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<b>Tiivistelmä</b> <p>Pakkoyrittäjyys ilmiönä on herättänyt viime vuosina laajaa julkista keskustelua. Tässä tutkimuksessa pyritään narratiivista lähestymistapaa hyödyntämällä lisäämään ymmärrystä yksilön kokemuksista yrittäjänä pakkoon perustuvan lähtötilanteen jälkeen. Tutkimuksessa yrittäjien lähtökoh- ta on määritelty muutostilanteeksi, jonka seurauksena yksilö pyrkii erilaisten coping-keinojen avulla saavuttamaan tasapainon yrittäjänä. Coping-keinot pohjautuvat subjektiivisiin näkemyksiin menneestä ja tulevasta. Tutkimusta varten haastateltiin 16 henkilöä, jotka määrittelivät itsensä pakkoyrittäjiksi.</p> <p>Yrittäjien tarinoihin perustuen coping-kokemukset kuvattiin neljän ryhmän kautta: hukkuneet, ajelehtijat, purjehtijat ja rantautuneet. Ryhmät erosivat toisistaan selviytymiskeinojen, mielekkyyden kokemisen ja yrittäjänä jatkamisen suhteen. Lisäksi yrittäjien kerronnan rakenteen tarkastelu tuotti tutkimusmetodologiselta kannalta hyödyllisen analyysivälineen. Tutkimustulokset osoittavat, että yksilöiden coping-tarinat kuvastavat yrittäjän henkilökohtaista kasvua, jossa emotionaali- silla ja kognitiivisilla hallintakeinoilla on merkittävä rooli. Keskeisiksi coping-keinoiksi tunnistettiin eron luominen perinteiseen yrittäjyyteen, työn uudelleen arvioiminen ja uudenlaisen yrittä- jäidentiteetin luominen. Tutkimustulokset viittaavat siihen, että pakkoyrittäjän lähtötilanteessa kokema pettymys heijastaa koko kokemukseen yrittäjänä. Tulokset ilmentävät sitä, että pakosta yrittäjäksi lähtenyt voi kokea sekä joutuneensa palkkatyön ulkopuolelle että vahvasti tuntea toise- utta suhteessa muihin yrittäjiin.</p> <p>Pakkoyrittäjyyttä koskeva akateeminen tutkimus on toistaiseksi ollut yksilön näkökulmasta puut- teellista. Käsillä oleva tutkimus syventää ymmärrystä pakkoyrittäjyyden moninaisuudesta yksilön kokemusmaailmassa. Käytännön sovellusalueina tutkimus antaa viitteitä narratiivisen lähestymis- tavan hyödyllisyydestä työnohjauksellisessa ympäristössä.</p>		
<b>Asiasanat:</b> narratiivi, pakkoyrittäjyys, elämänhallinta, coping-keinot, yrittäjätarina		



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<p><b>Abstract</b></p> <p>The phenomenon of the necessity entrepreneurship has evoked wide interest among public discussion. This study seeks understanding on individuals' coping experiences as necessity-based entrepreneurs from a narrative perspective. In this study, the entrepreneurial starting point is characterized as a critical turning point in an individual's life. Thus, the focus lies on the subjective perceptions of how individuals cope with the new life direction. The coping is defined here as means chosen according to the meanings that individuals create about their past and future. The data was collected by interviewing 16 individuals, who defined themselves as necessity entrepreneurs.</p> <p>Based on individuals' narratives, coping experiences were illustrated in four groups; the drowned, the drifters, the sailors and the gone ashore. The groups differed from each other in terms of coping, sense of meaningfulness and continuity of the business. In addition the analysis of narration provides a methodologically useful tool for further analysis of work and coping related narratives. The findings show that individual narratives reflect the personal growth. The individuals handle their coping in multiple ways, such as by differentiating themselves from traditional opportunity-based entrepreneurs, repositioning the importance of work and building up a new entrepreneurial identity. The results indicate that the experience of disappointment in the starting point of the business seems to reflect on their later experiences as an entrepreneur. Overall, the findings reflect that the necessity-based entrepreneur may feel left outside the traditional employment and feel otherness in relation to other entrepreneurs.</p> <p>The previous academic research on necessity entrepreneurship has been insufficient in terms of individual-level perspective. The findings here give insight on ambiguity of the phenomenon experienced by individuals. From the practical point of view the study encourages to utilize the narrative approach for example in the work counselling environment.</p>		
<b>Keywords:</b> narrative, coping, necessity-based entrepreneurs, necessity entrepreneurship		



## PREFACE

This has been a process of years and so many people, events, moments and discussions have influenced me and taken me finally to where I am now. I am above all happy, but also relieved, that it is finally time to put the end to this project and anxious to begin new ones. Before that, I want to express my gratitude to those who have made this possible for me.

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Jenni Kantola

Vaasa, 21th of April







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*"Life isn't about finding yourself. Life is about creating yourself."  
George Bernard Shaw*







# 1 INTRODUCTION

Everyone has an *inner story*: an unspoken presumption of ourselves and our position, or picture in our mind of what will happen in the future. We try to foresee, predict and expect things in our lives. In this way we seek a feeling of balance and harmony, the feeling of power over our own life and actions.

Today's work life offers an interesting platform that cannot guarantee anymore predictability and stability for an individual. It can be turbulent and full of changes. As work itself and forms of doing work have altered, so individuals need to adjust to take on new roles in tasks and positions they never aimed for. Starting up *as an entrepreneur from a necessity basis* is one example.

The individual's choice to become an entrepreneur has traditionally been strongly attached to self-fulfillment and opportunity-recognition (Shaver & Scott 1991, Shane 2003). Unfortunately, this idea of "free entrepreneurial will" has been questioned alongside the work life changes and reflections from the entrepreneurial surface. Currently it has been confirmed that an increasing number of business owners all over the world start their businesses out of necessity necessity, pushed by variety of reasons; unemployment or threath of it, family matters, personal reasons or lack of other employment alternatives. (e.g. Berner, Gomez & Knorriga 2012, Block & Wagner 2006, Granger, Stanworth & Stanworth 1995, Hughes 2003, Kautonen, Palmroos & Vainio 2009.)

Starting up from the necessity-based situation has evoked discussion whether it leads to unsatisfactory solution. Although previous studies have indicated that entrepreneurs pushed by the necessity are dissatisfied with their work and the work situation (Block & Wagner 2006, Bhola, Verheul, Thurik & Grilo 2006), studies have also proved that their satisfaction does not necessarily differ significantly from the other entrepreneurs (Hughes 2003, Kautonen & Palmroos 2010). Though necessity-based entrepreneurs are argued to be more likely to switch back to paid employment (Kautonen & Palmroos 2010, Granger et al. 1995), findings of relatedness of necessity are not unambiguous. Despite the contrary views on the satisfaction, it has remained unanswered how individuals turn situation from necessity to a meaningful option to gain livelihood.

Typically, these entrepreneurs are people who preferred to work as salaried employees but found themselves suddenly shut out from the labor market, and so pushed to start their own business. The change to an entrepreneurial environment challenges the way individual thinks, acts and assumes. From a narrative point of view, our *story breaks down* and we have to create a new one (Bruner 1990). This starts a natural process where individual strive for balance when trying to under-

stand changes and a new situation in life. Naturally, individuals desire comprehensibility, meaningfulness and manageability (Antonovsky 1979), whereas necessity-based entrepreneurs can be assumed to be challenged in terms of balance, due often to sudden change and stepping into the new entrepreneurial role based on situation with no other option.

In the situation of change and new challenges, individual's wellbeing is dependent on coping and so-called survival strategies that are (both unconsciously and consciously) chosen according to the meanings that individuals create about the situation (Schaufeli & Bakker 2004, Weiten 2004). This serves as a point of departure for this study. Interest lies in necessity-based entrepreneurs' experiences and the meaning-making created along the journey.

## 1.1 Aim of the study

This study offers insights into necessity entrepreneurship by concentrating on the subjective perceptions of coping as a necessity entrepreneur. The study starts from the premise that necessity-based changes in the employment situation are always a certain kind of crisis, not just from economic point of view but also on a psychological level for individuals. Situation characterized here as crisis are in this study circumstances where individuals have faced unemployment, layoffs and redundancy before starting up their businesses. The central assumption behind this study is that the individual mind is constantly trying to find meaningfulness and comprehensibility in the experiences and happenings that it encounters (Antonovsky 1979), thus leading to positive outcomes for a person's well-being.

Previous studies state that entrepreneurs are especially vulnerable to stress when devising, developing and managing their businesses, as they need to split their time between a range of duties. Effective coping is said to be one of the "key elements of the entrepreneur's survival kit" to handle complex work and irregular work rhythm and insecurity (Drnovsek, Örtqvist & Wincent 2010: 194). In this narrative-based study coping is understood as a vehicle for entrepreneurial wellbeing and rather than focusing on factual health effects, wellbeing is defined through three dimensions based on the idea of sense of coherence: the sense of comprehensibility, manageability and meaningfulness (Antonovsky 1979). Thus, how individuals understand, make sense and see meaning in their lives are essential premises in this study. "Meaning influences the coping process and through coping, influences psychological and physical health" (Park 2011: 227). The feeling of meaning refers to having a sense of meaningfulness or purpose in life. This study presents entrepreneurs in an especially challenging context, as the focus is

on entrepreneurs who started their businesses out of necessity. Following these arguments this study aims to understand *how individuals' narratives illustrate the coping experiences of necessity entrepreneurs.*

The methodological approach adopted here, narrative perspective, sees the individual as an active meaning-maker who tries to understand, explicate and foresee happenings in life. When unexpected happenings occur, the story that we have created of our lives breaks down (Bruner 1990). Thus, sudden changes to our planned and hoped for actions make us wonder about the reasons behind the changed life course and seek understanding to gain balance again.

I interviewed sixteen necessity entrepreneurs, who defined themselves as necessity-based entrepreneurs, to analyse their narratives using narrative thematic methods. Narratives play a role as the interviewees' subjective explanation of their time of being and coping as entrepreneurs. Focus lies on how the story is told and what is told (Kovalainen & Eriksson 2008: 218). Following the premises provided by the approach, the research question is composed of two sub-questions.

*How do necessity entrepreneurs narrate their coping?*

*What kind of coping experiences do individuals illustrate in their narratives?*

In summary, the research framework focuses first on the characteristics of the necessity-based phenomenon and coping, so as to marshal discussion about the lives of those individuals who start their businesses out of necessity.

## 1.2 Main concepts in the study

### *Narrative*

Narrative studies vary from formalist and structuralist views to a more psychological direction, and the concepts and approaches have been influenced during the past decades by multiple disciplines, thus defining narrative concepts and the terms used in this study is essential. Story and narrative are core concepts of narrative research, but they are often operationalized differently. In this study the definition of narrative follows that of Boje (2001), who specifies that a narrative requires a plot, and similarly Riessman (2008: 4) calls a story "one kind of narrative" and reminds the reader of the origin of narrative, which began with Aristo-

tle's examination of tragic narrative that held that the classic structure was composed of a "beginning, middle and an end". Etymologically, the term "narrative" is based on the verb, "narrare; to tell, relate, recount, explain" (Online Etymology Dictionary 2013), which connects the narrative to an actual situation. Although many do not distinguish between story and narrative (for example, Czarniawska 2004), I find a distinction between narrative and story useful in order to distinguish forms of narrative. In this study data is collected by means of narrative interview and the first part of the analysis exploits data as it is; thus, I refer to the interviews as narratives. However, in later analysis narratives are reconstructed (reformulated) to a shorter form of a story, I then refer to data as stories.

The narrative approach at its best is claimed to offer deeper understanding and to produce alternative explanations for entrepreneurial behaviour (Steyaert and Bouwen 1997). As individuals' coping is seen here as cognitive processes that appear both as concrete actions and also as mental level sense-making, I use a narrative approach in this study to provide understanding of this very individually oriented process. Furthermore, it has proved useful when studying individual level and sensitive topics, thus leaning on the narrative approach with a topic that captures the elements of necessity-based entrepreneurship, often unemployment, frustration and disappointment in job markets and feelings of insecurity are natural.

In this *experience-centered narrative research*, narratives are not seen solely as sources for interpretation, but they are approached from a wider philosophical point of view, defining *narratives as the means of human sense-making* (Squire 2008). Here, narratives are collected in the context of necessity-based entrepreneurship, which is characterized as one kind of disruption of employment and a situation that injures an individual's well-being. The concept of *inner narrative* (Hänninen 1999, 2004) is adopted here to stress the sense-making process of the individual, due to its several roles in individuals' understanding. It is highlighted to be crucial in understanding the past, but at the same time it has a role in creating order in life and orienting toward the future.

Hänninen (2000) describes inner narrative as a frame which integrates explanations from variety of social psychological studies. The inner narrative is interpreter of life situations, conditions and changes. It helps to evaluate meaningful aspects in the past, but also leaves behind meaningless or too hurtful accounts. The inner narrative is a subjective story, which anchors itself to past experiences, and is attached to motives and emotions. In addition, inner narrative orientates the actions we take, thus lived narrative describes the drama of action, which is again influenced by our social surroundings and situations. The starting point for this

study leans on the idea that, in a situation of unexpected events or results of actions, inner narrative is in call for revision. (Hänninen 2000: 20.)

