high. Yes, external market forces, and that's what’s most fearful, because I have no control,* because if
the market’s not buying how can I sell my product, and everyone’s
got this doom and gloom pessimism. I said, it’s out of my control,
what do I do?

At this point of high anxiety, feeling constrained by external forces, this
participant’s account resembles those few business failure accounts identified in the
earlier analysis of low points that reflected more of the Failure/weakness theme than a
redemptive shift to Self-mastery. However, for this participant, there is subsequently a
clear shift to a stronger, more confident and less emotive position as he moves to take
control of the business setback and bring about business recovery. This redemptive
movement to Self-mastery is further bolstered by the learning gleaned from his
effective recovery actions. This is illustrated as follows:

So the vision was temporarily lost, but we started to put plans in
place, look ahead and planning forward .... So it didn’t send us broke,
it just taught us a very good lesson. Yes, it was a learning experience ....
a major learning experience, taught me to say, believe in your gut
feeling .... helped me understand how my business partner thinks, and
also helped me to understand how I think .... And as I’ve said we’re
now a lot wiser, and covering a lot more, and our objective is more
clearly defined.

One striking feature of the several accounts that demonstrated this underlying
thematic pattern was the description of approaching the possibility of a business
failure with the attitude that it would yield valuable entrepreneurial learning. In these accounts, reference to the Ignorance theme was expressed as evaluating one’s lack of knowing in more neutral terms; that is, as acceptable and not linked to strong negative feelings. This is clearly articulated in the following excerpt, in which an experience of branching out into another service area which technically failed was anticipated, and subsequently hailed, as a useful learning experience likely to boost the chances of success of any further attempts in that field.

_We identified it as an opportunity, that we walked into on the basis of_ a preparedness to make an investment, and _a clear understanding_ of two things: the time I was prepared to put into it, and also providing it didn’t cost me a fortune, _if it didn’t go ahead, I’d learn a hell of a lot._

After describing the failure of their attempt within this new field, which the entrepreneur admitted produced some feelings of disappointment, the account quickly moved back to a positive emphasis on the valuable learning that this experience had provided.

Yes, I lost some money _but I’ve recognised I’ve profited as a result of taking that move…… Well it’s experience, I mean now I’ve got the knowledge of how to do it……the next time you approach it it’s like, well, I know how to look after that, and I know to be careful about that, and not to get involved in that, and so yes I now have_
a new sense of the order of the process. It was a venture into a new experience, a new and unknown environment, and there is a lot of learning that I got out of that whole process that I’m applying to things I get involved with now.

From Failure/weakness to Self-mastery Through Drawing Upon Confidence in One’s Entrepreneurial Ability

Usually, these accounts made an initial reference to the Failure/weakness theme in relation to the business setback being at least partly attributable to the entrepreneur’s actions. However, in contrast to the focus on conflict theme, their role in the entrepreneurial failure was not judged harshly, and neither was it dwelt upon in much detail. Much more emphasis was placed upon the entrepreneur’s confidence in their ability to adequately respond to the business failure, and the observation that they were able to overcome it. This was described as responding to the setback by accessing a strong self-belief in one’s entrepreneurial ability, expressed in comments such as:

Oh, recovery was entirely possible, you know that you have got ability and you’ve proven that over a period of time.

and

I knew we could do it (i.e. recover), if a bomb came and wiped out this city and I survived and I had the chance to start again, I know that I could be successful.
By drawing upon such a strong belief in their entrepreneurial ability, the focus quickly moved to an expectation of successful business recovery. In turn, and more often implied than overtly stated, the subsequent entrepreneurial recovery from business failure itself served to reinforce the entrepreneur’s confidence in their business skills.

The theme of ‘Failure/weakness to Self-mastery through a strengthened sense of the self being in control’ evidenced earlier in life story low points that were about business failure also reflects this underlying theme. In the account of business failure used to illustrate that theme, the participant admitted his role in the venture setback in the comment

*Having lost the first time, then to go out and make different mistakes was unexpected.*

This he evaluated as

*A little bit out of the normal pattern* for him.

These comments acknowledge his feelings of responsibility for the failure, yet also imply his strong belief in his entrepreneurial ability. This belief was stated more overtly later on in the narrative, where his seemingly casual attitude to major personal financial loss due to the business failure is explained by his confidence that his strong entrepreneurial ability would enable him to quickly regain his financial position. This is illustrated as follows:

*…although there was loss associated, I suppose, like losing the house and financial independence.* But I was aware that with the experience I’d had *I'd probably be able to make that back again in a fraction of*
the time it had taken to get me there the first time…. it was going to change my life in what I was doing, but it wasn’t going to change the underlying character, the tools I’ve got to do things.

The following excerpt from another participant’s account of business failure describes a similar redemptive movement from a brief acknowledgement of failure to an expansive focus on entrepreneurial self-belief. In this account, the entrepreneur clearly articulates actively drawing upon memories of previous business success, and upon a self-understanding that he has the skills required for the pursuit of entrepreneurship, even in the face of bankruptcy. Remembering his entrepreneurial ability plays a central role in motivating and guiding his successful response to the failure, which in turn serves to reinforce those beliefs.

The failure of that business, you know, whether I use that excuse or not, it wasn’t just the fact that a dastardly deal had been done, it was that we had made some errors along the way ….. so some anger and disappointment. It was tough, no doubt, but I never sat down and said, God, it’s all turned to hell, what do I do now? I mean I was never depressed, there was always the optimism, to keep you from becoming depressed, because you can always see for yourself opportunities ….. Always through to that period I’d never had any setbacks, anything I wanted to do I just went out and did it, achieved what I wanted to achieve. And also I’d been in business for a long time, long enough to see that I had some special gifts that I could
use to start again. So there was self-belief that there was a role for me somewhere, that I could achieve it .... So in 1993 I was operating out of the lounge room, and on Christmas eve I was forty thousand negative, and we started from there.....and now our competitors are the top five in this area, and now we’re looking at floating the company. So the confidence I’d shown all the way through, in that everything I’d tackled I’d achieved, that confidence all the way through, so there always was a light at the end of the tunnel, and I figured that this was just another tunnel. So I’ll look for the light ..... 

Distinctive to this underlying theme, these narratives often explicitly emphasised the participants’ lack of a strong negative affective response when faced with business failure. This is demonstrated in the above account, in which the participant points out that he wasn’t anxious about how to deal with the situation, nor depressed by its occurrence. This explicit reference to not being emotionally burdened by the business setback is further illustrated in the following excerpt, which also emphasises entrepreneurial self-belief over entrepreneurial failure:

Oh, didn’t worry me, I mean you have to take the good with the bad. If you’re gonna play with the big boys you’re going to come unstuck sometimes .... I knew we had the ability to, I would never say that I wouldn’t be in a situation where potentially I lost all confidence and all self-esteem and just rock bottom and never really recovered. Um,
but I think that would be highly, highly unlikely .... I really do have a high degree of confidence in my intuition and in my ability to make a difference where other people can't make a difference and so on. So even if say I went bankrupt or whatever, I know I could go off and add value in all sorts of other areas, in the industry or even outside the industry or whatever .... you know that you have got ability and you've proven that over a period of time, so it's not just hot air, and you can point to it yourself and go, well I'm not being arrogant or anything, but there's all these things that I've done, which without me wouldn't have happened, you can say well, yeah, I can replicate that easily in other ways.

Themes of Redemption and Contamination in Business Failure Event

Participants’ accounts of business failure were examined for the presence of themes of redemption and contamination, and the frequency and percentages for the incidence for each theme in this event are displayed in Table 7.03 (see page 291). This table shows that the redemption theme was much more evident than the contamination theme in the narrative meanings constructed about business failures. Indeed, whereas over three quarters of the sample (83.78%) indicated redemption, only three participants expressed contamination. Moreover, two of these three were the accounts that illustrated the ‘focus on conflict’ theme that highlighted the contaminated outcome of the loss of business relationships, yet also referred to the redemptive outcome of improved knowledge of how to handle business conflict situations.
Table 7.03

Presence of Themes of Redemption and Contamination in Business Failure Event

<table>
<thead>
<tr>
<th>Type of Theme</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redemption</td>
<td>31</td>
<td>83.78</td>
</tr>
<tr>
<td>Redemption own effort</td>
<td>23</td>
<td>62.16</td>
</tr>
<tr>
<td>Enhanced agency</td>
<td>16</td>
<td>43.24</td>
</tr>
<tr>
<td>Enhanced communion</td>
<td>2</td>
<td>5.40</td>
</tr>
<tr>
<td>Ultimate concerns</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Contamination</td>
<td>3</td>
<td>8.10</td>
</tr>
</tbody>
</table>

*N = 37*

Notably, several other accounts involved the contamination theme more implicitly by omitting outcome details of relationship difficulties. That is, such accounts initially emphasised conflicted business relations as well as some impersonal aspect of the difficulties of business failure. They then focused exclusively upon a non-relational, personally satisfying redemptive outcome such as improved business knowledge.

Nearly two thirds of the sample (62.18%) attributed the redemptive shift in circumstances to their own efforts, with enhanced agency clearly the most frequent form of personal growth. This was portrayed in terms of how the participant had evaluated what needed to be done to address the business difficulty and bring about entrepreneurial recovery, followed by evidence that their actions had been successful.

The second example used earlier to illustrate the ‘focus on entrepreneurial self-confidence’ theme (see page 303) demonstrates this process. In that account, the participant describes how he was able to move from business failure, to operating out
of his lounge room, to being amongst the top five in his industry. Redemptive self-
growth through one’s own efforts is also illustrated in the following excerpt:

*It was facing reality and looking at things clearly, so this is where
I am and what do I want to do about it, where do I want to be and
what do I want, and then rebuilding to get there….. and I was able
to rebuild a business that’s much more what I think reflects me and
what I want.*

Consistent with the three underlying themes that emerged for this event,
redemptive outcomes usually centred upon business learning and/or the personal
strengthening that resulted from the way in which the entrepreneur managed the
business failure and brought about entrepreneurial recovery. For example, the
underlying themes of ‘From Conflict and Failure/weakness to Self-mastery through
learning to handle difficult people in the entrepreneurial environment’ and ‘From
Ignorance to Self-mastery through developing entrepreneurial skills and a
strengthened sense of the self being in control,’ both emphasise business learning. In
many instances, these accounts also emphasised a strengthened sense of the self, such
as when an entrepreneur described being personally toughened by the experience, or
attaining a better understanding of how they personally operate when faced with such
circumstances. This was expressed in statements such as:

*It reinforced a sense of confidence in myself.*

*It helped me understand how I think.*
It toughened me up.

and

.... made me a lot stronger.

Accounts represented by the theme of ‘From Failure/Weakness to Self-mastery through drawing upon confidence in one’s entrepreneurial ability’ more exclusively addressed the personal strengthening form of redemptive growth, in that these participants’ existing confidence in their entrepreneurial ability was reinforced by their ability to overcome business failure.

**Hermans’ Affect Themes in Business Failure Event**

Indices of the two motivational themes of Self-enhancement (S) and Contact With Others (O), the two affective themes of Positive affect (P) and Negative affect (N), and the S:O ratio and the P:N ratio were calculated from the affective ratings for the business failure event. Twenty participants did not complete this section of the Life Story Interview questionnaire. Narrative responses from these participants showed no obvious differences from those of other participants in either the nature of business failure they experienced or the way it was described. Thus, it was decided that the relationship between latent motivations as captured by Hermans’ (1989; 1995) themes, and manifest motivations as captured by McAdams’ (1985; 1993) life story themes, could still be examined for that half of the sample who had completed responses for both types of data. Results are presented in Table 7.04 (see page 294), which reveals that half of the 20 participants who completed affect ratings reported that their experience of business failure involved relatively equal levels of the Self-Enhancement (SE) motive and the Contact With Others (CWO) motive. This contrasts with the greater presence of agentic than communion themes noted earlier.
Table 7.04

*S:O and P:N Ratios for Business Failure Event*

<table>
<thead>
<tr>
<th>Ratio Indices</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self: Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-enhancement</td>
<td>7</td>
<td>35.00</td>
</tr>
<tr>
<td>Equal self with other</td>
<td>10</td>
<td>50.00</td>
</tr>
<tr>
<td>Contact with others</td>
<td>3</td>
<td>15.00</td>
</tr>
<tr>
<td>Positive: Negative</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive Affect</td>
<td>6</td>
<td>30.00</td>
</tr>
<tr>
<td>Equal positive with negative</td>
<td>5</td>
<td>25.00</td>
</tr>
<tr>
<td>Negative Affect</td>
<td>9</td>
<td>45.00</td>
</tr>
</tbody>
</table>

*N = 20*

Interestingly, many of the prominently evidenced negative agentic themes such as Conflict and Losing Face actually have a strong interpersonal element as well as a self-relevant meaning, because their occurrence necessitates social interaction with others. For example, Conflict involves disagreements, arguments or fights with another person.

A much higher proportion (35% compared to 15%) reported greater experience of the SE motive than the CWO motive. This is consistent with the predominance of the positive agentic theme of Self-mastery in accounts of this event. Interestingly, despite the clear tendency to describe the event as having a redemptive, positive outcome, a higher proportion (45% compared with 30%) rated the business failure event as involving greater negative than positive affect. This suggests that for
several participants, at a latent level, the negative affect triggered initially by the business failure was given greater weight than the positive affect associated with later business recovery.

Different sums of the four indices of S, O, P and N, were calculated to investigate the nine different types of affective patterns. (Refer to Table 6.05, page 172, for definitions of these patterns.) Results are displayed in Table 7.05.

Table 7.05

*Affective Patterns Represented in Business Failure Event*

<table>
<thead>
<tr>
<th>Type of Affective Pattern</th>
<th>Abbreviation</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Motives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive self-enhancement</td>
<td>+S</td>
<td>2</td>
<td>10.00</td>
</tr>
<tr>
<td>Self-enhancement</td>
<td>S</td>
<td>4</td>
<td>20.00</td>
</tr>
<tr>
<td>Negative self-enhancement</td>
<td>-S</td>
<td>1</td>
<td>5.00</td>
</tr>
<tr>
<td>Positive contact with others</td>
<td>+O</td>
<td>1</td>
<td>5.00</td>
</tr>
<tr>
<td>Contact with others</td>
<td>O</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Negative contact with others</td>
<td>-O</td>
<td>2</td>
<td>10.00</td>
</tr>
<tr>
<td>Motive Combinations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive high self with high other</td>
<td>+HH</td>
<td>3</td>
<td>15.00</td>
</tr>
<tr>
<td>Positive low self with low other</td>
<td>+LL</td>
<td>2</td>
<td>10.00</td>
</tr>
<tr>
<td>Negative low self with low other</td>
<td>-LL</td>
<td>7</td>
<td>35.00</td>
</tr>
</tbody>
</table>

\( N = 20. \)

Inspection of Table 7.05 shows that the most frequently observed affective pattern was –LL, evidenced in seven participants’ ratings. This pattern refers to
greater experience of negative than positive affect, together with low levels of both
the SE and CWO motives. Thus, it denotes a lack of fulfilment of both motive types,
expressing feelings of both powerlessness and isolation. Most of the accounts
demonstrating this pattern explicitly reflected those underlying themes focused on
either conflict or entrepreneurial learning. Although both of these themes involved
redemptive movement to the positive agentic theme of Self-mastery, they were
initially centred upon the negative agentic themes of Conflict and Failure/weakness,
and Ignorance, respectively. These negative agentic themes convey a sense of a lack
of personal power that is consistent with Hermans’ (Hermans & Hermans-Jansen,
1995) definition of low SE as feeling powerless and unable to overcome a difficulty.
Similarly, the theme of Conflict conveys a sense of the self as unpleasantly distanced
from others that is consistent with Hermans’ view of low CWO as experiencing
isolation from others. Hermans also proposes that the affect most frequently
associated with the –LL pattern is anxiety, characteristically around feeling victimised
within an inescapable context. This is consistent with the explicit descriptions of
highly anxious and distressed feelings that characterised several participants’ opening
sections of these accounts, such as when being verbally attacked by a difficult client,
or overwhelmed by external market forces impacting upon the business. Thus, despite
explicitly highlighting redemptive consequences of overcoming and learning from the
negative elements of their experience, the –LL pattern suggests that at a latent level,
these seven participants emphasised the initially negative aspects of the business
failure over the positive outcomes that ensued. It is also possible that the conflict
emphasised in introductions to the business failure experience, then omitted from
some outcome accounts, may at a latent level continue to be an important part of that
experience. This is further suggested by the observation that two of these seven accounts were those also represented by the –O pattern, which refers to a lack of satisfaction of the CWO motive.

The next most frequent affective pattern was S, indicating a stronger experience of the SE motive than the CWO motive, together with relatively equal experience of positive and negative affect. The higher level of the SE motive indicates a perception of oneself as the source of self-enhancement, as being able to influence a situation to bring about a personally satisfying outcome. The four accounts demonstrating this pattern included two from the confidence in entrepreneurial ability theme and two from the focus on learning theme. The dominance of Self-mastery in the first theme is consistent with this high S finding. The two accounts represented by the second theme also explicitly highlighted Self-mastery through descriptions of approaching business failure with a confidence in being able to learn from it, and described having subsequently used that learning to achieve positive ends in their business. The relatively equal presence of positive and negative affect depicted by the S pattern suggests that these participants gave affective expression to both the negative of the business failure occurring and the positive of their belief that they could recover and or learn from it.

Three participants’ ratings highlighted the +HH pattern. This affective pattern involves more positive than negative affect, together with high levels of the SE and CWO motives, indicating concurrent fulfilment of these two motive types. All three accounts reflected the underlying theme centred upon confidence in one’s entrepreneurial ability. Although all three explicitly focused very heavily upon their strong belief in their ability to resolve the business failure, they made little or no
mention of others involved. This suggests that satisfaction of the CWO motive was more implicitly involved in these participants’ experience of business failure. The remaining affective patterns, such as +S, -O and +LL, were poorly represented within the sample, with the O affective pattern not evidenced at all.

In summary, exploration of the affect ratings for the business failure event yielded affective patterns generally in keeping with findings from McAdams’ (1985; 1993) thematic analysis and the underlying themes that emerged. Notably, the greater presence of the SE than the CWO motive, and the presence of the S and +HH affective patterns, are consistent with the overall dominance of Self-mastery in participants’ descriptions of this event. However, at first glance the trend towards greater experience of negative than positive affect, and the presence of the –LL pattern as the most frequently represented affective pattern, appears inconsistent with the predominance of redemptive outcomes and the dominance of Self-mastery. Upon closer inspection, these affective patterns can be related to several participants’ accounts of the initial phase of this event. At a latent level, some participants gave greater weight to this part of their total experience of business failure, placing less affective emphasis upon the positive, redemptive outcomes that eventuated. In some instances, it raises the possibility that negative outcomes such as lost or damaged relationships were valued at an implicit, rather than an explicit, level.

**Meaning of Business Failure Event in Relation to Rest of Life Story: Underlying Themes**

As part of this study’s aim of exploring how business failure is experienced in relation to one’s narrative identity, entrepreneurs’ accounts of business failure were
also investigated for the presence of common underlying themes relating to the integration of this event within their overall life story. Three themes were identified that appeared to categorise how most participants incorporated this event into their life story. There was also a fourth, much less common theme of evaluating the business failure as unrelated to one’s narrative identity. The three integrative themes comprised: Overcoming business failure related to larger story of overcoming obstacles; Business failure contained within larger story of success, and Business failure accepted by separating personal entrepreneurial identity from the business’ identity. Thus, most participants evaluated their business failure experience as consistent with the rest of their life story, rather than changing it or even significantly challenging it. Indeed, accounts represented by the three main themes acknowledged the business failure experience in a way that did not contaminate the rest of the self-story. In so doing, they related the experience to a larger self-story centred not on failure experiences, but characterised by recovery, success, or ongoing faith in one’s ability. These underlying themes are discussed in descending order of frequency.

*Overcoming Business Failure Related to Larger Story of Overcoming Obstacles*

Here, redemptive movement from the negative of failure to the positive of overcoming was linked to a larger redemptive self-story of repeatedly being faced with obstacles that the participant resolved in a self-strengthening manner. This approach was often apparent in earlier accounts of key events demonstrating resilience in the face of personal and or business difficulties. This theme was evidenced across all three of the themes relating to the meaning given to the business failure. As illustration, the following three excerpts are taken from accounts reflecting
the ‘focus on conflict’, ‘focus on entrepreneurial learning’ and ‘focus on entrepreneurial self-confidence’ themes.

So it’s really just like that, you know, what I talked about earlier…. testing who I am as an individual who can cope with these sorts of things. So it fits in, in a sense, as another challenge.

My whole life is a learning experience. I’m always doing things I’ve never done before and making mistakes and learning from it. Again, it’s those key events I said to you. Being challenged, that makes me want to fight when the chips are down. So it’s another experience, another challenge and meeting that challenge.

In relation to the rest of my life, this was just another challenge, a challenge to face it, let’s go for it, and overcome it….obstacles are going to be there and I’m just going to overcome it.

Business Failure Accepted by Separating Personal Entrepreneurial Identity From the Business’ Identity

Here, by differentiating their personal identity from that of the business, these entrepreneurs’ accounts referred to the business failure as a point of contrast to highlight their ongoing strong belief in their entrepreneurial ability. In so doing, their accounts conveyed the sense that the business may have failed, but they have not, and so their self-view around their faith in their entrepreneurial ability remains intact. This
theme was most clearly articulated in accounts that came under the ‘focus on confidence in entrepreneurial ability’ theme outlined earlier. This is illustrated in the following two excerpts:

*It fits into my life story pretty good, it is important when you receive an experience like that, that you use it to make you more determined, rather than, it’s very easy to say that, “I’m no good”, but that’s not it,..... no, the business is never me.* My business partner and I …. we always treat the business like another person. *So the moment you don’t believe the business has an entity, sort of what I call a person, you’re dead.... I knew I’d be okay. Personally, I’d be fine, if this place went broke tomorrow I’d be fine, I’d just go on to the next thing.*

*Yeah, fits in pretty typical.* You know, the higher the stakes, the more you’re going to come unstuck if you don’t win, but if you do win, the highs are high....*but with the business, well I’ve always viewed it as a separate entity.* People talk about how I say, we will do this or we will do that, and *they say, “why do you say we when it’s you?”, and I say, because it’s a separate entity....*So to me, while I’m very involved, *I’m incredibly involved in this business, but I’m actually not that emotionally involved with it, because even if worst came to worst and we shut the door tomorrow, I could go off and do all these other things.*
How these entrepreneurs could be strongly identified with their business, and yet see personal identity as separate from their business’ identity in understanding business failure, was clarified in some participants’ further comments such as the following:

*I identify with the business in terms of what I’ve brought to it, not as in what it’s brought to me, oh, definitely.* Yes, I mean, it’s of no genuine benefit to me.

**Business Failure Contained Within a Larger Story of Success**

Here, the business failure experience was evaluated as a temporary negative contained by the larger, more stable positive of repeated successes that constituted the rest of one’s life story. Several accounts represented by the theme of a ‘focus on confidence in entrepreneurial ability’ fell within this theme. This theme is illustrated in the following two excerpts, the first of which was taken from an account used to illustrate the ‘focus on confidence in entrepreneurial ability’ theme, and the second from the ‘focus on conflict’ theme. Notably, both participants had previously highlighted instances of achievement and winning in several of the key events that made up the rest of their life stories.

*I suppose the fact that I’d been successful in most other things,*

*I figured I’d be able to work through this (i.e., business failure)*

*in the same way.*
That was just something that happened. I mean bankruptcy, does that mean that you’re unsuccessful? What about all the things that got you to the point where you weren’t bankrupt?.....The recovery of it is a combination of everything, all the lessons in my life story. You know, to keep the faith in your dreams, to have the courage to change things, to have the courage to zag when everyone else zigs…you know, it’s all there.

Business Failure Unrelated to Rest of Life Story

For four participants, the business failure was described as not connected in any meaningful way to the rest of their life story. In two cases, this was conveyed in the following statements:

I don’t know that it does (fit with the life story). I would see that event as a spike that occurred, out of line, threw me off balance.

It doesn’t fit, because it’s not relevant to my life story, which sounds dreadful I know. I see a real, well, business is not huge in my life story.

In other instances, more detail was provided regarding what it was about the meaning of that event which made it out of place with the rest of one’s life story. In the two following excerpts, it is contrasted as a negative experience not fitting with one’s positive outlook, or as something that was out of one’s control not fitting with a general sense of being in control.
No, I don’t think there’s a correlation for me between that and anything else I’ve done. Um, I’m an extremely positive thinker, and I can’t really relate that experience to anything else in my life.

Well the background to it was the international crisis, so I’d never been faced with something external like that, that took things out of your control. So that external influence was particularly significant, it didn’t fit with the rest of my life experience…it stands out as something which to a degree had been forced upon me, and not too many other things have been forced upon me.

Further Exploration of Entrepreneurs’ Response to Business Failure

Additional open-ended questions further explored the entrepreneurs’ experience of business failure. These questions focused upon three distinct areas of responses. These comprised: explanatory style for business failure and recovery, critical response to business failure, and retrospective response following business failure. The three areas are discussed separately.

**Explanatory Style: Attributions for Business Failure**

Participants were asked to identify what they had perceived to be the cause of the failure of their business at the time it occurred. They were also asked to consider whether in hindsight they would explain the business failure in the same way. Responses were organised into three categories based upon the internal/external attribution dimension of Weiner’s (1979) attribution model. These comprised: internal
attributions, external attributions, and both internal and external attributions.

Internal attributions were defined as factors originating from within the entrepreneur, such as poor management or a lack of experience in a new market. External attributions were defined as factors outside of the entrepreneur, such as economic recession or a major client going bankrupt. The third category grouped responses that had attributed their business setback to both internal and external causes.

There was a wide range of internal and external attributions for business failure, with few participants citing the same cause, or same combination of causes. Despite this variation, most internal attributions reflected a theme of poor management. This was further divided into a lack of consideration of market factors, and poor internal business management. External attributions reflected a theme of economic factors. This was divided between the impact of market factors and other causes. Instances where participants offered some combination of both internal and external attributions, were also identified. Table 7.06 presents the different types of attributions (see page 306). A key feature of the data is the similarity between the internal attributions involving a lack of consideration of market factors and external attributions involving the impact of market factors. For example, the internal attribution that one was responsible for overexposure of the business to volatile external markets is parallelled by related external attributions such as blaming the Asian market crisis or global stockmarket crisis for one’s business failure. There were reference to these parallel internal and external market forces in many of those accounts where participants cited both internal and external causes. However, in several cases less clearly related internal and external factors were described, such as poor decision making together with a lack of market acceptance of a new product.
### Table 7.06

**Nature of Internal and External Attributions For Business Failure**

<table>
<thead>
<tr>
<th>Internal Attributions</th>
<th>External Attributions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lack of Consideration of Market Factors</strong></td>
<td><strong>Impact of Market Factors</strong></td>
</tr>
<tr>
<td>Allowing overexposure to volatile external markets</td>
<td>Asian market crisis</td>
</tr>
<tr>
<td>Insufficient attention to domestic market forces</td>
<td>Global stockmarket crash</td>
</tr>
<tr>
<td>Inadequate market research</td>
<td>Domestic recession</td>
</tr>
<tr>
<td>Poor Internal management</td>
<td>New Goods and Services tax</td>
</tr>
<tr>
<td>Poor decision making</td>
<td>causing business downturns</td>
</tr>
<tr>
<td>Lack of task delegation</td>
<td></td>
</tr>
<tr>
<td>Internal communication problems</td>
<td></td>
</tr>
<tr>
<td>Inadequate due diligence on deals</td>
<td></td>
</tr>
<tr>
<td>Poor labour costs management</td>
<td></td>
</tr>
<tr>
<td>Inadequate cash flow planning for capital spending and expansion</td>
<td></td>
</tr>
</tbody>
</table>

Frequencies of the participants' perceptions of the internal and external causes of their business failure, at the time of its occurrence and in hindsight, are displayed in Table 7.07.
Table 7.07

Entrepreneurs’ Attributions For Business Failure At The Time Of Occurrence And In Hindsight

<table>
<thead>
<tr>
<th>Attribution</th>
<th>At time of Occurrence</th>
<th>In Hindsight</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
<td>Percent</td>
</tr>
<tr>
<td>Internal</td>
<td>6</td>
<td>16.20</td>
</tr>
<tr>
<td>External</td>
<td>14</td>
<td>37.80</td>
</tr>
<tr>
<td>Both I and E</td>
<td>17</td>
<td>45.90</td>
</tr>
</tbody>
</table>

N = 37. Note: Both I and E = both internal and external attributions for business failure.

