

Role Identities and Entrepreneurial Action in Nebraska Small Businesses

Ronda M. Smith

Assistant Professor of Management

Nathan M. Bisk College of Business

Florida Institute of Technology

Melbourne, FL 32901

Phone: 402-305-1509

ronda@fit.edu

Abstract

This study draws on identity theory, and looks at how ascribed founder role definitions or perceived identities are related to their respective actions and decisions made within their businesses. By taking a localized approach surveying founders of new business start-ups within Nebraska, I offer a contrast to the many large panel studies of entrepreneurial activity attempting to generalize across a broad population, and instead attempt to make a meaningful contribution to specific entrepreneurial ecosystem. Historically placed analyses are helpful in offering insights into the broader data collection efforts around them. This study was conducted as part of the author's dissertation and represents data collected from small businesses that had started within the years 1996 – 2011. It is hoped that this data will be useful for not only founders, but also those professional service providers who work with small businesses and early start-up companies, such as business brokers, and others in the entrepreneurial ecosystem who provide goods, services and support to start-ups.

The process of new venture creation and entrepreneurship continues to be an important area of study, and a source of economic benefit to both the individuals that pursue it and the communities they serve. The process engages millions of people annually. Reports from the Panel Study of Entrepreneurial Dynamics (PSED) reported approximately 16 million people in the U.S. are active in the start-up process in a given year (Reynolds, 2007). These activities include six to eight percent of all adults attempting to start a new business each year (Gartner et al., 2004), and that more than forty percent of men will experience self-employment at least once in their lifetime.

Entrepreneurship is temporally dynamic and while empirically challenging, it is important to study the process of entrepreneurship at specific points in time when possible (Busenitz, et al., 2003). The decisions made during the early years of a business impact the organization for years to come in how it evolves, and thereby its ability to perform and compete (Aldrich & Reuf, 2006). Entrepreneurship by its nature is a series of decisions about assembling resources, and organizing (Cooper, 1979). How an entrepreneur approaches the start-up experience will likely be influenced by their own motivations and goals (Reynolds & Curtin, 2008; Shane, Locke & Collins, 2003).

While the entrepreneurship research has begun to study more nuanced aspects of how the self-concept influences entrepreneurial actions, we are still limited in our understanding of how entrepreneurial identities are activated, how roles are perceived, and how they are both related to the start-up process and organizing activities (Ireland & Webb, 2007; Seibert, Nielsen & Kraimer, 2021).

An important point of clarification for this study, is that the process of entering into entrepreneurship is often regarded as a role transition (Hoang & Gimeno, 2010). The founder is likely coming from some other occupational status as a job holder, a student or an unemployed worker. This transition into entrepreneurship has also been regarded by some as a process of identity construction, within which the new ventures are influenced by the identities (or how one defines themselves) formed or perceived by the founders (Ireland & Webb, 2007). The study of these roles and identities becomes increasingly complex as researchers attempt to navigate the literature from multiple theoretical disciplines (i.e., sociology, psychology, anthropology) and incorporate methods to better understand the actions of the entrepreneurs or founders through profile analysis, interviews and case studies. What is clear however, is that despite the few studies we do have, research examining this role transition and the consequential identity construction processes are limited (Seibert, Nielsen & Kraimer, 2021). Even more complicated is that, we know even less about how these ascribed self-identities are related to, influence, or motivate entrepreneur's actions and decisions for their business (Ireland & Webb, 2007).

Entrepreneurial Identity: Role Orientation and Role Identity Theory

To date, the research on entrepreneurial identity is still limited. The major advancements have created categories that make sense to researchers but may not be as relevant to practitioners. This includes work by Cardon and colleagues that identifies the categories that define where the entrepreneur's passion lies, classifying them as including inventors, founders or developers (Cardon et al., 2009). Additional work by Fauchart & Gruber

(2011) delineates their three categories of founding identities to be: Darwinians, Communitarians and Missionaries with different respective social motivations, bases of self-evaluation and frames of reference with regard to relevant others. Still others attempt to clarify specific configurations of the identities themselves, based on aspects of identity centrality, and complexity (Hoang & Gimeno, 2010).

These categories and configurations can certainly be useful in some contexts, but may not fully reflect the lived experiences of those engaged in the start-up process. Especially when founders are asked about how they perceive their role in relationship to the business they are founding. Farmer, et al. (2009) however, approached the process of entrepreneurial identity as an aspiration that was comprised of perceptions of the entrepreneurial role and the individual's self-perceptions. This inclusion of perceptions of the entrepreneurial role helps fill a gap especially for those who have not yet started a business, or are early in the process and thereby have not yet formed an entrepreneurial identity per se.

For the purpose of this paper, I adopt an accepted understanding that a role is understood to be an organized collection of behavioral expectations (Ilgen & Hollenbeck, 1991; Katz & Kahn, 1978), and that role holders often perceive their roles in ways that are idiosyncratic and personally relevant. Thereby making their understanding of their role a bit unique to them (Neale & Griffin, 2006). How we perceive our role in an organization influences what tasks we address, how we show up, and what we prioritize. It is highly personal. As a founder of a new business the entrepreneur has many roles or identities that they can choose to adopt or ascribe to. Some of these are derived from the organizational form or legal status adopted by the organization during their founding process and may be indicated in their articles of incorporation (Director, CEO, President), the certificate of a limited partnership (partner) or in the case of an LLC, their certificate of organization would identify the founder as a Member or Manager (Nebraska Secretary of State, n.d.). Others are more generic to the process of starting a new business, such as, founder. While yet others may be based on one's own personal identity and aspirations (Farmer et al., 2009). These roles may also reflect some aspect of their previous or preferred professional equivalency, whereby titles are adopted as a means of maintaining congruence with an established self-concept (Neale & Griffin, 2006). These roles may be ones they have already achieved in their career, or ones they ultimately desire. Examples of titles that may be commonly used by founders of small businesses include: executive, leader, professional manager, professional owner or director, operating manager, operator-owner, owner-controller, small employer, sole-proprietor, self-employed, artisan, laborer, or professional advisor.