### *Necessity entrepreneurship*

Though entrepreneurship is traditionally seen as a fuelling force of economic growth, it has been realized that not all who become entrepreneurs find fulfilment as entrepreneurs; some are forced into starting a business by difficult circumstances. Currently it is known that more and more end up starting up their businesses out of necessity. Entrepreneurship literature calls these forces the “pull” and “push” factors. Pull factors refer to the notion of seizing an opportunity, whereas push is associated with negative factors such as losing a job, hitting a glass ceiling or having to juggle work with family responsibilities. (e.g. Block & Wagner 2006; Lucas, Cooper & MacFarlane 2008; Filion 2004; Robichaud, LeBrasseur & Nagarajan 2010).

Necessity entrepreneurship is not a well-established term and it may often be used to refer solely to dependent self-employment (Hakala 2006) or unilaterally to individuals who have become entrepreneurs as a result of organizational redevelopment or outsourcing (Block & Wagner 2006, Galbraith & Latham 1996). Here, the definition takes in a wider concept. Although necessity entrepreneurs have been referred to above as pushed individuals or reluctant entrepreneurs (Gartner 1985), the most commonly used version is without doubt necessity entrepreneur, established by the Global Entrepreneurship Monitor, GEM, in 2001. The definitions and terms used in this study follow those in GEM as they define necessity-based entrepreneurs as people who start a business because other employment options are either absent or unsatisfactory. As the GEM-database has become the largest research project in the field of entrepreneurship, it has prompted researchers to study more closely the underlying issues of necessity entrepreneurship through these dualistic lenses. Though the latest GEM report has dropped the term necessity entrepreneurship in favour of the “necessity and improvement - driven opportunity” concept, this study uses the terms necessity entrepreneurs, necessity-driven entrepreneurs, necessity-based entrepreneurs and necessity-motivated entrepreneurs synonymously (Hessels, vanGeldereren & Thurik 2008), leaving room for the possibility that necessity is just a starting point and does not necessarily lead to unsatisfactory entrepreneurship (Kautonen & Palmroos 2010) or it is just a partial reason to start a business (Kautonen, Down, Welter, Vainio, Palmroos, Althoff & Kolb 2010).

Within the topic, it is essential to draw a line between cultural differences and to distinguish between the industrialized Western economies context and that of

developing countries. The pattern of necessity entrepreneurship and opportunity entrepreneurship varies considerably across countries. Western countries with a more supportive social welfare system tend to have a lower rate of necessity entrepreneurship, whereas in developed countries self-employment is seen from a very different perspective, where options for traditional wage work often do not exist. The entrepreneurship review by the Finnish Ministry of Labour and the Economy refers to the middle ground between necessity entrepreneurship and opportunity entrepreneurship by describing a “partial necessity motive” (Hyrsky 2006). It must therefore be taken into account that the decision to become an entrepreneur is often rooted in both positive and negative background factors; the issue is more about which is the more pressing reason behind the decision. It can be also claimed that a Finnish citizen’s quality of life is not dependent solely on employment, but the difference may lie in the definition of well-being. In the western context, job satisfaction and well-being are characterized through mental wellbeing constructs such as job satisfaction, stress, experiences of haste and work and family imbalance, as against in the developed countries well-being is judged from different, less abstract basis rather emphasizing the earnings (Rosa, Kodithuwakku, Balunywa 2006). The phenomenon of necessity entrepreneurship (in western context) is discussed further in Chapter 2.

### *Coping*

Entrepreneurial activities are often characterized as demanding, lone and stressful and shaped by fear of failure, thus studies of coping in the context of entrepreneurs have often adopted a stress-based view (e.g. Boyd & Gumbert 1983, Buttner 1992, Jennings & McDougald 2007). Coping is argued to be situation-dependent, which can be improved in time (Sankelo & Åkerblad 2009). There are a very limited number of studies that view entrepreneurs from a coping perspective, and none discussing this issue within the context of necessity-based entrepreneurship, although coping is seen as an important “talent” that can help to balance feelings and enhance job satisfaction (Patzelt & Shepherd 2011). Necessity entrepreneurs face similar challenges, but in addition it could be assumed that the situation holds even more negative feelings and need for adjustment than with opportunity-based entrepreneurs.

In this study, coping is seen to reflect the individuals’ capability to manage their stressful or unwanted situation and thus impact on their well-being. The concept of coping is derived from psychology and is often referred to Lazarus and Folkman’s (1984) definition of coping as “*constantly changing cognitive and behavioural efforts to manage specific external and/or internal demands that are ap-*

*praised as consuming or exceeding the resources of the person*". Coping is thus making a conscious effort to solve personal and interpersonal problems and seeking to master, minimize or tolerate stress or conflict (Weiten, Lloyd, Dunn & Hammer 2009). Close concepts to coping are also life management, self-regulation, self-efficacy, to describe coping in broader terms.

Coping is often handled by breaking down different psychological coping mechanisms, commonly termed coping strategies or coping skills. Hundreds of specific means of coping have been identified and no broad classification of these strategies has yet been agreed and they can appear in parallel or separately. Common distinctions are often made between various contrasting strategies. In this research entrepreneurial well-being is approached from the point of view of coping behaviour following three broad types of coping strategies provided by Weiten (2004): appraisal-focused, problem-focused and emotion-focused. Appraisal-focused strategies occur when the person modifies the way he/she thinks; in problem-based coping, the individual tries to deal with the cause of the problem; and emotion-focused coping means orienting toward managing the emotions that accompany the perception of stress.

### 1.3 Positioning the study

The attention in this discipline of entrepreneurship has shifted since Schumpeter's time (1934) from the act to actors, highlighting the potential, power and restrictions of individual characteristics and personality (e.g. McClelland 1961). As the trait-discussion has been criticized for omitting the consequences of a person-situation interaction, research has moved strongly toward a wider psychological discussion in evaluating individual behaviour (e.g. Gartner 1988). As this study concentrates on the individual, it leans strongly toward the psychological field of entrepreneurial studies.

This study answers the call of person-specific perspectives around necessity entrepreneurship (e.g. Fayolle 2011). Extant literature on necessity entrepreneurship is largely focused on the conception stage of the entrepreneurial process, and in addition a clear focus on a firm level inspection has been recognized (Berner et al. 2012). A large part of the discussion is about how necessity entrepreneurs affect economic growth and job creation (Block & Wagner 2006, Böheim & Muehlberger 2006, Caliendo & Kritikos 2009, Pfeiffer & Reize 2000).

In 2001, Reynolds et al. (2002) attached the label 'necessity' to certain individuals in the GEM report (the currently used form is necessity-motivated entrepre-

neur, NMO) (Stenholm, Heinonen, Kovalainen & Pukkinen, 2011). The term soon became one of the established discoveries among entrepreneurship research. The argument runs that necessity entrepreneurs differ from opportunity-based entrepreneurs according to their motivation to start their venture. Earlier studies claim that necessity entrepreneurs earn less and may well be disadvantaged in terms of their well-being (Andersson 2008, Block & Wagner 2006). Some studies suggest that differences in the personality of the entrepreneurs are relevant. For example, Berner et al. (2012) suggest necessity entrepreneurs rationalize their choices from a survival point of view rather than a growth-oriented one. Contradictory views have also been presented, claiming that necessity-based entrepreneurship does not necessarily lead to dissatisfaction; thus, convincing arguments and consensus are still absent. As findings on an individual level often face criticism, it is suggested that necessity entrepreneurship should be approached through individual reasoning, instead of the abstract concept of motivation (Block & Wagner 2006).

The goal of this study is not to identify all the true causes of venture survival, but to show how causal accounts offered by the people involved may serve as important contributing factors. As previous studies indicate less satisfaction and fewer survival difficulties among necessity-based entrepreneurs, thus questioning necessity-based entrepreneurs' capabilities and means to achieve satisfaction during their entrepreneurial path, the theory of coping offers an invaluable perspective in obtaining answers. Coping can be seen to reflect entrepreneurs' entire survival path, but it is also about the tools which enhance individuals' ability to cope with stress and reach better emotional stability (Folkman & Moskowitz 2004).

Because entrepreneurship theory has provided little insight into entrepreneurs' coping behaviour, this study opens up new areas for discussion, both on individuals' suitability to be entrepreneurs, and also aiming to understand the experiences of individuals behind the phenomenon of necessity entrepreneurship. At the same time, this study highlights the role of individuals at the centre of societal change and departs from the previously highlighted macro-level focus to move toward the person.

Whereas necessity entrepreneurship is a current topic in policy discussion, there is a call for views that can also provide insights for supporting both necessity entrepreneurs themselves and officers and educators whose task is to give advice to those who start up their own businesses, whether it is necessity- or opportunity-based. Coping is claimed to be a "talent" that is stronger with certain types (Patzelt & Shepherd 2011), but it can be improved to some extent (Sankelo & Åker-



blad 2009). Thus, this study provides important examples and increases understanding of this group of entrepreneurs with a specific background.

## 1.4 Epistemological choices

The questions presented in the first chapter have guided my methodological choices and shown the direction of the empirical work. The theoretical approach to the phenomenon of necessity entrepreneurship – especially to the experiences and coping of necessity entrepreneurs – was outlined in the previous sections. In this study, the above-mentioned aspects are approached from a narrative perspective. Personal narratives are seen as mirroring individual sense-making influenced by the social culture. In the context of this narrative study, the following sections present choices that have guided the empirical part of the study. The philosophical basis for the study reflects the constructivist and hermeneutic phenomenological schools of thought.

### 1.4.1 Social constructivist view

The social constructivist view argues that knowledge and reality do not have an objective or absolute value, or at least that we have no way of knowing this reality. It is described as a constructed account of experience rather than a factual record of what “really” happens. *The knower interprets and constructs a reality based on his/her experiences and interactions with his/her environment.* (Berger & Luckmann 1966.) This supports this study’s idea that the changing economic environment affects individual lives by challenging their sense of coherence. In the social constructivist view, the focus is on how events are understood and organized in individual’s minds, thus the focus lies on the meanings created in interaction with the environment and the individual (Bruner 1986, 1990). Within this study, individual sense-making is the essential focus, whereas coping describes the elements an individual utilizes in sense-making.

When considering the source of meaning in these approaches, there is a distinction between those who consider the narrator as the main source of meaning (the constructivist position) and those who view narratives as socially constructed (the constructionist position). In this study, the constructivist approach is adopted as interest lies in individual meaning-making in this special context, and the subjective view and *focus is on the narrator and his/her subjective meanings*, while a constructionist view would emphasize the social context and resources of such narratives.

From the epistemological point of view, it is essential that people use language to produce and present their experiences. In narrative research, the basic assumption is that *knowledge is narrative* in its nature and *reality can be structured by means of language* (Gubrium & Holstein 1997). Realists think that self-narrative is a story of the past, while constructivists focus on today and think that the past is built and remembered through *reconstruction* that is based on what we are now. Stories not only repeat the past; they also help individuals to understand and bring order to their lives. From this point of view, constructivists claim that the narrator's current situation affects how the narrator describes the past. Constructivists often examine stories through the creation of reality or identity. Entrepreneurship as a phenomenon is often characterized as socially constructed (Lindgren & Packendorff 2009). Here, entrepreneurship is the framework and context where an individual is operating. Thus an individual is affected by the social surroundings, culture, attitudes and values from varied contexts in his/her life. Entrepreneurship can be seen representing only one of the contexts in the end.

#### 1.4.2 *Hermeneutic phenomenology*

The basic themes of hermeneutic phenomenology are “interpretation” and “textual meaning”. Heidegger (1962) argues that all description is already interpretation and every form of human awareness is interpretive. Interpretive hermeneutic understanding is born from the recognition that all human experiences are both rich and complex, and the interpretive hermeneutic research tradition attends to the realization that in all journeys of discovery, one can never hope to discover everything. Hermeneutic phenomenology examines how human meanings are deposited and mediated through language (Ricoeur 1984) and in the narrative sense and within the narrative function of language, various uses of storytelling and the interaction between storyteller and listener ultimately return to the question of the meaning of being, the self and self-identity (Ricoeur 1984).

Narrative is seen to play a crucial role in almost every human activity: sense-making processes and human actions and experiences as socially positioned and culturally grounded. Sense-making has origins in Weick's (1979) thoughts, and I conceptualize sense-making and sense-giving as a ongoing cognitive linguistics process through which individuals make sense of their past and rationalize their future. Narrativity is not only a form of representation but is seen also as form of understanding and interpreting of human life. Bruner wrote (1986) about two modes of thought: the paradigmatic, logically categorizing mode and the logico-scientific, i.e. narrative mode, that individuals use in interpreting and understanding the world and their experiences. As Bruner (1990) defines narrativity to be a

disposition or inborn capacity which is built into the human mind, narrative making is argued to be even more a special human characteristic, a result of the long historical process of the development of social communicative skills (Nelson 2003).