As shown in Table 7.07, there was little difference in the explanatory style for the perceived causes of one’s business failure evident in participants’ reports of attributions they had made both at the time and in hindsight. That is, participants were most likely to attribute its causes to both internal and external factors, and least likely to attribute it to internal causes alone. However, results do highlight a shift over time in some participants’ perceptions of the cause of their business failure. Two entrepreneurs, who initially regarded their own behaviour as the sole cause of the failure, later altered their perception to include an awareness of the contribution of factors outside of their direct control such as economic downturns or the appearance of a new, aggressive competitor. An even larger shift occurred amongst those who had initially attributed it to external factors. In hindsight, six of these entrepreneurs acknowledged that their own actions, or lack of action, such as poor decision making or inadequate planning, had also contributed to their business’ downfall.

**Explanatory Style: Attributions for Business Recovery**

Participants were not directly asked what they perceived to be the reasons behind their business’ recovery. This approach was adopted to make the assessment
of entrepreneurs’ attributions for business recovery less transparent, and limit the influence of any social desirability bias to give oneself all the credit for making it happen. Instead, participants’ responses to more general open-ended questions were explored. For example, participants were asked to describe their thoughts and feelings at the time of the business failure, which often yielded information about how they saw it being resolved. The same categories of internal, external, and both internal and external attributions, were used to classify responses.

Evidence for internal attributions came from reports of actions taken by the entrepreneur to overcome their business setback. These addressed either restoring the existing venture, or restoring one’s pursuit of entrepreneurship through starting a new venture. Internal attributions ranged from vague descriptions such as

*You had to get up and go and do stuff,*

to the succinct expression of specific remedial actions taken, such as

*I went and sold my way out of the problem.*

Many participants stressed the importance of holding an optimistic, positive expectation for the outcome of their actions. This combination of positive thinking with problem solving behaviour is illustrated in the following excerpt:

It was facing reality and looking at things clearly, *so this is where* 

*I am and what do I want to do about it, where do I want to be and what do I want, and then rebuilding to get there*.....We had to make some really major moves but slowly we built it up. It took a lot of construction during that four years, and a lot of positive state of mind *….the positive state of mind, what that does for you is gives*
you a clear state of mind, the ability to get up and do something about it. But then you’ve got to know what to do, you’ve got to know how to do it and have a good strategy.

Several entrepreneurs highlighted other internal factors such as the persistence and perseverance that was required to follow through on their recovery plans to overcome business difficulties. For instance:

You just have to keep on going, keep on going.

And if you think about it, if you persist, whether it’s at your business or whatever, .... in life you’ll be successful. So no matter what, persistence is the single most important thing for achieving goals.

Sometimes maybe people can’t do that, and they give up, but that’s one thing I’m good at, I’m pretty resilient, able to take the knocks without getting too upset about them.

Evidence of external attributions for business recovery consisted of references to economic recovery such as the stockmarket regaining lost ground, and references to supportive external parties such as helpful banks or sympathetic creditors. The category of both internal and external attributions was apparent in combinations of these factors.
Frequencies of perceptions of internal and external attributions for recovery from business failure were calculated. Results are displayed in Table 7.08.

Table 7.08

*Entrepreneurs’ Attributions For Recovery From Business Failure*

<table>
<thead>
<tr>
<th>Attribution</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal</td>
<td>31</td>
<td>83.80</td>
</tr>
<tr>
<td>External</td>
<td>1</td>
<td>2.70</td>
</tr>
<tr>
<td>Both Internal and External</td>
<td>5</td>
<td>13.50</td>
</tr>
</tbody>
</table>

N = 37

As shown in Table 7.08, the majority of entrepreneurs (83.8%) attributed recovery to internal causes. Few (13.5%) attributed it to both internal and external causes, and only one cited external causes as the sole factor behind the recovery.

These findings differ markedly from the pattern of attributions for perceived causes of business failure. Most strikingly, whereas entrepreneurs were least likely to attribute the occurrence of business failure to their own actions, they were most likely to attribute recovery from that failure to their own actions. Interestingly, this perception was evidenced in all eight of those entrepreneurs who in hindsight had regarded external factors as the sole cause of their business failure. It was also evident for three of the four who had cited exclusively internal causes for the failure. Thus, regardless of the nature of the perceived causes of one’s business failure, entrepreneurs attributed business recovery to their own behaviour.
Critical Response to Business Failure

To further explore entrepreneurs’ experience of business failure and the meaning that they gave to their experience, different aspects of the participants’ critical response to this event were investigated. These comprised: the level of identification with one’s business at the time of the failure, perceived likelihood of future business success, perceptions of loss and failure associated with the event; affective reaction to this event, and coping with the personal impact of business failure. These elements of entrepreneurs’ critical response to business failure are discussed separately.

Identification With One’s Business

Participants were asked to rate on a scale of 1 to 10 how strongly they had identified themselves with their business at the time of the setback. Higher scores indicated a stronger level of identification with one’s business. Scores ranged from one to 10, with an average of seven and a half ($m = 7.50, sd = 2.83$). Thus, entrepreneurs tended to show moderate to high levels of personal identification with their venture. Two respondents stated that they had no level of identification with their business. These were entrepreneurs who made a point of clarifying how their personal identity was separate from their business, as described earlier in the theme of ‘Business failure accepted by separating personal entrepreneurial identity from the business’ identity’. A third participant rated their identification as three, stating that at the time they were not very interested in their entrepreneurial venture. However, the most frequent rating was 10, as indicated by almost one third (32.5%) of participants. Indeed, several offered comments regarding just how strongly they identified themselves with their business, such as the following:
Ten, it was me. It was everything I wanted it to be. It had the right name... it was like everything that I had to do with, that I believed in, and it was making money too.

Ten. You know, any business that I own, my name’s on the business, very public, very upfront.

Ten. That business was me, my communication skills, it was really me that was it’s worth. So all me really.

Oh, that was my life. Yes, so I’d say a 10.

Likelihood of Future Business Success

Participants also provided a rating between one and 10 of how likely they thought it was at the time of business failure that they would go on to have business success, with higher scores indicating greater likelihood of future success. Two entrepreneurs declared a zero rating. Thus, actual scores ranged from zero to 10. On average, participants rated their chances of future success at approximately seven ($m = 6.73$, $sd = 3.47$). The most frequent rating was 10, as indicated by 30% of participants. Indeed, more than half (56.6%) rated their likelihood of achieving future business success as eight or higher. Thus, in the main entrepreneurs were very optimistic about their chances of future success.
In some instances, such optimism appeared to be exclusively grounded in the entrepreneur’s ability to visualise positive outcomes for the business, as expressed in the following comments:

**Ten, completely possible**…what would have made it harder would be if I just didn’t have the belief, if I didn’t keep dreaming until that dream came true. *If you have an innate compulsion to dream, it’s not hard. No, you’re still dreaming, there’s still the big fantasy, and you don’t sort of turn that off, it doesn’t stop.*

Eight…*I had visions of where opportunities were going to come from*, it might have been a fairly complicated sequence of events, might have had a pretty low probability, but at least I could see what they were….*And I suppose I could see those positives right from the start.*

In most instances, however, participants’ accompanying comments highlighted not only the ability to imagine business recovery, but also confidence in one’s ability to bring it about. This outlook was demonstrated in several of the excerpts used to illustrate the underlying theme of ‘From Failure/Weakness to Self-mastery through drawing upon confidence in one’s entrepreneurial ability’. Notably, this hope in entrepreneurial recovery, and confidence in one’s ability to bring it about, was evident even in the response of one participant who was currently in the process of undergoing a major business setback. Interestingly, this example also underscores the
entrepreneur’s strong personal identification with their business, which appears to be unthreatened by the seriousness of the business setback.

*For recovery, we’ll say nine. This is a very major event…. it is really a major crisis … but I am confident that one way or another it will be totally solved…. That’s who I am, I don’t like doing anything else. So I am always prepared mentally, because this is me… and people who depend on me, they just say, well, we trust you, you will solve it. Yes, they just trust me.*

This high confidence in entrepreneurial ability and in the likelihood of entrepreneurial recovery in the face of current failure suggests that the passage of time had not distorted the extent of the confidence stated by other participants who were commenting retrospectively on their business failure experience.

Interestingly, the two entrepreneurs who rated their chances of future success as zero offered qualifying comments that also suggested a theme of optimism. However, as the following excerpts reveal, this was more a general sense that things could still turn out alright, rather than any confidence in their ability to secure such an outcome.

*Zero. Well, it was highly unlikely, but not impossible.*

*Zero. Oh well, a drowning man, is he going to stop swimming? Even if its’ ten miles to the shore, you’re going to keep swimming, hoping that something is going to happen.*
Similar qualifying statements accompanied three of the four other participants with ratings of one or two for future success.

*Perceptions of Loss and Failure*

As part of their immediate reaction to the business setback, participants were asked to discuss whether it had represented loss or failure to them. Responses revealed that many entrepreneurs made a distinction between business loss and personal loss, and between business failure and personal failure. Business loss was described as either financial loss or lost business opportunity. Personal loss involved financial losses such as no longer having an income, or personal assets such as one’s house and car being seized to pay creditors. Business failure was described as the entire business, or some important element of it, ceasing to function effectively. Personal failure was mostly described as regarding oneself as having not performed specific entrepreneurial duties either competently, or at the correct time.

Most often, participants described evaluating the event as involving both business loss and business failure, and tended not to focus on the personal ramifications of this event. Interestingly, despite the trend to strongly identify oneself with their business, only one participant saw their business failure as exclusively being about personal failure. This participant was one of very few to express this as a view of the self, rather than of one’s behaviour, as the following comment illustrates:

*I felt like a failure.*

Three other participants mentioned some sense of personal failure along with one or more of the other forms of failure or loss. This is illustrated in the following excerpt, which includes personal failure with personal loss and also business loss:
It was a loss in that I looked like losing the business, looked like losing my house, looked like going bankrupt. Then failure of course would be that the whole venture was driven by me, and so it was my fault.

Notably, several participants made a point of clarifying how their business failure did not involve personal failure. This included comments such as the following:

No! Bullshit no! It’s not you at all!....if I screw it up, I don’t care, I’ll just start again. I know I won’t be found negligent, I will have done all I can to make it work. So I don’t need to take it personally, just move on.

I don’t know that we saw it as failure, we saw it as a bad decision as opposed to failure. Failure is when you don’t put your effort in, that defines failure…so I felt that we had made a very poor decision.

Affective Reaction

Participants were asked to describe their feelings at the time of the business failure. As was evident in the underlying themes for this event, the affects most frequently referred to were frustration, anger and disappointment, and to a lesser extent anxiety. The following three excerpts illustrate different ways in which such feelings were commonly expressed;
Sadness, at having to let people go, we tried to move as many
over as we could, but you can’t take everybody. Crankiness, that
I’d made a poor decision, anxiety, that we were writing off a huge
amount of money, and how would that affect the rest of the business.

Oh, a lot of frustration, a lot of disappointment. I suppose a feeling
of betrayal, and a certain feeling of why can’t the world lie straighter
in bed, you know, ..... a bit of bitterness about people playing
games for their own personal advancement.

Yes, I was fearful, I was scared. Predominantly fear, but I guess
some anger and frustration with my business partner too.

As these examples demonstrate, most of the participants concentrated on
negative affects, which were often directed towards others as well as oneself.
Interestingly, although many entrepreneurs saw their own behaviours as at least partly
responsible for the failure of their business (as indicated in their attributions for
business failure), negative feelings related to self-blame such as guilt and shame were
very rare. Similarly, one of the few participants to acknowledge feelings of depression
associated with holding oneself partly responsible for the business failure clarified his
emotional response as both uncharacteristic and temporary. This is illustrated in the
following excerpt:
You know, it’s either you or it’s not you. And for me to be in a sustained state of depression would be ridiculous. I mean you might get depressed occasionally, everyone does. But for me to be in that sustained state and just feeling sorry for myself is not (participant’s name).

Several participants also emphasised positive feelings about the self that they had experienced at the time. For instance, the following three examples suggest these entrepreneurs were actually energised by the business failure:

There was a burden, but also a sense of freedom in that, so now I can do what I like.

Umm, it was more excitement at the time. I mean we had our moments of anguish, but like you know, we’d run this type of company on a shoestring for years and you got pretty good at it.

Financially, it was a big setback, had to change things around, refinance. But emotionally, silly to say but I was a little bit happy that it had happened, only because it was such a learning process, and I thought, well, I’m just a step closer to where I’m going.

Coping With the Personal Impact of Business Failure

Participants were asked to describe how they had managed their thoughts and feelings at the time of the business failure. Across the sample as a whole, there was a
common approach of ‘don’t deny the personal impact, but don’t dwell on it either’.

Most entrepreneurs readily acknowledged that being confronted with a serious business setback had produced some negative personal impact, eliciting feelings such as disappointment and anger. However, after noting this affective reaction, most quickly moved on to addressing how to actively resolve their business problems. Rather than wallowing in the negative emotions stirred up by that event, or engaging in self-soothing behaviours to alleviate their emotional distress, most shifted their focus to identifying what actions needed to be taken to bring about entrepreneurial recovery. This ‘get on with it’, problem-focused approach is illustrated in the following three excerpts:

*It’s like well, that was your setback, you need to move on, and the best thing to do is to work hard. Get on with it, forget about it. Start concentrating on what you’re doing* and you will forget about that.

*When something bad happens, I don’t dwell on it, I just make the next call,* so there’s always something there to balance it. What gets me out of it is that activity. *The more frustrated I am and the more tough things seem to be going, the more busier I get….when things are going bad I get really busy.*

I probably tend not to let things worry me too much. *If something happens, it happens, let’s just get on with the next phase of life,* you know. *So I wasn’t going to, sort of, waste my energies on it,*
put it that way. *Just wanted to get on with doing things more positive than concentrating on negatives.*

Although active problem solving was the dominant form of coping observed, many participants combined this with the application of specific thinking techniques for managing their distress. One such technique involved reframing the situation in a way that was both more optimistic and offered the entrepreneur greater control of the situation, as illustrated in the following two excerpts:

*You construct your own reality .... I mean we recognised that this was going to be as big a failure as we wanted it to be.* You know, if we sat around and told everybody that this was a huge failure and that our business had collapsed, then that’s what it would be. *But if we sat there and constructed a reality where essentially we’d made the decision we’re moving on with our lives, and so we’re going to wind down this company and move on, then that’s what it would be.*

And so you keep going, and *to some extent it doesn’t matter how bad it gets, it’s like, well, how could it be that bad, it couldn’t possibly be that bad. It’s like are you saying that somebody hasn’t got it worse than this?* There’s got to be somebody that’s got it ten times worse than you, so it’s like, for God’s sake man, *if they had your position, they’d be thinking like all their Christmases had come, so why don’t you get on with the thing and make it work.*
Other thought techniques involved particular creative procedures for containment of the negative distress, and detachment from it, as reflected in the following two excerpts:

With things like that, ah, *I tend to let the emotion come out a bit and then I’ll put a lid on it*, and then I’ll have another think about it on the weekend …. but *I won’t let myself dwell on it*, so I sort of *go around in a foul mood for a quarter of an hour* on the weekend thinking intensely about it, then I’ll say, *righto, that’s enough, it’s not going to get any more attention than that …. no point wrecking the whole weekend or letting it start to interfere with business.*

*Shut it down.* I’m good at that. *Just focused on what I was doing.* *I get focused on a number of things*, select a variety that I can get absorbed in, and not allow in errant thoughts and things, not leaving time to ponder. *Normally I’d go ahead with plan a, b, and c, but when things like this happen I go down to about plan g.* And the extra time in coming up with the extra plans tends to focus my mind on what I’m doing. And then I try to offset that with intense periods of sporting activity to clear the mind. *It creates a balance that allows me not to have to wallow in it.*

As these excerpts suggest, participants mostly responded to the business failure by employing their typical methods for coping with an adverse event. Thus, an
entrepreneur who usually ‘gets busy’ when things get tough described getting
‘really busy’ when faced with business failure. Similarly, an entrepreneur who usually
distracts himself by formulating and enacting plans a, b, and c, describes going down
to plan g to deal with the more intense distress aroused by business failure. A
contrasting approach was evident amongst a small minority of the sample. These were
entrepreneurs who also eventually adopted a ‘get on with it’, problem-solving
approach, but not before being temporarily incapacitated by the emotional distress
caused by the failure, which overwhelmed their usual coping resources. Interestingly,
these were entrepreneurs who had included a sense of personal failure as part of their
initial response to business failure. This suggests that personalising the business
failure may produce a stronger negative reaction to it. This more pronounced and
initially unmanageable negative reaction was expressed in statements such as:

_I wasn’t angry with anyone other than myself, and I wasn’t
disappointed in anyone other than myself…. I managed it badly. I
was angry and I was taking it out on anything and everything… I
wasn’t calm you know, I managed it badly…and didn’t use all the
techniques that I’ve matured over the years to be able to handle
doing kinds of things. It was a momentary lapse of reason that
led to ridiculousness._

Interestingly, the common coping approaches of reframing the situation more
constructively and agentically in order to contain negative affect, and to distract and
detach oneself from it, were also represented in the broader underlying themes that
participants used to convey the meaning of this key event. For example, construing the event as a learning experience or as one where specific conflict management skills were developed, served to reframe it more positively, as did focusing on one’s resilient entrepreneurial ability. Likewise, containing business failure within a larger story of success, or within a story of overcoming obstacles, served to contain the negative affect. Additionally, seeing personal, entrepreneurial identity as separate from the business’ identity served to detach participants from the self-importance of their business failing. To the extent that these themes reflect the retrospective meaning participants gave to that event, the narrative accounts themselves can be regarded as an important part of their longer-term approach to coping with the personal impact of business failure. Furthermore, to the extent that many descriptions demonstrated that this thematic meaning was part of the participants’ more immediate evaluation of the event, these self-narrative themes can be considered part of the initial coping approach of these entrepreneurs.

Apart from engaging in active problem solving behaviours and applying positive or distracting thought techniques, a few participants volunteered that sharing their negative reaction with supportive others such as workmates or family members helped them to cope with their distress. This was expressed in comments such as the following:

*Well, I talked about it with my wife a lot, and with my business partner.*

*And that’s what we do a lot, we’re able to talk about it.*

*I think the support played a big part in that.* My wife could have turned against me, because this was the second time something like
this had happened…. *I mean my wife was very supportive*, but she kept saying, “could you go and get a proper job?”

More commonly, however, participants described not disclosing their distress to others, especially family members. Instead, keeping personal relationships separate from workplace difficulties appeared in itself to constitute a form of coping by acting as a buffering environment. This is illustrated as follows;

*I don’t usually take things home.* Certainly the people close to me here at work were aware of my concerns, but I certainly didn’t get too temperamental about it, and *didn’t take any of those frustrations home*. When I go home, I like to just relax, don’t take work issues home… work is work and home is home, *you have to have balance*.

*Well firstly you’ve got to have an ability to turn off*…. and I mean I’m going home and I can have an absolute disaster happening here (in the business), and I can pull out a book and just immerse myself in the book, go and play tennis with the family. *Maybe I can compartmentalise it. And I see that when things go wrong with the business you need to compartmentalise it fairly quickly, because otherwise you can get in the fog for a long time.*
**Retrospective Response Following Business Failure**

To further explore entrepreneurs’ experience of business failure and the meaning that they gave to their experience, particular aspects of how participants evaluated this event in hindsight were also investigated. These comprised: attitude to business failure; rumination about business failure experience; and regrets over approach to business failure. These elements of entrepreneurs’ retrospective response to business failure are discussed separately.

**Attitude to Business Failure**

Participants were asked to describe their approach to failure. Although this question was phrased to explore their attitude to failure in general, most chose to respond in terms of their attitude to business failure in particular. There were three common perspectives, with many participants including more than one of these in their responses. First, several entrepreneurs conveyed an awareness that business failure could occur, and an acceptance that it was likely to occur within their business. This was expressed in statements such as:

*Well it’s no different to driving.* You can drive around, but sooner or later you’ll have a crash, it’s inevitable. *Business failure is a bit like that, failures are likely to occur.* A missile, if it goes off target, it’s brought back into line, that’s *just part of the natural process of things.* I don’t see failure as a bad thing at all.

*You know there’s going to be ups and downs.* Very rarely do you have a smooth climb up, it’s usually a tiered approach.
Oh, it happens all the time. Business is like, **being successful means that you’ve had one more success than failure**. You will have setbacks every day or every single week, and **if it’s running smoothly it just means that the messages haven’t got to you yet**.

A second perspective was to actually welcome the occurrence of business failure, regarding it as a positive rather than negative event, and in some instances seeing it as an essential part of achieving entrepreneurially. Thus, just as they had described their low points as ‘not really low points’, many participants reflected the attitude that business failure was ‘not really failure’. Mostly, the perceived benefit of experiencing failure was the anticipated learning that it would provide. This, together with other benefits such as helping to keep one grounded in reality, are illustrated in the following excerpts:

I think if you ask any successful person in business they’ll tell you they’ve had a failure, and if they don’t then they’re lying, because **you have to have the failures, it’s part of it, part of how you learn .... you have to have the failures in order to be able to achieve**.

What I’ve learnt from that experience in a business sense is irreplaceable, because **you always learn ten times more from failure than you do from success**.

*And I know this might sound stupid, but I’m glad when things go*
bad sometimes ..... it’s the struggles that make you stronger. So you know I welcome the setbacks.

Yes, it’s good to lose sometimes, it gives you a different perspective. I think a few losses along the way, it brings you down to earth.

I would say, actually, that any mistakes have not been foolish enough.

A third, less common attitude essentially reflected a lack of acceptance of the term failure. Even though they had experienced major business failures, these participants chose to minimise the significance of the term, often redefining failure as mistakes, mishaps, or momentary setbacks. This was expressed in statements such as the following:

I don’t accept failure, that’s not a word in my vocabulary. And yet, people say to me, what do you mean failure, you’ve had this and that. And I say, well, you call them failure, I call them mishaps. There’s been no failure.

You know, I have never failed. I’ve made lots of mistakes in my life, personal and commercial, but I have never failed.

I don’t have fear of failure, I only have temporary setbacks to success.
Participants were asked to discuss how frequently they presently thought about their past experience of business failure, and the ways in which they thought about it. This question explored whether entrepreneurs engaged in rumination, in the form of recurrent, negative self-referent thoughts about that experience (Lyobomirsky et al., 1998; Tedeschi & Calhoun, 1995). An exploration of responses revealed that whilst there was some variation in how often participants thought about it, they demonstrated consistency in just how they thought about it. In particular, most participants recalled their setback experience in a positive light. The most common approach was to regard it as a valuable learning experience, with practical relevance to the ongoing operations of one’s venture. This is illustrated in the following excerpts, which also demonstrate the variety in frequency with which business failure was thought about:

**I think about it probably subconsciously every day.** Everyone looks back at it today as one of the greatest learning experiences of their lives.

Yes, I do periodically think about that....I can be very impulsive about business decisions, so whenever I see my impulses going sky high it's like, hang on, you've screwed this up before, have a think about this, and so it comes in.

Not at all. But there’ll come a time when I go back to do something again, and I’ll use that experience to see that I don’t make the same mistakes.
A smaller subset of the sample recalled their experience of business failure in a negative light. Within this group, two different approaches were adopted. First, three participants described it as constituting a useful point of contrast between how bad things were back then and how much better they are now by comparison. The use of negative recollections to reframe the present in a more positive way, is illustrated as follows:

*I suppose quite often. More in terms of appreciating where I am at the moment. If I have a low point now, or seemingly low point now, I’m reminded of what a low point can be. So it certainly stands to be a benchmark where you can actually say, look, you might think it’s bad now, but considering what bad really can be, it’s not that bad.*

Second, three participants described it in purely negative terms, with no redeeming features. These accounts reflected a retrospective evaluation of the experience as unsatisfactory in terms of how it did not meet their expectations, the loss it involved, or how unpleasant it was. The following examples focus on the latter two views, respectively:

*About two or three times a year, probably with some disappointment that twenty years work, what one had accumulated, you had to start again.*

*I still think about it probably once a month. … I can’t let go of how badly I felt, it’s still with me.*
In summary, the pattern of findings suggests that most entrepreneurs did not frequently engage in rumination following their experience of business failure. Rather than being constantly bothered by intrusive, self-referent negative thoughts about it, almost 84% of participants reflected upon it in positive self-referent terms as a valuable and useful learning experience. Even three of the six participants who thought about it as a negative experience chose to use it in a positive fashion as a constructive point of contrast between the past and present. As a sole exception, only the last participant quoted above, who describes frequently being bothered by negative feelings from their experience of business failure might qualify as ruminating upon the event. Interestingly, this participant was one of those who highlighted conflict as a central theme of their experience of business failure, describing intense negative affects such as fear and humiliation that attended their experience. The general lack of rumination amongst participants meant that there was insufficient data to explore the relationship between rumination and self-concept clarity, as originally planned.

**Regrets Over Approach to Business Failure**

Participants were also asked whether there was any aspect of the way they had approached the failure that they would now do differently. This question explored whether entrepreneurs held any regrets about their actions. That is, whether the participants held a negative view of what they had chosen to do, or wished that they had done something else (Landman, 1993). An investigation of participants’ responses yielded two different views. Eight participants stated that they would not respond any differently with the benefit of hindsight. Notably, many of these
specifically volunteered that they had no regrets about their approach. This view is illustrated in the following excerpts:

*Basically it’s a no regret kind of situation.*

*No. Things are going to come along but I don’t look at them as regrets because that’s like I wish they weren’t there, and the moment you condition your mind to think like that then you’re not going to be that focused on overcoming them when you get there.*

*No. I mean it had been such a planned and considered thing in the first place, and that was just the way it was.*

The remaining 80 percent of participants stated that in hindsight they would approach their business failure experience differently. Almost all described different actions they would now take to prevent the failure occurring, rather than different actions they would take to recover from it. They therefore demonstrated an absence of regret over how they had responded to their business’ failure once it had occurred. Furthermore, specific preventative actions were presented in a brief, matter-of-fact, non-emotive way. This suggests that participants also experienced an absence of regret concerning actions taken prior to the failure occurring. This is illustrated in the following excerpts:

*O yes, sure. I wish I had involved more consultants, lawyers, more checking of what appeared to be the facts.*
Well we realised there should have been a clause on our invoices that didn’t give them possession of the goods. That’s about it, really.

Should have done it earlier. Yes, but again, it was a learning experience. we learnt that we needed to have better controls, better reporting about what people were doing.

Summary of Investigation of the Entrepreneurs’ Response to Business Failure

Distinct patterns emerged in the life story analysis of the business failure event and the wider exploration of participants’ responses to this event. A summary of findings commences with McAdams’ (1993; 2006a) themes, followed by their association with Herman’s (1989; Hermans & Hermans-Jansen, 1995) themes, then underlying integrative themes. Participants’ explanatory style, and their critical and retrospective response to business failure, are then presented. Finally, a summary model is put forward regarding how this sample of entrepreneurs experienced business failure.

Dominance of Agentic Themes in Business Failure Event

The accounts of business failure emphasised the positive agentic theme of Self-mastery and, to a lesser extent, all four negative agentic themes. The negative communion theme of Disillusionment was also prominent in some accounts. Notably, all other agentic and communal themes were rare, indicating little divergence in the self-relevant meaning given to the experience of business failure. Three underlying themes were identified that were distinguished by an emphasis on conflict within the entrepreneurial environment, entrepreneurial learning, or entrepreneurial self-
confident. In all three themes, Self-mastery featured as the redemptive outcome of the business failure, with the opening negative scene involving one or more of the negative themes. Thus, the core meaning given to this event related to overcoming difficulties involved in the business failure in a self-strengthening way. In the conflict within the entrepreneurial environment theme, participants described the development of a stronger sense of control of circumstances by determining to be more assertive and more influential in future business conflict situations. In the entrepreneurial learning theme, an initial lack of entrepreneurial knowledge specific to the nature of the business failure was redeemed by learning valuable entrepreneurial skills through the process of business recovery. In the entrepreneurial self-confidence theme, participants briefly acknowledged their role in contributing to the business failure, then focused extensively on their confidence in their ability to overcome it.

**Dominance of Redemption in Structuring the Business Failure Event**

Consistent with the redeeming tone in the three underlying themes, the redemption theme was much more evident than contamination. In accord with the emphasis on Self-mastery, most regarded the redemptive outcome as the result of their own efforts, and as producing an enhanced sense of agency. Thus, redemption highlighted positive, entrepreneurship-specific outcomes of business learning and improved entrepreneurial self-confidence, as well as more wholistic self-strengthening outcomes of feeling toughened by the experience or understanding oneself better as a result of it. Contamination was only apparent in three accounts, which highlighted the loss of business relationships. Two of these also included the redemptive element of improved knowledge of how to handle such situations. Interestingly, a feature of several accounts was the involvement of the contamination
theme more implicitly by the omission of outcomes of relationship difficulties initially raised as part of the failure experience. Instead, they focused upon redemptive outcomes of personal gain, such as improved business knowledge.