How we identify with our work is an important part of who we are, but it is also integrated into a complex set of interactions that create our entire social existence (Anglin, et al., 2022). By its nature, Identity theory strives to explain social behavior as the reciprocal relationship between one's self and society (Stryker, 1968, Burke 1980). Identity theory includes concepts of role identities, and focuses on the outcomes and consequences individuals experience as a result of these identity-related processes (Rosenberg, 1981). This symbolic interactionist perspective nods back to early writings by Mead (1934) and Cooley (1902) who suggest that it is through our interaction with others that we learn who we are. In Stryker's view, the various distinctive parts of our selves are rooted in role positions we hold in society, and thereby become our role identities (Stryker, 1968, Burke 1980). Individuals take on these

identities through self-definitions, and self-labeling, as a result of occupying specific organizational or societal roles, and are distinct to alternative or counter roles (Burke, 1980). As such, this identity gets inferred or reflected back to us by those around us (Anglin et al., 2022).

While an in-depth review of the development of this perspective and others is beyond the scope of this paper, I do acknowledge the many efforts within the management literature to attempt to understand how identity is involved in the entrepreneurial founding process and concede that it may not be as simple as one perspective. In lieu of this, I lean into the richness of the social and cognitive psychological influences of role-taking behaviors, the choice process by the individual, how meaning is formed and how “social roles are expectations attached to positions” and “identities are internalized role expectations” (Stryker & Burke, 2000). I draw on the clarification of the differentiation of roles and jobs identified in the industrial-organizational psychology literature, and seek to blend these perspectives in a way that hopefully creates new insights for understanding how founders engage in the start-up process both as a role inside their organization and one interacting in society.

Role Taking in Organizations

A challenge in studying the founding roles and behaviors of those initiating and engaging in start-ups is that there is often a lack of clarity around the roles, jobs and identities held by those involved. Often these are just cognitively held belief systems, or lists of ideas of what needs to be done. Outside a formal business plan, or a need to hire someone into the business, at early stages, formalized job descriptions and clear role expectations are a luxury that the small business often can't afford.

It is well accepted that organizations are structured systems that are comprised of tasks and functional systems. Despite the founding size, business functions must still be accomplished and relationships with customers and service providers around them must still be enacted thereby creating a social system (Ilgen & Hollenbeck, 1991). Start-ups by nature are just getting organized. The founders in them are making sense of their new roles and the organization they are creating. These founders may be starting alone, or with one or more people and in some cases, the founder alone does not even perceive that an organization actually exists, ascribing to a role such as self-employed, or consultant.

We often rely on two ways of understanding the work to be done in organizations. These are either delineated as “jobs” or defined more broadly as “roles” (Ilgen & Hollenbeck, 1991). By definition, jobs have been studied by industrial engineers and industrial organizational psychologists in an attempt towards understanding the knowledge, skills, abilities and other requirements that afford workers the ability to complete assigned tasks and responsibilities. They generally have clear boundaries, are based on the systems they are part of, and are part of a more complex structure of training, placement, performance evaluation, promotion and compensation in the organization. (Ilgen & Hollenbeck, 1991).

Roles on the other hand, have been derived out of the fields of sociology and social psychology with attention on the systems and the interrelationships of the people within those systems. Roles are often considered to be patterns of expected behaviors or sets of behaviors

(Biddle, 1979) and are labeled by people in that social system so that there is a general understanding of a 'role' in an organization (Ilgen & Hollenbeck, 1991).

In more established or traditional organizations, common roles such as a bookkeeper or an accountant, or in social environments roles like teacher or librarian often have clear boundaries of expected behavior or responsibilities due to schemas and stereotypical role expectations (Fiske & Taylor, 1991). Similarly, the highest-ranking person in a business operation, i.e. the manager, may also be perceived as having the last word, or decision in a conflict or when a problem arises. In these cases, the roles and responsibilities are clearer in terms of general expectations from inside and outside of the organization. Roles like these also align very well with defined job classification systems such as those presented by the U.S. Department of Labor's O*NET online occupation finder (www.o-netonline.org).

For roles associated with the start-up of new businesses, such as business founder, entrepreneur, sole-proprietor, or self-employed, these are not "jobs" as clearly defined by the Department of Labor. The most similar job is likely a business executive, which, while many business executives start businesses, the jobs and role responsibilities of founding a new business are non-routine, novel, and are not the same as managing and operating an established business with a contingency of non-routine decisions.

A challenge however, is that the idea of a role, in its purest sense is not a specific job per se. A role exists in the belief system of the person who holds it. A role is ascribed to by that individual or prescribed onto them by someone else. While there may be agreement about the role and the expected behaviors, there may also be disagreement about the role title, expectations and how those roles are enacted. Much of the work in this area is about the agreement or disagreement of how individuals engaged, hold similar or dissimilar beliefs and expectations about a given role (Ilgen & Hollenbeck, 1991).

In Parker's work on role orientations, she argued that despite holding similar job titles, employees in organizations may hold different beliefs about what their job is actually about. This suggests that work roles are socially constructed by the job holders over and above what may be objectively described in a job description (Parker, 2007). Wrzesniewski and colleagues found similar differences in studying administrative assistants, that even with a similar job and job title, they ascribed to different orientations toward seeing their role as a job, vs. a career or a calling (Wrzesniewski, McCauley, Rozin & Schwartz, 1997).