People build up complex interpretations via, in Goffman's (1974) term, the kinds of world-knowledge that generate expectations about how sequences of events are supposed to unfold: "frames", referring to expectations about how domains of experience are likely to be structured at a given moment in time. Experience-centred research work rests on the phenomenological assumption that experience can – through stories – become part of consciousness (Squire 2008).

The personal stories that are central to this study are, at their core, meaning-making units of discourse. They are of interest precisely because narrators interpret the past through stories rather than reproduce the past as it was. Personal narratives offer a window into our personal processing of our past experiences, the significance of various events and especially the reformation process or the result of it: how the storyteller discovers new connections or repositions himself (Mishler 1995).

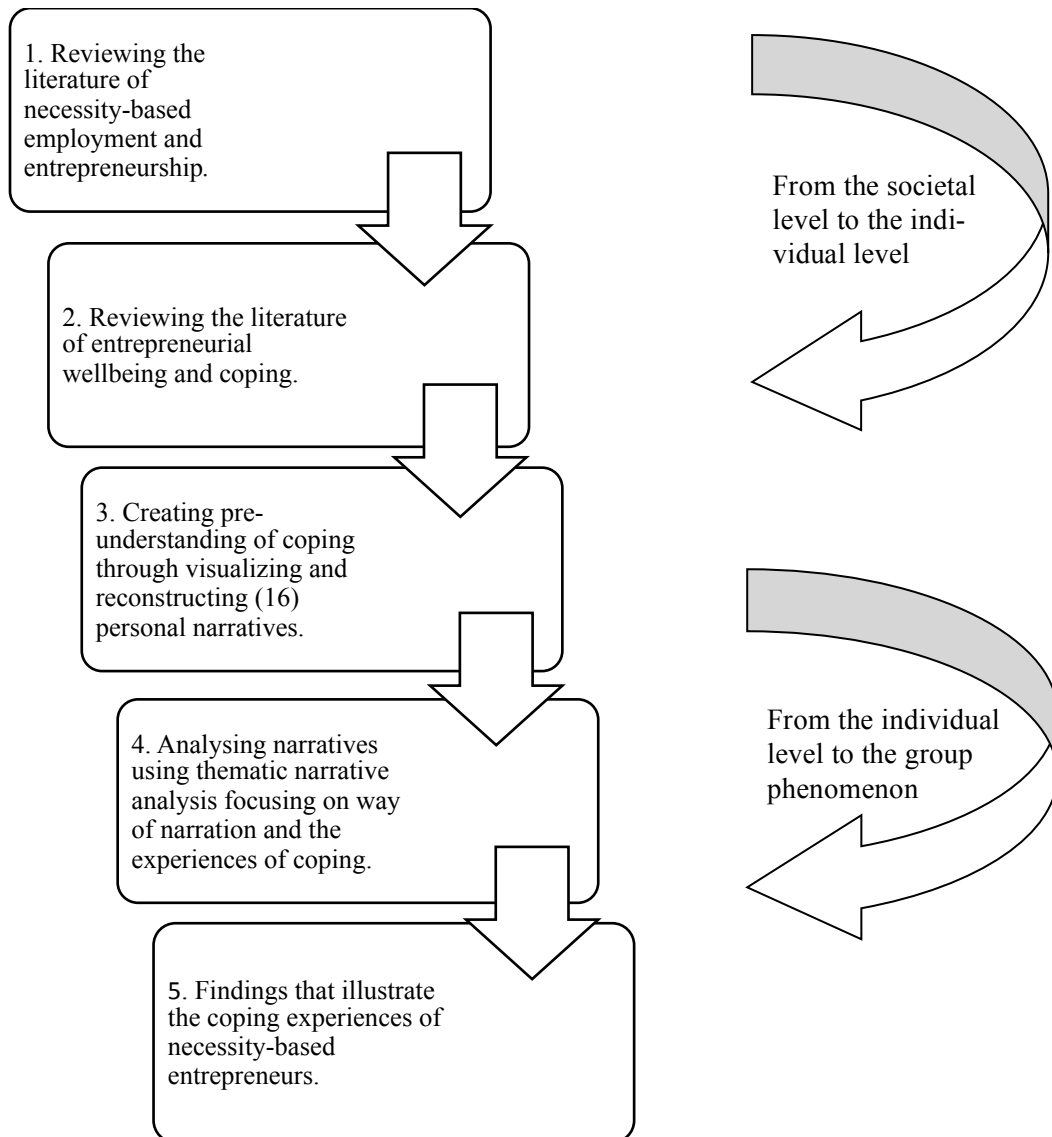
Although individuals and their stories are at the core here, a wider aim is to shed light on the phenomenon of necessity entrepreneurship, which could be characterized as a societal challenge, or even a problem. Although narratives are about individuals, they also open up history, the social spaces individuals inhabit and the societies they live in. Atkinson & Delamont (2006), for example, criticize in their article how social scientists do not always treat narratives seriously enough and "collect them as they were untrammelled, unmediated representations of social realities" (Atkinson & Delamont 2006: 170). They remind us that narratives are forms of social action and are based on socially shared conventions. Also Laslett (1999: 392) claims similarly that analysis of personal narratives can illuminate "individual and collective action and meanings, as well as the social processes by which social life and human relationships are made and changed". Even though this study does not follow the realist research tradition of making basic assumptions, where stories are seen as documentary sources of knowledge, it adopts the realist assumption that collecting many stories from the same milieu uncovers patterns concerning collective phenomena or collective experience (Bertaux 1982).

## 1.5 Structure of the study

The structure of the study is illustrated in Figure 3. It begins by (1) reviewing the phenomenon of necessity entrepreneurship by approaching it from the work-life studies perspective. Discussion focuses on small business owners and solo entrepreneurs and it shows that many of the elements discussed among necessity entrepreneurs are derived from the field of precarious work and strongly linked with the division of involuntary and voluntary work arrangements, which is already an established convention for precarious work. In addition, sociologically embedded studies offer views for well-being related discussions surrounding involuntary choice of work.

The study continues on to (2) review the literature of well-being related findings, resulting in the concept of entrepreneurial well-being that encompasses the whole life areas of the entrepreneurs and their connection between work and personal life. This chapter describes the psychological concepts of and background to the study that rely strongly on subjective processes and psychological constructs that create the basis for this study, where individuals' perceptions of their feelings, experiences and actions are in focus. One common element for this is that they all are attached to the individuals' coping abilities.

The third (3) part of the study moves onto organizing the data. This pre-phase of the analysis is based on reconstructing individual stories from the large interview data and using an illustrative story map approach. The fourth (4) part of the study introduces the tools that were used for the analysis. The narrative approach leans on an experience-centered point of view in making sense of individuals' lives. Narrative thematic tools are used here to study narratives to understand the coping experiences of necessity-based entrepreneurs and the way the necessity entrepreneurs are creating the narration. Finally (5), the findings present how necessity-based experience their coping and creates further understanding on *how* individuals narrate their coping and *what* kind of coping individuals use.



**Figure 1.** Structure of the study

## 2 THE PHENOMENON OF NECESSITY ENTREPRENEURSHIP

This chapter approaches the origin of necessity entrepreneurship phenomenon from the changed worklife point of view and finds links to discussion around non-standard employment to necessity entrepreneurship. In addition in this chapter the complex definition of being necessity employed is discussed and varying definitions are reviewed. Finally, past research on necessity entrepreneurship is summarized by means of a literature review.

### 2.1 Background to changed worklife

Recent decades have witnessed a radical shake-up of working life (e.g. Julkunen 2008). This chapter addresses changes in working life as a whole and leads the topic towards entrepreneurship, a form of work that is increasing due to the tremendous shift in working life towards a precarious culture. The core of this chapter introduces the state of necessity entrepreneurship from the point of view of popular debate and that of the field of study and other recent findings. The topic is approached through different characteristics of changed work life: flexibility, uncertainty and the need for independence.

The worldwide economic recession has caused further changes in working life. In Finland alone, every third workplace has seen staff cuts, and one in four workforces have renegotiated terms and conditions. Transferring workers onto education programmes and reducing working hours have been used as control strategies. The situation has been significantly worse for manufacturing than for other sectors. The threat of redundancy and lay-offs still besets workers, especially in the manufacturing sector. Even though working conditions and the recession have worsened as a consequence of reduced employment security, the working conditions survey indicates that the recession has not completely destroyed the working conditions and quality of working life for those still in employment. (Lyly-Yrjänäinen 2013.)

*Flexibility.* Changes to working life can be viewed from two perspectives concerning the individual: structural changes have resulted in new forms of work; on the other hand, the so-called mental side of working life has been challenged. As the labour market has developed, flexibility has become the solution to many issues. The flexibility of working life can be linked to flexibility of pay, localizing the workforce as well as professional mobility (Julkunen 2008). The possible flexibility brought about by information technology covers the mobility of work

as well as detachment from time and place. From the employer's perspective, flexible strategies could include outsourcing, subcontracting, temporary employment contracts, as well as temporary agency workers. Several positive consequences have been observed in the flexibility of place, time and pay for all parties. At its best the opportunity of a new kind of arrangement of work offers a distraction-free work environment, a chance to harmonize work and family, raise work motivation and productivity, as well as to reduce taxing commuting. In terms of the organization, this flexibility enables making better and more efficient use of the competence capital; the arrangements can be used to save on commuting costs and space costs. Additionally, flexibility enables the local decentralization of the organization. Julkunen (2008) claims that in an optimal situation trust between the employer and the employee will grow, the flexible organization will gain a dynamic public image, customer service will become more efficient, and organizational adaptability will increase.

A study by Moilanen (2002) found non-standard work to be only slightly better than the option of unemployment. Those in non-standard work relations found their lives to be unpredictable: planning for the future, having a family and buying an apartment were seen as goals that would be difficult to reach. When non-standard employment relations were previously seen as natural forms of work in certain groups (students, farmers and seasonal employees), now non-standard employment relations have become a normal part of companies' employment strategies, and are justified in the name of flexibility (Kauhanen 2008, Nätti et al. 2005, Viitala & Mäkipelkola 2005). Sennet (2002) uses the term flexibility in its original sense as exemplified by the ability of a tree to bend in the wind and return to its original position. Current job markets require people to have abilities similar to those of a tree, to be strong and resilient, and to be able to adapt to changing circumstances without letting them break them (Julkunen 2008).

*Uncertainty.* Changes in working life can be seen on a national level in the breakdown of companies, the rise of networking, subcontracting chains and shortening of work contracts. An individual's ability to perceive and predict events in their life has weakened and in some cases has even become impossible. According to a working conditions barometer, the uncertainty of working life has become the biggest worry for people and people are more pessimistic toward work life changes than they were in the 1990's (Lyly-Yrjänäinen 2013: 60). Work related fears, staff shortages and a constant rush have also led to an increase in psychological and somatic symptoms (Koskinen et al. 2012). Studies have reported alarming findings that mental health problems, being the main reasons behind incapacity for work, have increased in recent years. One reason for this is suggested to be a change in attitudes, which has made it possible to discuss mental health problems.

There is also compelling evidence of increasing numbers of work-related illnesses. (Kinnunen & Häätinen 2005.)

*Work engagement.* Modern day working life is also considered to have some positive repercussions, such as employees considering their work as an important domain in each individual's life and wanting to commit to their work. People have started to talk about concepts such as work engagement and positive elements which keep people at work. Jari Hakanen (2005, 2011) has stated the English term "work engagement" equates with the Finnish concept of "the draw of work". It is used to refer to an employee's energy, commitment and experiences of their own competence. Work engagement has been contrasted with work exhaustion and related symptoms: exhaustion level tiredness, becoming excessively cynical and the disintegration of professional self-esteem (Mäkikangas, Feldt & Kinnunen 2005). In addition to work engagement, other concepts increasingly discussed are the joy of work (Manka 2012), which refers to experiences of enjoyment, meaningfulness and commitment at work and of a flow, during which individuals are fully immersed in challenging tasks (Csikszentmihalyi 1975). Positive attitudes towards work, work engagement, the joy of work, or flow have been observed to be connected to self-evaluated health and work ability. It has also been connected to minimal intention to change jobs or retire (Hakanen 2005).