**Relationship Between McAdams’ Life Story Themes and Hermans’ Affect Themes**

The implicit themes represented by Hermans’ (1989; 1995) affect ratings and the explicit themes of McAdams’ (1993; 2001b) life story analysis showed an essentially similar pattern of results for the 20 participants who completed Hermans’ affect ratings for this event. Furthermore, most of the affect themes could be located within the three underlying themes that emerged for this event. The greater presence of the Self Enhancement (SE) than Contact With Others (CWO) motive, together with some representation of the Self-enhancement (S) and positive Self-enhancement (+S) affective patterns, aligned with the strong presence of Self-mastery as the redemptive focus of all three underlying themes. The presence of the positive high self with high other (+HH) affective pattern for three participants also offers support in this direction, whilst adding that the satisfaction of the relational affective motivational theme was more implicitly valued in these few accounts. The relatively equal presence of the SE and CWO motives for half the participants who completed affect ratings may seem contrary to the dominance of agentic over communal themes. However, some of the negative agentic themes such as Conflict or Losing Face, actually include a strong interpersonal element.

The main point of difference involved the extent of negative affect attributed to the participants’ experience of business failure, as indicated by their affect ratings. In contrast to the dominance of positive, redemptive, and self-strengthening outcomes featured in the themes, there was a trend towards greater experience of negative than
positive affect. Also, the –LL pattern was the most frequently observed affective pattern. This pattern also involves greater negative than positive affect, here expressing a lack of satisfaction of both motive types. These findings suggest that at a more implicit level, some participants emphasised the initially negative aspects of their business failure experience over the positive outcomes dominant in the explicit accounts.

**Integration of Business Failure Event Within the Life Story**

Most participants readily incorporated their experience of business failure into their overall life story. Three integrative themes emerged, comprising: ‘Overcoming business failure related to larger story of overcoming obstacles’; ‘Business failure contained within a larger story of success’, and ‘Business failure accepted by separating personal entrepreneurial identity from the business’ identity’. Thus, in all three themes, the experience of business failure was incorporated with the rest of the life story without contaminating it. In the first theme, this was done by focusing on the business recovery element of the failure experience, whereas in the latter two themes, the negative of business failure was contained within a larger, positive self-story characterised by success and or self-confidence in one’s entrepreneurial ability. A small proportion of the sample regarded their experience of business failure as unrelated to the rest of their life story, with some indicating they were unable to reconcile the negative elements of that event with the rest of their positive, personally powerful self-story.

**Explanatory Style: Attributions for Business Failure and for Business Recovery**

Most internal attributions volunteered as the causes of business failure reflected a theme of poor management. This theme was dichotomised into poor
internal management of the business and a lack of consideration of market factors. External attributions reflected a theme of economic factors, divided between the impact of market forces and other causes. Both at the time of the occurrence of their business’ failure and in hindsight, participants were most likely to attribute it to a combination of internal and external causes, and were least likely to attribute it to internal causes alone. Over time, there was a shift in perceptions for some participants. This occurred mostly amongst those who later acknowledged that internal factors, such as their own poor decision making, had contributed to the situation along with the external factors they had originally identified.

Internal attributions for recovery from business failure consisted of reports of actions taken by the entrepreneur either to restore the damaged venture or to recommence entrepreneurship in a new venture. External attributions comprised reports of a general economic recovery, or supportive external parties such as bank managers. Most participants attributed business recovery to internal causes, with few attributing it to a combination of internal and external causes, and only one perceiving external causes alone to be the source of recovery. Thus, entrepreneurs were least likely to attribute business failure to their own actions, yet most likely to attribute business recovery to their own actions. The self-perception of the entrepreneur as playing a vital role in restoring their business’ activities was consistent with the redemptive, Self-mastery focused themes that emerged for this event.

**Critical Response to Business Failure**

Most often participants were very strongly personally identified with their business at the time of the setback. However, despite the high level of identification with the venture, participants generally evaluated their experience of business failure
in impersonal terms. That is, as involving both business loss, such as financial losses or lost opportunities, and also business failure, in terms of the entire business or some key element of it ceasing to operate. This suggests that they could separate the failure of their business from a sense of personal failure as an entrepreneur; a point that was specifically highlighted in one of the three underlying integrative themes that emerged for this event. A few participants also highlighted a personal loss element in their experience, such as the loss of one’s house, or a personal failure element, such as holding oneself at least partly responsible for the business failure occurring.

In the main, participants were very optimistic about their chances of future success. This optimism was grounded in the entrepreneurs’ ability to imagine business recovery and in confidence in their ability to bring it about. The types of affects most frequently experienced were frustration, anger, disappointment, and anxiety. Consistent with the presence of the Conflict and Disillusionment themes, the first three emotions were often directed towards other parties involved in the business failure including business partners, debtors or marketplace competitors. Anxiety was generally centred upon the self, reflected in initial concerns aroused by confronting the reality of business failure. There was also some mention of positive affects toward the self associated with this event, such as feelings of excitement at facing the challenge presented by the business failure, and a sense of freedom in how they might go about dealing with it.

In managing their thoughts and feelings at this time, a common approach emerged of ‘don’t deny the negative personal impact, but don’t dwell on it either’. Rather than dwelling on their negative feelings or spending all their time engaged in self-soothing behaviours, most promptly shifted their focus to identifying what
actions needed to be taken to bring about business recovery. Again, this was consistent with the dominant thematic reference to Self-mastery, in terms of feeling strengthened in the self as the result of one’s own actions. This active problem-solving approach was frequently combined with specific, well-rehearsed thinking techniques to manage the distress. These included reframing the situation more optimistically and with more control for the entrepreneur, containing exposure to the negative feelings, and distracting oneself from those feelings. These particular approaches parallel the themes relating to the integration of business failure into one’s life story, such as containing it within a larger, more pleasantly toned story of success. Indeed, in several instances, participants described consciously reflecting on the meaning of the failure in relation to their self-narrative understanding at that time. This suggests it directly served an emotion management function. A small minority of participants who adopted the general ‘get on with it’ approach were at first temporarily incapacitated by their emotional distress. These participants were distinguished by their tendency to express a sense of personal failure associated with their business’ failure. A few participants obtained emotional relief by sharing their feelings with others such as family or friends. However, the majority kept work and its concerns separate from their family, apparently using this division to create a buffering home environment.

Retrospective Response to Business Failure

Three common perspectives emerged in the entrepreneurs’ attitude to business failure. First, there was an awareness that business failure could occur, and an acceptance that it was likely to occur in one’s own venture. Second, business failure was welcomed, especially in terms of the learning it was expected to provide. A third
and less common attitude was not to accept the term business failure, instead redefining it as a mistake, mishap, or temporary setback.

Rumination about the meaning of one’s business failure experience was noticeably absent. Instead, reflections on the experience were infrequent and positively toned, with most emphasising the valuable entrepreneurial learning it had provided. A small proportion reflected on it as a negative event, with some of these using it constructively as a point of contrast between the past and one’s present difficulties. Similarly, a general absence of regret concerning how one had responded to the failure of their business was observed. Indeed, a few participants specifically volunteered that they experienced no regret about their actions. Rather than being dissatisfied with how they had gone about resolving it, most concentrated on what they might have done to prevent it occurring.

Summary Model of Entrepreneurs’ Experience of Business Failure

Integration of findings from the life story analysis of the business failure event with findings from the further exploration of the event allows the formulation of a summary model of how this sample of entrepreneurs experienced business failure.

At the time of the occurrence of their business failure, most entrepreneurs had a strong personal identification with their business. Despite this strong identification with the venture, they tended to evaluate their business’ failure in business, rather than personal, terms. They most often attributed its causes to both internal factors, such as management deficits, and external factors, such as international market influences. In contrast, business recovery was generally attributed to their own actions. A predominantly active problem-solving approach was adopted in dealing with the business failure. This was reflected in the self-narrative meanings given to
this event, which centred upon overcoming the business failure in a self-strengthening way. This was more specifically expressed as either mastering business conflict situations, experiencing entrepreneurial learning, or affirming entrepreneurial self-confidence.

In the midst of the business failure, most entrepreneurs remained very optimistic about their chances of future success; based largely upon a confidence in their own ability to bring about entrepreneurial recovery. In dealing with the negative feelings aroused by the failure, entrepreneurs applied practised coping skills such as positive reframing or distraction. Some even drew upon their self-narrative identity as one form of containment of negative thoughts and feelings: for example, not being overwhelmed by the failure, due to reflecting upon it in the context of a personal narrative characterised by repeatedly overcoming difficulties.

In hindsight, the business failure was given personal significance, being evaluated by several as the low point of their life story and easily recalled by most others. However, when reflecting upon their experience of business failure, there was an absence of both rumination and regret in how they had responded to it. Instead, it was regarded as a virtually inevitable and even welcome event that provided a positive, highly valuable entrepreneurial learning experience. Finally, in retrospectively making sense of that experience in relation to the rest of their narrative identity, most entrepreneurs were able find a place for it within their larger self-story. This was accomplished by relating the business’ recovery to a story of overcoming obstacles, or by containing the business’ failure within a story characterised by either repeated success or sustained self-confidence in one’s entrepreneurial ability.
CHAPTER EIGHT

DISCUSSION OF FINDINGS ON THE LIFE STORIES OF ENTREPRENEURS AND THEIR RESPONSE TO BUSINESS FAILURE

This thesis sought to enrich understanding of the personality of entrepreneurs, with an emphasis on illuminating how personal characteristics manifest within the entrepreneurial environment. One aim was to better understand the distinctive characteristics of the personality of entrepreneurs. This was addressed by investigating the types of life stories constructed by entrepreneurs, to establish whether they shared a ‘typical’ self-narrative identity. Distinct patterns were evidenced in the life stories of the entrepreneurs, converging on a protoypical self-narrative identity. The second aim of this thesis was to explore entrepreneurs’ personal response to business failure, via narrative accounts. How entrepreneurs made sense of the failure as a life story key event was examined, and additional elements of their critical and retrospective response were considered. Distinct patterns emerged in the entrepreneurs’ responses to business failure, permitting the formulation of a summary model of their experience.

This chapter commences with an integrated summary of life story results from an investigation of the self-narrative identities of entrepreneurs. Theoretical support for life story findings, including their implications for McAdams’ (1985; 1993) life story themes, are then outlined. Next, the prototypical life story of the entrepreneurs is considered in relation to previous research on the personality of entrepreneurs. Points of convergence between the prototypical life story of the entrepreneur and findings from the exploration of the entrepreneurs’ response to business failure are also
included, on the basis that they reflect the influence of personality within the entrepreneurial environment.

An integrated summary of results in relation to the aim of exploring the personal response of entrepreneurs to business failure is then presented. Findings from the life story analysis of the business failure experience and the wider exploration of this entrepreneurial event are considered in relation to previous research. Finally, the ways in which current findings extend knowledge by comprising a more complex model of how entrepreneurs constructively respond to business failure are discussed.

Discussion of Life Story Findings

Do Entrepreneurs Share a Typical Life Story?

The life stories of the entrepreneurs revealed distinct patterns that converged on a prototypical self-narrative identity. This story was characterised by a strong emphasis on positive agentic themes, especially Self-mastery, with some elements of the negative communion themes of Separation and Disillusionment and the positive communion theme of Love/friendship. There was extensive evidence of the redemption theme. Most redemptive accounts highlighted an enhanced sense of personal agency. This was expressed as positive outcomes related to an increased sense of personal power, or of greater confidence in one’s abilities. There was little evidence of the contamination theme which, when present, mostly related to negative relationship issues. An overall positive affective tone permeated the life stories.

All forty entrepreneurs narrated a life story that revolved around a core theme about strengthening the self, and a lesser theme of valuing relationships. Each of these central themes comprised two further themes. The self-strengthening theme included
a redemptive theme of overcoming difficulties in a manner that left the protagonist feeling stronger and more able to influence their environment, and a positively toned theme of drawing strength and confidence in one’s abilities from achievements and successes. The relational theme included a redemptive theme of responding to private relationship difficulties and losses in one area by strengthening other private relationships, and a negatively toned, sometimes contaminated theme, of experiencing either private or professional relational difficulties and losses as unresolvable. The resulting prototypical life story of the entrepreneur centred upon overcoming adversity and celebrating personal achievement, confirming and boosting confidence in one’s abilities and a sense of personal power to influence their environment. Running parallel to this main storyline was a less prominent tale of the importance of relationships. At times relationship difficulties were resolved by the entrepreneur, and at other times they remained problematic.

This thesis also explored latent motivational themes. Hermans’ (1989; 1995) affect ratings were employed to assess the implicit themes of Self-Enhancement and Contact With Others, as implicit motivational themes that paralleled the more explicit agentic and communal themes featured in McAdams’(2001b; McAdams & Pals, 2006) life story model. In general, the implicit themes demonstrated similar patterns to those observed for the explicit themes. Interestingly, this extended to a high level of consistency between the underlying themes identified for a key event and the affective patterns configured by the implicit themes that emerged for that event. However, in contrast to the greater emphasis on agency in the explicit themes, the proportions of agentic and communal content was more equal within the implicit motivational themes.
Theoretical Support For Life Story Findings

Several key features of the life stories are consistent with four fundamental assumptions of narrative theories about the self. Narrative theories assume that individuals use a narrative, storied form of thinking, rather than a paradigmatic, objective thinking style, to understand themselves and to express their intentions (Bruner, 1986). They further assume that an individual’s narrative understanding of themself comes from those self-stories that are retained and rehearsed over time (e.g., McAdams, 1993; Polkinghorne, 1988), and that an individual’s motivations are represented in their self-stories as key organising themes (e.g., Singer, 2006; Tomkins, 1979). Finally, narrative theories claim that self-narratives serve important psychological functions, including assisting in adjustment to difficult life events and coping with points of life transition (e.g., Baerger & McAdams, 1999; Leonard & Burns, 1999).

In the present research, all of the entrepreneurs interviewed readily described significant experiences in their lives in a storied format. Furthermore, most entrepreneurs had no difficulty in identifying and elaborating upon storied experiences requested from different developmental periods represented by separate key events. This suggests that these entrepreneurs store and revisit self-narrative episodes obtained over time. That the entrepreneurs’ life stories were clearly and closely organised around particular motivational themes, and demonstrated strong consistencies in thematic motivational patterns across the life stories, is in accord with the proposed pivotal role of motivational themes in the life story. Finally, a notable feature of the data was that the explicit content of key events within each of the entrepreneurs’ life stories often included difficult business and other workplace
experiences, as well as difficult interpersonal experiences. This suggests that the entrepreneurs involved their self-narrative understanding when making sense of challenging life events.

**Distinctive Representations of Life Story Themes**

Certain findings take some of the life story thematic elements beyond their broad, general applicability to suggest that they have a distinctive emphasis and representation within the life stories of entrepreneurs. These are:

- Achievement/Responsibility as being able to create; Self-mastery with Achievement/Responsibility as an internalisation of creative ability, especially in the entrepreneurial sphere; Self-mastery with Status/victory as an internalisation of entrepreneurial ability in general; Self-mastery as the awareness of being able to influence the pursuit of entrepreneurship; and a redemptive emphasis on enduring difficulties to emerge personally stronger, often in terms of being better equipped to pursue entrepreneurship.

The agentic theme of Achievement/Responsibility was expressed in accounts of life story key events in which joy and satisfaction in achieving emanated particularly from the pleasure of being able to create something out of nothing. The specific expression of this theme appeared not to be simply a product of the entrepreneurial environment, but was rather a characteristic of the entrepreneurs. The theme was evidenced across interpersonal events, such as the birth of one’s child or getting married, as well as entrepreneurial events, such as business start ups.

Self-mastery in combination with either Achievement/responsibility or Status/Victory was represented in many accounts of life story high points and significant adolescent and adult memories. A feature of these thematic combinations
was the way in which the entrepreneurs described experiencing a strengthening of their self-belief in their entrepreneurial ability through achievement or winning. For instance, in accounts of high points about creating, many participants went beyond describing positive feelings about having created something to emphasise self-confidence in their ability to create. Thus, they described an internalisation of that creative ability. Their self-belief in the ability to create was often revived in accounts of dealing with business failure, and was volunteered by many as one of the central thoughts that had occurred to them at that time. This further evidences the internalisation of this attribute. Regarding Self-mastery with Status/victory, the general internalisation of self-belief in one’s entrepreneurial ability was apparent in accounts of winning that described realising for oneself that their superior entrepreneurial ability relative to others meant that they actually had a high entrepreneurial ability. That is, the self-empowering sentiment of ‘Being better at this than others means I’m good at this’ was the focus of these accounts, rather than a status-focused sentiment such as ‘I’m better than others’ or ‘Others think I am good at this’.

Another distinctive expression of a life story theme emerged in accounts of turning points, and involved Self-mastery as a sense of control over one’s destiny. Specifically, several entrepreneurs alluded to an awareness of being able to influence whether they could enter the field of entrepreneurship, and what happened within that particular work environment. Interestingly, just as self-belief in their ability to create re-appeared during the difficulties of dealing with business failure, self-belief in their ability to influence the entrepreneurial environment also returned at this time. This was especially evident in the entrepreneurs’ perceived high likelihood of future
entrepreneurial success, and references to their pivotal role in securing business recovery.

Importantly, this combined self-view of ‘I make things happen within the entrepreneurial environment, because I know I can influence my environment and that I have a high level of entrepreneurial ability that is not threatened or thwarted by business setbacks’ was clearly articulated and expressed repeatedly during the Life Story Interview. This suggests an earnest self-belief rather than a display of arrogance or an attempt to impress the interviewer. The straightforward manner in which this self-view was communicated further suggests its internalisation as an important element of self-narrative understanding.

Interestingly, the negative agentic theme of Failure/weakness was almost always paired redemptively with the positive agentic theme of Self-mastery. That is, an acknowledgement of personal weakness or shortcomings was usually structured in the entrepreneurs’ life stories as the precursor to some self-strengthening outcome. A more specific representation of this thematic pattern involved highlighting redemptive movement to an enhanced self-confidence in one’s entrepreneurial ability. This was strongly represented in accounts of business failure and was present in many accounts of achieving outstanding business success or finally successfully launching a new business.

The strong tendency to describe life story key events in redemptive terms, and more particularly to highlight positive, self-strengthening outcomes such as Self-mastery, was another distinctive feature of the life stories of the entrepreneurs. This representation of the redemption theme went beyond conveying the general message that “good things can come from very bad events” (p. 485, McAdams et al., 2001).
Instead, it stressed the more specific understanding that experience often involves endurance of difficulties, yet overcoming those difficulties provides a means for producing personal growth. More particularly, it facilitates growth in one’s ability to influence the environment for personal gain.

This expression of redemption extends the concept of enhanced agency as a sub-category of redemptive personal growth as identified by McAdams et al. (2001). Notably, the enhanced self-efficacy, personal strength and self-confidence that constituted the redemptive, agentic outcome of many life story accounts was almost always portrayed as being the product of the entrepreneur’s own actions to resolve the initial difficulty. That is, enhanced agency was achieved via a process that integrally involved the entrepreneurs’ agentic strivings. The emphasis on agency as both process and outcome is reinforced by the interesting observation that most entrepreneurs structured their life stories in terms of an active, agentic focus on ‘what they did’, rather than in terms of a passive focus on ‘what happened to them’. This narrative self-understanding was succinctly articulated in one entrepreneur’s comments about being the painter of the picture of his life.

**Theoretical Implications of Life Story Findings**

Previous research has explored the adaptive functions of specific life story elements, such as the redemption theme, and of more global elements, such as the level of life story coherence, or the overall type of life story one constructs (e.g., Baerger & McAdams, 1999; Grossbaum & Bates, 2002; McAdams et al., 1997). The present findings have implications for each of these lines of research. They offer support for existing findings, and highlight some additional properties of the adaptive functions served by specific life story elements, and by the life story as a whole.
**Redemption and Contamination**

Greater evidence of the redemption theme has been shown to be positively associated with aspects of well-being, including environmental mastery and personal growth, amongst people at midlife in a study by Grossbaum and Bates (2002). In contrast, the same study revealed that the contamination theme was negatively associated with these same measures. In a similar vein, the present study found that the entrepreneurs’ life stories showed extensive evidence of the redemption theme and very little of the contamination theme, whilst being centred upon a core self-strengthening theme that shares conceptual similarities with the well-being factors of environmental mastery and personal growth. The self-strengthening theme comprised elements of overcoming difficulties with increased power and self-confidence, and gaining confidence in one’s abilities and influence. These thematic elements resemble the personal growth construct’s emphasis on continued development through personal change involving greater self-understanding and effectiveness, and the environmental mastery construct’s emphasis on a sense of competence and of mastery in interacting with the environment. This observation offers insight into how one’s narrative self-understanding may complement, and potentially also inform, one’s evaluation of different aspects of well-being. It further suggests that structuring narrative episodes redemptively may be associated with greater well-being for this population as well.

Grossbaum and Bates (2002) also found that the contamination theme, but not the redemption theme, made a unique contribution to well-being over and above that made by self-report measures of generativity. This was attributed to the different functions of these life story themes in relation to the integration of difficult life experiences into one’s overall self-view. The redemption theme is considered to
facilitate the resolution of difficult life events within one’s self-understanding by structuring such experiences as having been overcome or as leading to some positive outcome. In this way, novel negative experiences can be integrated into an overall consistent self-view, which overlaps with one’s summary view of self as captured by the self-report measures. In contrast, the contamination theme, which concentrates on negative outcomes, highlights a lack of resolution of difficult events, such that they continue to stand out in memory as problematic, and as inconsistent with other elements of one’s summary self-view. In the present research, a high proportion of the entrepreneurs described the business failure event in redemptive terms, whilst very few described it as having a contaminated ending. Consistent with Grossbaum and Bates’ proposal that these narrative themes are linked to whether an event is integrated or continues to stand out negatively in one’s memory, there was a general absence of rumination about one’s business failure experience.

Interestingly, the presence of the redemption theme and absence of rumination about the business failure event was apparent in almost every entrepreneur’s account. This occurred despite the considerable variability in the amount of time that had elapsed since the business failure event. Although on average approximately seven years had elapsed since the failure, the actual range spread from one to 21 years, with three entrepreneurs currently experiencing major business difficulties. This suggests that the entrepreneurs formulated a redemptive self-understanding of their experience of business failure quite quickly, and also maintained that view over time. The lack of rumination further suggests that structuring one’s self-narrative understanding of the experience of business failure redemptively may have positive implications for the ongoing psychological adjustment of entrepreneurs to this entrepreneurial event.
In theorising about the implicit motivational themes featured in valuation theory, Hermans (1989) contended that repeated emphasis on a particular theme over time may come to have a generalising potential, whereby future events are likely to be evaluated in that same thematic light. The present study’s findings suggest that the redemption theme may also possess this generalising quality within the life story self-narrative model, thereby influencing the way that entrepreneurs made sense of their experience of business failure. Notably, business failure occurred as an adult event. Prior to this, redemptive themes were consistently strongly evidenced in recollections of earlier events, including most turning points and low points as well as childhood and adolescent key events. Most redemptive accounts stressed the overcoming of goal-related difficulties in a self-strengthening manner, as discussed above. That this same form of redemptive theme was also extensively evident across both low point accounts of business failure and those that were mentioned as a separate key event suggests that a generalising potential of this theme may have influenced the self-relevant meaning that the entrepreneurs gave to this event.

Singer (2001) noted that a critical factor in being able to attain and maintain recovery amongst chronically addicted adults was their ability to structure their past difficult life experiences in redemptive terms. In the present research, the entrepreneurs had previously experienced business failure, yet had fully recovered from it as shown by their current objective high level of entrepreneurial success. The possibility that the positive generalising potential of the redemption theme includes it operating as a psychologically and practically enabling influence for entrepreneurs when faced with the task of recovering from business failure is suggested by this observation. Considered in the light of Singer’s findings, it further suggests that
understanding one’s failure experiences in this way may be beneficial for people in general.

**Life Story Coherence**

A study by Baerger and McAdams (1999) found that higher levels of life story coherence were related to greater psychological well-being that included lower levels of depression and higher satisfaction with life amongst adults. They concluded that structuring one’s life story more coherently can have a positive influence on psychological adjustment. Surprisingly, in the life stories provided by the entrepreneurs, there was no evidence that life story coherence was related to psychological adjustment. The entrepreneurs demonstrated low to neutral levels of all four life story coherence indices across each life story key event, including business failure. This indicates that they were not particularly clear in conveying the self-relevant meaning of each event and how it might fit together with the rest of their life story. However there was no relationship between any life story coherence index or overall life story coherence and any of the indicators of current psychological distress as measured by the Brief Symptoms Inventory (Derogatis, 1993).

Despite their low to moderate levels of life story coherence, the entrepreneurs tended to report high levels of self-concept clarity. This indicates that they experienced their self-understanding as clearly defined, well integrated and stable over time (Campbell et al., 1996). The absence of a relationship between self-concept clarity and life story coherence suggests that their internal subjective ratings of the clarity and integration of one’s beliefs about the self may not be well captured by external, objective ratings of constructs involving self-understanding.
It is also possible that the self-perception of how well one’s life story fits together may be more influential for this population than their ability to articulate those connections. This contention is supported by findings from the business failure event. Here, most of the entrepreneurs confidently stated that they could see how this experience made sense in relation to the rest of their life story. However, when describing this connection, they often used very brief statements which lacked details of how the failure was seen as relating to larger life story themes. Thus, they scored somewhat low to moderate according to Baerger and McAdams’ (1999) criteria for objectively assessing life story coherence. Given the absence of rumination, it is therefore possible that for entrepreneurs, there may be no functional difference between the perception that a life story event is well-linked to the rest of one’s self-narrative identity, and the ability to demonstrate that connection according to the life story coherence criteria.

Several factors can be ruled out in seeking to explain the low to moderate life story coherence scores. First, these results would not seem to be a product of gender. Although most of this sample of entrepreneurs were male, there was an absence of gender effects in Baerger and McAdams’ (1999) study. A second possible confounding factor is the influence of time. In the present research life story interviews lasted for approximately one hour, whereas Baerger and McAdams interviewed each study participant for two to three hours. However, this possibility is discounted by the observation that average coherence scores for the business failure event, which was explored in much greater depth and for a longer period than the other life story key events, did not differ from the other key events.
Although methodological factors cannot be fully excluded, findings suggest a more systematic impact on life story coherence. One factor may be cultural differences between the samples used to establish the scoring criteria and the present sample. That is, this sample of Australian entrepreneurs may not be as elaborate or as practiced in providing orientation, structure, affect and integration details of personal stories as American adults, on whom the original life story coherence ratings were based. A second possibility is that the entrepreneurs gave greater emphasis to conveying life story content themes, such as agency and redemption, than to expressing the finer details of life story coherence.

**A Distinctive Type of Life Story**

It has been proposed that groups of individuals united by particular values or goals may share a distinctive type of life story (McAdams, 2001b). Indeed, previous research has found that individuals united by the prosocial aim of generativity narrated a commonly defined life story that appeared to sustain and reinforce this life goal (McAdams et al., 1997). Termed ‘the commitment story’, it was organised around particular themes in keeping with the pursuit of generative goals. Generativity is a psychosocial stage of development considered to be most prominent during midlife and beyond (Erikson, 1980). Most of the present sample of entrepreneurs fell within this age range. The life stories of the entrepreneurs also revealed a commonly shared life story, with particular themes repeated across the full sample. However, despite occasional references to using one’s financial rewards from entrepreneurship to benefit others, the concept of generativity did not emerge as an important theme amongst these individuals. Indeed, the typical life story of the entrepreneur had few thematic elements in keeping with those of the generative adults.
A summary comparison of the defining themes of the life stories of these two groups is presented in Table 8.01 below. (For additional details on themes of the commitment story, refer to Table 3.03 on page 75.)

**Table 8.01**

*Comparison of Life Story Themes For Generative Adults and Entrepreneurs*

<table>
<thead>
<tr>
<th>Commitment Story</th>
<th>Entrepreneur Story</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early family blessing</td>
<td>Early socialisation difficulties</td>
</tr>
<tr>
<td>Suffering of others</td>
<td>Emergence of resilience and influence</td>
</tr>
<tr>
<td>Moral steadfastness</td>
<td>Self-belief</td>
</tr>
<tr>
<td>Redemptive experiences</td>
<td>Instigating good outcomes for the self</td>
</tr>
<tr>
<td>Prosocial goals for future</td>
<td>Self and entrepreneurship growth goals</td>
</tr>
</tbody>
</table>

As shown in Table 8.01, the typical life story of the entrepreneur showed little similarity to the commitment story of generative adults. To begin with, the entrepreneurs’ descriptions of early childhood experiences were often about overcoming a negative experience to emerge more resilient and able to influence their environment. Additionally, some childhood experiences were conveyed in a contamination sequence, where good events turned bad. Thus, it lacked the commitment story’s positive beginning centred upon early family blessings standing out from the suffering of others.