Parker's work is important as it highlights a concept of role orientation (of which others may refer to as role perception) when she discusses how an individual thinks about or constructs their work. In her role orientation perspective, she advocates for the conscious engagement of choice in how a role holder, (in her case, the employee), perceives their role and its ultimate impact on job performance. This influences not just how they complete the work, but what actual work they engage in (Parker, 2007). She further argues how goal setting theory (Locke & Latham, 1990) influences the goals held by the role holder, and how they guide their future behavior.

Regardless of the theoretical perspective, the entrepreneur makes a choice in how they choose to define their role with respect to their new venture. They choose a name for their role in relationship to that venture that they then share and communicate with stakeholders. Since this role identity is both personal and socially perceived, the choice may have implications for how the entrepreneur makes decisions about their business, and while not measured here,

ultimately how they are perceived or received when interacting with their entrepreneurial ecosystem.

Business Actions and Goals

Entrepreneurship research is very context dependent and at any given time an entrepreneur will be operating with respect to a variety of situationally specific influences. We also know that not all who start a business have the same goals for growth, and these may vary based on business type, size, scale, and in their rate of growth intentions. For example, the idea of being self-employed and being one's own boss (Hamilton, 2000) and having a small manageable business is a very different goal when compared to the goal of growing a business to become as large as possible (Hechavarria et al., 2009).

Similarly, goals may not be actively communicated, but they may be indicated based on the founder's actions, and thereby may be a reflection of how the entrepreneur or founder perceives their role. For example, Hellstrom et al. (2002), in their study of technology entrepreneurs they found how the entrepreneurs viewed their roles as innovators influenced their innovative behavior.

With regard to the startup process and growth, one activity that details the owner's intention for growth is the business plan. Having a business plan demonstrates a planning activity and has been associated with various entrepreneurial outcomes, such as growth (e.g., Reynolds & White, 1997; Dunkelberg et al., 1987; Schutgens & Wever, 2000).

In this paper, I argue that in the process of understanding the early experiences of new businesses, a critical component includes how the business founder perceives their role in relationship to the business they are founding, and that perceived role or role identity will be related to choices, decisions, and activities they engage in on behalf of their business.

Therefore, we don't know a lot about how an entrepreneur's ascribed role identity forms or how it influences the process of their engagement in the entrepreneurial process. If we did, it could have tremendous impact on how the ecosystem operates, being especially advantageous for those who benefit from entrepreneurial activities in their respective communities, to those who provide services, or encourage entrepreneurial activity to better serve entrepreneurs in their ecosystems.

Katz, et al. (2000) echoed these concerns in the introduction to a special issue on human resources and entrepreneurship, concluding that as of 1999, the field of entrepreneurship scholarship still did not have much empirical advice to offer small and medium sized businesses, because they had not really been studied with much diligence. This paper aims to support this issue by offering an examination of a sample of founders, in the start-up community, at a single point in time, within the State of Nebraska, to explore how their ascribed role identities are related to their entrepreneurial actions and decisions by examining the following research questions.

Research Questions:

1. What does the profile of Nebraska start-up businesses look like?
2. To what extent do start-up founders ascribe to different organizational roles in entrepreneurship?
3. Are those ascribed organizational roles related to behavior and decisions about their business?

Methods

The data reported here are part of the author's doctoral dissertation completed at the University of Nebraska-Lincoln in 2011. While participants in the study spanned the United States, a proportion of those participants were operating in Nebraska. As businesses are impacted by the local governments, state policies, and tax climates it is a worthwhile investigation to study the Nebraska business in a profile report on their own. The intention of this report is to add to the limited body of knowledge about the start-up community and support those in Nebraska who interact with and serve our smallest businesses. This report, like all research, represents a snapshot in time and should introduce more questions than it may answer.

Participants and Procedure

Small business owners and one-person enterprises were recruited to an online survey administered in Qualtrics from several sources, with the goal of identifying as many small business owners and one-person enterprises as possible. These included: the Dun and Bradstreet Million Dollar Database, networking with members of the community through small business advocacy groups (e.g., Small Business Development Center, Lincoln Independent Business Association, Nebraska Center for Entrepreneurship), student referrals and social networking.

Sample

There were 109 participants who completed the surveys from Nebraska, of which 90 were still currently operating. An examination of the distribution of the sample suggested that there was a larger concentration of businesses in the more recent years, as that was the focus of the study invitation. The full sample analyzed includes 61 Nebraska based businesses which were started in the previous 15 years (1996 – 2011) and were still operating at the time of the survey being completed. This full sample of 61 businesses was analyzed for research questions 1 and 2. Research question 3 is reported with one outlier removed bringing the sample size to 60, when we examine the data by organizational role. Tables 1 through 5 report results of the full sample, and the organizational role analyses in a combined table format.

Measures

This data collection approach was inspired by unanswered researcher questions after reviewing papers resulting from the Panel Study of Entrepreneurial Dynamics (PSED). The PSED was a collaborative research agenda conducted on a national sample with several waves over the years from idea inception in 1995, to the fourth wave being completed in 2003. Gartner et al., (2004) published a handbook about the study including the questions and preliminary findings from the studies. Communication with the lead author on the handbook, (W. B. Gartner, personal communication, November 8, 2010), has confirmed that the questions used in the PSED studies are available for use in future research. Where possible, questions from the PSED handbook were administered with the goal of increasing the ability to consistently operationalize constructs within the field of entrepreneurship, and to identify if I had acquired a representative sampling. Other items were generated from a review of the literature to better understand the lived experience of the business owners. Items used in this study are survey items and not scales.