*Pursuit of independence.* One of the affirmations that typify our time is the pursuit of independence and the desire to cope alone. The individualization of people has been aided by the development and growth of education, as well as political and social developments, which have been directed to serving the benefit of the individual. In its own way this has brought about the phenomenon of people drifting away from a sense of community, being on their own, and as a consequence people have started to look out only for themselves. Things that were previously taken for granted, such as solid work contracts, are now less certain and traditional paid labour is fragmented both in terms of employment contracts and time. Beck (2008) describes this change in work as a double-edged sword, that on the one hand offers the possibility to adapt and coordinate work according to one's own needs, but on the other hand means that it is now the individual who is taking the risk. There are no opportunities without risk. According to Beck (2008), there is a possibility that the definition of work will become detached from its heavy frame and new kinds of work other than an eight-hour job with solid pay will be increasingly appreciated. This change would require attitudes as well as aspirations to develop within organizations as well as society as a whole. Individuality and the pursuit of independence can be seen to hold contradictory elements. Whereas insecurity of work life has increased, individuals' expectations towards work as meaningful and valued have increased as well. It can be seen that pursuit



of independence and inner needs and expectations may lead to one kind of necessity-based employment, necessity that is based on inner necessity

*Unexpectedly independent.* The pursuit of independence can be seen as a counter phenomenon to unexpectedly having to seek independence. This has occurred, for instance, in the cases of those who have been forced into entrepreneurship as a result of outsourcing. The new working culture is well represented by a wave of outsourcing which can increase a firm's freedom. Work previously done in-house suddenly becomes the entrepreneur's responsibility. Franchising entrepreneurship also represents a form of new work in which the name of the company and its products are rented for someone else to use. In cases like this, the entrepreneur is both the employer and an employee, which in turn represents a modern "grey profession". Beck (2000) describes "wading in" when referring to the modern job description of professionals. One person companies have little in common with traditional entrepreneurship, for their ambitions are not to conquer the market but merely to make a living. Beck compares a fragmental fast food job (termed "McJobs") to often unreliable entrepreneurial work. Both are marked by minimum wages, poor or non-existent social benefits, and by being excluded from the trusteeship of employers' associations. The development of working life into a more individualistic one is described by Beck as a movement towards a risk society. In Beck's words the culture of work is nowadays appreciating multi-activities and paid work, whereas also entrepreneurship is just seen as one of the activities alongside others such as parental work and voluntary work. (Beck 2000: 55–58.)

Temporary and part-time contracts have also been used as a means of combatting unemployment in society. A decrease in unemployment might be brought about by an increase in part-time jobs or similar work arrangements. Studies have found that the upward trend in unusual working relationships is typical in times of high unemployment, but it has also been shown to help the older groups stay in employment and encourage younger workers to pay more attention to the work / family balance. (Nollen 1996.)

The number of temporary job contracts in Finland has increased since the mid-1980s and throughout the 1990s in all occupational groups, and since then the uncertainty and instability of work relations has been a major topic of discussion. In 2010, on average 64 % of temporary employees in Finland were in that situation because they had not been able to find a full-time permanent job (Kinnunen et al. 2011). In comparison to other countries, Finland is at the top of the list when

it comes to people working on temporary contracts<sup>1</sup>. European job markets in particular involve an increasing proportion of non-standard work relations. More non-standard work arrangements have developed, especially in the social, health, retail, hospitality and food industries (Kauhanen 2008). Over 80 % of temporary work positions are in the service industries (Kauhanen 2008).

The literature has discussed this concept using varying terms, such as alternative work arrangements, non-standard employment relations, unusual working relationships, and the flexible workforce. According to the simplest definition, non-standard employment relations are those that are not governed by a full time employment contract and include part-time workers, seasonal and temporary agency workers and self-employed entrepreneurs (Moilanen 2002, Nätti et al. 2005). Kalleberg, Reskin & Hudson (2000) define non-standard work arrangements as having four distinct features:

- (1) The employment relation does not involve an employer or may involve clients that employ them (e.g. the self-employed, independent contractors and freelancers)
- (2) Workers are loosely connected to their employer in terms of administrative control and location
- (3) Employers do not monitor how the work is carried out
- (4) Most workers in non-standard work relations cannot rely on the continuation of their employment.

A non-standard work arrangement is not in itself a bad thing, although some studies characterize them as a “bad job” (Kalleberg, Reskin & Hudson 2000) or “modern day slave labour” (Tanskanen 2012). There are people who choose part time work because they want flexibility in their life, time for family or other areas of life such as hobbies. For some people, non-standard work relations represent independence and they report experiencing less stress than in regular full time work. Non-standard work arrangements allow a person to change jobs and through this the variation in tasks will bring satisfaction to those who crave change. For example, in some occupations temporary based work may be more satisfactory than full time work. In the study of Guest, Oakle, Clinton &

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<sup>1</sup> According to the Statistics Finland’s Labour Force Survey 2012 (published in March 2013), 336 000 were employed under temporary contracts. Two out of three would have wanted a permanent job.

Budjanovcanin (2006) those in caring professions were more satisfied with their work in temporary positions. Research suggests that non-standard work relations are also often used as a stepping-stone to a regular job (Nollen 1996). However, according to Sutela, Vänskä & Notkola (2001), attaining a regular full-time position from them is rare.

The implications of non-standard work relations for the mental well-being of the individual have attracted little attention in the research. Research suggests that those in non-standard work relations are worse off in terms of mental well-being, revealed by several measures of the quality of work. They feel they are less satisfied with their working conditions, complain of more hectic working conditions, and feel they receive less work guidance and training. Moilanen (2002) compared standard and non-standard jobs in terms of the differences in the employees' mental resources and life management in the service industry. He discovered that mental well-being and resources were clearly diminished in non-standard work relations as against in regular fulltime work. Studies have also demonstrated that life satisfaction and happiness are directly related to a regular and full time job. Living in a constant state of change depletes a person's internal resources and causes stress. Non-standard work relations were seen to reduce the predictability of work and life, and consequently to negatively affect well-being and happiness (Moilanen 2002). Current research continues with a review of the literature on the consequences of non-standard work relations.

A broad review of the literature conducted over the past 15 years by Feldman et al. (2006) found that at the beginning of the 1990s non-standard work referred mainly to part-time workers, whereas this now refers to the self-employed. In the 1990s temporary contracts were found mostly in the fast food and retail sectors, but today the number of highly educated individuals (e.g. graphic artists, PR professionals and consultants) with non-standard work arrangements is continuously growing (Feldman et al. 2006).

The work of the self-employed is comparatively part-time in nature, as the work may include working with various clients and fragmented projects. However, discussions have focused on whether the self-employed belong to the so-called pure non-standard work arrangement category (e.g. Nollen 1993). Despite this, not everyone considers that self-employment belongs to the non-standard work arrangement group. According to Nollen (1996) non-standard work arrangements are often categorized as so-called bad jobs. According to this definition, entrepreneurs have more control over their work and wages compared with other non-standard work arrangements, and are therefore not seen as falling cleanly under the same definition. The self-employed are not seen as representing the traditional

concept of entrepreneurship at its purest, owing to minimal growth ambitions, often meager funding and a weaker entrepreneurial attitude.

The dramatic growth of non-standard work relations in recent years has caused researchers to question the reasons behind this growth. Research suggests that the core of the problem lies in the fact that most of those working within non-standard arrangements are in their jobs reluctantly (Feldman et al. 2005, Guest et al. 2006). Kauhanen (2008) found that most of those who reluctantly end up in non-standard employment are middle-aged women and the under-educated. Additionally, well-being and job satisfaction have been found to be weaker for those not working voluntarily (Kauhanen & Nätti 2011, Kinnunen et al. 2011). The reluctant choice has been observed to lead to more negative attitudes to work, and subsequently to diminished job satisfaction (Moilanen 2002). When non-standard work relations were examined in Finland (e.g. Julkunen & Nätti 1994, Nätti 2005), the reluctant viewpoint was seldom looked at. Kauhanen (2008) examined non-standard work relations in the service industry, looking especially at those who reluctantly ended up in a non-standard work contract. He noticed that it was typical for these individuals to want more work hours and that they were often simultaneously looking for a new job. According to Kauhanen's study, they did not have other sources of income, such as a typical student who works part-time and has a student support grant.

In addition to the new working life having often been described as flexible, individualized, and emphasizing independence, it has become more uncertain and mentally draining. Julkunen (2008) refers to this phenomenon with the concept of subjectivation. According to him, work is increasingly individualized, and personality and the person him/herself is seen to have a big impact. This in turn can be seen in the individual taking more responsibility for their work, as well as themselves at work. People are increasingly responsible for their own successes and failures, as well as their own work well-being and setting boundaries for their work (Julkunen 2008: 123). The uncertainty of work often leads to unemployment, but uncertainty can decrease work satisfaction and commitment while increasing psychological load and health risks. On an organizational level the effects can be seen more as a deteriorating atmosphere, which can affect people's productiveness (Mauno & Kinnunen 2005). Julkunen (2008) believes that uncertainty is not only brought about by the threat of unemployment or redundancy, but also by unanticipated changes and the fear of an increase in the demands of the work.

## 2.2 Necessity entrepreneurship

### 2.2.1 *Nature of necessity*

The concept of necessity work has emerged from discussions about non-standard work relations. This refers to the individual's lack of choice in terms of work opportunities as well as to the fact that choice was not the primary aim. The concept of necessity is, however, widely discussed and raises various questions. This is problematic, as the concept of necessity work deserves more rigorous analysis.

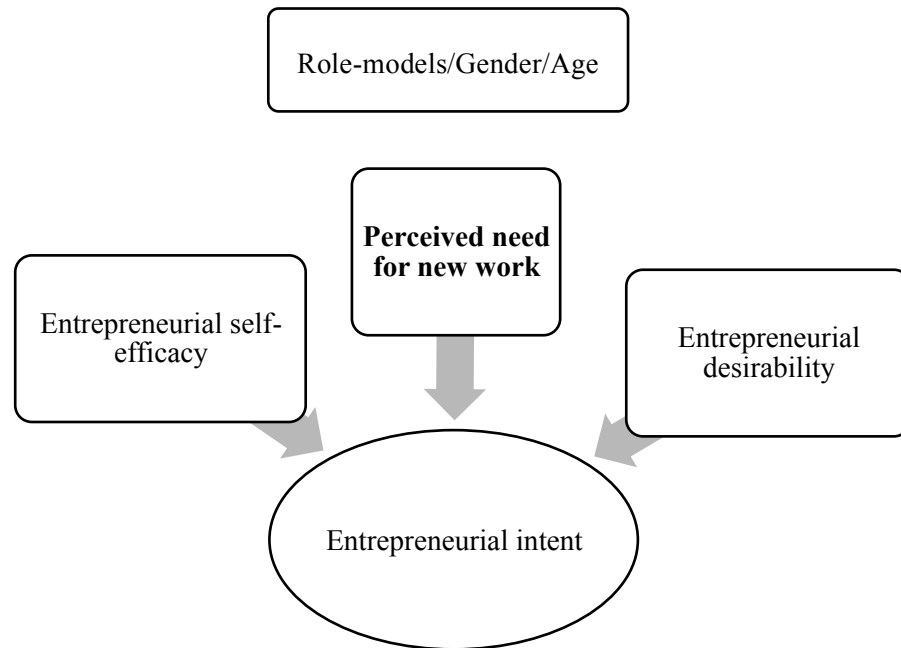
In addition, whether necessity entrepreneurs actually exist and what is meant by necessity are ongoing topics among researchers in the entrepreneurship field. Discussion around necessity often raises counterclaims about its existence and this is often justified according to freedom to choose one's work and especially to choose to work, owing to the availability of a welfare system that ensures that adequate social security is available for everybody. Olsaretti (1998) studied the relationship between freedom, force, choice and voluntariness and alleged that people often make mistakes when discussing choice, claiming that they conflate different sets of choices. In other words, although the individual has the right to choose freedom, from a philosophical point of view this is only one version. It is not necessarily related to voluntariness; that is, freedom does not guarantee voluntariness (Olsaretti 1998). Although an individual starts the business voluntarily, it does not mean that he would have chosen that in other circumstances. In that sense, necessity entrepreneurship – also called involuntary entrepreneurship – is not validated by freedom. Following the same reasoning, an individual may start a business out of necessity yet find entrepreneurship a satisfying option. When an individual is told he must do something – something that he would not have done himself – it can cause a psychological reaction to the motivation. The key issue is loss of freedom to choose, not the fact of doing something distasteful (Brehm & Brehm 1981).

Olsaretti (1998) shows that choice contains two levels, primary and secondary, which may be in opposition. The first level of choice can be seen as a choice between work and unemployment. Within this context, an individual is often driven by economic necessity resulting from personal or economic reasons, and so preferring to work to earn a living. In this economic environment, many face the choice between salaried work and starting a business, which then presents the secondary level. Consequently, necessity entrepreneurship should be seen as being based on two separate levels, which at the same time highlight the underlying issues: the problem of employment and the problem of adjusting to non-

preferable working options. In this study necessity draws from the definition of voluntary choice, articulated by Olsaretti (1998): “*Choice is voluntary if and only if it is not made because there is no acceptable alternative to it.*”

The Global Entrepreneurship Monitor (GEM) uses the term necessity entrepreneurship when referring to reluctant entrepreneurship, but the term they use and the reference to necessity have been met by criticism, as initiating entrepreneurship is still ultimately seen to be one’s own choice (Heinonen, Kovalainen, Paasio, Pukkinen & Österberg 2006). On the other hand, it can be argued that because of the Finnish social support system, true necessity situations in terms of making a living will not occur. Niittykangas, Littunen & Kinnunen (1998: 88) also do not refer to necessity or reluctant entrepreneurs, but instead of “forced founders”, and they believe that “in the absence of other options, entrepreneurship offers an opportunity for income and a socially acceptable position”. In this case it is not appropriate to refer to entrepreneurship in the traditional sense of entrepreneurship literature, as the basis of behaviour and choices are so far from the traditions of entrepreneurship. Niittykangas et al. (1998) believe that the individual does not necessarily consciously aim for entrepreneurship but accepts it in the absence of other options, possibly as a gap phase in life.