At this early stage, the life story of the entrepreneur bears some resemblance to Tomkins’ (1979) nuclear script, in which childhood is characterised by difficult experiences. It is notable, however, that despite this often challenging start, the life
stories of the entrepreneurs bore no resemblance to the nuclear script’s overall thematic focus on a repeated pattern of good turning to bad and goals strived for but not attained. This contrast was especially highlighted in the entrepreneurs’ life story low points. Although there was some evidence of a theme of loss, all of the narratives of low points lacked a reference to repeated patterns of loss or stagnation. Instead, many described the event in redemptive terms, with some overtly clarifying that low points were not really low points for them, because they usually resulted in a good outcome. Similarly, in both low point accounts of business failure and the other narrative accounts of this event, there was no evidence of a contamination-type attitude of a goal aimed for but not achieved.

The life stories of the entrepreneurs were also distinct from those of the generative adults in their central story themes. Mostly, the entrepreneurs’ life story was a story of developing and affirming confidence in one’s own ability and personal power, with an optimistic forward focus on continuing to advance the self, especially through entrepreneurship. In contrast, the generative adults related a self-story that focused on the well-being and advancement of others. The two types of life stories also differed in their redemptive experiences. Although both stories emphasised redemption, nearly always the typical life story of the entrepreneur depicted the positive outcomes from difficult circumstances as due to the entrepreneurs’ own actions. In contrast, generative adults also acknowledged external influences as the source of redemptive outcomes. Overall, these clear differences in the thematic content of the life stories of these two groups supports McAdams’ (McAdams et al., 1997) contention that specific populations may share a distinctive type of life story.
Interestingly, despite focusing on different goals, the typical life stories of the generative adults and entrepreneurs shared the feature of being structured to complement the striving for and attainment of their respective personal goals. That is, just as the commitment story can sustain and reinforce generative adults in their pursuit of prosocial goals, so the typical life story of the entrepreneur can support them in their pursuit of entrepreneurship. The life story key events of a high point, low point and turning point are regarded as core life story factors, representing critical moments in one’s self-understanding (McAdams, 1993). In the life stories of entrepreneurs, each of these key defining elements contributed aspects of narrative self-understanding relevant to the pursuit of entrepreneurship. High points were essentially about developing and affirming confidence in one’s abilities, especially the ability to create and succeed. Low points often involved overcoming difficulties, whilst turning points mostly highlighted the realisation of personal power to control life’s direction and influence the environment. Holding a narrative view of oneself as competent to create and succeed, able to rise above difficulties, and to influence their environment, constitutes a self-view that is well suited to entrepreneurship. For instance, it would buffer the entrepreneur against the uncertainties of business start-up and the entrepreneurial environment in general, sustaining them through business difficulties and failures, and reinforcing their entrepreneurial drive through business successes.

Even the lesser thematic focus on relationships within the life stories of these entrepreneurs includes aspects of self-understanding complementary to the pursuit of entrepreneurship. In particular, an understanding of the importance of relationships, and seeing the self as able to resolve relationship difficulties and losses, might
reinforce efforts to resolve difficulties with both external business parties and those within the venture. Finally, the overall emphasis on redemption with particular focus on enduring difficulties to gain self-strengthening outcomes, might help sustain them through the difficult start-up period, as well as through other times of business uncertainties and setbacks. Together, these observations further support McAdams’ (2001a) contention that individuals construct their self-narrative identity in a way that supports their progress in the life pursuits through which they find purpose and meaning.

Another thematic distinction between the commitment story and the life story of the entrepreneur involves story structure. Whereas the typical life story of the generative adult was thematically structured around a single unifying theme about concern for the well-being of others, the typical life story of the entrepreneur was structured around two core defining themes. The main emphasis was on advancing the self, with a lesser emphasis on valuing relationships. Despite being a more complex story than that of the generative adults, the typical life story of the entrepreneur also maintained an overall sense of cohesiveness. Certainly, there was a difference between the two main themes in that the self-strengthening theme involved a greater emphasis on personal power, whereas the relationships theme involved some recognition of experiences of powerlessness. However, there was also some shared ground, in that both made reference to the entrepreneur’s ability to influence their environment. For example, in accounts of key events that described the entrepreneur taking action to establish closer connections to a loved one in the wake of the loss of another important personal relationship, the same ‘I made it happen’ emphasis that characterised the self-strengthening theme was present alongside the valuing of
relationship. Similarly, although some childhood accounts inferred powerlessness as others moved away from them, in events from adulthood it was often the entrepreneur who took action to move away from others after becoming disillusioned by their poor behaviour.

This overlap and underlying continuity in thematic meaning also distinguishes the prototypical life story of the entrepreneur from the dichotomous, opposing and irreconcilable views of self noted by Singer (2001) in his study of a chronically addicted man. Singer speculated that the man’s inability to sustain a unified self-narrative understanding of himself as a recovered and coping individual may have hindered his recovery attempts. In the same way, the overall sense of cohesiveness achieved by the entrepreneurs in their life stories may have facilitated their ability to recover from setbacks and progress towards valued life goals.

Identification of the implicit themes of Self-Enhancement (SE) and Contact With Others (CWO) within the affect ratings of key events extends understanding of the type of life story constructed by a group of individuals united by some common attribute. In the present research, the affective patterns observed provided a form of validation of the underlying themes identified for each key event. Often, they also enriched understanding of life story thematic findings. For example, the presence of the +S affective pattern, which denotes seeing the self as the source of self-enhancement through autonomy and the ability to influence one’s environment, complemented the self-narrative meaning of high point accounts of positive entrepreneurial experiences that had emphasised Self-mastery and Achievement/Responsibility. Occasionally, the affective patterns for a key event diverged from the life story thematic findings. For example, whereas low points
frequently took on a redemptive format, highlighting a positive outcome from a
negative situation, the affective patterns suggested that at a latent level, the negative
affect and loss associated with some accounts of this event, especially some
addressing relationship difficulties, was sometimes more strongly valued.

Although all participants were entrepreneurs, there was much variation within
the sample. In particular, there was considerable diversity in the type of
entrepreneurial venture they were currently involved in, the number of previous
businesses they had established, and how long they had been pursuing
entrepreneurship. There was also diversity in the level of entrepreneurial success they
were currently enjoying, the type of business failure they had experienced, and the
length of time that had elapsed since then.

Despite this diversity across issues of business environment, business
experience, and business success and failure, clear and definite patterns were
repeatedly evidenced in the life stories. Furthermore, although responses to each of
the different life story key events showed some variation in the sorts of life
experiences included and the unique, self-narrative meaning given to those events by
each entrepreneur, there was still a high level of consistency in the underlying themes.

These observations offer support for McAdams’ (1995; McAdams & Pals, 2006)
contention that one’s self-narrative identity constitutes a third level of personality, by
suggesting that the commonalities evident in the life stories of these entrepreneurs
reflect actual personality elements characteristic of those individuals who choose this
particular career orientation. Thus, the patterns that emerged in the life story findings
are more a product of who these individuals are, than of their particular
entrepreneurial experience.
Life Story Findings Enrich Previous Personality Research

Findings have implications for the four main approaches previously taken to understand the personality of entrepreneurs. These comprise the psychodynamic (Kets de Vries, 1977), trait (e.g., (Cromie, 2000; McClelland, 1987), cognitive (e.g., (Mitchell et al., 2002; Palich & Bagby, 1995), and social constructionist (Chell et al., 1991) approaches. Notably, the life story findings offer support for some of the key personality characteristics of entrepreneurs identified in previous research. The findings also provide a more complex understanding of why entrepreneurs behave the way they do within their workplace context. This includes illuminating an interactive process involving the personality of the entrepreneur and their entrepreneurial experience.

Psychodynamic Approach

Kets deVries (1996) proposed that entrepreneurs can be divided into two distinct groups on the basis of different early socialisation experiences that produce different self-views, different behavioural tendencies, and different attitudes. These factors in turn differentially affect the way that entrepreneurs pursue entrepreneurship. Those with positive early object relations develop self-confidence and optimism, and have the psychological ability to accept business successes and tolerate business failures. Those with negative early object relations develop low self-confidence and a fragile sense of self, being mistrusting of business success and experiencing business failure as a devastating blow to the self. The typical profile of the entrepreneurs in this study aligns with those Kets de Vries’ identified as having experienced positive early object relations. Their self-narrative identity revealed a clearly defined, self-confident understanding of the self, with business successes described in positive, self-affirming
terms as helping to establish or confirm their faith in their entrepreneurial ability. Furthermore, business failures were portrayed as neither challenging nor damaging their narrative sense of self, but rather as confirming their entrepreneurial ability through being able to bring about business recovery.

Although some entrepreneurs described self-affirming early childhood experiences consistent with positive object relations (e.g., being encouraged by a parent), there was also considerable reference to early socialisation experiences more in keeping with negative object relations, such as encountering an overbearing parent or coping with the absence of a caregiver. Notably, these negative early experiences were frequently given a positive, self-affirming meaning, such as having influenced the development of optimism, self-confidence or resilience in the face of adversity. McAdams (1985) acknowledges the influence of early object relations on personality, proposing that it can influence major structural elements of one’s self-narrative identity such as the overall affective tone. Thus, one possible explanation for the present findings is that the difficult early socialisation experiences referred to occurred after a more crucially influential, earlier attachment phase had passed (Belsky & Fearon, 2002; Schore, 2001).

An alternative explanation is that for some individuals, negative early object relations may not have as strong an influence on self-narrative understanding or the way they respond to entrepreneurial phenomena. That many entrepreneurs in the present research described the meaning of such negative events in a self-affirming way suggests the possibility of a third category of entrepreneurs. These are individuals who, when faced with challenging early socialisation experiences, construct the meaning of those events in a manner that begins to shape a self-narrative
identity that is based upon a sense of self-belief, resilience and optimism; a self-view shared by those with positive object relations. However, as the current research did not directly assess the early attachment styles of participants, the influence of this developmental factor remains unclear, and invites further research.

**Trait Approach**

Mc Adams (1995; McAdams et al., 2004) acknowledges that as a third level of personality, certain features of a life story may reflect elements of earlier levels, such as level one which comprises an individual’s defining trait characteristics. Despite mixed findings, there is some support for various traits being strongly evidenced in entrepreneurs. These include a need for achievement, an internal locus of control, high optimism and a strong self-confidence (Caird, 1993; Koh, 1996). However, much previous research has investigated single traits in isolation, or separate from the entrepreneurial environment (Cromie & Johns, 1983; Hull et al., 1980). This thesis both supports and enriches such findings by observing evidence of these particular personality attributes co-occurring as part of the interactive self-defining narrative elements within the life stories of the entrepreneurs. Additionally, the current findings reveal consistency in these characteristics across both time and place. For instance, a need for achievement and a high self-confidence were highlighted in accounts of business triumphs. However, these factors were also apparent across a range of other settings and over different time periods, such as excelling on the school sports field or creating one’s perfect wedding day. Similarly, optimism, self-confidence and an internal locus of control were narratively portrayed in the underlying themes that typified most entrepreneurs’ accounts of encountering obstacles to goal attainment,
both within the entrepreneurial environment and in other spheres such as at home or school.

Traditional measures of the traits exhibited by entrepreneurs indicate a general tendency to exhibit certain behavioural characteristics. In contrast, the life story analysis obtains specific details concerning how an individual behaved in specific situations, as expressed in their own words. The analysis of the entrepreneurs’ accounts of entrepreneurial events therefore goes beyond trait research to show how such broad characteristics manifest specifically in entrepreneurs, within the entrepreneurial environment. For example, the need for achievement construct depicts a general striving to accomplish things. Analysis of the life story high points about achieving entrepreneurial success revealed how a personal realisation and satisfaction in the ability to create was central to the meaning of achievement in such situations. Another example concerns the internal locus of control construct. Going beyond a general sense of being able to influence one’s external environment, narrative accounts of business start-ups revealed how a personal belief in the ability to influence outcomes in that environment fuelled their perseverance to get the new venture established.

Trait research has rested on the assumption that possessing certain personality characteristics largely determines a person’s decision to undertake entrepreneurship (Cromie, 2000; Lambing & Kuehl, 2000). For example, having a high propensity for risk-taking, or a high need for achievement, are two traits that have independently been examined for their perceived role in initiating the pursuit of entrepreneurship (Koh, 1996; McClelland, 1987). One criticism of this approach is that it ignores the real-life complexity of what makes an individual choose one career in preference to
another. In this respect, the present life story findings offer a richer picture by highlighting how these personality factors combined with others such as a belief in one’s ability to create and a desire to create something of value, along with a belief in the ability to influence their environment and to overcome obstacles, in a way that appeared to guide their entry into the field of entrepreneurship.

**Cognitive Approach**

Central to this perspective is the contention that entrepreneurs use a distinctive set of thought processes termed ‘entrepreneurial cognitions’ that guide their behaviour within the entrepreneurial environment (Busenitz & Lau, 1996; Mitchell et al., 2002). These include ‘cognitive errors’ such as overconfidence and an illusion of control that help them make decisions and take action when faced with ambiguous or difficult business situations (Krueger & Carsrud, 1993). Life story findings extend understanding by shedding light on why they hold such thought patterns. Furthermore, whereas some theorists propose it is the entrepreneurial environment that stimulates the use of entrepreneurial cognitions (Baron, 1998), the interactive process suggested by the present findings clarifies how these ways of thinking both influence and are influenced by the business setting. For example, most narrative accounts of business failure referred to a high self-confidence in entrepreneurial ability and an optimism about being able to bring about business recovery that is consistent with the cognitive concepts of overconfidence and an illusion of control. However, rather than being decontextualised, abstract thinking structures that simply popped up in this situation, the entrepreneurs’ life stories detailed how these constructs were already well-grounded in their narrative sense of self. That is, entrepreneurs described coming to the event with an already well-established self-
confidence in their entrepreneurial ability in general, their ability to influence their environment, and their ability to rise above obstacles to goals. These ways of thinking were in part based on references to earlier experiences outside of entrepreneurship, such as dealing with a difficult parent or overcoming bullying at school, achieving success at school and in early work endeavours, and becoming conscious of their ability to direct their life course. It also involved references to experiences within entrepreneurship, such as overcoming difficulties to launch a new venture, or finally achieving the goal of outstanding entrepreneurial success. The self-narrative meaning that is subsequently awarded to recovering from business failure then serves to further reinforce these self-perceptions of confidence and control.

Findings in this thesis also address the concern that the cognitive approach ignores other influential factors that may contribute to determining an individual’s behaviour (Mischel & Shoda, 1998). For example, accounts of successfully launching a new business suggest that entrepreneurs do not undertake such activities exclusively because they believe that they can succeed. Rather, motivational factors such as their drive to create, reinforced by affective factors such as the joy and satisfaction in being able to do so, appear to be additional psychological elements that influence their behaviour at this time.

**Social Constructionist Approach**

This approach emphasises the need to assess entrepreneurial behaviour in context, through biographical data (Chell et al., 1991). Chell et al. explored the behaviour of entrepreneurs within the entrepreneurial environment; categorising certain behaviours as distinctively entrepreneurial features of the personality of those who pursue entrepreneurship. The typical life story of the entrepreneur that emerged
in the present study reflects some of the defining personality elements of entrepreneurs as identified by Chell et al. For example, accounts of early entrepreneurial ventures reflect initiative taking and alertness to business opportunity, whereas accounts of entrepreneurial successes involving the achievement of major contracts secured against impressive competition suggest challenge and high profile image making for the business. Additionally, accounts of overcoming business failure and of looking expectantly towards achieving greater entrepreneurial successes in the future, reflect the pursuit of challenge and change through business activities.

Chell et al. (1991) used predefined categories to organise findings. In addition to McAdams’ (2001b; McAdams & Pals, 2006) predefined life story thematic categories, the present research adopted a grounded theory approach (Strauss & Corbin, 1998). This combined exploratory approach produced a view of the personality of entrepreneurs that arguably more richly captured the entrepreneurs’ unique understanding of themselves. Thus, present findings further enrich this picture of distinctive behaviours by suggesting other core features of the personality of entrepreneurs that are relevant to the pursuit of entrepreneurship. These include factors such as a strong self-belief in one’s entrepreneurial ability, a belief in one’s resilience in the face of adversity, and a tendency to perceive good outcomes from difficult experiences.

Chell et al. (1991) concentrated on how entrepreneurs manifested particular behaviours within the entrepreneurial environment. In the present research, the strong thematic consistency across situations and over time suggests that the defining elements of the personality of entrepreneurs at the level of self-narrative identity are not restricted to expression within the entrepreneurial environment. Rather, they are
present within and across their life experiences in general. This finding supports to
the idea that the behaviour of the entrepreneur is not simply a product of being in the
entrepreneurial environment, but is influenced by psychological factors that they
bring to that environment.

**Qualitative Approach**

The present findings are consistent with other qualitative studies on the
personality of the entrepreneur. For instance, Manimala (1992) observed that
entrepreneurs possessed an entity orientation, conceptualising the business as a
distinct entity rather than as belonging to someone. In support of this finding, in the
present research this view of the entrepreneurial venture was reflected implicitly and
explicitly in entrepreneurs’ accounts of the meaning they gave to the failure of their
business in relation to their self-narrative identity. Additionally, such accounts
demonstrated how this entity orientation was both maintained and reinforced
throughout the business failure experience.

The present findings also offer some support for the contentions of Mitton
(1989), who suggested that qualitative data obtained via observation of entrepreneurs
would yield more authentic personality findings. Mitton proposed eight defining
patterns of entrepreneurial conduct that could be observed, placing greatest emphasis
upon an ability to see the bigger picture; that is, to comprehend the total scene whilst
remaining aware of its components and how they fit together. Interestingly, this is
consistent with the present observation that the entrepreneurs were generally able to
comprehend how the sometimes quite diverse experiences described as key events fit
together within their overall life story. Additionally, some other factors noted by
Mitton, such as a high commitment to entrepreneurship, high entrepreneurial ability
and a welcoming of uncertainty, were highlighted in the qualitative exploration of business failure. These findings further support the use of qualitative approaches to understand the personality of the entrepreneur.

**Discussion of Entrepreneurs’ Personal Response to Business Failure**

*Life Story Analysis of Business Failure*

Business failure was clearly a central experience in the entrepreneurs’ self-narrative identities. Twenty percent of participants volunteered a business failure experience as their life story low point. Upon request, all but three of the remaining participants could identify and describe a significant experience of business failure. An interesting feature of the data was that thematic patterns present in the accounts of business failure were apparent in low point accounts of failure and in those requested as an additional key event.

Accounts of the experience of business failure usually commenced by highlighting one of the negative agentic themes, especially Failure/Weakness or Conflict. In a redemptive sequence, Self-mastery was emphasised in descriptions of positive outcomes for the self that were brought about by one’s own active response to the business failure. Gains for the self as entrepreneur included improved business learning and greater entrepreneurial self-confidence. There were also more personal self-strengthening outcomes, such as feeling toughened by the experience or gaining self-understanding from it. There was very little evidence of the contamination theme, with three entrepreneurs focusing on the loss of valued business relationships.

Interestingly, the self-narrative meaning awarded to the business failure experience closely paralleled the thematic structuring common to entrepreneurs’
overall life stories. That is, the entrepreneurs’ narrative construction of the personal meaning of this single entrepreneurial event included all of the main elements of their larger self-story, including emphasising Self-mastery over negative agentic themes, showing extensive evidence of redemption to highlight self-strengthening outcomes, and minor evidence of contamination to highlight relationship difficulties and losses. This suggests that assessing the self-narrative meaning of an entrepreneurial event may provide a useful snapshot of the prototypical self-narrative identity of the entrepreneur. It also suggests that entrepreneurs draw heavily upon their self-narrative identity to make sense of their experience of entrepreneurial events.

Most entrepreneurs’ accounts of business failure were characterised by a core theme of overcoming the difficulties involved in a self-strengthening way. This redemptive outcome was present in the three underlying themes of: dealing with conflict within the entrepreneurial environment; entrepreneurial learning; and entrepreneurial self-confidence. The dealing with conflict theme reflected the development of a stronger sense of being in control of circumstances through determining to be more assertive and more influential in future business conflict situations. The learning theme focused on how an initial lack of knowledge specific to the business failure was more than offset by entrepreneurial skills learnt through that experience. The self-confidence theme highlighted the entrepreneur’s self-belief in their ability to overcome the business failure.

Most entrepreneurs could integrate the business failure experience with the rest of their life story. Again, three different themes emerged, all of which linked the business failure experience to the rest of the self-story without contaminating it. These
included: overcoming business failure related to a larger story of overcoming obstacles; business failure contained within a larger story of success, and business failure accepted by separating personal entrepreneurial identity from the business’ identity.

There was a clear alignment between the explicit and implicit motivational themes related to business failure. The greater frequency of the implicit theme of the Self-Enhancement (SE) motive than the Contact With Others (CWO) motive, together with the presence of several of the affective patterns involving satisfaction of the SE motive, was consistent with the dominance of Self-mastery as the redemptive thematic outcome. However, there were some inconsistencies between the explicit and implicit thematic findings. Contrary to the strong explicit emphasis on positive, redemptive outcomes, the implicit findings reflected a greater experience of negative relative to positive affect. Also, the most frequent implicit pattern of –LL denoted a lack of satisfaction of both the SE and CWO motives. These differences suggest that, at the implicit level, some participants gave more emphasis to the initially negative aspects of their business failure experience for themselves and for their relationships, than to the eventually positive outcomes for themselves consistently highlighted in the explicit narrative accounts. It also suggests that these entrepreneurs may continue to experience residual, unconscious negative affect about this experience, despite consciously resolving it in a positive light.

*Entrepreneurs’ Personal Experience of Business Failure: Critical and Retrospective Response*

There were also well-defined patterns in the wider exploration of the entrepreneurs’ personal response to business failure. Both at the time of the failure
and in hindsight, the entrepreneurs were most likely to attribute the cause of the setback to a combination of internal and external factors, and least likely to attribute it to internal causes alone. However, business recovery was usually attributed to exclusively internal factors, with most participants volunteering details of how their own actions had brought about entrepreneurial recovery. This reflects the redemptive, Self-mastery dominated themes of overcoming difficulties that emerged for this event, and which were also evident across the entrepreneurs’ life stories in general.

Despite indicating a strong personal identification with their business at the time of its failure, most were able to distance themselves from any great sense of personal failure or loss associated with the failure. Instead, they evaluated it less self-threateningly as an entrepreneurial failure or lost business opportunity. In the midst of business failure, the entrepreneurs experienced frustration, anger, disappointment and sometimes anxiety. Some of the negative feelings, such as anger and disappointment, were directed towards others, such as difficult contractors or competitors.

Occasionally, the entrepreneurs also experienced positive emotions, especially excitement regarding the challenge of overcoming business failure, and positive anticipation regarding the learning it would provide. A common approach to managing the negative response was ‘don’t deny the personal impact, but don’t dwell on it either’. Instead, a ‘get on with it’, active problem solving approach was combined with specific thinking techniques, such as reframing the situation more positively or containing exposure to the negative feelings. Notably, these techniques were mirrored in the underlying themes related to integrating this event into the life story. For example, some entrepreneurs contained the negative aspects of the experience within a larger, overall positive self-story, through consciously bringing to
mind positive elements from their life stories such as episodes highlighting their abilities or resilience. Most entrepreneurs reported that at the time of their business failure, they were highly optimistic about the likelihood of achieving future entrepreneurial success. This perspective was grounded in imagining the positive outcome of business recovery and in confidence in their ability to bring it about. Such a self-confident, hopeful outlook in the face of business failure is consistent with the life story themes highlighting confidence in one’s ability and in being able to overcome obstacles, which spread throughout the entrepreneurs’ life stories.

In reflecting upon the business failure afterwards, the entrepreneurs generally demonstrated an absence of rumination and regret. Most referred to one or more of three common perspectives when describing their attitude to the concept of business failure. These comprised: an expectation that such an event was likely to occur at some point during their pursuit of entrepreneurship; that it would produce valuable entrepreneurial learning; and that it was better defined as a mistake or temporary setback rather than a failure. These attitudes are in keeping with the strong presence in the entrepreneurs’ life stories of experiences of encountering difficulties in both the business and personal spheres, and of being able to overcome them and move forward with improved skills and personal strength.

**Theoretical Implications Of Findings In Relation To Attribution Research**

Previous research on attributions has produced mixed results, with different findings concerning whether entrepreneurs perceive business failure to be caused by internal factors (i.e., within themselves) or external factors (i.e., outside of themselves), and the effect this has on the way they respond to business failure (e.g., (Askim, 1999; Zacharakis & Meyer, 1999). Whereas previous research was based
upon failed, exited entrepreneurs or non-entrepreneurial populations such as business students, the present research utilised a sample of entrepreneurs who had experienced business failure and recovered from it. Furthermore, this thesis included an investigation of the entrepreneurs’ attributions regarding the cause of business recovery. Thus, whilst previous research speculated about theoretically expected outcomes associated with certain attributions, the present findings begin to describe the nature of the relationship between making particular attributions and the actual response of entrepreneurs who overcome business failure. Generally, there was little support for theoretically expected relationships between attributions and behavioural outcomes. These observations, together with additional findings relevant to attribution theories, suggest that an attribution approach does not adequately explain how entrepreneurs respond to business failure in a way that enables them to overcome it. Important findings that go beyond an attribution approach are considered in terms of their theoretical implications for informing how entrepreneurs personally respond in a constructive way to the event of business failure.

**Previous attribution findings.** Bruno and Leidecker (1987) found that failed entrepreneurs attributed business failure to a range of internal and external factors, whereas Zacharakis and Meyer (1999) observed that entrepreneurs more frequently made internal attributions for this event. Zacharakis and Meyer speculated that seeing the business failure as caused by internal factors was consistent with entrepreneurs’ characteristically high internal locus of control, effectively giving them a greater sense of control over that event. In contrast, the present research found that entrepreneurs were least likely to attribute business failure to internal causes alone; a pattern that was maintained over time since the failure had occurred. Notably,
however, regardless of whether the entrepreneurs had cited internal, external, or both types of factors as the cause of their business’ failure, there was a strong tendency to attribute business recovery to internal causes alone. This suggests that for these entrepreneurs, factors other than attributions about the cause of business failure had greater impact in terms of influencing the nature of their behavioural response to it.

Other research has investigated whether particular attributions for business failure are related to particular outcomes (Askim, 1999) or have theoretically predictable consequences for how the entrepreneur responds motivationally and behaviourally (Cardon & McGrath, 1999). Askim found that an overall explanatory style of business failure as caused by external, unstable, specific and uncontrollable factors, was associated with hypothetical positive outcomes of financial well-being, family relations and self-esteem. In the present research, qualitative findings included some reference to similar outcomes such as regaining the business’ financial position, maintaining positive family relationships by keeping work and family life separate, and feeling stronger and better about oneself as a result of entrepreneurial learning through dealing with the failure. However, there was no support for any of these positive outcomes being exclusively associated with making external attributions. Indeed, the few entrepreneurs who did initially present the cause of their business’ failure as external and uncontrollable, such as a stockmarket crash, described being unsure of any positive outcomes at that time. Furthermore, the positive outcomes such as feeling personally stronger or better skilled in entrepreneurship, appeared to be more directly linked to business recovery, and their perceived pivotal role in that recovery, than to attributions for business failure. Given that Askim utilised a student
sample, investigating a hypothetical situation of a lack of business success and hypothetical outcomes, the present research may be more representative of the actual outcomes associated with attributions made by entrepreneurs about real business failure events.

Cardon and McGrath (1999) found that business school students tended to attribute failure to a lack of effort more so than to a lack of ability, to have mastery rather than helpless reactions to setbacks, and to hold development rather than outcome goals. In the present research, the common approach of getting on with dealing with business failure, together with the strong tendency to attribute business recovery to one’s own actions, is consistent with a mastery response. Similarly, the strong emphasis on entrepreneurial learning through undertaking business recovery that emerged for some entrepreneurs as an anticipated benefit, and for many as an actual outcome, aligns with the notion of a development goal for the self. However, there was no support for the theoretically predicted link between these particular reactions as consequences of making effort rather than ability attributions for failure.

One possible reason for the absence of this theoretically expected pattern of associations concerns how the terms of effort and ability are defined. Qualitative findings from the present research shed light on the meaning given by entrepreneurs to these concepts, which contrasts with their meaning as put forward in Dweck’s (1988; 2000) self-theory on which Cardon and McGraths’ (1999) study was based. Regarding the ability attribution, self-theory proposes that attributing failure to a lack of ability reflects a view of one’s ability as fixed and unchangeable. In the present research, many entrepreneurs alluded to a lack of entrepreneurial ability, such as not having accurately anticipated market changes, or having poor internal management
skills. However, they also conveyed a sense that their current level of entrepreneurial ability was alterable through learning. In this regard, the entrepreneurs’ ability attributions more closely resembled Dweck’s effort attribution concept. Relatedly, there was no evidence that this perceived lack of ability produced a sense of helplessness in the face of business failure. Nor did it appear to negatively affect motivation levels or expectations of what they might subsequently be able to achieve; behavioural and motivational outcomes that were speculated by Cardon and McGrath to be associated with the ability attribution. Indeed, despite being given the freedom to express their response to business failure in their own words, not one of them volunteered that they had felt like giving up or exiting entrepreneurship at the time of the business failure. Furthermore, none made mention of diminished expectations of what they might accomplish in future. Instead, they frequently volunteered how confident they felt about being able to regain their position.