Analysis and Results

Research question 1 asked what the profile of Nebraska start-up businesses looked like. In order to better understand the profile of characteristics of the Nebraska start-up businesses in this study, I describe the full sample below, and report means and s.d. or frequencies of each of the following categories: the demographics of the participants, their education and experiences, followed by information about their business operation, their organizing and growth decisions along with their distribution according to the categories identified with Research question 2 in the Tables 1 through 5 below.

Research Question 1

Demographics. Participants ranged in age at the time of the study from 18 to 65 ($x = 41.64$, $s.d. = 13.62$) of which 54% were male and 46% were female. The majority of participants (92%) identified themselves as white while 8% indicated they were of another ethnic origin (Asian, Black/African American, Hispanic, Native American/American Indian or other ethnic background). The majority of participants were married (77%) and born in the United States (95%). They also reported education ranging from some high school to doctoral degrees with the largest percentage (47%) of participants indicating holding a bachelor's degree, followed by having completed some college (18%), or holding graduate degrees (18%). With regard to previous work and industry experience, participants reported 0-33 years of full-time work experience (mean: 11.48 yrs, $s.d. = 10.42$); reported 0-32 years of management experience (mean: 7.43 yrs, $s.d. = 8.87$); and 0-28 years of industry experience (mean: 6.61 yrs, $s.d. = 8.52$); 31% were unemployed for a period of time before starting this business. When asked about their highest previous paid employment position level, 54% indicated holding Management / Leadership positions, 22% reported Professional Administrative / Non-Leadership positions; and 12% each respectively reported roles in Technical / Non-Leadership or Other.

Business Operational Attributes. The majority of the sample operated their business in Lancaster County (49%), followed by Douglas County (30%). These two counties include the two largest cities in Nebraska, Lincoln and Omaha, respectively. The remaining 21% operated businesses throughout the state. Most of the participating businesses did not report having a business plan (62%). Participants were asked at two different points in the survey whether they were incorporated within the state (yes or no) and later, what current legal form they were operating under. The majority (62%) reported being incorporated within the state and while the same percentage, but not necessarily the same participants also reported not having a business plan (62%). This suggests different orientations to their business organizing and planning. Businesses in this sample represented 11 different business industries with the largest including Business Services Consulting (25%), Customer or Consumer Services (21%) or Retail Store/Trade (16%). When asked about reasons for starting this business, the majority (67%) reported starting it to take advantage of a business opportunity; 8% indicated they had no better choice; 20% responded they had no better choice but also recognized a business opportunity; 3% had a job but sought a better employment opportunity.

Business Organizing Activities. The majority reported working full-time in the business (66%), and the sample was fairly evenly split for those who were operating from inside (54%) vs. outside the home (46%). The majority reported being incorporated within the state (62%) with legal forms distributed throughout the various forms. Only 36% reported having a business plan for the business.

Business Growth Orientation and Actions. The majority reported wanting to grow a business to a manageable size (79%) as opposed to being as large as possible. With regard to employee growth goals, the sample was almost evenly split between those intending to hire at the start (51%) compared to those not (49%). At the time of the survey, 43% had hired, and the average number of employees currently employed by these businesses was 1.71 (s.d. 3.8).

Research Question 2

Research question 2 asked, to what extent do start-up founders ascribe to different organizational roles in entrepreneurship? Participants were asked, "Which of the following best describes how you perceive your current role in this business?" Response options included: Executive, Leader, Professional Manager, Owner-Director, Operating Manager/Leader, Operator-Owner, Owner/Controller, Small-Employer, Sole Proprietor, Self-Employed, Artisan, Laborer, Professional who consults or advises Small Businesses or the Self-Employed. From these, an initial 10 categories were created reflecting organizational level and role similarity.

After a review of the distribution, categories revealed a frequency pattern in the data that differentiated those that ascribed to the more corporate role titles (Executive, Leader, Professional Manager, Owner-Director) from those who ascribed to the more Operational role Titles (Operating Manager/Leader, Operator-Owner, Owner/Controller, Small-Employer) compared to those who identified more as sole proprietors or self-employed. No participants responded as ascribing to Artisan, Laborer, or Other. One participant selected the Professional

who consults or advises Small Businesses or the Self-Employed and was removed from further analyses bringing the sample size for research question 3 from 61 to 60 participants.

To better examine the data, the groupings were collapsed to the three categories of: Corporate similar role titles (including: Executive, Leader, Professional Manager, Owner-Director); Operational similar roles titles (including: Operating Manager/Leader, Operator-Owner, Owner/Controller, Small-Employer) and Solo/Self-Employed role titles (including: Sole proprietors or Self-employed). Tables 1 through 5 report the entire sample, with either the means and standard deviations or the frequencies per response item, followed by a breakdown of the same data with respect to the three role title categories. A series of one-way ANOVAs were run in SPSS 31.0 to determine the significance between the role title categories and the respective survey items. The results of the F tests and p values are reported in the far-right hand column.

A review of the frequencies as distributed between the three role title categories highlight some interesting differences and, in several cases, significant differences. For the sample of 60 participants, I find these notable differences for furthering the conversation about how perceived role is related to this sample's start-up activities and decisions.

Findings of significance include the distributional difference among the categories based on gender with men being more represented by the and Solo/Self-Employed role titles or the Corporate similar role titles, whereas women's concentrations were flipped for the Operational similar role titles ($F = 4.124$, $p = .021^*$).

The business industry (or business type) was also significantly related to the founder ascribed role category ($F=5.423$, $p=.007^*$). Retail Store/Trade (35%) or Customer/Consumer Services (25%) represented the majority of the Operational similar roles titles. Business Services (44%) were the majority of the Corporate similar role titles. The Solo/Self-Employed role titles, had larger concentrations in Customer/Consumer Services (27%) and Business Services (23%).