The major entrepreneurial schools of thought (Chicago, German, Austrian) present entrepreneurship as career paths that are attractive, and the intention to start business as voluntary; thus factors behind the intention to start a business are central in the necessity discussion. Desirability and feasibility of opportunity are central elements for the intention to act according to the classic idea of intentions (Shapero & Sokol, 1982) and Kruegers’ (1993) further developed model of intentions define entrepreneur’s *desire* (Desirability) and *self-belief* (Self-efficacy) as key factors surrounded by economic conditions. The intention is heightened and transformed into action by some form of “*displacement*” that could be also seen referring to some form of economic necessity. Although displacement is not detailed in the original Intentions model, Lucas (2008) presents a new completed model that sees a stronger relationship between economic conditions and the cognitive process of intention formation. Here, the role of necessity becomes a visible factor in starting up a business.



**Figure 2.** An intention model with perceived need for new work (Lucas 2008).

Although necessity is often clarified through situational antecedents, it has been claimed that push factors would not necessarily lead to a negative outcome. Auvinen, Niittykangas & Kuhmonen (2010) further explain the sources of necessity, not taking as predictable that necessity results from negative associations but recognizing the different dimensions behind the experience and outcomes of necessity. (see Figure 5.)

While necessity plays a major role in the intention process of individuals, it can be explained by both inner reasoning and external motives. From a negative perspective, necessity – according to the model – may lead to bitterness and jealousy, whereas positive outcomes of inner necessity could be achieving goals and self-fulfilment. Necessity caused by external factors may be the result of social pressure or life changes, but outside influences can also lead to new opportunities. Similarly, Heinonen et al. (2006: 164) suggests that instead of referring to necessity, the issue may be more to do with “ending up in a situation” or “lugging onward” – in other words, a reluctant attitude towards entrepreneurship rather than a perception of necessity. Thus, necessity is seen here from a wider perspective, caused by beginning situation, economic necessity, but also considering the possibility of necessity caused by inner needs. Additionally, it has been demonstrated that satisfaction with entrepreneurship can change over time, thus it is reckoned that the source of necessity may change or develop over time.

	Negative	Positive
Inner	Bitterness, jealousy, resentment	Self-fulfillment, goals, achievement
External	Social pressure, life changes, unemployment	External incentives

**Figure 3.** Sources and nature of necessity (Auvinen et al. 2010: 19).

### 2.2.2 *Necessity entrepreneurship as a current phenomenon*

The notion of necessity-based entrepreneurship has caused much conflict in discussions about the nature of today's working life and about the nature of entrepreneurship. On the one hand, necessity is seen as a consequence of increasingly precarious work options; on the other hand, it reflects a lack of opportunities to succeed through entrepreneurship. Whatever the truth, bringing forward the topic of necessity entrepreneurship is enlivening the conversation. As it is a sensitive topic for entrepreneurs themselves, it has led to wider discussion and defensive claims among political and entrepreneurial lobbyists. For example, in a press release in 2011, the Chairman of the Federation of Finnish Enterprises stated: "There is no forced work in Finland, or forced entrepreneurship" and "The self-employed are not lame ducks, they create growth and well-being to society by their actions and networks."

As the job market is currently seen to contain both opportunity entrepreneurship and necessity entrepreneurship, people have started talking about phenomena such as "necessity entrepreneurship" and "reluctant entrepreneurship" and a contrasting "opportunity entrepreneurship" (Galbraith & Latham 1996, Arenius, Autio & Kovalainen 2004). It is typical of opportunity entrepreneurship that the individual has recognized a business opportunity in the operational environment and grasped it. The decision to become an entrepreneur is completely a personal choice and it is based on personal entrepreneurial intention and motivation. However, necessity (also called reluctant) entrepreneurship is typically about a person



feeling that the job market does not offer a choice other than self-employment (Arenius et al. 2004).

Necessity entrepreneurship has become more prominent in the media and on discussion forums in the last few years, as the Table 1 shows. In 2004, Teuvo (a pseudonym) wrote in the popular Suomi24 discussion forum (4.7.2004 at 19.06):

*This entrepreneurship babble is starting to get on my nerves. Politicians are jabbering on about needing more entrepreneurs and that entrepreneurship should be encouraged. It's all well and good as a goal, but the practical presentation is that people should take on all the risks and responsibilities of entrepreneurship without the chance of success and wealth. Necessity entrepreneurship is offered to the unemployed in the form of various provisional paid work and agent contracts. Especially young women with degrees in business often have to take these jobs when real work relations are not available.*

Mainly as a consequence of the public discussions launched by representative bodies, the media have referred to a special subgroup of reluctant workers created by outsourcing and by structural and sector reformations: the dependent self-employed<sup>2</sup>. Dependent self-employment is used to refer to independent entrepreneurship that actually fulfils all the criteria of contractual work (Siltala 2004, Böheim & Muehlberger 2006).

Dependent self-employment has been described as artificial entrepreneurship and false entrepreneurship because the worker is often dependent on one client and bound as a subcontractor by contracts, schedules and work facilities (Siltala 2004). Research on entrepreneurship has led to a discussion about whether dependent entrepreneurship should be clarified in legislation (Freedland 2003, Filion 2004, Kautonen 2007).

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<sup>2</sup> Dependent self-employment is translated as näennäisyrittäjä in Finnish. For example AKAVA (the union for people working in culture, business and administration) stressed its worry over dependent entrepreneurship in Annual Report 2.

**Table 1.** Examples of necessity entrepreneurship in the media in recent years.

<b>Article title</b>	<b>Media</b>	<b>Date</b>
Necessity entrepreneurs in weak labour positions	SVT.se	17.12.2012
Coming from far – forced to be self-employed	Taloussanomat	9.11.2012
Necessity entrepreneurship became a stable phenomenon in working life	Yle.fi	5.7.2012
Necessity entrepreneur suffers alone	Helsingin Sanomat	8.3.2012
Necessity entrepreneurship is not always proper entrepreneurship	Helsingin Sanomat	29.12.2011
Temporary agency work against necessity entrepreneurship – which one is worse?	Taloussanomat	19.12.2011
Necessity entrepreneurship is dumbing business	Etelä Saimaa	14.12.2011
Necessity entrepreneurship is not profitable	Kaleva	27.11.2011
Equal security and rights for the necessity entrepreneurs	JHL.fi	10.10.2011
Necessity entrepreneur, start-up entrepreneur or lifestyle entrepreneur?	Tilastokeskus	15.2.2011
Necessity entrepreneurship – the architect of his own fortune	Palkkatyöläinen	31.1.2007
Necessity entrepreneurship's income policy under concern	PAM's Internet News	5.9.2004

### 2.2.3 *Necessity entrepreneurship as a field of research*

A report by the Ministry of Employment and the Economy entitled “Involuntary entrepreneurship” (Kautonen (Ed.) 2007) was the first in Finland to focus specifically on broadly identifying reluctant entrepreneurs in a nationwide sample. They found that 10% of 850 micro-business owners that took part in the study had started their businesses involuntarily. In the most cases they had started their businesses due to lack of job or threat of unemployment, but only 25% of these informants found entrepreneurship involuntary. (Kantola & Kautonen 2007.) This is the only cross-sectional study made in Finland (to my knowledge there is none available in any other country, either), and it indicates that the phenomenon is not widespread; in fact, it is marginal in relation to the Finnish small business population as a whole. However, it tends to concentrate on particular sectoral niches, for example on hairdressing, construction and services, and is more prevalent among the self-employed. (Kautonen, Palmroos & Vainio 2009, Kautonen, Down, Welter, Vainio, Palmroos, Althoff & Kolb 2010).

Previously, the number of reluctant entrepreneurs was observed as a side note and focused on specific groups, such as Heinonen et al. (2006) did when they examined entrepreneurship among economists and graduate engineers. They found that, depending on the breadth of the definition, reluctant entrepreneurs would account for between 17% and 25% of entrepreneurs. According to the narrowest definition, necessity entrepreneurs comprised individuals who felt they had launched their company under circumstances of necessity, in the absence of other options for employment. The widest definition included individuals who had changed their work relation to a client relation and had therefore become entrepreneurs in response to such demands from their employers.

Similar studies conducted in other western countries have detected reluctant entrepreneurship, but they represent rather small scale studies, thus being rather elusive. Global Entrepreneurship Monitor represents one of the large scale studies of entrepreneurship. Parallel to many other entrepreneurial dimensions, the amount of necessity-motivated businesses has offered one view of entrepreneurship since the year 2001. According to the GEM, entrepreneurship in Finland – as well as in other Nordic countries – is mainly opportunity based. Nonetheless, Finland has the highest rate of necessity entrepreneurs: 18%.

Another example by Block & Wagner (2006) in East Germany found that nearly 30% of entrepreneurs were reluctant entrepreneurs. They defined reluctant entrepreneurs as individuals who had become entrepreneurs as a result of being made redundant from paid work or their role no longer being required in the company (Block & Wagner 2006). Similarly, a Canadian random sampling exploratory

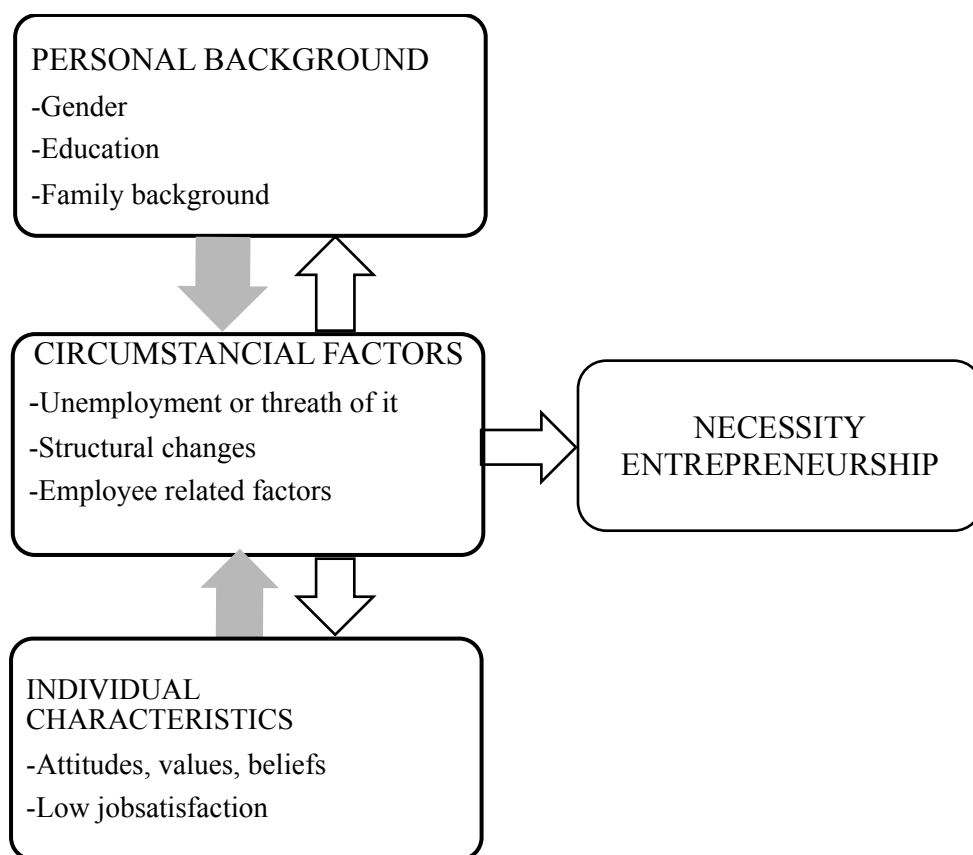
study found a similar trend, where 25% of self-employed reported being entrepreneurs out of necessity (Roy 1998). In a study of professionals by Fillion (2004), 20% were reluctant entrepreneurs. Statistical studies have shown that the percentage of reluctant entrepreneurs is roughly the same in the United States (Dennis 1996).

The kind of reluctant entrepreneurship discussed in the GEM is, in fact, a more widely occurring phenomenon in developing countries, that is, countries with so-called high levels of entrepreneurial activity. The 2003 collation found the rate of reluctant entrepreneurship in Uganda was as high as 46% of new entrepreneurs. Additionally, China (47%), Brazil (43%) and Argentina (38%) had markedly high rates of reluctant entrepreneurs (Arenius et al. 2004). However, the comparison was not considered valid as the routes leading to reluctant entrepreneurship as well as the definition of entrepreneurship were found to be very different in developing countries compared with industrialized ones (Arenius & Minniti 2003, Rosa, Kodithuwakku & Balunywa 2006). A study by Rosa et al. (2006) revealed that individuals in developing countries often define themselves as unemployed despite their entrepreneurial activity, because their definition of work refers only to being an employee of a large organization. Naude's (2006) focus was, for example, South Africa's rural provinces, where there was a severe lack of employment opportunities. They found that entrepreneurs are likely to end up working in the informal sector due to a lack of opportunities. However, Rosa et al. (2006) conducted a study in Uganda and Sri Lanka and found opposite evidence from that predicted by necessity hypothesis. Their results indicated that individuals rather avoided becoming entrepreneurs, because they often felt trapped by having to work long hours. Even this kind of cultural difference causes great variability in a questionnaire-based study with westernized definitions. The equality of comparisons is also questioned, in that opportunities for paid work in developing countries exist only for a privileged minority. Consequently, entrepreneurship (according to the western definition) in countries where social welfare is not available may be the only way for people to make a living (compare with Rosa et al. 2006). Thus, the entrepreneurship in the developed countries is not equally comparable with the western views and in the western economical environment.