Dweck’s (1988; 2000) self-theory also proposes that attributing failure to a lack of effort produces a constructive reaction in the form of adopting a motivated, self-confident approach to putting in more effort to master the task. Another interesting feature of the data was that none of the entrepreneurs specifically highlighted a lack of effort on their part as the reason for the failure of their business. Relevant to this, three volunteered anecdotally that attributing business failure to a lack of effort would be personally very negatively evaluated. For these entrepreneurs, a lack of effort would represent having let down both oneself and the entrepreneurial venture, by not doing all that one could have possibly done to prevent the failure occurring.
Cardon and McGrath (1999) found that a high level of confidence in entrepreneurial ability was strongly related to an effort attribution, mastery reaction and development goals. Although they did not state how confidence in entrepreneurial ability was measured, the present research found considerable qualitative evidence in support of this type of construct. A high level of self-confidence and self-belief in one’s entrepreneurial abilities was a feature of both the exploration of business failure and the life stories of entrepreneurs in general. The strong narrative presence of this construct suggests a further distinction made by entrepreneurs in this study regarding perceived entrepreneurial ability and it’s relevance to business failure. Whilst entrepreneurs attributed business failure to causes that included a lack of entrepreneurial ability, in the most part they were perceived deficits in particular entrepreneurial skills. At the same time, their confidence in what might be described as a global sense of entrepreneurial ability appeared to persist, and to be unthreatened by their lack of entrepreneurial ability in specific areas, which was seen as alterable. This suggests that for entrepreneurs faced with business failure, a secure confidence in their general entrepreneurial ability may play a more important role than making specific ability attributions in determining how they respond to this event.

The differences in the meanings given by entrepreneurs to the terms of effort and ability attributions, and in the consequences they associated with those meanings, suggest that self-theory may not be an appropriate theoretical model for understanding how entrepreneurs respond to business failure. It also highlights how adopting a qualitative approach, such as that used in this thesis, obtains information about perceived causes of business failure and their relationship with behavioural outcomes that more closely captures the entrepreneurs’ particular understanding of these factors.
In summary, current attribution findings were generally inconsistent with previous findings, especially in terms of yielding evidence in support of theoretically expected outcomes from making particular attributions. This suggests that when confronted by business failure, factors other than attributions about its causes were influential in determining the entrepreneurs’ response to it.

**A Constructive Response To Business Failure**

Moving beyond an attribution approach, several other important features of the entrepreneurs’ experiences of business failure were identified. These findings highlight the personally constructive manner in which these entrepreneurs responded to this event. Illuminating these adaptive elements of the entrepreneurs’ responses addresses the need to focus on personal factors associated with business recovery and not just those associated with business failure (e.g., Larson & Clute, 1979). Thus, these findings begin to inform a theoretical understanding of how entrepreneurs personally deal with business failure in a manner that allows them to continue to pursue entrepreneurship.

Effective management of one’s negative affective response to business failure has been emphasised by theorists of entrepreneurship as an important determinant of both personal and business recovery (Bolton & Thompson, 2000; Sitkin, 1992; Useem, 1998) In the present research the entrepreneurs were found to be aware of their negative emotions (e.g., anger, disappointment) but were equally able to get beyond them and focus on instigating business recovery. Facilitating this process of ‘don’t deny it, but don’t dwell on it either, just get on with it’ was the use of particular strategies to manage distress. Interestingly, most indicated that these techniques, such as reframing the situation more optimistically and with more control for the
individual, were part of their usual coping strategy. According to Moos and Schaeffer (1986), a crisis is a negative situation so unusual or grand that habitual responses normally used to re-establish emotional equilibrium are insufficient. Viewed in this light, the entrepreneurs’ successful implementation of practiced coping strategies suggests that they experienced this entrepreneurial event as emotionally challenging, but not overwhelming; that is, as not outside the boundaries of their usual circumstances.

Personal meaning making is considered to be integral to the determination of an individual’s adjustment to a negative life experience (e.g., Davis et al., 1998; Moos & Schaefer, 1986). Although the life story analysis of business failure was core to the present investigation of entrepreneurs’ meaning making of this experience, in order not to bias results, prior to the face-to-face interviews the entrepreneurs were not informed that they would be asked about this event. That 20 percent of the sample put forward business failure as their life story low point demonstrates that these entrepreneurs voluntarily engaged in in-depth, self-relevant meaning making about it. This is further suggested by the ease and readiness with which those who did not include business failure as a key event were able to discuss its personal significance and relate that event to their larger life story when asked to do so during the life story interview. Interestingly, there was no obvious systematic difference in the self-narrative meanings of business failure described by those who included it as a life story low point and those who did not. The same underlying themes regarding how this event was experienced, and how it was integrated with the rest of the life story, were evidenced in both groups. This further supports the contention that all of these
entrepreneurs had previously evaluated the personal meaning of this entrepreneurial event.

One of the more striking findings related to the meaning awarded to this event was that despite being strongly personally identified with their business at the time of its failure, the entrepreneurs were able to mentally distance themselves from the failure by conceptualising it as business failure and loss rather than as personal failure and loss. This finding contrasts with that of Useem (1998), who observed that entrepreneurs who were highly identified with their business interpreted business failure as their own failure, experienced high levels of distress and left entrepreneurship. Notably, Useem’s sample comprised failed, exited entrepreneurs, whereas the present study utilised those who had failed but had also recovered and gone on to successfully pursue entrepreneurship again. This suggests that whilst entrepreneurs in general may strongly identify with their business, the ability to psychologically distance oneself from the failure of that business may be an important element in entrepreneurs’ personal and professional survival of business failure.

The narrative exploration of the business failure provides insight into how the entrepreneurs achieved this personal separation from the failure of their business while remaining highly identified with the business itself. As noted in the results, some entrepreneurs volunteered details of how they provided their business with identity as a means of expressing themselves through entrepreneurship, rather than obtaining their identity from the business. Others highlighted their strong self-belief in their entrepreneurial ability, including optimism about being able to exercise their creative entrepreneurial talents in other forthcoming business opportunities. Thus, when the business failed, this represented an externalised loss of an entrepreneurial
venture that served as the current expression of their entrepreneurial identity, rather than a loss of their entrepreneurial identity itself. As a secure, internalised construct, their sense of self as one who can identify a business opportunity, and create and grow a venture to realise that opportunity and overcome obstacles that occur along the way, remained intact throughout the experience. Indeed, throughout their life stories, the entrepreneurs portrayed a narrative self-understanding which emphasised that the essential resources for business creation, business success, and recovery from business failure, resided within themselves.

Possessing a strong self-belief in one’s ability has been proposed as a defining characteristic of entrepreneurs (Burns, 2001), and has been speculated to play a positive role in formulating a constructive response to business difficulties (Bolton & Thompson, 2000). The present life story findings provide insight into the content and structure of these entrepreneurs’ self-beliefs about their entrepreneurial ability. Grounded in entrepreneurial events including new business start-up, business successes, and business failures, this includes elements of narrative self-understanding such as: ‘I can create’; ‘I can make things happen’; ‘I can overcome obstacles’; ‘My faith in my entrepreneurial ability is not affected by business setbacks’; and ‘I can always start again and be successful again’. Findings suggest that this understanding of oneself as a resourceful and competent entrepreneur was often consciously drawn upon at the time of business failure and helped them maintain confidence in their ability to continue to pursue entrepreneurship. To return to Useem’s (1998) observations of entrepreneurs giving up in the face of business failure, this suggests a further functional difference between those who express their identity through the
business and those who obtain their identity from the business, with the latter being more negatively personally affected by business failure.

According to McAdams (McAdams & Pals, 2006), because life stories are continually evolving, they can undergo significant revision to the point of a major rewriting of the text; a process that can be triggered by trying to narratively accommodate particularly challenging life experiences (Habermas & Bluck, 2000). In this thesis, there were clear parallels between the dominant themes of the life story as a whole and those that emerged for the business failure event. In particular, there was a common emphasis on redemptively structuring initially negatively valenced experiences in a way that highlighted positive outcomes for the self. These were Self-mastery type outcomes around developing and affirming confidence in one’s abilities and personal power, and triumphantly overcoming obstacles to achieve desired aims. It is possible, therefore, that encountering business failure had prompted a restructuring of the thematic, and potentially also the explicit, content of all life story key events for these entrepreneurs, in order to comprise a self-story that better accommodated the event of business failure. However, the same general pattern of life story thematic lines were evident for those with recent, past, and present experience of business failure, as well as those few with no experience of it. This suggests that the self-narrative meaning of this event was more likely to have been influenced by the life story, rather than having pervasively influenced its character.

The redemptive meaning awarded to business failure is in keeping with observations from the literature addressing benefit finding in the face of adversity (Affleck & Tennen, 1996; Davis et al., 1998). That is, research suggests that individuals in general have a tendency to construe the meaning of negative life events
as yielding a positive outcome. However, what stands out amongst the redemptive accounts of business failure is that they shared an emphasis on a particular type of positive outcome: namely, emerging personally and professionally strengthened by that experience. This common theme was presented as either enhanced ability to deal with conflict, enhanced entrepreneurial skills, or an enhanced belief in their entrepreneurial resilience.

As well as facilitating constructive meaning making about business failure, the way these entrepreneurs organised and expressed their self narrative identity may also have positively influenced other aspects of both their critical and retrospective response to business failure. This is consistent with the assumption made by McAdams (2001b) and other narrative theorists that the self-narrative understanding functions as a personality construct that influences thoughts and behaviour, and can provide motivational guidance in the pursuit of goals (Pillemer, 1998; Singer, 2001).

Concerning their critical response, as mentioned earlier, findings suggested that entrepreneurs experienced this event as emotionally challenging but not overwhelming. Furthermore, when confronted with the failure, the entrepreneurs showed high optimism and confidence in relation to being able to achieve business recovery. Life story findings suggest that this ability to contain the negative meaning of business failure, and to approach it positively, was grounded in a narrative understanding of the self as one who has a high level of entrepreneurial ability, who is able to create, and can overcome obstacles to goals. The entrepreneurs adopted an active problem solving approach to resolving the business failure. This behaviour was consistent with their life story’s thematic emphasis on being able to influence one’s environment.
Concerning their retrospective response, the lack of rumination and regret about the business failure may be partly attributable to the generally positive and accepting attitude that was displayed towards the likelihood of it occurring. However, two features of the way that they constructed their self-narrative identity may have also contributed to this finding. First, as noted earlier, the tendency to structure life story key events redemptively with positive gains for the self may have influenced the commonly observed narrative organisation of this event. Second, that these entrepreneurs were able to integrate the self-narrative meaning of this event with the rest of their life story illuminates one means by which they had been able to find a place for that experience within their understanding of themselves; an aspect of meaning making that is associated with better adjustment to difficult life events (Davis et al., 1998; Janet, 1925). On this point, the level of complexity that already existed within each of these entrepreneurs’ life stories before the business failure occurred may have facilitated the integration of this event. That is, because their life stories already contained varied episodes of good and bad experiences, this co-existence of light and shade in their narrative self-understanding may have influenced the narrative incorporation of the meaning of this event as being not too novel, extreme or negative to be included as part of their life story.

In summary, findings suggest that factors other than attributions made about the causes of business failure were influential in determining the entrepreneurs’ personal response to this event. Findings highlight how entrepreneurs involved their self-narrative identity in making sense of business failure. Furthermore, this appraisal appears to positively influence their response to business failure; helping them to react constructively to that event both at the time and in how they think about it in
hindsight. This further suggests that constructing a particular type of self-narrative identity, specifically one with the features observed for these entrepreneurs, may constitute an important defining characteristic of those who are able to personally and professionally overcome business failure.
CHAPTER NINE

IMPLICATIONS, METHODOLOGICAL CONSIDERATIONS, AND FINAL CONCLUSIONS

This chapter commences with a discussion of the practical implications of the key findings arising from this research. This is followed by a consideration of methodological concerns, and the specification of some directions for future research. Finally, a general summary of conclusions arising from this thesis is presented.

Practical Implications of Findings

Findings from the present research suggest that investigating the personality of entrepreneurs at the level of self-narrative identity holds much promise for furthering understanding of the psychological attributes that characterise this population. Exploring the individual self-narrative identities of successful entrepreneurs yielded clear consistencies in the defining thematic elements of the typical entrepreneurial life story. Many of these themes reflected personality attributes situated at different levels of the overall hierarchy of personality as referred to by McAdams (1993; 2006b), such as dispositional traits and cognitive factors. These findings provided insights that build upon existing knowledge of the personality of entrepreneurs as represented in the four main approaches previously taken. Regarding the psychodynamic view, the life story findings provided details of the self-understanding of those who approach entrepreneurship constructively; armed with a secure sense of self as reflected in their high self-belief and optimism, and the ability to personally cope with the ups and downs involved. Regarding the trait approach, findings shed light on the particular manifestation of certain dispositional factors that characterised these entrepreneurs, such as a need for achievement motivation, and highlighted how these traits operated
within the entrepreneurial environment. Regarding the cognitive approach, 
findings revealed why entrepreneurs hold particular thought patterns, and the link 
between these and other personality factors in determining an entrepreneur’s 
behaviour. Regarding the social-constructionist approach, findings enriched the 
existing picture of the entrepreneur’s self-understanding as expressed through 
entrepreneurial behaviour. Finally, the present findings also elaborated upon other 
qualitative research concerning the personality of entrepreneurs.

In much of the earlier research, difficulties were noted concerning attempts to 
identify a set of commonly shared personality characteristics, and to understand how 
they operated within the entrepreneurial environment. As well as enriching previous 
findings concerning individual personality attributes, the self-narrative identity 
approach captured a wholistic, detailed picture of the personality of entrepreneurs as 
comprised of the defining narrative elements that characterised their commonly 
shared life story. Furthermore, individual life story findings revealed how these 
narrative personality elements were involved in the way that the entrepreneurs 
behaved within their business settings. Conceptualising and investigating the 
personality of entrepreneurs at the level of self-narrative identity is therefore a 
particularly suitable approach to concentrate upon in future research.

The findings of this thesis provide a response to the contention that there is no 
need for research on the personality of entrepreneurs, as who the individual is, in 
terms of their psychological characteristics, is not related to what they do as 
entrepreneurs (Gartner, 1989; Kuratko & Hodgetts, 1998). Consistent with the general 
theoretical claim that personality influences behaviour, (Costa & McCrae, 1992), and 
the more specific claims of McAdams (2001a) and other narrative theorists (Bruner,
self-narrative identity is a crucial determinant of their behaviour within the entrepreneurial environment. This includes influencing why they take up entrepreneurship, how they respond to key entrepreneurial events such as business failure, and why they continue to strive for entrepreneurial success and expansion.

According to Drucker (1985), being a successful entrepreneur is simply a matter of acquiring the necessary skills, rather than also involving helpful personality characteristics; hence entrepreneurs are ‘made, and not born’. Interestingly, at a theoretical level, rather than equivocally concluding that entrepreneurs are instead ‘born, and not made’, the present findings suggest a more interactive model. First, the entrepreneur’s personality as an individualised self-narrative identity may influence how entrepreneurship is pursued. In turn, personality may be influenced by the accommodation and integration of self-evaluations of significant entrepreneurial experiences that arise as the outcomes of entrepreneurial behaviour.

At a more practical level, the present findings have implications for the contention that entrepreneurs are ‘made, and not born’. First, many of the defining elements of the typical self-narrative identity shared by this sample of successful entrepreneurs appear to be conducive to succeeding in entrepreneurship. These include a belief in one’s personal power to influence the environment and make things happen, a strong general confidence in personal abilities, and more specifically their entrepreneurial ability, and confidence and optimism about being able to rise above obstacles to achieve goals. Notably, these life story elements were reflected in underlying themes that ran throughout the entrepreneurs’ life stories, suggesting that the characteristic thoughts and behaviours represented in these themes were present
from early childhood onwards. This supports the contention that to at least some extent, entrepreneurs are ‘born’, rather than being totally ‘made’ through the learning of skills and the effects of their entrepreneurial experience. Utilising McAdams’ (1985; 1993) life story interview to assess the self-narrative identity of potential entrepreneurs may thereby assist in the identification of those with an inherent disposition that renders them well-suited to the pursuit of entrepreneurship.

An individual’s defining life story themes are narrative personality elements grounded in a unique, internalised construction of their understanding of personal experience lived over time. At a more abstract level, self-narrative themes may more generally be conceptualised as particular ways of thinking about the self. Viewed in this light, these entrepreneurs’ narrative ways of thinking about themselves may be teachable to both potential and existing entrepreneurs. This possibility offers support for the contention that entrepreneurs can at least to some extent be ‘made’. For example, through the employment of techniques from narrative and cognitive-based therapeutic approaches (Guidano, 1991; Rosenbaum, 1990; Stewart & Neimeyer, 2001), these persons may be instructed in matters such as developing a stronger belief in their ability to influence their environment, with a view to gaining self-confidence in the ability to handle the many challenges presented within the dynamic entrepreneurial environment. From a narrative therapeutic approach, this would involve exploring personal narrative accounts of past experiences of challenging life events, in order to first identify and highlight to the individual a pattern of depicting themselves as adopting helplessness in the face of adversity. Next, the individual would be encouraged to find another, more powerful self-voice within the same story that highlights their agency in that situation in a way that they have not previously
recognised (White, 1995). Enaging in this process across a range of self-stories would foster the development of a view of the self as strong and capable, and in turn a more realistic view of their ability to deal with the challenges of entrepreneurship.

From a cognitive-behavioural therapeutic approach, this way of thinking about the self could be conceptualised as involving self-efficacy beliefs (Bandura, 1977). Self-efficacy is concerned with judgements about how capable one is to deal with a situation. Through a process of investigative collaboration, poor self-efficacy beliefs may be identified, then challenged by eliciting from the person disconfirmatory examples of how well they have actually coped with past difficulties. Working together, a list of the skills that the person now has for coping might be compiled. Behavioural tasks of coping with problems set at a manageable level of difficulty, leading to the experience of positive affect through their resolution, may also be involved (Bandura, 2004; Beck, 1995). Together, these interventions would facilitate the modification of self-efficacy beliefs towards a more confident view of one’s abilities to handle challenging situations, providing better preparation for dealing with the entrepreneurial environment.

Other findings from this research have practical implications for educating potential and existing entrepreneurs in how to respond constructively to business failure. These include developing an accepting and constructive attitude towards the high likelihood of business failure, and when it does occur, constructing a personal evaluation of the meaning of it in a way that renders it manageable rather than being an overwhelming threat. The techniques for managing one’s affective response may also be taught, along with the utility of a ‘get on with it’ attitude that flows through to constructive business recovery behaviour. These individuals may also be instructed in
how to draw upon positive and redemptive earlier experiences from the entrepreneurial and wider spheres of one’s life to maintain high optimism and self-confidence in the face of business failure. Finally, they may also be guided in how to retrospectively integrate the meaning of that event with the rest of one’s self-understanding in a way that facilitates personally moving on from it. Given that there is a high incidence of business failure, and that those who are excessively negatively affected by it may permanently exit entrepreneurship, learning these strategies for evaluating and responding to business failure may be of considerable benefit.

The present findings have wider implications, in terms of relevance to a range of other populations who experience setbacks and failures while undertaking the pursuit of valued goals. Learning to adopt some of the adaptive features of the typical life story of the entrepreneur, such as optimism about goal outcomes, self-belief in one’s ability in the goal-related area, and self-confidence in being able to deal with obstacles to goal achievement, may help other individuals in their progress towards the attainment of self-important goals. For example, with student populations, facilitating the construction of a narrative self-understanding that instills and reinforces a belief in their academic ability may motivate them to make use of their abilities, and to progress more effectively towards their academic goals. Learning to adopt the sort of constructive approach to making sense of goal-related failures in relation to one’s self-understanding demonstrated by these entrepreneurs may help other individuals deal with setbacks and failures to the attainment of their goals. For example, teaching athletes how to narratively construct the meaning of a performance failure in an unthreatening, self-enhancing way may help them better recover from that event and resume progress towards achieving their overall athletic goal.
Methodological Considerations

Two major strengths of the design of this study were the use of well-established, successful entrepreneurs as participants, and the investigation of real experiences of business setbacks and failures. Past research has focused on potential entrepreneurs or those just commencing entrepreneurship, with most studies utilising hypothetical failure scenarios. However, these characteristics of the current sample also raise methodological concerns. These consist of: the potentially biasing influence of current entrepreneurial success on the life story findings and the response to business failure; the possibility that past business failure experience influenced the content and thematic structuring of the life story; and the absence of a comparison group of failed entrepreneurs who left entrepreneurship. These issues, along with other sample and study design concerns, are now discussed.

Successful entrepreneurs were targeted as the sample for the present research because they best met the defining criteria for being an entrepreneur, were likely to have experienced business failure, and, as indicated by their current success, had also constructively responded to the failure. In the introductory letter to prospective participants, it was stated that the study sought to identify important characteristics of successful entrepreneurs, and that each entrepreneur was being contacted because of their appearance on a published list of high achieving businesses. It is possible that these statements from the initial contact with participants may have influenced the thematic emphasis of the life stories they volunteered. However, no further reference to being a “successful entrepreneur” appeared on either the cover letter or the consent form accompanying the questionnaires. Furthermore, the range of themes that did emerge extended beyond ‘success stories’.
It is also possible that the entrepreneurs’ present high level of success may have unduly influenced the experiences they chose as key events, and the way in which they narrated the self-relevant meaning of those events. However, this is unlikely in view of the following considerations. First, although the life story is an evolving personality construct, McAdams (1993) also states that its general character is relatively stable over time. Second, despite their current high success, the life stories they narrated were not simply a “Panglossian tale of mindless cheer” (McAdams et al., 1997, p.687). That is, they were not straightforward, exclusively happy tales of positive experiences of achieving, succeeding, and good times with others. Instead, the events they chose within the entrepreneurial environment and from other spheres such as one’s personal, sporting, and educational experience, were narrated in a manner that highlighted struggles, disappointments and losses as well as victories, achievements and togetherness. Furthermore, no mood effects on life story findings were observed.

Considering the temporal stability of the life story construct, the affective and thematic complexity of the life stories narrated by the entrepreneurs, and the lack of mood effects on findings, the possibility that current success excessively coloured responses to the wider exploration of business failure also seems unlikely. The alternative possibility, that previous experience of business failure may have coloured both the life story and wider business failure findings, has been addressed earlier (see page 8.401), and similarly seems unlikely. However, as this was not a longitudinal study, no definitive conclusions can be reached regarding the extent of influence of past or present entrepreneurial highs and lows on the life stories of the entrepreneurs.
Findings from the life stories and wider exploration of business failure highlight a particular response to the failure in the current sample. Many defining elements of this response, such as separating personal identity from the business and maintaining a high self-belief in one’s entrepreneurial ability, effectively managing negative feelings aroused by the failure, engaging in active problem solving to resolve it, optimistically envisioning recovery and future success, and integrating the event positively within one’s life story, would appear to constitute a constructive personal response to business failure. For example, this response differs markedly from that both theoretically proposed (Kets de Vries, 1977), and practically observed (Useem, 1998), to be characteristic of those entrepreneurs who over-identify with their business, are deeply negatively affected by business failure, and subsequently exit entrepreneurship. This suggests that this thesis uncovered a response that may be distinctively characteristic of those who are able to recover from business failure. However, as the present research did not include a matched sample of those who exited entrepreneurship after business failure, such conclusions remain tentative.

The present sample was almost exclusively male. Although much previous life story research has observed no gender differences in findings (Baerger & McAdams, 1999; McAdams et al., 1997; McAdams et al., 2001), this has not been established amongst an Australian sample of entrepreneurs. Similarly, the strong gender imbalance in this sample means that the findings from the exploration of business failure cannot be generalised to female entrepreneurs. Further research employing a more balanced sample of male and female entrepreneurs is therefore required.

The prototypical life story that emerged from this sample of entrepreneurs strongly emphasised personal power, personal achievement and advancement. This
dominance of agentic themes concerning strivings for the self is consistent with the
individualised view of self that is commonly evidenced in Australian culture.
According to McAdams (2001a), culture may influence the general form a life story
takes. It is therefore possible that the typical life story of the Australian entrepreneur
may not be generalisable to entrepreneurs in non-westernised cultures, where a more
collective view of the self is shared (Yamaguchi, Gelfand, & Ohashi, 2005).

**Directions for Future Research**

There are several directions for future research that include: addressing the
methodological issues raised above; building on the present findings; and widening
understanding of how entrepreneurs respond to other entrepreneurial phenomena.
These areas for investigation are discussed in turn.

Regarding methodological concerns, conducting a longitudinal study that
follows entrepreneurs from the time of new venture creation through the ups and
downs of entrepreneurship may help to clarify the extent to which current results were
influenced by either present entrepreneurial success or past entrepreneurial failure.
Replication of the present study including a comparative sample of those
entrepreneurs who do not continue with entrepreneurship after experiencing business
failure may help establish whether the findings of this thesis are particular to those
who successfully recover from it, and highlight how they differ from those who do
not. In light of de Vries’ (1996) claims about the influence of different early
socialisation experiences on the personality of entrepreneurs and how they respond to
entrepreneurial events, including a measure of psychological attachment may help
clarify whether this factor helps differentiate those who personally and professionally
recover from business failure from those who do not. In light of the increasing
number of female entrepreneurs (Menzies, Diochon, & Gasse, 2004; Weiler, 2001), repeating this study with a balanced sample of female entrepreneurs may help clarify whether findings generalize across gender. Repeating this study with matched samples of entrepreneurs from other cultures, both collective and individualised, may help clarify whether findings are cultural specific.

To build upon the present findings, future research could include more in-depth analysis of particular narrative features of the life stories of entrepreneurs. For example, the identification of repetitive archetypal characters, termed imagoes (McAdams, 2001b), across the entrepreneurs’ life stories might enrich understanding of how they narratively portray themselves. Additionally, the possibility that particular themes and metaphors from the life stories might reflect larger sociocultural themes (McAdams & Pals, 2006) could be explored. For instance, examining the language used to describe life story events for evidence of repetitive phrases and images might highlight culture or gender specific meanings awarded to the process of entrepreneurship by particular samples of entrepreneurs.

To further build upon the present findings, future research could involve larger samples of entrepreneurs, and samples from other populations. In the present research, no systematic differences were found in thematic findings between the 20 percent of entrepreneurs who volunteered business failure as their life story low point and those who did not. Repeating this study with a larger sample might uncover particular patterns in the self-relevant meaning given to this event that highlight why for some entrepreneurs it is prominently featured in their life story. Current findings highlighted a distinctive type of self-narrative identity and a particular, constructive approach to failure. Future research comparing entrepreneurs with other successful
populations who have experienced career-specific failures along their path to success might help to establish whether, and in what ways, the present findings are unique to entrepreneurs. In the present research, specific manifestations of agentic life story themes involving Self-mastery, Status/Victory, and Achievement/Responsibility were identified, and put forward as distinctive to entrepreneurs. Such specific representations of agentic themes may be useful to consider in further research, in order to distinguish the life stories of entrepreneurs from those of other career-focused, success-oriented populations who are also characterised by agentic motivations.

The ease with which the entrepreneurs were able to complete responses to McAdams’ (1985; 1993) Life Story Interview, and the clear and meaningful results that emerged regarding the self-narrative identities of the entrepreneurs, highlight the utility of adopting this theoretical approach for investigating the psychological characteristics of this population. Adding a form of validation to the life story thematic findings, and greater depth to those findings, was the application of Hermans’ (1989; Hermans & Hermans-Jansen, 1995) affective ratings of implicit motivational themes. In the exploration of the entrepreneurs’ response to business failure, the life story findings, affective ratings, and further qualitative findings through the use of open-ended questioning combined to produce a complex, integrated, and insightful picture of how these entrepreneurs evaluated and constructively dealt with this entrepreneurial event. In light of the fruitfulness of this approach, applying this three-fold methodology holds promise for future investigations of how entrepreneurs evaluate and respond to other critical entrepreneurial events. This includes uncovering the self-narrative meaning they give
to events such as business start-up, business expansion into new products or new markets, and business successes, and providing insights into the feelings, thoughts and behaviours that form part of their response to such events.