Research Question 3

With respect to research question 3, which asked, are the ascribed organizational roles related to behavior and decisions about their business? I examined organizing activities and decisions related to how the business might be orienting itself towards growth, as well as, about its growth. Consistent with expectations where roles, goals and growth may be considered in the startup process, the significant findings for status of incorporation ($F=4.183$, $p=.020^*$) and the presence of a business plan ($F=4.491$, $p=.016^*$) are not surprising that the Corporate similar role titles and the Operational similar roles titles were more likely to be incorporated suggesting that they were poised for growth and hiring, and that the Corporate similar role titles were more likely to have produced a business plan for their business. While not significant in this sample, the distribution of work location is in line with what one might expect, a higher concentration of home-based businesses from the Solo/Self-Employed role titles and a larger proportion of outside the home offices for those in the category of Corporate similar role titles. Similarly, those that were more likely to be employed full-time in the business, also ascribed to the more Corporate similar role titles suggesting that the ascribed role is congruent with their dedication to their business ($F=3.710$, $p = 0.031^*$).

When looking at the questions related to growth intentions about intentions to hire, actual hiring and desired future size, the only significant finding was related to those who had hired already ($F=6.67$, $p=.003^*$). What is interesting to note in the pattern of the data is that frequency rates were consistent for intentions to hire and whether they had hired already for both categories of Corporate similar role titles and Operational similar roles titles, suggesting that as groups they consistently acted on their intentions. Number of current employees also reached significance with those in the Operational similar role titles category accounting for most of the job growth through the hiring of employees, ($F=4.207$, $p=.020^*$). While not a significant finding, one worth noting is in this sample which recruited some of the smallest businesses and earliest stage start-ups, there is a consistent pattern for 70-86% of them to want to build their business to a manageable size, with only 14-30% of them wanting to grow as large as possible.

Table 1
Demographics

Organizational Role					
	Full Sample*	Solo/Self- Employed role titles	Operational similar roles titles	Corporate similar role titles	F Sig.
Frequency	61	22	20	18	
Percent	100%	37%	33%	30%	
Age at Start-up					.594 .555
Mean	41.64	33.43	35.32	37.83	
s.d.	13.62	10.67	14.13	12.94	
Gender					4.124 .021*
Male	54%	68%	30%	67%	
Female	46%	32%	70%	33%	
Ethnicity					1.633 .204
White	92%	82%	100%	94%	
Non-White	8%	18%	-	6%	
Marital Status					.801 .454
Married	77%	68%	80%	83%	
Divorced	3%	5%	5%	6%	
Never Married	18%	27%	15%	11%	
Born in USA					2.850 .066
Yes	95%	87%	100%	100%	
No	5%	14%			

*: The full sample included one participant that was removed for the organizational role analysis.

Table 2

Education and Experience

Organizational Role					F	Sig.
Category	Full Sample*	Solo/Self-Employed role titles	Operational similar roles titles	Corporate similar role titles		
Education					1.711	.190
HS	9%	14%	10%			
Tech/Vocational	3%	5%	5%			
Some College	23%	18%	30%	22%		
Bachelor's	46%	36%	45%	61%		
Graduate	18%	27%	5%	17%		
FT Work Exp at Start-up					2.164	.124
Mean	11.48	9	10.05	15.39		
s.d.	10.42	9.33	9.78	11.53		
Years of Mngt Exp at Start-up					2.263	.113
Mean	7.43	4.6	7.70	10.50		
s.d.	8.87	6.15	9.00	11		
Years Industry Exp					1.16	.321
Mean	6.61	5.86	4.90	8.94		
s.d.	8.52	7.80	7.09	10.54		
Highest Previous Position					.015	.985
Tech / NL	11%	9%	15%	11%		
Admin / NL	7%	14%	-	6%		
Mngt/Prof / NL	15%	9%	25%	11%		
Mngt Leadership	53%	54%	45%	56%		
Other	11%	14%	15%	6%		
Not Reported	3%			11%		
Previous Unemployment					1.398	.255
Yes	31%	23%	30%	44%		
No	67%	73%	70%	56%		
N/A	2%	4%	-	-		

*: The full sample included one participant that was removed for the organizational role analysis.

Table 3

Business Operational Attributes

Category	Organizational Role				F	Sig.
	Full Sample*	Solo/Self-Employed role titles	Operational similar roles titles	Corporate similar role titles		
Operating County					.300	.742
Lancaster	49%	55%	50%	39%		
Douglas	30%	27%	25%	39%		
Other	21%	18%	25%	22%		
Business Industry					5.423	.007*
Retail Store / Trade	16%	5%	35%	11%		
Customer or Consumer Service	21%	27%	25%	11%		
Whlse. Trade Dist.	2%	-	-	6%		
Health Ed. Soc. Svc.	2%	-	5%	-		
Manufacturing	3%	5%	5%	-		
Construction	5%	9%	5%	-		
Communications	5%	5%	5%	6%		
Finance	5%	9%	-	6%		
Real Estate	5%	9%	-	6%		
Business Svcs.	25%	23%	5%	44%		
Consulting						
Something Else	11%	9%	15%	11%		
Founding Reason					.429	.653
To Take Advantage of Business Opportunity	67%	64%	65%	78%		
No Better Choice	8%	9%	10%	6%		
Combination – New Bus. Oppty. / No Better Choice	20%	23%	20%	17%		
Have Job but Seek Better Employment	3%	-	5%	-		
Not Reported	2%	5%	-	-		

*: The full sample included one participant that was removed for the organizational role analysis.