#### 2.2.4 *Antecedents of necessity entrepreneurship*

Numerous studies classify the reasons for becoming an entrepreneur into push and pull factors, i.e. factors that push or pull an individual into entrepreneurship (e.g. Davidsson 1995, Granger et al. 1995, Mallon 1998, Ritsilä & Tervo 2002, Heinonen et al. 2006). Push factors refer to negative starting points that lead indi-

viduals to make a choice that was not their primary one. Entrepreneurship often becomes reluctant when these push factors dictate the decision. Pull factors encourage the individual and increase the desirability of the choice. Because pull factors are appealing, the individual experiences pleasure and has a more positive attitude towards the choice made – in this case, entrepreneurship. This is therefore referred to as opportunity entrepreneurship. The following sections are divided to present the phenomenon from three perspectives: personal background, circumstantial factors and the individual's characteristics. The distribution leans on Huuskonen's cyclical model of factors influencing an individual to start a business.



**Figure 4.** The antecedents of the necessity entrepreneurship (Kautonen 2007: 44, based on Huuskonen 1992).

*Personal background*

The effects of the background factors – including the gender, education and family background have been identified to be important in the literature are seen as inferior to the push factor of the individual's circumstantial factors, in both work and private life.

*Gender.* The significance of gender in entrepreneurship has been widely discussed and it is assumed to be one of the factors in the rise of reluctant entrepreneurship. According to the GEM, 44% of female entrepreneurs worldwide have become entrepreneurs out of financial necessity, compared with 31% of men (Minniti, Bygrave & Autio 2006). When interpreting high percentages it must be remembered that these include developing countries. Other studies support the view that women are driven to reluctant entrepreneurship more often than men, especially because of the diminishing line of activities and the loss of a steady job (e.g. Granger et al. 1995). The effects of gender on entrepreneurial activity have long been discussed, as women's entrepreneurial activity has always been lower than men's (Arenius et al. 2004). According to the GEM, entrepreneurial activity by women in Finland has been lower than in other countries involved in the monitor; here, women's entrepreneurial activity was only about two-thirds that of men (Arenius et al. 2004). Other countries have reached similar conclusions (e.g. Block & Wagner 2006). However, women's entrepreneurial activity has clearly increased in the 2000s. According to the GEM in 2005, for every five men who became entrepreneurs, four women did (Minniti et al. 2006). Increases have been observed especially in the numbers of female entrepreneurs and family entrepreneurs.

Entrepreneurial women are often self-employed; for instance, 64% of the companies owned by women are run by self-employed individuals, according to a review by the Finland Ministry of Trade and Industry. The GEM (2005) estimated that as many as 44% of female entrepreneurs chose entrepreneurship because of financial necessity (Minniti et al. 2006). In Finland, female entrepreneurs generally operate within the service industry and the retail sector. Also, the gender-related educational division and separation has partly been explained by cultural factors (e.g. Kovalainen 2003: 25). Health and social services, education, and service and humanistic industries are often considered to be the domain of female entrepreneurs. Indeed, over 70% of those leading these industries are women.

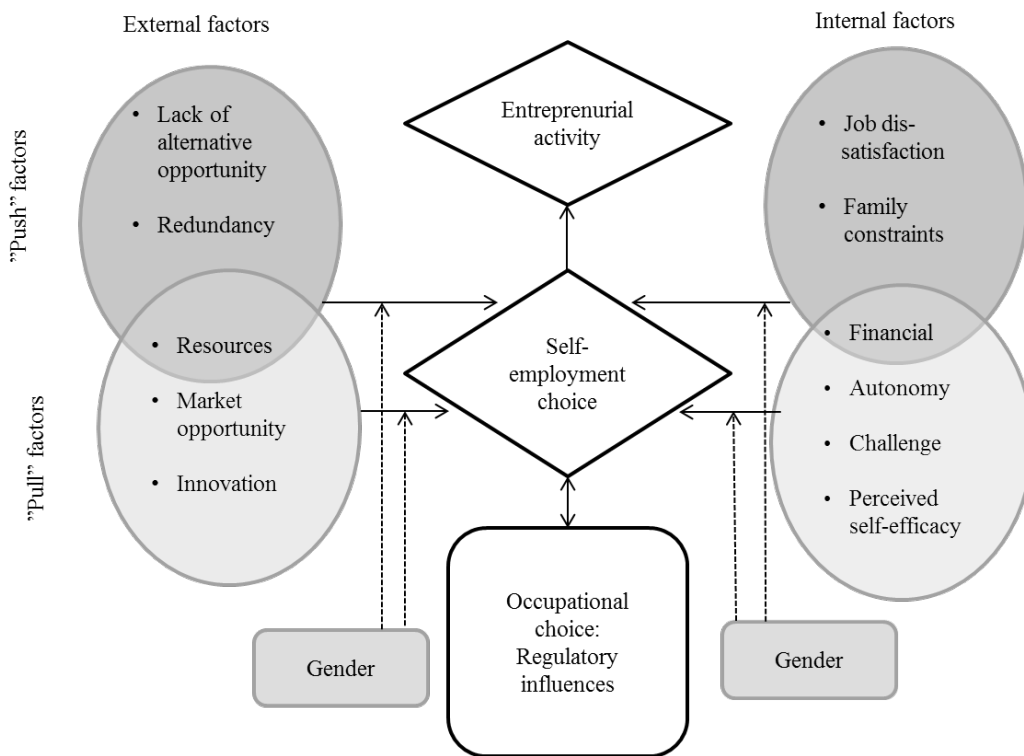
Male and female entrepreneurs have common motivators in becoming entrepreneurs. However, according to a study examining these motives, the family does not play as statistically significant a role in men's entrepreneurial motivation as it does in women's (DeMartino and Barbato 2003). Their experiences of success are

more related to job satisfaction, family and a good life than to purely financial success. The study of Granger et al. (1995) studied women freelance workers in book publishing in the Greater London and noticed that redundancy was a primary reason for starting up as a self-employed. He identified four archetypes of female entrepreneurs. The first group are refugees, i.e. women who have begun entrepreneurship under duress but who are hoping to return to traditional contractual work. The second are women who have taken up entrepreneurship as a calling, and who have chosen entrepreneurship completely voluntarily. The third are opportunists: those for whom entrepreneurship is temporary; it is seen as a way of possibly furthering their career, or as a more flexible alternative demanded by life situations. The last group are the converted: female entrepreneurs who take up entrepreneurship reluctantly in the absence of other employment options, but ultimately do not want to move back to working for someone else. In a sense, for them, entrepreneurship is better than unemployment, unsuitable work or underpaid work.

Some of the studies examining the differences between reluctant and opportunity entrepreneurs have not found gender to be a statistically significant factor, or have found only marginal differences (e.g. Block & Wagner 2006). The results have not always supported the significance of gender in founding a start-up in the literature on entrepreneurial intention, either (e.g. Davidsson 1995). However, specifically female-dominated fields, such as health and social industries and the service and humanistic fields, belong to those who suffer widely from unemployment. A recent entrepreneurship review reports that during the last decade the amount of private social services, personal services and home services have shown significant increase (Ministry of Labour and the Economy, 2012).

Orhan & Scott (2001) examined the take-up of entrepreneurship among women and found that their push factors could be divided into two groups: ones related to individuals and ones related to family circumstances. On the one hand, women were found to take up entrepreneurship opportunities as a result of poor development opportunities at work or age discrimination. On the other hand, also family situations may act as push factors. According to the cases in this study, women took up entrepreneurship so that they could spend more time with their families while carrying on a family business. Orhan & Scott (2001) refer to this situation as a necessity: without death or the retirement of the previous owner, these women would not have become entrepreneurs. Similarly, Dawson & Henley (2010) stress the gender differences in interpreting motives. Dawson & Henley (2010) reviewed past literature around “push” and “pull” reasons and evaluated the review by conducting a secondary analysis using a large UK-based survey. They present self-employment choice across two dimensions, whether the choice was

subject to external or internal factors (Figure 7). Like many others, also Dawson and Henley (2010) claim that the distinction of motivations is ambiguous, but especially they highlight the differences between genders. According to their findings, men and women interpret motives differently. Men tend to combine “pull” factors, whereas women tend to combine both “push” and “pull” factors. Their study indicates that men see motives more clearly. Women, on the other hand, reported multiple motives more often and combined, for example, the “pull” of independence to other “push” factors such as family and home circumstances. The pull of independence is thus closer to the “need for independence” than the “pull” of independence.



**Figure 5.** “Push” and “Pull” motives (Dawson & Henley 2010).

*Age.* Age can also play a significant role in entrepreneurial motives and may contribute to reluctance towards taking up entrepreneurship. Age has also been shown to affect the move towards entrepreneurship in many ways. Research has suggested that some people transition from contractual jobs into entrepreneurship when they retire. Age has also been shown to diminish employability, and therefore many become entrepreneurs to avoid unemployment. Nonetheless, young



people are often challenged by a lack of sufficient professional know-how and experience as well as limited financial opportunities.

In terms of age groups, entrepreneurial activity is at its highest amongst men aged between 25 and 34. Amongst women, entrepreneurial activity is at its highest later: between 35 and 44 (Arenius et al. 2004). Encouraging the older generation to remain working or to pursue entrepreneurship for longer is the other extreme. The older generation have experience and know-how to share; they have established networks and possibly even the finances necessary to start up a business (Parker 2004). Curran & Blackburn (2001) have found that the older the group is, the less interested they are in entrepreneurship. In Finland, those aged 50 and over start up about half as many businesses as those aged between 20 and 49, relative to the whole population (Kautonen 2008). According to research, entrepreneurial interest is diminished by concern over health, an increased appreciation of free time and the selectivity of work (Curran & Blackburn 2001, Parker 2004). Of course, entrepreneurship among older workers may be a consequence of long periods of unemployment and a lack of other choices because of age discrimination, amongst other things (Kautonen, Down & South 2006). Reluctant entrepreneurship has sometimes been seen as more common amongst older entrepreneurs (Wagner 2005, Block & Wagner 2006). A Finnish study found that only one in ten start-ups founded by an older individual (50+) could be classed as having been reluctantly taken up (Kautonen 2008). This corresponds to the Finnish entrepreneurial activity percentage based on reluctant entrepreneurship, as established by the GEM (Arenius et al. 2004).

*Education* has not seen as a significant contributor to the decision of becoming an entrepreneur. Block & Wagner (2006) claim that school background does not have impact on an individual being a necessity or an opportunity entrepreneur. Similarly Hinz & Jungbauer-Gans (1999) argue that there is no significant difference between the educational backgrounds of entrepreneurs with a history of unemployment and those with a history of paid work. However, the educational background of those going from unemployment to entrepreneurship differed significantly in their study when compared with the educational history of the entire unemployed population. Those who took up entrepreneurship were significantly better educated (approximately 40% had a university or higher education qualification).

*Career background.* Whereas education alone does not seem to be significant factor, it is the experience individual has achieved before starting up as an entrepreneur. Career background is often central in terms of evaluating the resources and possibilities within the business. Whereas previous work may offer a new

entrepreneur good contacts and connections, certain career paths may also provide individuals with belief and self-confidence in their own abilities and possibly stronger management skills. Yaniv & Brock (2012) argue that work as a self-employed person has many similarities with managerial positions, such as intense job dynamics. They claim that an entrepreneur with managerial experience is more likely to remain as an entrepreneur and achieve success. In addition, they see that managerial experience is also connected to the level of self-efficacy (Bandura 2001): a person's belief in his or her capability to perform a task.

*Family relations.* Research on self-employed professionals has shown that the close social circles of those who have done well often include another successful and satisfied entrepreneur. As well as providing a role model, they offer help through conversations, guidance in entrepreneurship as a way of forming an entrepreneurial culture around them, and the instilling of positive attitudes towards entrepreneurship (Filion 2004). Overall, social relations can help an entrepreneur through providing equipment and finance and sharing knowledge, but they can also help psychologically through providing support and encouragement (Sanders & Nee 1996). This is in line with the concept of social capital, which refers to an individual's resources, in this case to social relations, and connections that support and help an individual's career (Coleman 1990).