**Conclusion**

This thesis aimed to better understand the distinctive characteristics of the personality of entrepreneurs, and to more fully explore the personal response of entrepreneurs to the event of business failure. Both aims were met by the present research. A prototypical life story of the entrepreneur was evidenced, which revealed particular, commonly shared characteristics of the personality of entrepreneurs at the level of self-narrative identity. The prototypical life story comprised a core theme with an agentic-type emphasis on overcoming adversity and celebrating achievement, of gaining confidence in one’s abilities and a sense of personal power to influence their environment. It also revolved around a lesser theme with a communion-type emphasis on valuing relationships. Notably, much of this self-narrative understanding was grounded in experiences within the entrepreneurial environment. A commonly shared, constructive personal response to business failure was evidenced. As part of this response, the entrepreneurs were able to narratively construct the self-relevant meaning of that event in a redemptive, self-enhancing way, and to integrate it positively within their overall life story. Other key elements of their critical and retrospective response to business failure included: attributing business failure to both external and internal causes, yet regarding business recovery as the result of one’s own actions; being able to distance oneself from any sense of personal failure whilst still being strongly identified with their business; utilising effective emotion coping
strategies; adopting a constructive, ‘get on with it’ approach to resolving the failure; and not ruminating over it in hindsight.

This thesis clearly demonstrated that successful entrepreneurs share a particular type of self-narrative identity and a particular way of personally responding to business failure. These findings highlight the utility of McAdams’ (2001b; McAdams & Pals, 2006) life story model of identity for investigating the personality of entrepreneurs and for understanding how they respond to entrepreneurial events. The defining characteristics of the prototypical life story of the entrepreneurs comprised a self-narrative understanding that is conducive to pursuing entrepreneurship. The positive influence of this personality construct was evident in the overall constructive personal response to business failure that was adopted. Altogether, these findings suggest that who the entrepreneur is may indeed be critical to determining what they do in the pursuit of entrepreneurship.
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Appendix A. 1: Introduction Letter Sent to Prospective Participants

Entrepreneur’s Name
Address
Date

Dear Sir/Madam,

My name is Lyndel Cuesta and I am currently undertaking a Doctorate of Philosophy in Psychology at Swinburne University of Technology. I am contacting you to invite you to participate in my thesis research project which aims to identify important characteristics of successful entrepreneurs. I have developed an innovative approach to this area of study which is likely to yield rich and useful information. I am contacting you because of your appearance on the list of those who applied for the current Business Review Weekly Fast 100 Fastest Growing Small and Medium - Size Companies in Australia.

To participate in this study you will be provided with two questionnaires which will be used to discover your distinctive characteristics as an entrepreneur. These questionnaires will be mailed to you and can be completed at your leisure. Later you will be given the opportunity to explore some of your responses with me in a face to face interview, usually held at your business premises for your convenience. All of your responses are completely confidential and as the study focuses on patterns of the sample as a whole, no personally identifying material will be included in the reported findings. In addition to the opportunity to improve self-understanding through participation in this research, I will be pleased to make the study’s results available to you, as they may help you to develop useful skills in others working for you in your organisation.

I will follow up this letter with a telephone call next week to ascertain your interest in being a part of this study and to answer any initial questions you may have. Thankyou for your time, and I look forward to the possibility of meeting with you to collaborate in this important and groundbreaking research.

Sincerely,

Lyndel Cuesta

lcuesta@swin.edu.au
Dear Sir/Madam

Further to our telephone conversation please find herewith a copy of the consent form for the project and the two questionnaires which I would like you to complete before the interview. I am aware that your time is valuable and have taken this into account in the design of the questionnaires which may be filled in according to the time you have available. The second questionnaire needs to be completed one day after the first questionnaire. However, in total, the two questionnaires should require only about two hours of your time. When completing the questionnaires please feel free to decline to answer any questions - your participation at any level would still be most appreciated.

Thankyou again for your interest and willingness to be a part of this important research. I look forward to meeting with you for an interview on (date) at (time) at your business premises.

Sincerely,

Lyndel Cuesta
Appendix A.3.: Consent Form Included in Questionnaire Package

Differentiating the Entrepreneurial Life Story Consent Form

Investigators
Student Researcher: Lyndel Cuesta, email lcuesta@swin.edu.au
Supervisors: Dr Glen Bates, email gbates@swin.edu.au
Dr Michael Gilding, mgilding@swin.edu.au

Description of Project
The purpose of this investigation is to explore whether there are characteristics of the life stories of entrepreneurs which are particular to those individuals as a group.
You will be asked to complete a questionnaire which requires you to briefly describe your life story. At least one day after completing this questionnaire, a second questionnaire about thoughts and feelings will be completed. Approximately one week later, an audio taped interview discussing some of your responses and asking additional questions will be conducted.

Completing a life story has been found to improve people’s self-understanding and to gain a more integrated and coherent view of themselves and their life experiences. Participants will be provided with a written copy of their responses obtained during the interview. You may amend these copies as necessary. Whilst the findings from the study may be published in psychological journals or books, the study focuses on group findings and thus will not include any identifying material from specific individuals.

Completing the first questionnaire will take approximately an hour, and the second will take approximately 30 minutes. The interview will take between 30 minutes and one hour, depending upon the time you have available. Thus, in total, participation will require 2.5 to 3 hours of your time.

Participation in this project is completely voluntary, and you are free to cease participation at any time during any part of the study. In the event that you have a complaint about the way you are treated during the study, or a query that the Investigators have been unable to satisfy, you may write to:

The Chair
Human Experimentation Ethics Committee
Swinburne University of Technology
PO Box 218, Hawthorn, Victoria, 3122.

If you agree to participate in this study, please sign below and bring this consent form, together with your completed questionnaires, to the interview. Any questions regarding the project can be directed to myself, or to Dr Glen Bates.

Thankyou,
Lyndel Cuesta

I voluntarily choose to participate in the Differentiating the Entrepreneurial Life Story study. I have been informed of the purposes and procedures of this research and understand I am free to withdraw at any time. I understand findings may be published in a form that does not identify me in any way.

……………………………………. ………………………………………. ……….
Participant Name Signature Date
Appendix A. 4: Basic Demographics Form

ENTREPRENEUR DEMOGRAPHICS

GENDER: .......

AGE:

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TYPE OF BUSINESS: ..............................................................................................................................................

NUMBER OF YEARS MANAGING CURRENT BUSINESS: ......................

NUMBER OF PREVIOUS BUSINESSES ESTABLISHED: .........................
The Life Story Interview

PART 1: CHAPTERS

I would like you to think about your life as if it were a story that you could write up as a book. Imagine that you divided this story of your life into different chapters. Although of course the book is not yet finished, it most likely already contains a few interesting and well-defined chapters. Your life story may have as many, or as few chapters as you like, however it is probably best to have at least three, and up to seven or eight. In the spaces provided below, please give each chapter a title and in two to four sentences also list a few critical events or experiences which it includes.

Chapter 1. _________________________________________________
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Chapter 2. _________________________________________________
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Chapter 3. _________________________________________________
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PART 2: KEY EVENTS

In addition to chapters, your life story probably also contains several “key” events. A “key” event is a specific happening, a critical incident, a significant episode in your past set in a particular time and place. It is a specific moment in your life that stands out for some reason. Examples of key events might include a particular conversation you had with your teacher in the sixth grade, or a decision you made one morning last summer. A difficult year at school, or an entire summer break could not be considered key events, because they took place over an extended period of time.

For each of the following kinds of key events, note down some details including what happened, when it happened, who was involved, and what you were thinking and feeling at the time. Think about the impact this key event had on your life. What does it say about who you were or are as a person? Did this event change you in any way, and if so, in what way?

A life story high point (a peak experience, the best moment in your life).

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A life story low point (the worst moment in your life).

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A turning point (an episode where you underwent a significant change in your understanding of yourself. Regardless of whether you saw it that way at the time, now in retrospect you consider the event in this way).

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A significant childhood memory (some event which stands out clearly from your pre-adolescent years).

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A significant adolescent memory.
A significant adult memory.

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Any other important memories (other memories which stand out and seem important to you in defining who you are).
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Now that you have described six key events, please rate each one according to the extent you experienced each of the feelings listed below. Please use the following scale:

0 = not at all  
1 = a little bit  
2 = to some extent  
3 = rather much  
4 = much  
5 = very much  

For example, you might rate your highpoint as 5 for joy, 0 for powerlessness, 3 for self-esteem and so on. Please provide a rating for each feeling for each key event.

NOTE THAT YOU DO NOT NEED TO SPEND A LOT OF TIME ON THIS; INITIAL REACTIONS WILL PROBABLY BE BEST.

**Life Story Highpoint**

Joy _____ Care _____ Inferiority _____  
Powerlessness _____ Love _____ Intimacy _____  
Self-esteem _____ Self-alienation _____ Safety _____  
Anxiety _____ Tenderness _____ Anger _____  
Satisfaction _____ Guilt _____ Pride _____  
Strength _____ Self-confidence _____ Energy _____  
Shame _____ Loneliness _____ Inner calm _____  
Enjoyment _____ Trust _____ Freedom _____

**Life Story Low Point**

Joy _____ Care _____ Inferiority _____  
Powerlessness _____ Love _____ Intimacy _____  
Self-esteem _____ Self-alienation _____ Safety _____  
Anxiety _____ Tenderness _____ Anger _____  
Satisfaction _____ Guilt _____ Pride _____  
Strength _____ Self-confidence _____ Energy _____  
Shame _____ Loneliness _____ Inner calm _____  
Enjoyment _____ Trust _____ Freedom _____
Please rate each key event according to the following scale:

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<td>2 = to some extent</td>
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### Life Story Turning Point

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Please rate each key event according to the following scale:

- 0 = not at all
- 1 = a little bit
- 2 = to some extent
- 3 = rather much
- 4 = much
- 5 = very much

### Significant Adolescent Memory

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<td>Self-esteem</td>
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PART 3: KEY CHARACTERS

Next, please describe four people who have had the biggest impact on your life story, including a brief description of their effect on your life.

Person 1.

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Person 2.

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Person 3.

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Even if you have not actually met them, if you have considered someone to be a personal hero or heroine, please describe them below, including what characteristics about them cause you to see them in this way. The person may be real, or a fictional character such as those appearing in books or movies.

Person 4.

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Personal hero or heroine.

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PART 4: CURRENT CONCERNS

Finally, please briefly describe two current areas of your life in which you are experiencing tensions or conflicts.

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Area 2.
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Note: If you feel that completing this questionnaire has raised any emotional issues which you would like assistance in dealing with, you may like to contact Care Ring telephone counselling on 136169, or Lifeline telephone counselling on 131114 for immediate help. You may also contact the Senior Investigator, Dr Glen Bates on 9214 8100 for referral to counselling services in your area.

Thankyou for your co-operation in completing this questionnaire. I look forward to meeting with you to discuss your answers. Please remember to complete the second questionnaire tomorrow.
THE SECOND QUESTIONNAIRE

This questionnaire should take you approximately 30 minutes to complete. Please think about each question before you answer it, but you don’t need to spend a lot of time on any of the questions; initial reactions will probably be best.

SCC

Listed below are a number of statements. Read each item and decide whether you agree or disagree and to what extent. Please circle the number which best describes your response, according to the following scale:

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<tr>
<td>1</td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neutral</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>

1. My beliefs about myself often conflict with one another. 1 2 3 4 5

2. On one day I might have one opinion of myself and on another day I might have a different opinion. 1 2 3 4 5

3. I spend a lot of time wondering about what kind of person I really am. 1 2 3 4 5

4. Sometimes I feel that I am not really the person that I appear to be. 1 2 3 4 5

5. When I think about the kind of person I have been in the past, I’m not sure what I was really like. 1 2 3 4 5

6. I seldom experience conflict between the different aspects of my personality. 1 2 3 4 5

7. Sometimes I think I know other people better than I know myself. 1 2 3 4 5

8. My beliefs about myself seem to change very frequently. 1 2 3 4 5

9. If I were asked to describe my personality, my description might end up being different from one day to another day. 1 2 3 4 5

10. Even if I wanted to, I don’t think I would tell someone what I’m really like. 1 2 3 4 5

11. In general, I have a clear sense of who I am and what I am. 1 2 3 4 5

12. It is often hard for me to make up my mind about things because I don’t really know what I want. 1 2 3 4 5
Using the scale provided, decide how much you either disagree or agree with each of the following statements. Circle the number from 1 to 5 that best indicates how you feel.

1. I don’t have much control over my emotional reactions to stressful situations.  
2. When I’m in a bad mood I find it hard to snap myself out of it.  
3. My feelings are usually fairly stable.  
4. I can usually talk myself out of feeling bad.  
5. No matter what happens to me in my life I am confident of my ability to cope emotionally.  
6. I have a number of good techniques that will help me cope with any stressful situation.  
7. I find it hard to stop myself from thinking about my problems.  
8. If I start to worry about something I can usually distract myself and think about something nicer.  
9. If I realise I am thinking silly thoughts I can usually stop myself.  
10. I am usually able to keep my thoughts under control.  
11. I imagine there will be many situations in the future where silly thoughts will get the better of me.  
12. I have a number of techniques which I am confident will help me think clearly and rationally in any situation I might find myself.  
13. Even when under pressure I can usually keep calm and relaxed.  
14. I have a number of techniques or tricks that I use to stay relaxed in stressful situations.  
15. When I’m anxious or uptight there does not seem to be much that I can do to help myself relax.  
16. There is not much I can do to relax when I get uptight.  
17. I have a number of ways of relaxing that I am confident will help me cope.  
18. If my stress levels get too high I know there are things I can do to help myself.
The following are a series of statements which a person might use to describe him/herself. Read each statement and decide whether or not it describes you. If you agree with a statement or decide that it does describe you, answer TRUE. If you disagree with a statement or feel it is not descriptive of you, answer FALSE. Please respond to all statements by circling either true or false, even if you are not completely sure of your answer.

<table>
<thead>
<tr>
<th>Statement</th>
<th>True</th>
<th>False</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. People should be more involved with their work.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. I am quite independent of the people I know.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. I feel confident when directing the activities of others.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. I feel no great concern for the troubles of other people.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. I seldom set standards which are difficult for me to reach.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. I choose hobbies that I can share with other people.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. I would make a poor military leader.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. I would rather have a job serving people than a job making something.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. I enjoy difficult work.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. I seldom put out extra effort to make friends.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. I would like to be a judge.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. It doesn’t affect me one way or another to see a child being spanked.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. I have rarely done extra studying in connection with my work.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. I go out of my way to meet people.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. I avoid positions of power over other people.</td>
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<td></td>
</tr>
<tr>
<td>16. Baby-sitting would be a rewarding job for me.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. I will not be satisfied until I am the best in my field of work.</td>
<td></td>
<td></td>
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<tr>
<td>18. I don’t really have fun at large parties.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. I try to control others rather than permit them to control me.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. I have never done volunteer work for charity.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. I try to work just hard enough to get by.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. People consider me to be quite friendly.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>23. I don’t like to have the responsibility for directing the work of others.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24. I often take young people under my wing.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25. I would work just as hard whether or not I had to earn a living.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>26. I would not be very good at a job which required me to meet people all day long.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>27. I would like to play a part in making laws.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>28. Caring for plants would be a waste of my time.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>29. I do not let my work get in the way of what I really want to do.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30. I truly enjoy myself at social functions.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>31. I have little interest in leading others.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>32. Sometimes when a friend is in trouble, I cannot sleep because I want so much to help.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PRF - FORM E CONTINUED</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>-----------------------</td>
<td></td>
</tr>
<tr>
<td>33.</td>
<td>My goal is to do at least a little bit more than anyone else has done before.</td>
<td>True   False</td>
</tr>
<tr>
<td>34.</td>
<td>When I see someone from a distance, I don’t go out of my way to say hello.</td>
<td>True   False</td>
</tr>
<tr>
<td>35.</td>
<td>In an argument, I can usually win others over to my side.</td>
<td>True   False</td>
</tr>
<tr>
<td>36.</td>
<td>If someone is in trouble, I try not to become involved.</td>
<td>True   False</td>
</tr>
<tr>
<td>37.</td>
<td>In my work I seldom do more than is necessary.</td>
<td>True   False</td>
</tr>
<tr>
<td>38.</td>
<td>I spend a lot of time visiting friends.</td>
<td>True   False</td>
</tr>
<tr>
<td>39.</td>
<td>I feel uneasy when I have to tell people what to do.</td>
<td>True   False</td>
</tr>
<tr>
<td>40.</td>
<td>People like to tell me their troubles because they know I will help them.</td>
<td>True   False</td>
</tr>
<tr>
<td>41.</td>
<td>I often set goals that are very difficult to reach.</td>
<td>True   False</td>
</tr>
<tr>
<td>42.</td>
<td>Sometimes I have to make a real effort to be sociable.</td>
<td>True   False</td>
</tr>
<tr>
<td>43.</td>
<td>The ability to be a leader is very important to me.</td>
<td>True   False</td>
</tr>
<tr>
<td>44.</td>
<td>If I could, I would hire a nurse to care for a sick child rather than do it myself.</td>
<td>True   False</td>
</tr>
<tr>
<td>45.</td>
<td>People seldom think of me as a hard worker.</td>
<td>True   False</td>
</tr>
<tr>
<td>46.</td>
<td>My friendships are many.</td>
<td>True   False</td>
</tr>
<tr>
<td>47.</td>
<td>Most community leaders do a better job than I could possibly do.</td>
<td>True   False</td>
</tr>
<tr>
<td>48.</td>
<td>It is very important to me to show people I am interested in their troubles.</td>
<td>True   False</td>
</tr>
<tr>
<td>49.</td>
<td>As a child I worked a long time for some of the things I earned.</td>
<td>True   False</td>
</tr>
<tr>
<td>50.</td>
<td>I don’t spend much of my time talking with people I see every day.</td>
<td>True   False</td>
</tr>
<tr>
<td>51.</td>
<td>I am quite effective in getting others to agree with me.</td>
<td>True   False</td>
</tr>
<tr>
<td>52.</td>
<td>I don’t like it when friends ask to borrow my possessions.</td>
<td>True   False</td>
</tr>
<tr>
<td>53.</td>
<td>It doesn’t really matter to me whether or not I become one of the best in my field.</td>
<td>True   False</td>
</tr>
<tr>
<td>54.</td>
<td>I trust my friends completely.</td>
<td>True   False</td>
</tr>
<tr>
<td>55.</td>
<td>I am not very insistent in an argument.</td>
<td>True   False</td>
</tr>
<tr>
<td>56.</td>
<td>Seeing an old or helpless person makes me feel that I would like to take care of him.</td>
<td>True   False</td>
</tr>
<tr>
<td>57.</td>
<td>I don’t mind working while other people are having fun.</td>
<td>True   False</td>
</tr>
<tr>
<td>58.</td>
<td>Often I would rather be alone than with a group of friends.</td>
<td>True   False</td>
</tr>
<tr>
<td>59.</td>
<td>I would like to be an executive with power over others.</td>
<td>True   False</td>
</tr>
<tr>
<td>60.</td>
<td>I am not always willing to help someone when I have other things to do.</td>
<td>True   False</td>
</tr>
<tr>
<td>61.</td>
<td>I am not really very certain what I want to do or how to go about doing it.</td>
<td>True   False</td>
</tr>
<tr>
<td>62.</td>
<td>I try to be in the company of friends as much as possible.</td>
<td>True   False</td>
</tr>
<tr>
<td>63.</td>
<td>I would not want to have a job enforcing the law.</td>
<td>True   False</td>
</tr>
<tr>
<td>64.</td>
<td>I feel most worthwhile when I am helping someone who is disabled.</td>
<td>True   False</td>
</tr>
</tbody>
</table>
BSI
Below is a list of problems people sometimes have. Please read each one carefully, and circle the number that best describes HOW MUCH THAT PROBLEM HAS DISTRESSED OR BOTHERED YOU DURING THE PAST SEVEN DAYS INCLUDING TODAY. Circle only one number for each problem and do not skip any items. If you change your mind, erase your first mark.

<table>
<thead>
<tr>
<th>HOW MUCH WERE YOU DISTRESSED BY:</th>
</tr>
</thead>
<tbody>
<tr>
<td>0  1  2  3  4</td>
</tr>
<tr>
<td>Not at all  A little bit  Moderately  Quite a bit  Extremely</td>
</tr>
</tbody>
</table>

1. Nervousness or shakiness inside. | 0 1 2 3 4
2. Faintness or dizziness.         | 0 1 2 3 4
3. The idea that someone else can control your thoughts. | 0 1 2 3 4
4. Feeling others are to blame for most of your troubles. | 0 1 2 3 4
5. Trouble remembering things.     | 0 1 2 3 4
6. Feeling easily annoyed or irritated. | 0 1 2 3 4
7. Pains in the heart or chest.    | 0 1 2 3 4
8. Feeling afraid in open spaces or on the streets. | 0 1 2 3 4
9. Thoughts of ending your life.    | 0 1 2 3 4
10. Feeling that most people cannot be trusted. | 0 1 2 3 4
11. Poor appetite.                  | 0 1 2 3 4
12. Suddenly scared for no reason.  | 0 1 2 3 4
13. Temper outbursts you could not control. | 0 1 2 3 4
14. Feeling lonely even when you are with people. | 0 1 2 3 4
15. Feeling blocked in getting things done. | 0 1 2 3 4
16. Feeling lonely.                 | 0 1 2 3 4
17. Feeling blue.                   | 0 1 2 3 4
18. Feeling no interest in things.  | 0 1 2 3 4
19. Feeling fearful.                | 0 1 2 3 4
20. Your feelings being easily hurt.| 0 1 2 3 4
21. Feeling that people are unfriendly or dislike you. | 0 1 2 3 4
22. Feeling inferior to others.     | 0 1 2 3 4
23. Nausea or upset stomach.       | 0 1 2 3 4
24. Feeling that you are watched or talked about by others. | 0 1 2 3 4
### BSI CONTINUED

<table>
<thead>
<tr>
<th>Item Number</th>
<th>Description</th>
<th>Ratings</th>
</tr>
</thead>
<tbody>
<tr>
<td>25</td>
<td>Trouble falling asleep.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>26</td>
<td>Having to check and double-check what you do.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>27</td>
<td>Difficulty making decisions.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>28</td>
<td>Feeling afraid to travel on buses, subways, or trains.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>29</td>
<td>Trouble getting your breath.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>30</td>
<td>Hot or cold spells.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>31</td>
<td>Having to avoid certain things, places, or activities because they frighten you.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>32</td>
<td>Your mind going blank.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>33</td>
<td>Numbness or tingling in parts of your body.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>34</td>
<td>The idea that you should be punished for your sins.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>35</td>
<td>Feeling hopeless about the future.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>36</td>
<td>Trouble concentrating.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>37</td>
<td>Feeling weak in parts of your body.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>38</td>
<td>Feeling tense or keyed up.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>39</td>
<td>Thoughts of death or dying.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>40</td>
<td>Having urges to beat, injure, or harm someone.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>41</td>
<td>Having urges to break or smash things.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>42</td>
<td>Feeling very self-conscious with others.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>43</td>
<td>Feeling uneasy in crowds, such as shopping or at a movie.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>44</td>
<td>Never feeling close to another person.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>45</td>
<td>Spells of terror or panic.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>46</td>
<td>Getting into frequent arguments.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>47</td>
<td>Feeling nervous when you are left alone.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>48</td>
<td>Others not giving you proper credit for your achievements.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>49</td>
<td>Feeling so restless you couldn’t sit still.</td>
<td>0 1 2 3 4</td>
</tr>
<tr>
<td>50</td>
<td>Feelings of worthlessness.</td>
<td>0 1 2 3 4</td>
</tr>
</tbody>
</table>
BSI CONTINUED

HOW MUCH WERE YOU DISTRESSED BY:

<table>
<thead>
<tr>
<th></th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>51. Feeling that people will take advantage of you if you let them.</td>
<td></td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>52. Feelings of guilt.</td>
<td></td>
<td></td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>53. The idea that something is wrong with your mind.</td>
<td></td>
<td></td>
<td></td>
<td>0</td>
<td>1</td>
</tr>
</tbody>
</table>

THANK YOU FOR COMPLETING THIS SECOND QUESTIONNAIRE. PLEASE BRING BOTH QUESTIONNAIRES AND THE SIGNED CONSENT FORM WITH YOU TO THE INTERVIEW.
Appendix B: Questions Used to Explore Entrepreneurs’ Responses to Business Failure

THE ENTREPRENEUR INTERVIEW

1. Briefly review responses to Life Story chapters.
2. Review each key event: What happened? When? Who involved? Thoughts/feelings at the time? Overall impact on your life, and did it change you in any way? How, if at all, does it fit with the rest of your life story?
3. Just as your life story may have contained both positive and negative events, in most careers people experience key events that might be positive or negative. Can you identify for me a high point, and then a low point, in your entrepreneurial career so far?
4. Can you recall an experience of a major business setback or failure?
5. How long had you been in business when that happened? How long ago is that now?
6. Had you seen it coming?
7. At the time, what did you attribute that setback to – why did it happen? Would you explain that incident in the same way now?
8. At the time, on a scale of 1 to 10, to what extent did you identify yourself with your business?
9. Did it feel more like loss or failure or both, or neither of these things – what did that setback mean to you?
10. How did you see it in relation to the rest of your life up until that point?
11. Please describe what you were thinking, what was on your mind at the time? What emotions did you experience? (at this point also get participant to fill in ratings of Hermans’ Extended List of Affect Terms for this event).
12. How did you manage your feelings at this time?
13. How did others around you, such as family, friends, and workmates, respond at this time?
14. On a scale of 1 to 10, with 1 being impossible and 10 being completely possible, at the time of the setback, how likely did you think it was that you would go on to have business success?
15. What kept you persevering when this setback occurred? How did you overcome it?
16. When you look back now on that whole experience of business setback, is there any aspect of it you wish you had approached differently – anything you did that you wish you hadn’t, or opportunities that in retrospect you wish you had taken up?
17. How frequently would you think about that experience these days, and in what way?
18. How, if at all, does that experience fit into your life story?
19. Are there any parts of your life story that you consider important or relevant to how you coped with that setback?
20. What is your approach to failure in general?
21. What made you decide to be an entrepreneur?

Thanks for your time. Do you have any questions about this study?
Appendix C: Coder’s Manual for McAdams’ Life Story Themes

The coder’s manual for Life Story themes was compiled from the following sources:


This manual describes the life story themes that were investigated in the present research, and provides instructions for how to code them in narrative accounts. The themes comprise: four positive agentic themes and four positive communion themes; four negative agentic themes and four negative communion themes; redemption and its subcategories of enhanced agency, enhanced communion, and ultimate concerns,
plus contamination. Overall affective tone of the life story is also addressed, along with the life story coherence indices of orientation, structure, affect and integration.

**Coding Autobiographical Episodes for Themes of Agency and Communion**

Agency and communion are considered to be central thematic lines represented in life stories, with each articulating important life goals, strivings, needs and desires held by the narrator. Agency refers to an individual’s efforts to expand, assert, perfect, and protect the self, to separate the self from others, and to master the environment within which the self resides. Communion refers to an individual’s efforts to merge with other individuals, to join together with others in bonds of love, intimacy, friendship, and community. People's life stories differ with respect to the salience of agency and communion themes, and those differences are measurable. This manual is designed to enable the researcher to capture some of those individual differences in the thematic coding of particular life narrative episodes.

The coding system is designed to detect the salience of agency and communion themes in accounts of discrete life-story episodes, such as life story "high points," "low points," "turning points," and "earliest memories." Such accounts may be collected through life-narrative open-ended questionnaires or through interviews. In general, the coding scheme works best when subjects describe particular events in their lives that they find to be especially personally meaningful - events that the subjects themselves may see as having had an important impact on their identity. For each event, subjects are typically asked to describe (verbally or in writing) what happened in the event itself, who was involved, what the subject was thinking and feeling during the event, and what (if anything) the event means in the context of the subject’s own self-defining life story. Subjects may describe events that are either positive or negative in emotional tone. The first eight categories described below refer to positively-valenced agentic and communion themes, and the second eight categories refer to negatively-valenced agentic and communion themes.

In coding an account for themes of agency and communion, the scoring unit is the episode itself. Each episode is coded for the presence (score +1) or absence (score 0) of sixteen different themes. The four positive agency themes are: (1) Self-mastery, (2) Status/Victory, (3) Achievement/Responsibility, and (4) Empowerment. These four themes were adopted from the earlier, 1992 version of positive agentic themes identified by McAdams, rather than the 2002 version. This was done on the basis that they better captured the particular nature of agentic strivings represented in the life stories of the entrepreneurs. The four positive communion themes are: (5) Love/Friendship, (6) Dialogue, (7) Caring/Help and (8) Unity/Togetherness. The four negative agency themes are (9) Failure/Weakness, (10) Losing face, (11) Ignorance, and (12) Conflict. The four negative communion themes are (13) Separation, (14) Rejection, (15) Disillusionment about people, and (16) Another’s misfortune.