Table 4

Business Organizing Activities

Organizational Role					
Category	Full Sample*	Solo/Self-Employed role titles	Operational similar roles titles	Corporate similar role titles	F Sig.
Incorporated in State					4.183 .020*
Yes	62%	41%	65%	83%	
No	38%	59%	35%	17%	
Business Legal Form					.323 .725
Sole Proprietor	34%	46%	30%	28%	
Ltd Partnership	2%	-	-	6%	
LLC	25%	23%	25%	22%	
S Corp or General	32%	18%	40%	44%	
Not Yet Determined	7%	14%	5%	-	
Business Plan					4.491 .016*
Yes	36%	18%	30%	61%	
No	62%	82%	65%	39%	
Not Reported	2%		5%		
Office Location					2.514 .090
Home Office	54%	68%	55%	33%	
Outside Office	46%	32%	45%	67%	
Employed FT in Bus.					3.710 .031*
Yes	66%	50%	60%	89%	
No	34%	50%	40%	11%	

*: The full sample included one participant that was removed for the organizational role analysis.

Table 5

Business Growth Orientation and Actions

Organizational Role					
Category	Full Sample*	Solo/Self-Employed role titles	Operational similar roles titles	Corporate similar role titles	F Sig.
Desired Future Size					.900 .412
Manageable Size	79%	86%	70%	78%	
Large as Possible	20%	14%	30%	17%	
Not Reported	1%	-	-	1%	
Intended to Hire at Start					1.356 .266
Yes	51%	37%	55%	61%	
No	49%	63%	45%	39%	
Hired Already					6.67 .003*
Yes	43%	14%	55%	61%	
No	57%	86%	45%	39%	
Number of Current Employees					4.207 .020*
Mean	1.71	.15	3.56	1.69	
s.d.	3.8	.489	5.60	2.94	

*: The full sample included one participant that was removed for the organizational role analysis.

DISCUSSION AND CONCLUSION

This study was drawn from my dissertation to highlight what could be learned about the start-up businesses within the State of Nebraska ecosystem that had been founded between 1996-2011. This data represents a significant effort to find those businesses who had engaged in the start-up process within recent years; to better understand how they defined themselves in terms of their ascribed roles; and to look for connections and relationships within that data to better understand what relationships might exist.

As I found, there are differences in not just who ascribes to the different role categories, but that they align more closely with different business types and have different patterns of how they approach growth. In review of the entire results, I found it interesting how the gender differences present in this sample suggest that women were the most likely to identify with the Operational similar roles titles. This same category represented the majority of retail and customer service-oriented businesses, and also represented the majority of the hiring in this study. Regarding the reason for starting a business, while not statistically significantly different based on role, there was still an overwhelming across category emphasis on the pursuit of a new business start-up for the pursuit of the opportunity vs. some other need or necessity.

This study has implications for further examining the interplay of role identities and how start-up founders engage within their respective entrepreneurial ecosystems. This study also has implications for both those engaged in the start-up process and those that are trying to reach the start-up community. The variance in roles that start-up businesses ascribe to could have an important impact on how products, services and programs are marketed into the entrepreneurial ecosystem. Realizing that the founders ascribe to different role identities, means that these identities will likely be salient to them through marketing, advertising, promotions, and the providing of services, as well as how government grants and incentives are structured, marketed and communicated.

A program directed at the self-employed will not reach those business consulting professionals operating as solo “executive consultants.” Similarly, if you want to reach the group most likely to hire, based on this sample, the language may need to be directed to more operational leadership language and less to corporate role titles or the self-employed, and based on this sample, a specific consideration towards marketing to the female founder and employer base as opposed to a generalized “small business owner” as a target audience. This gender difference is important in entrepreneurship as the field has long held masculine connotations (Kanze et al., 2018), and in absence of data to prove otherwise, women may not be seen or respected for the contribution they are making in their communities when it comes to economic development and job creation. Future research directed at exploring these nuances could be beneficial to all stakeholders.

This study, while small and focused, still has opportunities for implications in many areas including education and pedagogy, academic future research, entrepreneurship and public policy and the practice of job creation in entrepreneurship. From an entrepreneurship education perspective, this study raises questions about identity formation at founding and begins a conversation about founding motivations, identity and general entrepreneurial intentions, especially as they relate to gender and the types of businesses different genders

may be oriented towards. As educators of entrepreneurship, we can continue to encourage women to engage in entrepreneurship education programs and help them see potential pathways for making a difference in their communities through becoming employers themselves. This research attempts to illuminate understudied issues related to founder ascribed roles, perceptions and how those may impact their actions and the availability of resources provided or perceived to be available from others.

With respect to academic future research on entrepreneurship, this research contributes in the following ways: it advances our understanding of the entrepreneurial process, especially among very young businesses; it is one of the few studies that identifies and emphasizes the unique problems associated with how founders ascribed role identities are related to their business activities and decisions, and it contributes to a very understudied area of ascribed roles, and entrepreneurial role identities.

This research has policy implications as well. Prior to this research study very little was known about the perceptions held by small business owners about job creation despite job creation being a goal of many public policies. At a minimum, this research can educate policymakers, many of whom are not small business owners, on the currently held perceptions of small business owners and encourage them to take their perspective when crafting and evaluating public policy designed to encourage job creation among small businesses. For example, in a city such as Lincoln, Nebraska where the study originated, at the time of the study (2011), there were 12,000 microbusiness (with less than 10 employees) and 6,000 unemployed. Assuming that all of the unemployed were employable, if 50% of those 12,000 businesses were to create one new job, the effect on the job market could eradicate the unemployment problem. While it is not likely that a solution would happen in that manner, the idea is that solutions become more feasible when the perspective changes. Understanding that these perceptions exist can help the practice of entrepreneurship by identifying means by which to help small businesses access professional resources to design their organization to reach their growth and operational goals.