*Ethnic background* can also influence entrepreneurial intention and, regrettably, opportunities as well. The immigrant population has a lot of entrepreneurial potential. Research shows that entrepreneurial activity by foreigners (the percentage of entrepreneurs out of the entire working population) surpassed the entrepreneurial activity levels of the Finnish population as early as the end of the 1990s. A review by the Ministry of Trade and Industry indicates that people from Southeast Asia have the highest level of entrepreneurial activity within Finland's immigrant population (Hyrsky 2006). Despite these positive trends, entrepreneurship is not easy for immigrants in Finland, owing to language barriers and cultural difficulties. Finnish legal practices are strange and the bureaucracy is seen as unreasonable, as are Finland's high taxes (Lith 2005). According to interview studies, the enticements to becoming an entrepreneur are still multifaceted. Entrepreneurship has, among other things, been considered a path to social and financial independence as well as respect. For many immigrants, entrepreneurship brings a higher level of income than paid work does (Lith 2005). Joronen (2012), however, found that immigrants' business closure leads more often to unemployment compared to Finnish. However, as paid workers, educated immigrants may spend a long time in low-paid jobs that do not match their qualifications. When a qualification gained in the country of origin is not recognized in the destination country, entre-

preneurship may be the only means of making a living in the new home country (Lith 2005).

*Health.* In addition to personal factors, individual's situation and capabilities may be limited due to his or her health. Health has been shown to be connected to entrepreneurial intentions in some studies, though neither these findings are straightforward. According to Parker (2004), on the one hand, entrepreneurship offers a slightly more flexible environment to someone who may be physically limited, and it may offer a way out of a contractual job in which an individual experiences discrimination. On the other hand, the flexibility of entrepreneurship can lead to stress, and long hours of work can lead to deterioration in health. In addition to this, the uncertainty of self-employed individuals is increased by the fact that they are responsible for their own health insurance payments.

#### *Circumstantial factors*

In addition to an individual's characteristics and background, current circumstances have a significant influence on the decision to become an entrepreneur. The unemployment situation and the entrepreneurial ventures of the unemployed have received distinct attention in both entrepreneurship literature and the media. According to Van Praag & Ophem (1996), circumstantial factors refer specifically to an individual's opportunity, which means a chance for someone who wants to take it; this in itself is sufficient to gain financial capital, entrepreneurial abilities and (financially) supportive surroundings. The individual's determination is dependent on a personal appreciation of entrepreneurship as well as on the appeal of other available options.

*Unemployment* or threat of it is characterized as one of the most influential factors behind starting as a self-employed (e.g. Andersson & Wadensjö 2006, Block & Wagner 2006, Hughes 2003, Moore & Mueller 2002, Niittykangas et al. 1998). Similarly the individuals with unemployment background were overrepresented among the necessity-based entrepreneurs in Finnish context (Kantola & Kautonen 2007). The unemployment is shown to encourage or drive people into entrepreneurship in areas where opportunities for other kinds of employment do not exist (Storey 1991, Reynolds et al. 1994, Block & Wagner 2006). Research has found that the main motivation for the unemployed taking up entrepreneurship is to make a living, whereas the main motivation for those making the transition from a paid job is reportedly a desire for independence (e.g. Hinz & Jungbauer-Gans 1999, Filion 2004). Similarly a study examining those with an unemployment history in a German study found that as many as 81% of the unemployed who

became entrepreneurs reported having work as the most important factor (Hinz & Jungbauer-Gans 1999). Entrepreneurs with a history of unemployment see entrepreneurial work more as a full-time occupation, compared with those transitioning from paid work (Hinz & Jungbauer-Gans 1999). The result may refer directly to pressure on the individual to make a living. Becoming unemployed can be also seen as a so-called personal crisis, which in itself acts as a push factor for taking up entrepreneurship. The sudden loss of a job may also lead to entrepreneurship until such time as new possibilities in the job market become available. Bradbury (1994) believes that entrepreneurship may also act as a stopgap – a way of maintaining an income – but the entrepreneur means to return to full-time paid employment as soon as possible. Similarly, Granger et al. (1995) use the word refugees to describe individuals who become entrepreneurs to make a living but constantly yearn to return to a paid job.

*The length of unemployment* has also been seen to have an effect on entrepreneurial intention. The likelihood of taking up entrepreneurship has been found to be at its highest at the beginning of an unemployment period, whereas long periods of unemployment have been found to diminish interest in entrepreneurship (Ritsilä & Tervo 2002, Andersson & Wadensjö 2006). Cowling & Mitchell (1997) also found a connection between unemployment and entrepreneurship, but they observed the opposite: long-term unemployment increases the likelihood of an individual choosing entrepreneurship. They believed that long-term unemployment causes individuals to grasp the choice offered by entrepreneurship as their last resort. Studies comparing reluctant and opportunity entrepreneurs have found that reluctant entrepreneurs had been unemployed for significantly longer periods of time than opportunity entrepreneurs had (Block & Wagner 2006).

*Entrepreneurial incentives* have also been shown to be connected with launching start-ups. The unemployed see such bursaries as an important inducement in terms of motivation, whereas those transitioning from paid work have not seen the bursaries as important or have not used them (Hinz & Jungbauer-Gans 1999). The bursaries have also been seen to directly affect success. In addition to the bursaries, guidance from the employment office or the strict selection process for those receiving a bursary may have a part to play in supporting success (Andersson & Wadensjö 2006). Moore & Mueller (2002) found that amongst those who took up entrepreneurship, most had not applied for unemployment benefits. This would suggest that those who can no longer get support from anywhere else drift into entrepreneurial ventures.

*Regional differences* in unemployment can also influence the emergence of new companies. The relationship between regional differences in unemployment and

the number of start-up companies is not directly proportional; research has found evidence for effects that push people into entrepreneurship as well as effects that pull people away from it (Storey 1991, Tervo & Niittykangas 1994). However, this argument has a flipside: a high unemployment rate also indicates that several companies are closing down; this opens up business opportunities for those who wish to continue those businesses in the form of entrepreneurship (Ritsilä & Tervo 2002). The situation can therefore be seen as creating opportunities as well as providing the optimal time to become an entrepreneur.

*Employee related reasons.* Entrepreneurship can also be prompted by an employer's initiative. Aside from unemployment, a significant factor pushing people into reluctant entrepreneurship is so-called personnel rearrangement that occurs as a result of a company outsourcing; in this case, employees are moved into entrepreneurial positions in response to the threat of contract termination (e.g. Filion 2004, Böheim & Muehlberger 2006). This is often driven by structural changes to the work environment or the job market. One of the most common examples is when a company outsources a certain service, and the person who has been providing this service continues to do so as a (reluctant) entrepreneur. Although these strategic decisions bring about flexibility in an organization, they simultaneously create problems for the new entrepreneur. These problems are partly to do with losing employee status, financial dependence and the transference of the risk that was previously borne by the employer (Böheim & Muehlberger 2006). The individual employee then has to take unreasonable risks because they are no longer protected by benefits, e.g. labour protection laws and the duty of care that employees enjoy. Uncertainty about work is further increased by not needing a legal basis to terminate a contract; in the case of entrepreneurs, the contract can be terminated at any time (Vainio 2007: 125–127).

*Personal situation.* When considering circumstantial factors, Huuskonen refers to the immediate surroundings in which an individual lives and operates. Many individual circumstantial factors have been identified that push individuals into entrepreneurship: bad working conditions, personal life events that affect work, and other employment and career-related problems (Granger et al. 1995, Heinonen et al. 2006, Mallon 1998). All of these can be considered to be circumstantial factors, according to Huuskonen (1992). Nevertheless, situation in personal life may also effect as a push. Heinonen et al. (2006) found that some personal reasons, such as changes in relationship, were having impact. Similar results have been found by Granger et al. (1995) and Mallon (1998), who describe individuals taking up entrepreneurship after receiving a “nudge” from changes in their private lives.

*Individual characteristics*

According to the model by Huuskonen (1992), one group of factors affecting entrepreneurial drive is related to the individual's personal qualities. Even though various characteristics are believed to motivate entrepreneurship, there is a lack of strong evidence for any specific characteristic; there are only features that are typical for entrepreneurs (Parker 2004). Personality traits can be seen as a part of the decision to become an entrepreneur or as a factor that furthers that decision (Huuskonen 1992).

These have received little attention in relation to reluctant entrepreneurship; research has focused mainly on environmental factors and so-called external influences. Galbraith & Latham (1996) examined the features of three different groups of workers; entrepreneurs, reluctant entrepreneurs and paid workers. They demonstrated that reluctant entrepreneurs have features that are similar to, as well as features that are unlike, those of paid workers and entrepreneurs who view entrepreneurship in a positive light.

*Personality.* According to the study, a necessity entrepreneur has a similar ability to take risks and a similar tendency to be goal oriented, compared with entrepreneurs on average. The high tendency to be goal oriented may arise from a desire to demonstrate to oneself as well as to others that one is able to succeed. However, a reluctant entrepreneur wants independence and creative freedom, as much as a company executive does (Galbraith & Latham 1996).

Certain traits have been strongly attached to entrepreneurs and their success. Vecchio (2003) suggested the "Entrepreneurship's Big Five" – locus of control, need for autonomy, and need for achievements, risk-taking propensity and self-efficacy to be associated with the willingness to become entrepreneur and succeed in it. Yaniv & Brock (2012) studied a group of 287 Israeli necessity-based entrepreneurs and found out that low levels of these five trait dimensions predict the level of reluctance and were negatively related to a reluctance to remain an entrepreneur. Especially important Yaniv & Brock (2012) found out self-efficacy, the confidence or belief of a person in her ability to perform a task successfully. As there is little likelihood that necessity-based entrepreneurs' change back to salaried work, because of the lack of other alternatives, Yaniv & Brock (2012) believe that increasing their confidence in their capabilities through self-efficacy training would have positive effect on their performance and increase their job satisfaction.

A small-scale necessity entrepreneur is also typically shocked initially about the loss of the previous job. As a result, they often want a team to work with, and the

family atmosphere of an organization. A reluctant entrepreneur often prefers team leading and delegation, which are the distinctive features of executives of large companies, whereas small business entrepreneurs take more personal responsibility (Galbraith & Latham 1996). However, significant differences have not been brought to light in comparisons between reluctant and opportunity entrepreneurs. Even in general terms, any investigation into an individual's characteristics and the subsequent correlation of their effects with entrepreneurship have largely faced criticism about the lack of uniformity and the absence of methods (Reynolds 1991, Davidsson 1995).

*Values and attitudes.* Instead, the attitudes and values of individuals – rather than their psychological characteristics – have been seen to be linked to the ignition of entrepreneurial intention, or lack thereof (Reynolds 1991). Research examining reluctance has initiated discussions about what people perceive as making an entrepreneur reluctant and about why they experienced some things as unappealing or aversive (e.g. Granger et al. 1995, Hinz & Jungbauer-Gans 1999). However, research also found that reluctant attitudes can change over time, and that entrepreneurship that started out as reluctant and as a last resort can, with time, start to feel like an opportunity and a more desirable choice. Through this process, work satisfaction can also change as one gain more experience (Granger et al. 1995; Hinz & Jungbauer-Gans 1999). Reluctance can also have a time dimension to it.

Also the culture that entrepreneurs have been living in and in which they have been raised affects their attitude and belief about their own capabilities. One British college student made a contradictory remark: *“I call myself "reluctant" not because I think I'm owed a job, or would rather be travelling the world or kicking back with a cup of tea, but because I've been raised and educated to aspire to be a good employee. Many young people are reluctant entrepreneurs, even if they have great business ideas, simply because it's scary to go in the opposite direction to the path our parents and teachers thought they were laying out for us.”*<sup>3</sup>

### 2.2.5 Consequences of necessity entrepreneurship

Even though the consequences of reluctant entrepreneurship have not been examined on a micro level, numerous studies have indicated possible effects on the individual. Also, the possible effects on the establishment of new companies can

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<sup>3</sup> An article about young reluctant entrepreneurs in a British newspaper, the Guardian, published in December 2012.

be observed on various levels. Here, I have divided the consequences into job satisfaction, uncertainty, dependency and financial risks.

*Wellbeing.* Despite their often negative starting points, studies have found both supporting and opposite findings related to effects of necessity on well-being and overall satisfaction. Precarious forms of work, including self-employment, have been seen to lower individuals' levels of well-being and reflect the overall quality of work life due to insecurity and short-term contracts (Siltala 2004). Also many problems on an individual level have been identified, such as stress and low work engagement (Kinnunen et al. 2011; Kauhanen & Nätti 2011). In addition, studies within the field of entrepreneurship have found clear indications that necessity-based entrepreneurs have lower satisfaction levels, but explanations are not one-sided. According to Block & Wagner (2006), reluctant entrepreneurs are significantly more dissatisfied with their work and the work situation than opportunity entrepreneurs are. Also Hughes (2003) found that individuals who were pushed into their business made lower incomes and were significantly less satisfied with their income, job security and ability to save for retirement. Despite the lower level of satisfaction, Hughes noted that satisfaction level is still very high for necessity-based and opportunity-based entrepreneurs, referring to findings in which necessity-based business owners seem to enjoy their work, despite receiving lower income. Furthermore, study by Kautonen and Palmroos (2010) showed that if the individual earns a satisfactory livelihood, it increases their satisfaction level.

However, there are also claims that the level of satisfaction is not influenced by necessity. Galbraith & Latham (1996) compared three groups: reluctant entrepreneurs, who had a background in large organizations, corporate workers, who had also lost their employment, but found alternate employment with another organization, and entrepreneurs who had voluntarily established a company, and he found no significant differences between these three above mentioned groups.