The coder must determine whether or not the story contains evidence of each of the sixteen themes. If evidence exists for the theme in the episode, then the theme receives a score of +1 for the corresponding episode. If no evidence exists, the theme receives a score of 0 for that episode. A theme is scored only once per episode. The
coding system for agency and communion is a conservative scheme. The scorer should not give a point (+1) for a given theme in a given episode unless there is clear and explicit proof of the theme’s existence in the episode. The scorer should be careful not to read anything into the literal description of the account. The scorer should avoid clinical inferences and extensions beyond the written or spoken word. Two independent coders should score episodes, and then correlation coefficients should be calculated to determine interscorer reliability. Reliabilities may be calculated for each theme score, summed across however many episodes a subject describes, and for the total agency and total communion scores, summed across episodes. Scorers may need to work together in early phases of coding in order to build up a common understanding, so that eventually their independent codings will show acceptable reliability.

**Positive Themes of Agency**

Agency encompasses a wide range of psychological and motivational ideas, including the concepts of strength, power, expansion, mastery, control, dominance, autonomy, separation, and independence. Most accounts of important autobiographical experiences are couched in agentic terms to one degree or another. After all, the subject is telling the researcher about an important experience for the self, so we should not be surprised if the account entails at least a modicum of self-celebration, self-focus, self-expansion, and so on. The necessary focus on the self, therefore, encourages a rhetoric of agency in most autobiographical accounts. For example, many turning point episodes will tell how a person moved from dependence to "autonomy." The attainment of autonomy in human development is a very common theme among Westerners, especially those in the middle classes. The four positive agentic themes articulated below, however, go above and beyond the typical agentic rhetoric of autobiographical expression. They express highly agentic ideas that, even by the cultural standards of contemporary self rhetoric, stand out as especially indicative of Bakan’s concept of agency in human lives.

1. **Self-Mastery (SM).** The subject strives successfully to master, control, enlarge, or perfect the self. Through forceful and effective action, or thought, or experience, the subject is able to strengthen the self, to become a larger, wiser, or more powerful agent in the world. A relatively common expression of the theme involves the subjects’ attaining a dramatic insight into the meaning of his or her own life. The insight is not a mere “lesson in life”, but rather a fundamental transformation in self-awareness or a quantum leap forward in self-understanding that entails the realization of dramatically new goals, plans, or missions in life – a profound insight into one’s identity. Another relatively common expression of SM involves the subject’s experiencing a greatly enhanced sense of control over his or her destiny, in the wake of an important life event (e.g., divorce, death of a loved one, reaching a life milestone). Other examples of SM typically show up in accounts in which the subject reports that he or she felt “strengthened” by an event, or in which a person explicitly says that the experience provided him or her with a feeling of power.

Examples of SM through “insight”: 
A man accepts the awful truth that he is indeed an alcoholic.

A woman comes to see her life’s mission as being an artist. She quits her job, sets up a studio, and strives to actualize her dream.

After a near-death experience, a man comes to a new understanding of the quality of life. He pledges to slow down, enjoy his family more, take everything one day at a time.

Examples of SM through “control”:

A woman reports feelings of deep satisfaction in being able to manage the pain of her labour during child birth. She is able to master the self by controlling her own pain.

A young white woman defies her family’s objections and marries a black man.

A drug addict kicks the habit; takes control of his life.

Examples of Self-mastery from the present research:

SM through insight:

“I thought I’d be a teacher or something like that, never saw myself as a successful businessman. I think one of the biggest changes in going into business, was a pretty big change in how I saw myself…. I saw I could play in the big boy’s game….. In fact in younger years I was probably more spiritual, but I’m a capitalist now, and I try to keep the two together.”

SM through control:

“I took a holiday on a boat in the Whitsundays, for one week. And as a result of that holiday and the discussions I had with two very good friends, I think it redefined what I was trying to achieve in my life ….. it was all about controlling your own destiny and being in charge of your own future. I had all the attributes there before that particular holiday. So it didn’t really change me, just helped me to organize it all, and gave me confidence.”

2. Status/Victory (SV). The protagonist attains a heightened status or prestige among his or her peers, through receiving a special recognition or honor or winning a contest or competition. The implication in SV is that status or victory is achieved vis a vis others. There is always an interpersonal and implicitly competitive context in SV. Typically, the person "wins." There is victory or triumph. SV refers to significant recognition, especially prestigious honors, and various kinds of victories over others. Simply "doing a good job," getting good grades, or successfully achieving a goal is not enough to score for SV.

Examples of SV:
A person receives an award for outstanding achievement.

A swimmer wins a race.

A person is granted an important position or awarded a prestigious job.

"In eighth grade I tried out for high school cheerleading and was one of the three girls from my class to make football and basketball cheerleading."

Examples of Status/Victory from the present research:

“Watching my soccer heroes play from the grandstand. Then playing soccer alongside the heroes I used to watch. So first I’m there as a kid, a 14 year-old, and two years later I’m playing alongside these guys. It was incredible.”

“Awarded the governor general’s award, and invited to his garden party. Just recognition….the first real recognition of my achievement from a wider sphere, only three or four in the state got one. “

3. Achievement/Responsibility (AR). The protagonist in the story reports substantial success in the achievement of tasks, jobs, instrumental goals, or in the assumption of important responsibilities. He or she feels proud, confident, masterful, accomplished, or successful in (1) meeting significant challenges or overcoming important obstacles concerning instrumental achievement in life and/or (2) taking on major responsibilities for other people and assuming roles that require the person to be in charge of things or people. Most often these accomplishments and responsibilities would occur in achievement settings, such as school or work, rather than in more personal settings, such as with reference to spiritual or romantic goals. This category requires that the protagonist strive to do things, produce things, or assume responsibilities in such a way as to meet an implicit or explicit standard of excellence.

Examples of AR:
An executive meets his annual goals for the company.

A young boy builds a tree house, and he is very proud of his accomplishment.

A student masters a class on computer programming.

After having their first child, a couple now realizes the significant financial responsibilities they have assumed.

A middle-aged mother reflects on her children, who have recently left for college. She decides that she has done an "excellent job" as a caregiver. Even through this is an interpersonal rather than instrumental task, the writer explicitly couches it in achievement terms -- as a job well done.

Examples of Achievement/Responsibility from the present research:
“Winning the award for the best sports player. After the surprise there was obviously a sense of pride, and probably a sense of achievement…. the achievement factor came in very strong. Yes, I guess I’ve always been a person that strived to achieve, I always set goals I want to achieve.”

“Birth of our child….. very proud. Of course , I mean your lifestyle, being happy go lucky and going out to restaurants and things, it has to change, because you’ve got responsibilities now.”

4. Empowerment (EM). The subject is enlarged, enhanced, empowered, ennobled, built up, or made better through his or her association with something larger and more powerful than the self. The self is made even more agentic by virtue of its involvement with an even more powerful agent of some sort. In EM, the empowering force is usually either (1) God, nature, the cosmos, or some other manifestation of a larger power in the universe; or (2) a highly influential teacher, mentor, minister, therapist or authority figure who provides critical assistance or guidance for the subject.

Examples of EM:

Certain religious experiences qualify, as when a subject reports that God or some larger force was made manifest to him or her, putting the subject in touch with a larger power of some kind.

Certain experiences of empowerment in nature may apply.

A professor provides helpful advice concerning the subject’s career.

A person is empowered by a guru or spiritual guide.

Examples of EM from the present research:

“When I was a child, my mother and father were divorced some years earlier, and I wasn’t living with her, I was living with my father and step-mother. These were war times, and no one could get in or out of the area. One day as I was coming home from school I had this vision of her sitting on the balcony of our apartment. When I got home, that vision turned out to be a reality….I think this quite unbelievable event got me to start to believe in intuitive power and that I was fortunate enough to possess that facility……It has made me feel that there is a purpose in being around….and I have become totally convinced that the purpose of living is to create something.”

“Well, it was the first time when I had a boss, somebody of authority, who took an interest in me, recognized my potential, and showed me how I could win. One day I had this sales manager say to me, ‘you’re a really smart young man, has anybody ever taught you how to sell?’ And what he basically taught me is that I could develop skills of my own that could affect my future. …. And I remember that was a profound impact on my life.”
Positive Themes Of Communion

Communion encompasses psychological and motivational ideas concerning love, friendship, intimacy, sharing, belonging, affiliation, merger, union, nurturance, and so on. At its heart, communion involves different people coming together in warm, close, caring, and communicative relationships.

5. Love/Friendship (LF). A protagonist experiences an enhancement of love or friendship toward another person. A relationship between people becomes warmer or closer.

Examples of LF:

Two friends feel that they grow emotionally closer to each other after spending time together on a vacation.

A man proposes to a woman. (Or vice versa.)

A woman describes her marriage to a wonderful man as the high point of her life.

A man marvels at the love and commitment his wife has given him over the past 40 years.

Examples of Love/Friendship from the present research:

“Getting married. We just got on like a house on fire, and I guess we came from similar backgrounds. Getting married was so exciting....I felt that she was my partner, she kind of filled up the bits that were missing from me..... so it was for me that I had finally found my best friend.”

“Coming home and my wife greeting me at the door. Yes, it’s actually what’s been happening at the moment. Very positive feelings. We’ve been married several years, and it hasn’t always been that way though. So the relationship is at a highpoint at the moment.”

6. Dialogue (DG). A character in the story experiences a reciprocal and noninstrumental form of communication or dialogue with another person or group of others. DG usually takes the form of a conversation between people. The conversation is viewed as an end in itself (justified for its own sake) rather than as a means to another end. Thus, such instrumental conversations as "interviews" or "planning sessions" do not qualify for DG because they are undertaken for noncommunal reasons (e.g., to obtain information or make plans). Furthermore, highly contentious or unpleasant conversations -- such as hostile arguments or exchanges in which people do not seem to be listening to each other -- do not qualify for DG. In order to score for DG, a conversation need not be about especially intimate topics, though of course it may be. A friendly chat about the weather, for example, would qualify for DG. What is important to note is that the communication between the protagonist and other characters in the story is reciprocal (mutual), nonhostile, and viewed as an end
in itself rather than a means to an instrumental end. Note also, that conversations for the express purpose of helping another person (e.g., providing advice, therapy) do qualify for this theme.

Examples of DG:

"We sat across from each other and tossed ideas back and forth, ideas of what we thought the plays were about."

"Sara and I had been writing letters to each other all summer."

"We drank a carafe of wine and had a memorable conversation about love and parents."

"My peak experience was both a time of sadness and joy. Sadness because my friend told me she had cancer. Joy because we had opened up to each other and it was a beautiful experience."

Examples of Dialogue from the present research:

“Sitting in a café with a good friend eight years ago. Yes, we were modern day philosophers for a day. It’s interesting because we challenged a lot of the thoughts we held, and to this day we still talk about it. That was like no interruptions, we were really able to engage in free thought and it was like the ultimate brainstorm.”

“We’d spend time sitting around in a circle talking….. at first I found that so difficult, but then I learned, hey, it’s okay to talk about how you really feel.”

7. Caring/Help (CH). The protagonist reports that he or she provides care, assistance, nurturance, help, aid, support, or therapy for another, providing for the physical, material, social, or emotional welfare or well-being of the other. Instances of receiving such care from others also qualify for CH.

Examples of CH:

Many accounts of childbirth score for CH, as well as accounts of adoption. In order to score, the subject must express a strong emotional reaction of love, tenderness, care, nurturance, joy, warmth, or the like in response to the event.

Accounts of taking care of children as they grow up, meeting their needs and looking after them during difficult times, typically score for CH. Also included here are accounts of providing needed financial support, as in the role of the family breadwinner.

Providing assistance or care for spouses, siblings, parents, friends, co-workers, and colleagues may be included, as well. Mere technical assistance, however, does not qualify for CH. An emotional quality of caring must accompany the assistance, which
is usually associated with providing counseling or therapy concerning life problems or interpersonal difficulties.

Developing empathy for other people, even if it is not acted upon in a given event, scores for CH. In one example, a woman describes reading a particular novel when she was a girl and developing an empathetic attitude toward impoverished and oppressed people as a result.

"I like the feeling of being a vocal advocate and I would like to help others with similar problems."

"I held his hand to help him over the rocks safely."

Examples of Caring/Help from the present research:

“Recently with my own children growing up…..they’re contemplating taking different paths and I’m going out of my way not to discourage them from doing whatever they want to do. So that they can recognize that they can make changes in their life now and also in the future”.

“You know friends are friends until you put them to the test they say. But I was very fortunate. I put them to the test and every one of them came through, most positively. And that’s something I’ve never forgotten.”

8. Unity/Togetherness (UT). Whereas the communal themes of LF, DG, and CH tend to specify particular relationships between the protagonist and one or a few other people, the theme of Unity/Togetherness captures the communal idea of being part of a larger community. In UT, the protagonist experiences a sense of oneness, unity, harmony, synchrony, togetherness, allegiance, belongingness, or solidarity with a group of people, a community, or even all of humankind. A common manifestation of this theme involves the protagonist’s being surrounded by friends and family at an important event (e.g., a wedding, graduation), experiencing strong positive emotion because a community of important others have joined him or her at this time. However, there are many other manifestations of UT, as well.

Examples of UT:
"I was warm, surrounded by friends and positive regard that night. I felt unconditionally loved." (Also scores for LF.)

Some accounts of weddings may qualify for both LF and UT. The developing love relationship between spouses provides evidence for LF while the wedding’s bringing together of many friends and family members may provide evidence for UT.

Examples of being accepted, cherished, or affirmed by friendship, family, or other social groups qualify for UT.
“We looked up and looming next to us, literally, was the Acropolis…I recall feeling both small and big in the sense of belonging to a society that was responsible for this tremendous architecture.”

Example of Unity/Togetherness from the present research:

“The march out parade. I don’t know that you can possibly imagine what it was like to be there with a thousand young men, strapping young blokes, drilled, working in unison on instruction, the crashing sound of feet in unison. Just so inspiring…. I still tingle now when I think about it….. just the power of that many people working together.”

**Negative Themes Of Agency**

Four negative agentic themes have been identified. In some cases, they bear resemblance, typically as an opposite, to the positive agentic themes. In other cases, any similarity is lacking.

9. **Failure/Weakness (FW).** The protagonist in the story fails in some task or venture. The person is unable to do something that he or she wants to do because of some factor(s) within him or her. Consequently, the person is unable to experience the goal state of feeling strong or powerful.

Examples of Failure/Weakness from the present research:

“Being asked to repeat Year 8 at school…. Well all through school you’re moving forward, and to not progress at that time was disappointing ….. so probably really disappointed and upset about it.”

“At a school camp, someone else was being bullied …. I was ashamed of myself for not coming to someone’s aid ….. I was too scared to get up and stop him.”

10. **Losing Face (LFA).** The protagonist experiences shame (though not necessarily guilt), embarrassment or humiliation in the presence of others.

Examples of Losing Face from the present research:

“I scored poorly in my last year at school….I was feeling everything, felt ashamed, felt I’d let myself down, let my friends and family down, and that I’d let the school down to some extent.”

“It was my second week at school and it was an English speaking school, and I went to that school not knowing how to speak English ….. then the teacher asked me could I answer the question, and it was a multiple choice so I just picked one, not knowing what it was, but whatever it was it must have been pretty funny, and also pretty stupid, because the whole class just burst out laughing. And I burst out crying.”
11. Ignorance (IG). The person is unable to know something that he or she desires to know. The person is confused, disoriented, “in the dark”. Consequently, he or she is unable to experience mental strength, and he or she regrets this inability.

Examples of Ignorance from the present research:

“We were separated from our mother ….. for three or four days we didn’t know what was going to happen ….. it had a lot of impact in terms of not knowing, …. uncertainty, no understanding, ..... the loss of not knowing what the next step is.”

“I assumed I was a professional manager, but only after do you realize, when I left there you realise there are a lot of things missing there .... So my baptism of fire culminated in that contract, so I went through, I always knew I could work through it, but there were black holes that I didn’t know how to fill them.”

12. Conflict (CO). The negative experience is a direct result of a conflict or disagreement between the person and others. This includes arguments or fights.

Examples of Conflict from the present research:

“Yes, I remember I got beaten up, but then my brother found out and it turned into a street brawl ..... you know the world isn’t wonderful, you know, don’t kid yourself, it’s not. What you wish the world would be and what it is are two different things.”

“He, my father, he would argue intensely his position, in a way that you could see was just mesmerizingly stupid. And you’d kind of go to bed thinking, hang on, something’s really not right there.”

Negative Themes Of Communion

Four negative communion themes have been identified. In some cases, these bear resemblance to positive communion themes, typically as an opposite, and in others there is no similarity.

13. Separation (SE). The protagonist is separated from friends, family, or a lover. This can occur through a variety of means: breakup, circumstances over which nobody has control (moving, going off to school), death, etc. The person must express negative affect about the separation or aloneness per se, that is, the being apart from the other.

Examples of Separation from the present research:

“I went from a fairly protected primary school to a huge environment I think emotionally I wasn’t ready for …. the system was too big …. significant loneliness. And a sense of not belonging, and being lost.”

“The sudden death of my father …. I regret not having an adult relationship with a father I was very close to.”
14. Rejection (RE). The subject has been rejected by somebody who has been a friend or lover. The other person wishes to terminate a previously intimate (loving, caring, communicative) relationship. The subject must express negative affect about the rejection per se. This is a completely separate category from the previous, though the two may occasionally co-occur as in the case where the other person explicitly rejects the subject causing a breakup in the relationship, and the subject remarks explicitly that he or she experienced both the separation (being apart) and the rejection (the process of initiating the separation) as aversive.

Example of this theme in the present research:

“My girlfriend. I saw her as someone who was very attractive and very interesting and all those sorts of things…. Certainly the memories of it are very strong, because she ended it and I didn’t want it to end, so I guess I experienced that feeling of, gee, it didn’t work out the way I thought it would.”

15. Disillusionment About People (DAP). As a result of an aversive experience, the person remarks that he or she has lost faith in others (either a particular other or a group or even all of humankind) or is feeling disillusionment about people and their worth or goodness. This is often accompanied by a sense of betrayal or a breaking of trust.

An example of Disillusionment About People from the present research:

“I felt that this was the best thing, and so I went into the meeting to present my plan ….. shocked and disappointed at the emotional reaction from him….I guess it made me realise, I’d been working alongside this guy for maybe seven years, which is a long time, and it makes you realise, well, maybe you don’t know them as well as you thought you did.”

16. Another’s Misfortune (AM). The protagonist experiences vicariously the plight of another. The person is saddened by another’s misfortune, pain, or death. A common example is depression experienced over the death of a loved one. If the negative affect in this case were also explicitly connected by the writer to the experience of now being alone or separated, then the example would also score for the first theme of separation.

An example of Another’s Misfortune from the present research:

“When my daughter was diagnosed with that illness, that was the definite low point in my life, because it caused me to lose faith and I just lost interest in work, I just didn’t care. I was just feeling sorry for her, and myself I suppose.”

Underlying life story themes reflecting combinations of agentic and communal themes

For each of the life story key events and the event of business failure, commonly evidenced underlying themes that highlighted particular combinations of agentic and
communal themes were identified. Examples of the underlying themes that were identified for the life story high point key event are presented as a sample of the types of themes identified, and the ways in which they were illustrated in the entrepreneurs’ narrative accounts.

**Theme of Self-Mastery combined with Status/Victory in boost to entrepreneurial self-confidence through recognition of superior performance.** This underlying theme emphasized Self-mastery as feeling strengthened by an event and feeling more in control of one’s destiny, thereby producing greater confidence in oneself and their abilities. This was combined with Status/victory expressed as winning, and experiencing victory or triumph over one’s competition.

Examples of this underlying theme:

“A peak experience would be starting my own business….. most people advised against it, but I can see through my whole life, I like to, used to take risks …. So literally, with no capital, through a friend I was able to get a $20 000 dollar overdraft. And now we’re in the top ten fastest growing companies in Australia, and people in the industry know who we are….. it’s been really exciting …. so from a business point of view I’ve probably overachieved in terms of where I expected to be….I mean, where I am now, I have a very clear sense of direction.”

“I was told I had the project. I mean I’m always looking for new challenges, new opportunities, but in that case we were up against multinational companies with millions of dollars, so it was quite challenging, and we got it. It gave me tremendous delight …. It moved us from small to middle ground in the big league.”

**Theme of Self-Mastery with Achievement/Responsibility through self-confidence boost in personal power and the ability to create and achieve.** This underlying theme emphasized Self-mastery as feeling more in control of one’s destiny, and more able to influence their environment. This was combined with Achievement/Responsibility in terms of a heightened sense of personal achievement, often centred upon the ability to create.

Examples of this underlying theme:

“For about six years I’d been an accountant. I worked in the area of corporate recovery ….. maybe you’d go in and there were problems with management and so on, but the actual core element was quite viable, and I’d enjoy that, turning the business around. And that satisfied in me what I’d always called the fire in my belly to create something…… Starting this business, it wasn’t done out of any incredible passion for this field per se; it was more an opportunity to create a business. Enjoy what you do, and do it well, and money and profit will be a by-product of that. So I saw coming here as an opportunity to establish myself….and then when you achieve the success we have… You know you go through all that self-doubt, then it’s an almost tangible demonstration that we were on the right track.”
“Registering my first company. I remember it’s like a dream come true, it was the first time I do something by myself….. From very early on in life I knew this was what I wanted to do. So it changed me in a way that I can say, well, you really can do what you really dream to do….Power, you are controlling things, things are going your way, yes.”

Theme of Self-mastery through self-confidence realization in a communion-type event. This underlying theme emphasized Self-mastery as feeling strengthened in oneself in terms of gaining confidence in one’s abilities, especially the ability to create. Here, significant moments in interpersonal relationships, such as getting engaged or married, or the birth of a child, were given a predominantly agentic-type meaning.

Examples of this underlying theme:

“The birth of my little girl….. it changed me, big time. It makes you feel suddenly that you can actually do something, and it’s yours and noone can take it away from you. You know you’re alive….. because this is something you create, so this is mine.”

“Getting engaged on top of the Eiffel Tower, feeling happy and enthusiastic about the future. It was a logical evolution ….. it was like getting something resolved, and knowing what the direction was now, in that area.”

Theme of Self-mastery with Empowerment through self-confidence instilled in early socialization experience. This underlying theme also highlighted Self-mastery as improved self-confidence, in this instance being facilitated by the empowering acts of significant others during one’s childhood.

An example of this underlying theme:

“So here was this older man draggling me down, questioning my judgement. And then because my father has such strength of character, he came out and he said, ‘look here you’. Because I was quite young as compared to this person. And so your spirits are going down, down as you’re being criticized, and then my father comes in and up they go again…… gave me extra confidence in myself, although it was generated externally. Some people come along, and because of who they are, that you get a real boost, it has more impact….. it’s given me more weight to my own opinion. You know, I always listen to what someone has to say, but I give the logic in my own thought processes a bit more weight in that.

Theme of Achievement/Responsibility through increased duty and obligation. This underlying theme emphasized the Responsibility component of this agentic theme. That is, it highlighted taking up a role of being in charge of others, and of assuming accountability for them. Although the Responsibility theme is usually evidenced in achievement situations, here it was apparent in interpersonal events, especially the occasion of becoming a parent for the first time and taking responsibility for the care of one’s child. These accounts were further distinguished
by a neutral to negative focus on the increased duty and obligation attending this event.

An example of this underlying theme:

“Becoming a father. I suppose it’s a really odd time because you’re happy and everything’s joyful, and on the other hand it’s emotionally gruelling as well, a hard time as well. Prior to that you’ve got an awful lot more freedom, and then after that, once you become a family it’s a real leap into something else.”

**Coding Narrative Accounts of Autobiographical Scenes for Redemption Sequences**

A redemption sequence is a particular narrative form that appears in some accounts of significant scenes in a person’s life story. In a redemption sequence, a demonstrably "bad" or emotionally negative event or circumstance leads to a demonstrably "good" or emotionally positive outcome. The story plot moves from a negative to a positive valence, bad leads to good. Therefore, the initial negative state is "redeemed" or salvaged by the good that follows it. Redemption is a common theme in both classic and contemporary narratives. In life story research, redemption sequences can be detected in a wide range of accounts that people provide, from their reconstructions of the past events, to their characterizations of what may happen in their lives in the future. The current coding scheme is based on research into the form and content of particular life-story scenes. A scene is a circumscribed event or episode in a life story, situated in time and place, and containing particular characters and action. Each narrated scene is coded as a whole. Thus, the coding unit for redemption sequences is the narrated account of one scene (e.g., a high point, a turning point, an earliest memory).

The redemption sequence coding scheme consists of four theoretically derived thematic categories:
1. Redemption imagery
2. Enhanced agency
3. Enhanced communion
4. Ultimate concerns.

**The Prime Test: Redemption Imagery**

In scoring a particular narrative account of an autobiographical scene for redemption, the coder must first determine the presence or absence of redemption imagery. If the scene contains redemption imagery, then it receives a score of +1, and the coder continues to look for the presence or absence of each of the three subcategories (enhanced agency, enhanced communion, ultimate concerns) in that particular scene. If the scene does not contain redemption imagery, then it receives a score of 0 and no further subcategory scoring is done for that scene. Thus, if the scene scores 0 for redemption imagery, all redemption scoring of that scene ends, and the coder moves to the next scene.

The essential characteristic of redemption imagery is the movement in the story
from a demonstrably negative to a demonstrably positive scene. We may call the negative or bad element of the sequence "A" and the positive or good element of the sequence "B". Thus: A ---+ B.

The coder must first determine if there is a negative A state, scene, or situation in the account. Negative scenes are often described in terms of the protagonist’s emotional state -- he or she may have felt fear, terror, sadness, grief, anguish, guilt, shame, humiliation, anger, distress, or any of a large number of explicitly negative affective states. Also relevant would be physical pain, injury, and sickness. In other cases, the author may not explicitly describe a negative feeling, but the event itself is an especially negative one -- e.g., death of a friend, divorce, major failure, poverty, addiction, broken relationship, being fired from one’s job. The coder should consider a negative A state to be established if the respondent describes a scene in which he or she experienced significant negative affect or pain or if the respondent describes a scene that itself is so negative that it would most assuredly produce negative affect or pain for most any person experiencing it. The coder should be relatively conservative here. Minor setbacks (e.g., misplacing one’s purse, waiting in line, getting a less-than-stellar grade on an exam) and mild negative states (e.g., feeling nervous at the beginning of a competitive event, feeling uncertain about one’s skills, lacking direction in life) should not count for A. The event needs to be demonstrably negative. Especially negative scenes are often described in life story low points and turning points, but they can occasionally appear in most any kind of account, including even high points.

Once a negative A state has been determined, then the question of what, if anything, follows that state must be asked. For redemption imagery to be scored, the negative A state must lead to an especially positive scene or state. Positive states are often indexed by positive emotions, such as feelings of joy, happiness, excitement, satisfaction, love, and the like. But they can also be indicated by certain especially positive cognitive results, such as increased understanding of self-insight, and by descriptions of events that themselves would likely elicit positive feelings in most people (e.g., close relationships, victory, reconciliation, healing, growth, learning). The positive state of B that follows the negative A state does not need to be as positive as the A state was negative. For example, the death of one’s father is a very negative scene. The fact that the father’s death ultimately led to an enhanced feeling of self-confidence on the part of the respondent is definitely a positive outcome (B), even though its strength or robustness is less, in absolute terms, than the death itself. Or to put it simply, a very dark cloud can still leave a faint silver lining, and such a sequence would score for redemption. Therefore, redemption sequences occur when some kind of positive outcome follows a negative event, even if that positive outcome pails in comparison to the intensity of the negative event. Still, the B state must be demonstrably positive. The author must explicitly describe a state that involves positive emotional or cognitive resolution, or one that is itself so positive as to produce such a result in most people. The coder should not make undue inferences about what the respondent means. The respondent needs to describe clearly a move from a negative A to a positive B.

The movement from A to B can take one of two forms. A may cause B (in the respondent’s view) or A may merely immediately precede B in time. In the first case, A leads to B by virtue of causation. A is the event or factor whose prior occurrence to B is the reason that B occurs. For instance, the death of one’s spouse (A: bad) may
cause a person to gain insight into his own life (B: good). Or a divorce (A) may eventuate in improvement of one’s relationships with one’s children (B). Or an especially painful delivery (A) produces a healthy baby (B). (Note the delivery did not have to be "painful" to eventuate in the baby, but the delivery itself still would be viewed as "causing" the baby to be born.) These events are constructed as causal narratives; B would not have occurred if A had not "caused" it. In the second case, A need not cause B but merely precede B immediately in time. For example, a losing season (A: bad) is followed immediately by a championship season (B: good). Or a depressive episode (A) is followed immediately by winning the lottery (B). In these instances, the author is not trying to suggest that A caused B. Instead, A and B are juxtaposed in such a way that a very positive event follows on the heels of a very negative one. The link is temporal, but not necessarily causal. It is important to note that by "temporal," we are referring to chronological time in the plot of the narrative itself. B must follow A in the temporal scheme of the story. As an example of the contrary, consider a respondent who describes a bad experience in his life that occurred at age 30 and then proceeds to go back to incident in childhood that is contrastingly positive. Even though the positive event followed the negative one in the telling of the story, the positive event occurred in time long before the negative event occurred. Thus, such an account would not code for redemption imagery.