CONCLUSION

In the start-up process of founding a new business, it could be argued that we arbitrarily assume that entrepreneurs consciously choose the roles they take, because in fact they do have that choice. On the other hand, depending on how they approach their start-up, from whom and where they receive advice in their ecosystem, and the type of business they found, these may or may not be as agentic or autonomous choices as we might assume. Based on the findings from this study, there are distinct differences in who and how founders orient themselves to their businesses and the decisions that they make on behalf of their business. In this study, I applied identity theory as it applies to the role taking action of the founder. Others have argued for other identity perspectives in the entrepreneurship literature and the process of entrepreneurship.

In the conversation about which psychological or sociological theory should prevail within the process of entrepreneurial identity, it could be more likely that both, are operating. Whereas role identity could be operating for the founder as they take action and make decisions about their business; it could be that for those who are making decisions about

founders or marketing to them, that social identity theory (e.g., Tajfel, 1959), which uses categories and classifications of people into groups for the examination of intergroup relations is likely to be operating.

The way the founders perceive their roles as they are engaged in their business is related to their business decisions and in some cases, they may be creating both opportunities and constraints for their business without even being aware of it. Future research could attempt to tease out such a complexity by applying work from Kahn and colleagues (Kahn et al., 1964; Katz & Kahn, 1978) and their role process in which there is a “role episode” between the “Role Sender” who holds certain role expectations of a “Focal Person” and how they “send” that role when engaging with others. Such an empirical approach has been applied in many dyadic relationships, especially in organizations. Additionally, Graen & Scandura’s (1987) theory of dyadic organizing could be applied to test where and how roles are passively assigned or actively assigned in dyadic or social exchanges.

References

- Aldrich, H. E., & Reuf, M. (2006). *Organizations Evolving*, 2nd edition. Thousand Oaks: Sage.
- Anglin, A. H., Kincaid, P. A., Short, J. C., Allen, D. G. (2022). Role theory Perspectives: Past, Present, and Future Applications of Role Theories in Management Research. *Journal of Management*, 48 (6) 1469-1502. <https://doi.org/10.1177/01492063221081442>
- Biddle, B. J. (1979). *Role theory: Expectations, Identities and Behaviors*. New York: Academic Press.
- Burke, P. J. (1980). The Self: Measurement Requirements from an Interactionist Perspective. *Social Psychology Quarterly*, 43 (1), 18-29. [10.2307/3033745](https://doi.org/10.2307/3033745)
- Busenitz, L. W., West, G. P., Shepherd, D., Nelson, T., Chandler, G. N., Zacharakis, A., (2003). Entrepreneurship Research in Emergence: Past Trends and Future Directions. *Journal of Management*, 29 (3), 285-308. https://doi.org/10.1016/S0149-2063_03_00013-8
- Cardon, M. S., Wincent, J., Singh, J., & Drnovsek, M., (2009). The Nature and Experience of Entrepreneurial Passion. *Academy of Management Review*, 34 (3), 511-532. <https://doi.org/10.5465/amr.2009.40633190>
- Cooley, C. (1902). *Human Nature and Social Order*. New York: Scribners.
- Cooper, A. C. (1979). Strategic Management: New Ventures & Small Business. In D. E. Schendel and C. W. Hofer. *Strategic Management: A New View of Business Policy and Planning*. Boston: Little Brown & Company.
- Dunkelberg, W. Cooper, A. Woo., C., & Denis, W. (1987). New firm growth and performance. In N. Churchill, J. Hornaday, B. Kirchoff, O. Krasner and K. Vesper. *Frontiers of Entrepreneurship Research*, Babson Park, US: Babson College, 307-321.
- Farmer, S. M., Yao, X., & Kung-Mcintyre, K., (2009). The Behavioral Impact of Entrepreneur Identity Aspiration and Prior Entrepreneurial Experience. *Entrepreneurship Theory & Practice*, 35 (2), 245-273. <https://doi.org/10.1111/j.1540-6520.2009.00358.x>
- Fauchart, E. & Gruber, M. (2011). Darwinians, Communitarians, and Missionaries: The Role of Founder Identity in Entrepreneurship. *Academy of Management Journal*, 54 (5), 935-957. <https://doi.org/10.5465/amj.2009.0211>
- Fiske, S. T. & Taylor, S. E. (1991). *Social Cognition*, New York: McGraw Hill.