The content of A ---> B that makes up a redemptive sequence ranges widely. Below are examples (note that S refers to the subject, that is, the life story narrator):

- pain of delivery ---> birth of beautiful baby
- depression ---> regained positive outlook on life
- death of father ---> brings family closer together
- injury ---> S learns to be self-sufficient
- S is worn out at work, exhausting work load ---> S realizes life needs more balance
- tough neighborhood, fights ---> "but I learned a lot"
- S experiences job insecurity, doubts ---> S wins award for excellence

Examples of redemption sequences from the present research:

- father dies ---> S improves relationship with other family members
- S fails academically ---> S improves markedly in subsequent academic results
- S picked on by fellow students ---> teacher comes to rescue
- S experiences major business setback ---> S learns new entrepreneurial skills
The Subcategories of Redemption: Agency Enhancement, Communion Enhancement, Ultimate Concerns

The two subcategories of enhanced agency and enhanced communion function as "bonus points" for redemption sequences. They are points that are added on to an account that already scores for redemption imagery.

**For enhanced agency.** Score +1 if the transformation from negative to positive in the story produces or leads to an additional enhancement of the protagonist’s personal power or agency, if it builds self-confidence, efficacy, or personal resolve, or if it provides the protagonist with insight into personal identity. The author must explicitly state that enhanced agency was a result of the redemptive sequence.

Example of enhanced agency from the present research:

“The school tennis championships had progressed to the finals. I had to play the most popular person, who was actually an abhorrent individual. I didn’t like my competitor. They had the court ringed with their friends, who cheered loudly when they won a point – or when I lost a point. ….. I went on to win the match. I think I was pretty pleased with myself. I can remember feeling, ‘you’re going to do this, you’re going to do this, and every time they cheered at my mistakes, it just gave me greater resolve to do better…. I learnt that you don’t need to have support if you can harness something within yourself, be self-sufficient.”

**For enhanced communion.** Score +1 if the transformation from negative to positive in the story produces or leads to an additional enhancement of the protagonist’s personal relationships of love, friendship, family ties, and so on. The author must explicitly state that the enhanced communion was a result of the redemption sequence.

Example of enhanced communion from the present research:

“The death of my brother. You know they say the stages of grief, you go through denial first, but that only lasted for about three hours. Then there was this inner peace, this perception that my brother and I had this relationship that no one can take away. And I’ve always carried that and still do …. like a positive thing, the emotion I’ve attached to it.”

**For ultimate concern.** Score +1 if the transformation from negative to positive involves confrontation with or significant involvement in fundamental existential issues or ultimate concerns. The event brings the protagonist face-to-face with death, God, and or religious/spiritual dimensions of life. A point is added for this subcategory because of our belief that redemptive accounts that include such content have a more powerful and personally meaningful quality to them than do other kinds of redemptive accounts.

Example of ultimate concern from the present research:
“The death of my child, I had no idea that he was going to die, so I never got to say goodbye to him or anything like that…. It changed me probably more than any other single event. It changed my attitude towards life and death. And so you learn to have a new respect for life, and I have developed a motto which I use all the time and preach it to anyone I can, and that is that you don’t want to get upset about things that don’t matter …. And so I’ve just developed this philosophy that says don’t stress over things that don’t matter. And so I think I live a much better life for having lived that experience.”

**Contamination Sequence Coding Guidelines**

In a contamination scene, a good or positive event or state becomes bad or negative. That which was good or acceptable becomes contaminated, ruined, undermined, undone, or spoiled. Positive affect gives way to negative affect, so that the negativity overwhelms, destroys, or erases the effects of the preceding positivity. For some narrators who describe very difficult lives, scenes may begin with an acceptable or mildly positive state, but the typical pattern of spoiling or contamination with negative affect follows. One woman describes a rare moment of pleasure when her sister organizes a birthday surprise for her, but spoils the positive memory with the observation that “To me, good things just don’t happen.” Another woman summarizes her entire life story with the comment, “Good things happen, but they are always canceled out by an even worse thing happening next.” In contamination sequences, things may go from very good to bad or from barely acceptable to worse. In some ways, a contamination scene is the opposite of a “redemption scene,” in which bad turns to good. However, the opposition is not exact. In redemption scenes, the initial bad state or event leads to a good state or event, but the good does not typically undo or erase the bad. For example, a narrator describes the death of her mother, a bad event, followed by her family becoming closer, a good event. Her mother is still dead, and death is bad, even though the family becomes emotionally closer as a result of the death. Mother’s death leads to, or even causes, the closeness to occur, but the closeness does not erase or undermine her death. By contrast, in contamination scenes, the subsequent bad event often does undermine the preceding good one. Thus, in some contamination sequences, the initial positive event or state is spoiled. Its positivity is partially or completely erased. As a result, the account of the initial state is often affectively flattened. In coding, it may be difficult to determine how positive the initial state actually was. The essential component is that it deteriorates. Things get worse. The following state or event is less desired, more negative, more painful, more bleak. The order of narration is not important, but in chronological time, the good must have preceded the bad. Also, the relationship between the initial and following event or state may be one of opposition or one of association. The relationship is not necessarily causal.

Example of good and bad events or affective states as opposites:

Receives a gift --> gift is stolen

Wealth --> poverty
Leading the pack in a race --> collapses, finishes last

New house is a joy --> repair and bills become a nightmare

Example from the present research:

“I remember graduating from uni, and finally telling him, Dad, I overheard you (saying that I wouldn’t amount to much) and the sad thing for me was that he denied it all.”

Examples of states or events associated by their temporal or logical connection:

Is playing happily in a park --> cannot find parents

Enjoys senior class party --> class breaks up, loses contact with friends

Gets a promotion --> new job has many hassles

Example from the present research:

“We began a business up there and it really took off. But then as a result of those accidents, and my own accident, I couldn’t put in the time up there, I just neglected it a bit, left it to the younger manager to control it. And it ended up failing bitterly.”

The presence of any contamination sequence in a single scene or critical event results in a score of +1. The absence of any contamination sequence in the scene receives the score 0. These are the only scores used. Multiple contaminations in the same scene still receive the score of +1. For example, one narrator’s peak memory is his elation and excitement on the day of his wedding, but, he continues, the civil ceremony was a disappointment, the judge was later convicted of a crime, the video of the wedding turned out blank, and his bride became upset that he had invited old girlfriends. His positive affect is spoiled by four different negative turns, any one of which constitutes a contamination sequence. In the case of death, a statement such as “my mother died” is not a contamination sequence. There must be some clear statement either:

a) that the death is significant and follows a more positive state; for example, the narrator’s aunt is her role model, best friend, and very important in her life --> her aunt dies suddenly, or

b) that the death leads to a bad outcome; for example, a mother dies and her daughter drops out of school, has a difficult time, and begins using drugs; its strongly receding state implied that the preceding state was more positive. This would not be a contamination sequence if the narrator describes equally negative events preceding the death.

Coding summary:

1. Negative events or affects follow positive ones in chronological time.
2. The order in which events are recalled or narrated is not important.
3. The preceding positive event or affect may range from strongly positive to acceptable.
4. The account of the initial state is often affectively flattened, and the degree of positivity may be subtle.
5. It seems that good events cannot be recalled without being paired with negatives.
6. The subsequent negative event, state, or affect may be a downturn, an undermining, undoing, or spoiling of the previous event, state, or affect.
7. The preceding positivity is partially or completely erased or spoiled.
8. The relationship between positive and negative events, states, or affects may be one of opposites, or of temporal or logical association.
9. The common theses of victimization, betrayal, loss, failure, disappointment, disillusionment, or physical or psychological illness or injury may aid in identifying negative events or states.
10. A contamination sequence is not automatically signaled by mention of a death. However, a contamination does occur when the person who dies was a significant positive influence, role model, or friend, or when the death results in clearly negative outcomes and not a mere continuation of an equally negative previous state.

**Coding Autobiographical Episodes for Overall Affective Tone**

The overall affective tone refers to the general emotional quality represented in a narrative account. It is defined as positive or negative. A positive affective tone is indicated in accounts where greater reference to positive affects, such as joy and excitement, is evident than reference to negative affects, such as sadness, anxiety, anger and shame. References to hope and optimism, where narrative accounts have happy endings, are also indicative of a positive affective tone. A negative affective tone is indicated by the dominance of negative affects, and in references to pessimism, where narrative accounts have unhappy endings. Narrative accounts received a score of 1 for an overall negative affective tone, and 2 for an overall positive affective tone.

**Coding Autobiographical Episodes for Life Story Coherence**

The model of life story coherence encompasses four interrelated features, defined as indices: (1) Orientation; (2) Structure; (3) Affect; (4) Integration. For each autobiographical episode, these indices are individually scored on a 1-7 Likert-type scale, in which 1 = Very Low, 2 = Low, 3 = Somewhat Low, 4 = Neutral, 5 = Somewhat High, 6 = High, and 7 = Very High. Each autobiographical episode can be given a total score, which is the sum of the four individual index scores it receives. An overall life story coherence score, comprised of the sum of scores across the range of autobiographical events assessed, can also be obtained.

**1. Orientation.** The narrative introduces the main characters and locates the story in a specific temporal, social and personal context. The narrative describes the habitual circumstances which serve as the parameters for the action of the story. Narratives scoring high on the orientation index communicate the unique context of that particular life account, thereby providing the audience with the information necessary to understand the narrative’s central import. Narratives scoring low on this index present the life account in a disembodied and isolated manner, neglecting to
inform the audience about issues, characters, history or timelines that are critical to a full understanding of the narrative.

Example of a narrative account scoring high on orientation from the present research:

“That was when I was living overseas. It was my second week at school and it was an English speaking school, and I went to that school not knowing how to speak English. It was grade four and I was ten years old. The rest of the class were a bunch of Americans. I remember distinctly trying to avoid being asked any questions, not knowing the language. Anyway, the teacher asked me a question …..”

Example of a narrative account scoring low on orientation from the present research:

“My mum and dad broke up. Yes, and I was just a kid and it affected me like it does everybody, although it probably affected my siblings more than me.”

2. Structure. The narrative displays the structural elements of an episode system. Thus, the narrative has at least one of the following: an initiating event; an internal response to this event; (e.g., a goal, plan, thought, feeling); an attempt (e.g. to reach a goal, carry out a plan, remedy a crisis, resolve a state of emotional disequilibrium); and a consequence. These elements are presented in a causally and temporally logical way (e.g., the initiating event precedes the response, which in turn precedes the attempt). Narratives scoring high on the structure index provide at least one of each of the elements of an episode system, and present them in a temporal and logical sequence. Narratives scoring low on this index contain few if any of the elements of an episode system and lack causal sequencing.

Example of a narrative account scoring high on structure from the present research:

“I remember being a five year old in a running race at school, and at the start of it I broke four or five times and I finished up being back. Yes, I was unhappy that the starter penalised me for breaking, actually set me behind the others about two metres. My father was the headmaster, I was probably thinking how unfair the system was. But I still won it and set a record. Well I guess I’ve always had the will to win, to improve, to do my best.”

Example of a narrative account scoring low on structure from the present research:

“I remember that as a child getting one of those mechano sets, and my sister saying, ‘you will be an engineer’. And it’s part of my nature that I look at things, I get frustrated by illogical things.”

3. Affect. The narrative reveals something about the narrator, or about what the events described therein mean to the narrator; the narrative makes an evaluative point. The narrative uses emotion to make this evaluative point, employing explicit statements of feeling in order to create an affective tone or signify emotional meaning. Thus, the narrative uses tension, drama, humour or pathos to communicate and emphasize the evaluative point. Narratives scoring high on the affect index show clear
reference to affect to make evaluative points about the personal significance of that event. Narrative scoring low on this index may make technical or chronological sense, but fail to display the affective or emotional sense that renders it internally coherent.

Example of a narrative account scoring high in affect from the present research:

“I overheard mum and dad talking one night. I think dad was angry with me about something, and he said, ‘that son, he won’t come to anything, he won’t finish university and he won’t do this and he won’t do that’. I remember feeling deeply hurt, deeply hurt. The next day I confronted mum about it and she said ‘don’t worry, he didn’t mean it’, but it still affected me deeply. But I didn’t let that control me, I said to myself, well you’d better watch out, because I am going to finish school and I am going to finish uni, and he’s going to see that what he said was wrong.”

Example of a narrative account scoring low in affect from the present research:

“I guess marriage has to be the one. We came from different ends of the street, which didn’t bother me, but it did bother my mother. It was a changing point but it’s just the norm. I mean, this is what you do.”

4. Integration. The narrative communicates information in an integrated manner, expressing the meaning of the experiences described within the context of the larger life story. Discrepancies, contradictions, and inconsistencies are eventually resolved, and the various narrative elements are synthesized into a unified life story. Although complexity, ambiguity, and differentiation may be used to indicate suspense, conflict, or growth, the narrative ultimately reconciles these disparate story elements with one another. Narratives scoring high on the integration index are those that synthesize the various narrative elements into a unified life story, relating the details of an individual autobiographical account to larger life story themes. Narratives scoring low on this index neglect to resolve or reconcile their inherent contradictions or ambiguity, or are never related to the larger life context that surrounds them.

Example of a narrative account scoring high on integration from the present research:

“Winning the award for the best sports player. After the surprise there was obviously a sense of pride, and probably a sense of achievement…. the achievement factor came in very strong. Yes, I guess I’ve always been a person that strived to achieve, I always set goals I want to achieve. It taught me that it didn’t matter how long you had to wait, so long as you kept at it, you can achieve. That was the epitome of achievement, and my life has been about achieving results. I set myself high standards in all areas of my life.”

Example of a narrative account scoring low on integration from the present research:

“I’d always wanted to be a pilot, and finally sitting for an airforce exam just before I was going to uni. Then finally getting the offer, then turning it down. And that was one of the hardest decisions of my life. Because it took so long, and my life had changed in between, so I made that decision.”
Appendix D. 1: Independent Samples t-tests Comparing Entrepreneurs With University Students on PRF Scales of Achievement, Dominance, Affiliation and Nurturance

### Group Statistics

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### Appendix D.2: Scale Reliabilities

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</table>

Note: total low point joy excluded from analysis due to zero variance.
Appendix D.3: Regression Analyses of Mood Effects on Measures

a. BSI Depression as a Predictor of Optimism

Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.443(a)</td>
<td>.196</td>
<td>.166</td>
<td>3.63953</td>
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</tbody>
</table>

Predictors: (Constant), bsidep

ANOVA(b)

<table>
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<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>87.320</td>
<td>1</td>
<td>87.320</td>
<td>6.592</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>357.646</td>
<td>27</td>
<td>13.246</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>444.966</td>
<td>28</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Predictors: (Constant), bsidep

Dependent Variable: optimism total score

Coefficients(a)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>40.201</td>
<td>5.559</td>
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</tr>
<tr>
<td></td>
<td>bsidep</td>
<td>-12.780</td>
<td>4.978</td>
<td>-.443</td>
</tr>
<tr>
<td></td>
<td>t</td>
<td>7.232</td>
<td>-2.568</td>
<td>.016</td>
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</table>

Predictors: (Constant), bsidep

Dependent Variable: optimism total score

b. BSI Global as a Predictor of Optimism

Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.478(a)</td>
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<td>.198</td>
<td>3.52867</td>
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</tbody>
</table>

Predictors: (Constant), bsi global

ANOVA(b)

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
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<td>Regression</td>
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<td>1</td>
<td>95.690</td>
<td>7.685</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>323.738</td>
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<td>12.451</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>419.429</td>
<td>27</td>
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<td></td>
</tr>
</tbody>
</table>

Predictors: (Constant), bsi global

Dependent Variable: optimism total score

Coefficients(a)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
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<td></td>
<td>square root of constant bsi global</td>
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<td>5.211</td>
<td>-.478</td>
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<tr>
<td></td>
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<td>-2.772</td>
<td>.010</td>
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</table>

Predictors: (Constant), bsi global

Dependent Variable: optimism total score
### c. BSI Anxiety as a Predictor of Another’s Misfortune

#### Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.412(a)</td>
<td>.170</td>
<td>.138</td>
<td>.52746</td>
</tr>
</tbody>
</table>

a Predictors: (Constant), bsianx

#### ANOVA(b)

<table>
<thead>
<tr>
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<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>1</td>
<td>1.481</td>
<td>5.322</td>
<td>.029(a)</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>26</td>
<td>.278</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>27</td>
<td>8.714</td>
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</tr>
</tbody>
</table>

a Predictors: (Constant), bsianx
b Dependent Variable: another's misfortune subtotal of three

#### Coefficients(a)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
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<td>.412</td>
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</table>

a Dependent Variable: another's misfortune subtotal of three

### d. BSI Anxiety as a Predictor of Strength

#### Model Summary

<table>
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<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.455(a)</td>
<td>.207</td>
<td>.167</td>
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</table>

a Predictors: (Constant), bsianx

#### ANOVA(b)

<table>
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<tr>
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<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
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<td>28.323</td>
<td>5.208</td>
<td>.034(a)</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>20</td>
<td>5.438</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>21</td>
<td>137.091</td>
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</tr>
</tbody>
</table>

a Predictors: (Constant), bsianx
b Dependent Variable: strength subtotal of three

#### Coefficients(a)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
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<td></td>
<td>bsianx</td>
<td>-5.901</td>
<td>2.586</td>
<td>-.455</td>
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</table>

a Dependent Variable: strength subtotal of three
e. BSI Anxiety as a Predictor of Inner Calm

### Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
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a Predictors: (Constant), bsianx

### ANOVA(b)

<table>
<thead>
<tr>
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<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Regression</td>
<td>52.962</td>
<td>1</td>
<td>52.962</td>
<td>4.643</td>
<td>.044(a)</td>
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<td>Residual</td>
<td>228.129</td>
<td>20</td>
<td>11.406</td>
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<td></td>
</tr>
<tr>
<td>Total</td>
<td>281.091</td>
<td>21</td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

a Predictors: (Constant), bsianx
b Dependent Variable: inner calm subtotal of three

### Coefficients(a)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
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<td>1 (Constant)</td>
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</table>

a Dependent Variable: inner calm subtotal of three

f. BSI Anxiety as a Predictor of Freedom

### Model Summary

<table>
<thead>
<tr>
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<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.444(a)</td>
<td>.197</td>
<td>.157</td>
<td>3.23946</td>
</tr>
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a Predictors: (Constant), bsianx

### ANOVA(b)

<table>
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<tr>
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<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
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<td>51.436</td>
<td>1</td>
<td>51.436</td>
<td>4.901</td>
<td>.039(a)</td>
</tr>
<tr>
<td>Residual</td>
<td>209.883</td>
<td>20</td>
<td>10.494</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>261.318</td>
<td>21</td>
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<td></td>
</tr>
</tbody>
</table>

a Predictors: (Constant), bsianx
b Dependent Variable: freedom subtotal of three

### Coefficients(a)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>20.033</td>
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</tr>
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<td>bsianx</td>
<td>-7.952</td>
<td>3.592</td>
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</tbody>
</table>

a Dependent Variable: freedom subtotal of three
### Model Summary

<table>
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<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.446(a)</td>
<td>.199</td>
<td>.159</td>
<td>3.23506</td>
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</tbody>
</table>

a Predictors: (Constant), bsihos

### ANOVA(b)

<table>
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<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
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</thead>
<tbody>
<tr>
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<td>1</td>
<td>52.006</td>
<td>4.969</td>
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<tr>
<td></td>
<td>Residual</td>
<td>209.312</td>
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<td>10.466</td>
<td></td>
</tr>
<tr>
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<td>Total</td>
<td>261.318</td>
<td>21</td>
<td></td>
<td></td>
</tr>
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</table>

a Predictors: (Constant), bsihos
b Dependent Variable: freedom subtotal of three

### Coefficients(a)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
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<td>(Constant)</td>
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</tr>
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<td></td>
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<td>-.446</td>
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</table>

a Dependent Variable: freedom subtotal of three
Appendix D. 4: Independent t-tests Comparing Levels of Life Story Coherence Between Life Story Low Points and the Business Failure Event

a. T-tests Comparing Levels of Life Story Coherence Between Low Points In General and Low Points About Business Failure

<table>
<thead>
<tr>
<th>Group Statistics</th>
<th>low point group</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>total lpt orientation</td>
<td>low pt general</td>
<td>28</td>
<td>4.3214</td>
<td>1.5166</td>
<td>.28662</td>
</tr>
<tr>
<td></td>
<td>low pt bus fail</td>
<td>7</td>
<td>4.5714</td>
<td>.97590</td>
<td>.36886</td>
</tr>
<tr>
<td>total lpt structure</td>
<td>low pt general</td>
<td>28</td>
<td>4.0714</td>
<td>1.33135</td>
<td>.25160</td>
</tr>
<tr>
<td></td>
<td>low pt bus fail</td>
<td>7</td>
<td>4.2857</td>
<td>1.11270</td>
<td>.42056</td>
</tr>
<tr>
<td>total lpt affect</td>
<td>low pt general</td>
<td>28</td>
<td>4.0714</td>
<td>1.74119</td>
<td>.32905</td>
</tr>
<tr>
<td></td>
<td>low pt bus fail</td>
<td>7</td>
<td>3.8571</td>
<td>1.46385</td>
<td>.55328</td>
</tr>
<tr>
<td>total lpt integration</td>
<td>low pt general</td>
<td>28</td>
<td>3.7500</td>
<td>1.62447</td>
<td>.30700</td>
</tr>
<tr>
<td></td>
<td>low pt bus fail</td>
<td>7</td>
<td>3.5714</td>
<td>1.51186</td>
<td>.57143</td>
</tr>
</tbody>
</table>

Independent Samples Test

<table>
<thead>
<tr>
<th>t-test for Equality of Means</th>
<th>95% Confidence Interval of the Difference</th>
<th>Levene's Test for Equality of Variances</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>F</td>
</tr>
<tr>
<td>total lpt orientation</td>
<td>Equal variances assumed</td>
<td>1.722</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>.122</td>
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<td>Equal variances assumed</td>
<td>.436</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>.333</td>
</tr>
<tr>
<td>total lpt affect</td>
<td>Equal variances assumed</td>
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<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>.275</td>
</tr>
</tbody>
</table>
b. T-tests Comparing Levels of Life Story Coherence Between Low Points About Business Failure and Other Accounts of Business Failure Not Included as Low Points

**Group Statistics**

<table>
<thead>
<tr>
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<th>business failure group</th>
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<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
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<td>bus fail</td>
<td>30</td>
<td>4.5000</td>
<td>1.25258</td>
<td>.22869</td>
</tr>
<tr>
<td></td>
<td>lpt bus fail</td>
<td>7</td>
<td>4.5714</td>
<td>.97590</td>
<td>.36886</td>
</tr>
<tr>
<td>total bf structure</td>
<td>bus fail</td>
<td>30</td>
<td>4.0000</td>
<td>.74278</td>
<td>.13561</td>
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<td>4.2857</td>
<td>1.11270</td>
<td>.42056</td>
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<td>bus fail</td>
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<td>1.58332</td>
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<td>lpt bus fail</td>
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<td>3.5714</td>
<td>1.51186</td>
<td>.57143</td>
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</table>

**Independent Samples Test**

<table>
<thead>
<tr>
<th></th>
<th>Levene’s Test for Equality of Variances</th>
<th>t-test for Equality of Means</th>
<th>95% Confidence Interval of the Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>Sig.</td>
<td>t</td>
</tr>
<tr>
<td>total bf orientation</td>
<td>.882</td>
<td>.354</td>
<td><strong>.141</strong></td>
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<tr>
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<td>Equal variances not assumed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>total bf structure</td>
<td>2.855</td>
<td>.100</td>
<td><strong>.832</strong></td>
</tr>
<tr>
<td>Equal variances assumed</td>
<td>Equal variances not assumed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>total bf affect</td>
<td>.441</td>
<td>.511</td>
<td><strong>.615</strong></td>
</tr>
<tr>
<td>Equal variances assumed</td>
<td>Equal variances not assumed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>total bf integration</td>
<td>.086</td>
<td>.771</td>
<td><strong>.801</strong></td>
</tr>
<tr>
<td>Equal variances assumed</td>
<td>Equal variances not assumed</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Bolded entries indicate significant results at the .05 level.
Appendix E: Herman’s Affective Patterns

Details of the affective patterns represented in Hermans’ valuation theory of personality were obtained from the following source:


Each of the nine different affective patterns highlights the extent to which a remembered event represents the self-enhancement motive (an agency type motivation) and the contact with others motive (a communion type motivation). It also highlights the extent to which each motivation was gratified in that event.

**Positive Self-enhancement (+S).** This pattern involves more Self-Enhancement (SE) affect than Contact With Others (CWO) affect. It also involves more positive affect than negative affect. Thus, it emphasises satisfaction of the SE motive. This pattern denotes a view of the self as being the autonomous source of one’s self-enhancement. The individual has the conviction that they can influence the situation, produce a favourable outcome, and enjoy a certain degree of self-esteem under those circumstances. Such valuations are mainly the expression of self-expansion, in which any resistance from the environment is seen as a challenge rather than a major block.

As with each of the affective patterns, the explicit content of the valuation of a remembered event must be considered when interpreting the +S pattern. The degree of autonomy associated with +S must be considered, along with the degree of internalization of the self-enhancement experience. Valuations of the +S type pattern are reflective of self-initiated change, and the ability to act autonomously.

**Self-enhancement (S).** This pattern involves more SE than CWO affect, plus relatively equal levels of positive and negative affect.

**Negative Self-enhancement (-S).** This pattern involves more SE than CWO affect, plus more negative affect than positive affect. Thus, it emphasizes a lack of satisfaction of the SE motive. This pattern denotes a view of the self as experiencing some kind of opposition, engaging in a defensive form of self-enhancement. The individual feels opposed to somebody or something that is threatening their self-esteem, and is therefore under tension trying to defend their position. In contrast to the +S pattern, -S valuations typically reflect the need for self-expansion or self-defense in situations where there is a serious blockage of the person’s attempts at self-enhancement. Most frequently, the person is against others (either another person or a group) who are felt to be dominating opponents. Despite opposition, the attempts at self-enhancement characteristically continue, and may even be reinforced, by blockages or frustrations.

**Positive Contact With Others (+O).** This pattern involves more CWO than SE affect, plus more positive affect than negative affect. The existence of the +O pattern indicates that a relatively diminished degree of SE can be positive when it opens the gate to increased contact and union with something else (that is, a person, group,
animal, object, or the environment). Thus, it shows a form of well-being that is primarily derived from the CWO motive, and thereby the fulfillment of a need that might be less dependent on one’s own performance. This affective pattern reflects the experience of being accepted, and of accepting another person.

**Contact With Others (O).** This pattern involves more CWO than SE affect, plus relatively equal levels of positive and negative affect.

**Negative Contact With Others (-O).** This pattern involves more CWO than SE affect, plus more negative affect than positive affect. This pattern denotes a view of the self as engaged in the adoption or maintenance of a loving orientation toward another person or object that is, or is imagined to be, unreachable. Thus, it involves a positive orientation towards a desired other, and an obstacle or boundary making such a connection impossible. It may be manifest as a forbidden love affair, the death of a loved one, a longing for one’s youth or homeland, or an inability to express one’s affection to a desired other.

**Positive Combination of High Self-enhancement and High Contact With Others (+HH).** This pattern involves high levels of affect for both the SE and CWO motives, plus more positive affect than negative affect. Thus, the fulfillment of one motive type coincides with, or is interdependent upon, the fulfillment of the other. In valuations reflecting this pattern, often only one of the two motives is explicitly mentioned, whilst the other is implicitly referred to.

**Positive Combination of Low Self-enhancement and Low Contact With Others (+LL).** This pattern involves low levels of affect for both the SE and CWO motives, plus more positive than negative affect. Thus, it indicates that the absence of self-enhancement and of contact with others can be experienced in a positive way. The content of such valuations often depict passive enjoyment or empty satisfaction. They may also refer to a mystic or religious experience. This type of affective pattern is considered rare.

**Negative Combination of Low Self-enhancement and Low Contact With Others (-LL).** This pattern involves low levels of affect for both the SE and CWO motives, plus more negative than positive affect. Here, both motives are unfulfilled at the same time. This pattern denotes a view of self as experiencing powerlessness and isolation. Typically, this pattern emphasises feelings of anxiety, especially around a reduced feeling of strength to master the situation, and the perception that the experience is not shared with any others.