- Gartner, W.B., Shaver, K. G., Carter, N. M. & Reynolds, P. D. (2004). *Handbook of Entrepreneurial Dynamics: The Process of Business Creation*. Thousand Oaks: Sage.
- Graen, G. B. & Scandura, T. A. (1987). Toward a psychology of dyadic organizing. In L. L. Cummings & B. A. Staw (Eds.), *Research in Organizational Behavior*, 9, 175-208.
- Hamilton, B. (2000). Does Entrepreneurship Pay? An Empirical Analysis of the Returns of Self-employment. *Journal of Political Economy*, 108 (3): 604-631. <https://doi.org/10.1086/262131>
- Hechavarria, D. M., Schenkel, M. T., & Matthews, C. H. (2009). Contextual motivation and growth aspirations among nascent entrepreneurs. In P. D. Reynolds and R. T. Curtin (Eds.) *New Firm Creation in the United States, International Studies in Entrepreneurship*. Springer.
- Hellstrom, T., Hellstrom, C., and Berglund. H. (2002). The Innovating Self: Exploring Self Among a Group of Technological Innovators. *Journal of Managerial Psychology*, 17 (4), 267-286. <https://doi.org/10.1108/02683940210428083>
- Hoang, H. & Gimeno, J., (2010). Becoming a Founder: How Founder Role Identity Affects Entrepreneurial Transitions and Persistence in Founding. *Journal of Business Venturing*, 25 (1), 41-53. <https://dx.doi.org/10.2139/ssrn.1021739>
- Ilgen, D. R., & Hollenbeck, J. R., (1991). The structure of work: Job design and roles. In M. D. Dunnette & L. M. Hough (Eds.). *Handbook of industrial and organizational psychology*, 2nd ed. Pp. 165-207). California: Consulting Psychology Press.
- Ireland, R. D. & Webb, J. W., (2007). A Cross-Disciplinary Exploration of Entrepreneurship Research. *Journal of Management*, 33 (6), 891-927. <https://doi.org/10.1177/0149206307307643>
- Kahn, R. L., Wolfe, D. M., Quinn, R. P., Snoek, J. D., & Rosenthal, R. A. (1964). *Occupational stress: Studies in role conflict and ambiguity*. New York: Wiley.
- Kanze, D., Huang, L., Conley, M. A., & Higgins, E. T. (2018). We ask men to win and women not to lose: Closing the gender gap in startup funding. *Academy of Management Journal*, 61 (2), 586-614. <https://doi.org/10.5465/amj.2016.1215>
- Katz, D., & Kahn, R. L. (1978). *The social psychology of organizations* (2nd. ed.). New York: Wiley.
- Katz, J.A., Aldrich, H. E., Welbourne, T. M., Williams, P. M. (2000). Guest Editor's Comments Special Issue on Human Resource Management and the SME: Towards a New Synthesis. *Entrepreneurship Theory and Practice*, 25 (1), 7-10. [10.1177/104225870002500102](https://doi.org/10.1177/104225870002500102)

Locke, E. A., & Latham, G. P. (1990). Work Motivation and Satisfaction: Light at the End of the Tunnel. *Psychological Science*, 1(4), 240-246. <https://doi.org/10.1177/01492063221081442>

Mead, G. (1934). *Mind, Self, and Society: From the Standpoint of a Social Behaviorist*, edited with an introduction by C. W. Morris Chicago: University of Chicago Press.

Neale, M. & Griffin, M. A. (2006). A Model of Self-held Work Roles and Role Transitions. *Human Performance*, 19 (1), 23-4 https://doi.org/10.1207/s15327043hup1901_2
Nebraska Secretary of State. (n.d.) New Business Information.
<https://sos.nebraska.gov/business-services/new-business-information>

O*Net Online. (n.d.) www.o-netonline.org

Parker, S. K. (2007). 'That is my job': How Employees' Role Orientation Affects Their Job Performance. *Human Relations*, 60 (2), 403-434. <https://doi.org/10.1177/001872670707668>

Reynolds, P. (2004). Nature of Business Start-ups. In Gartner, W. B., Shaver, K. G., Carter, N. M. & Reynolds, P. D. Eds. *Handbook of Entrepreneurial Dynamics: The Process of Business Creation*. Thousand Oaks: Sage Publications.

Reynolds, P. 2007. *New Firm Creation in the U.S. A PSED I Overview*. Hanover, NH, Now Publishers, Sections A and D.

Reynolds, P. D., & Curtin, R. T. (2008). Business creation in the United States: Panel study of entrepreneurial dynamics. *Foundations and Trends in Entrepreneurship* 4 (3): 155–307.
DOI:[10.1561/03000000022](https://doi.org/10.1561/03000000022)

Reynolds, P. & White, S. (1997). *The entrepreneurial process: Economic growth, men, women and minorities*, Westport, CT US: Quorum Books.

Rosenberg, M. (1981). The Self-Concept: Social Product and Social Force. In M. Rosenberg & R. H. Turner (Eds.), *Social Psychology: Sociological Perspectives* (pp. 593-624). Basic Books.

Schutgens, V. & Wever, E. (2000). Determinants of New Firm Success. *Papers in Regional Science*, 79, 135-159. <https://doi.org/10.1111/j.1435-5597.2000.tb00765.x>

Seibert, S. E., Nielsen, J. D., & Kraimer, M. L., (2021). Awakening the Entrepreneur Within: Entrepreneurial Identity Aspiration and the Role of Displacing Work Events. *Journal of Applied Psychology*, (106, 8), 1224 – 1238. <https://doi.org/10.1037/apl0000823>

Shane, S., Locke, E. A., & Collins, C. J., (2003). Entrepreneurial Motivation. *Human Resources Management Review*, 13 (2), 257-279. [https://doi.org/10.1016/S1053-4822\(03\)00017-2](https://doi.org/10.1016/S1053-4822(03)00017-2)

- Stryker, S. (1968). Identity Salience and Role Performance: The Importance of Symbolic Interaction Theory for Family Research. *Journal of Marriage and the Family*, 30 (4), 558-564. <https://doi.org/10.2307/349494>
- Stryker, S. & Burke, P. J. (2000). The Past, Present and Future of an Identity Theory. *Social Psychology Quarterly*, 63 (4), 284-297. <https://doi.org/10.2307/2695840>
- Tajfel, H, (1959). Quantitative Judgment in Social Perception. *British Journal of Psychology*, 50 (1), 16-29. <https://doi.org/10.1111/j.2044-8295.1959.tb00677.x>
- Wrzesniewski, A., McCauley, C., Rozin, P., & Schwartz, B. (1997). Jobs, Careers, and Callings: People's Relations to Their Work. *Journal of Research in Personality*, 31 (1), 21-33. [10.1006/jrpe.1997.2162](https://doi.org/10.1006/jrpe.1997.2162)