Varying satisfaction levels are seen to be connected to differences in personality. Filion (2004) explains that those who start their business on a voluntary basis especially seek out creativity, independence and freedom, whereas necessity-based entrepreneurs are seeking the opposite things and suffer from working without the community, shared responsibilities and alone. Also Hughes (2003) emphasises the intrinsic dimensions of entrepreneurs: desire for independence, creativity, authority, personal fulfilment. However, attitudes and feelings of reluctance or necessity can change over time, as one gains more experience and can turn into an opportunity and a more desirable choice (Granger et al. 1995, Hinz & Jungbauer-Gans 1999).



*Dependency.* Böheim & Muehlberger (2006) view reluctant or so-called pseudo-entrepreneurships (the financially dependent self-employed) brought about by outsourcing a paid work contract into a client-entrepreneur relationship as having two kinds of dependence. The first is a financial dependence risk, which refers to the risk transferred from the employer to the employee. The risk is dependent on only one employer and the income generated from that relationship. The employer may regulate the number of services supplied by the entrepreneur according to their financial situation; in this case, even the self-employed may face short periods of unemployment. Additionally, the entrepreneur – being left outside work contract law – allows the employer to terminate the contract without consideration for the other party; in this case, the dependence on a sole employer and work relationship leads to uncertainty. However, because the work often takes place in the employer's workspace, using their instruments, the work does not have the risk associated with traditional entrepreneurship, as the employee is only selling know-how. According to Finnish law, these employees are classed as entrepreneurs, which mean that they are responsible for their own pension and other social payments – Finnish law does not recognize something in between an entrepreneur and a contractual worker (Hietala, et al. 2001). According to Böheim and Muehlbergerin (2006), the other form of dependence relates to work hours, place and content. The dependent entrepreneur does not have the independence of a traditional entrepreneur, or the power to decide when, where or how to work. In some companies, financially dependent entrepreneurs share a dependence on the organization with regular contract workers (work place and equipment), inadequately defined work tasks (work may be repetitive for both entrepreneurs in-house employees), and the meaninglessness of work, in which case doing the job does not require special skills, knowledge or qualifications.

*Financial risks and success.* Entrepreneurship is often seen as too high a risk; people fear financial loss and list uncertain basic income as the main reason (Akava 2002). Reluctant entrepreneurs have been seen to reduce risk-taking by investing less in the launch of the company. In addition to this, they typically accept lower pay compared with opportunity entrepreneurs. The effects of reluctant entrepreneurship on the scale of income have been widely discussed, and the income of reluctant entrepreneurs is generally believed to be lower than that of opportunity entrepreneurs. As a result, they rarely invest in hiring employees or expanding the company. Of course, this may be a consequence of reluctant entrepreneurs more often operating in low-income fields, in which the need for investment is minimal (Block & Wagner 2006). In addition to a financial risk, entrepreneurship induces worry over a heavy workload and a lack of free time (Akava 2002). According to research, the flexibility of entrepreneurship may act as a double-edged sword; instead of being beneficial, the possibilities for flexibil-

ity may lead to excessive work hours and ultimately induce stress and bad health; in addition, entrepreneurs are responsible for their own health insurance payments (Parker 2004).

Research suggests it is typical for the unemployed to launch a business on their own, whereas those transitioning from paid work go into business with one or more partners more than twice as often (Hinz & Jungbauer-Gans 1999). Those from a working background also create more jobs, but their profits do not increase as fast as those who have been unemployed. Hinz & Jungbauer-Gans (1999) proposed that the reason is that those who have been unemployed do not have as much to invest at start-up and so profits are easier to achieve. However, the study also suggests that those who have been unemployed for over a year will not do as well as the others.

Comparing various starting points shows that entrepreneurs with a history of unemployment do not succeed as well as entrepreneurs who leave employment to become entrepreneurs. The differences can be seen in, among other factors, employability and differences in income (Filion 2004, Andersson & Wadensjö 2006). Johansson (2000a) found that the higher the income in the paid job, the better the income as an entrepreneur. Those who had been unemployed also give up entrepreneurship more frequently than those who had been in paid work (Andersson & Wadensjö 2006). However, those who had been successful in paid work and those with a higher level of education also give up entrepreneurship in the search of better income or if they are offered a new job (Johansson 2000b). Research demonstrates that it is typical for both groups to return to their previous status: after giving up entrepreneurship, the previously unemployed often go back to being unemployed, whereas those who transitioned from a paid job often go back to paid work (Johansson 2000b, Andersson & Wadensjö 2006).

## 2.3 Summary: Casualties of the changed work life

In this research I have approached the phenomenon of necessity entrepreneurship. Firstly, I situated necessity entrepreneurship in the framework of changes in work life; secondly, I discussed the concept of necessity and the development of the phenomenon of necessity entrepreneurship; and thirdly I presented both current and academic discussion around necessity entrepreneurship.

In today's working life, regular work contracts are being replaced by uncertain and detached work relations. The foremost change can be seen when the forms of work that previously offered flexibility to those who wanted it have now become

not only last resort but also the only employment option for some of the working population. Here, I discussed the origin of precarious work and handle entrepreneurship (self-employment) as a non-standard form of work and examined what necessity means from different angles. In the Table two I present a summary of the factors related to necessity-entrepreneurship in the previous studies.

The previous chapter outlined current issues around necessity-based entrepreneurs and presented the characteristics of individuals and their businesses who start businesses out of necessity. Overall, entrepreneurship is seen to provide many challenges to individuals who have the sole responsibility for their employment; moreover, starting a business out of necessity reflects an individual's motivation, values and even well-being.

Whereas some results are mixed or show little, previous studies show that the backgrounds of necessity entrepreneurs are different to those of opportunity-based entrepreneurs. Furthermore, previous studies indicate that the consequences are reflected both in earnings, business strategies and well-being, although a clear focus on happiness and well-being among necessity entrepreneurs is still missing. As necessity, whether based on personal, environmental or situational factors, can be seen as threat to one's wellbeing, and additionally as one's overall working life has moved more towards taking an independent approach to responsibility, recognizing the elements of an individual's coping is gaining importance.

**Table 2.** Summary of factors related to necessity entrepreneurship.

<b>Perspective</b>	<b>Discovery &amp; Author</b>
<b>Definitions</b>	<p>(Block &amp; Wagner 2006).</p> <p><i>Situational: Individuals who have lost their employment with a larger organization and have established an enterprise (Galbraith &amp; Latham 1996)</i></p> <p><i>Situational: Someone who has been in paid employment before, but was either laid off by her employer or her place of work was closed. (Block &amp; Wagner 2006).</i></p> <p><i>Motivational: Individuals who started business out of necessity, who felt that they had no other possibilities (Kautonen 2007).</i></p> <p><i>Motivational: Individuals who were pushed into entrepreneurship (Hughes 2003, Granger et al 1995, Moore &amp; Mueller 2002)</i></p>
<b>Antecedents</b>	<p><i>Changed working life and the culture of precarious work (Kalleberg et al. 2000).</i></p> <p><i>Unemployment (Block &amp; Wagner 2006, Reynolds et al. 1994)</i></p> <p><i>Regional differences in unemployment (Tervo &amp; Niittykangas 1994, Ritsilä &amp; Tervo 2002)</i></p> <p><i>Personnel rearrangements (Böheim &amp; Muehlberger 2006)</i></p> <p><i>External impulse from the former employer (Kautonen et al. 2009)</i></p> <p><i>Entrepreneurial incentives (Hinz &amp; Jungbauer-Gans 1999)</i></p> <p><i>Lack of a steady job (Granger et al. 1995)</i></p> <p><i>Financial necessity (Granger et al. 1995)</i></p> <p><i>Poor health (Parker 2004)</i></p> <p><i>Ethnic background (Joroinen 2012)</i></p> <p><i>Age discrimination (Kautonen et al. 2006)</i></p>
<b>Consequences</b>	<p><i>Lower income (Andersson et al. 2006, Filion 2004).</i></p> <p><i>Lower job satisfaction (Block &amp; Wagner 2006, Kautonen &amp; Palmroos 2010)</i></p> <p><i>Willingness to return to paid work (Kautonen &amp; Palmroos 2010)</i></p>

### 3 COPING AS A (NECESSITY) ENTREPRENEUR

In this study the focus lies in coping – how individuals cope as entrepreneurs when that was not the choice they would have made if there had been other employment options available. The positive psychological view adopted here brings a new perspective to the individual's well-being and sense of coherence: instead of focusing on weaknesses it tries to find individual strengths. In this chapter I draw together theories from the literature on coping and entrepreneurship, moving from reviewing the background elements of coping, such as affect and personality, to highlighting the meaning of coping to individual's well-being.

#### 3.1 Positive psychological perspective

In less than a decade, positive psychology has caught the attention not only of the academic community but also the general public. As the public has noted, the media and the business world are currently filled with the pursuit of happiness related themes, mindfulness, slow movement and businesses that offer tools to increase well-being and achieve individual balance. From an academic point of view, positive psychology does not try to displace research into traditional well-being or offer positivity as the core solution, but rather tries to highlight individual strengths and power to affect one's own well-being. The value of positive psychology is to complement and extend the problem-focused psychology that has been dominant for many decades. Researchers in the field analyse elements such as states of pleasure or flow, values, strengths, virtues and talents (Seligman & Csikszentmihalyi 2000). Finnish positive psychological studies have concentrated on enhancing work engagement, for example (Manka 2012, Hakanen, 2005), subjective well-being (Kauko-Valli 2006), sense of coherence (Feldt 2000) and happiness (Ojanen 2009). Positive psychology has roots in Antonovsky's (1979) salutogenic thinking, which describes an approach that focuses on factors that support human health and well-being, rather than on factors that cause disease. More specifically, the "salutogenic model" is concerned with the relationship between health, stress, and coping. (Antonovsky 1979.) Several entrepreneurship related interests defend important reasons for analyzing a subjective indicator like well-being. Recent studies emphasize that it may be an important determinant of the choice between entrepreneurship and paid employment. Well-being is not only a determining factor of occupational choice; it may also contribute to a firm's competitiveness, productivity and growth potential. It has been suggested, for example, that people who are satisfied with their work are more motivated to perform better (Sousa-Poza & Sousa-Poza 2000), they are more effective (Koys 2001) and the probability of them leaving the company is lower. In

the research on entrepreneurship, job satisfaction is perceived as a measure of success for the individual entrepreneur and it predicts an intention to continue with the business and invest more time and money in it (Cooper & Artz 1995).

The current theories on well-being seem to present a one-sided and rather bare picture of well-being. In fact, what they do seem to cover quite well is the notion of hedonism – striving for the maximisation of pleasure (positive affect) and the minimisation of pain (negative affect). Another approach towards the positive arises out of historical and philosophical debris – the idea of eudaimonic well-being (Ryan & Deci 2001); thus, current research on well-being can be seen to be derived from two perspectives, the one focusing on terms of pleasure attainment and pain avoidance and the other, which is emphasized here, the eudaimonic approach, focusing on meaning and self-realization. From the *eudaimonic point of view* well-being becomes visible in person's functionality and not through certain specific dimensions. Aristotle was the originator of the concept of eudaimonia, derived from the Greek word "eu" ("good") and "daimón" ("spirit"). (Merriam-Webster 2013.) He perceived happiness as a vulgar idea, stressing that even though not everything is producing pleasure or aimed at leading to creating pleasure, happiness can still be valuable and worth pursuing.

Ryan and Deci's (2000) findings suggest that only self-endorsed goals will enhance well-being, which may raise understanding as to why necessity-based decisions do not necessarily produce well-being among individuals. Also Sheldon & Elliot (1999) claim that self-concordant goals are in line with one's true self and as autonomous goals they have more need-satisfying experiences which again have positive impact also on subjective well-being. Ryan & Deci (2001) postulate in their self-determination theory that individuals gain a sense of well-being when their three inborn needs, autonomy, competence and relatedness, are taken into account. They stress that when these needs are satisfied, it increases the individual's motivation and well-being. In a necessity-based scenario, when employment options are missing, the individual loses in one sense his autonomy to make decisions. Additionally, the competence to become and be an entrepreneur is challenged if a business has to be built up at very short notice, for example due to having to make a living for the family or in an outsourcing situation, where starting up an own business comes suddenly from an existing employer.

An unbalanced situation is a situation where an individual starts a business out of necessity and has to adapt to the situation as other employment options are not available. Antonovsky (1979) claims, that individual automatically try to preserve

their sense of coherence<sup>4</sup>, to sustain their balance. In Antonovsky's concept, the sense of coherence consists of a) *comprehensibility*: a feeling that things in life are somewhat predictable and happen in an order; b) *manageability*: a feeling that things are under control and you manage with those, or you have at least the skills or ability, and the support, help, or resources necessary to take care of things; and c) *meaningfulness*: a feeling that things in life are worth of pursuing, those are interesting and act as a source of satisfaction. The third element is said to be the most important; without it, individuals do not have the motivation to comprehend and manage events. Antonovsky's essential argument is that "salutogenesis" (well-being) depends on experiencing a strong "sense of coherence". And his research demonstrates that a sense of coherence predicts positive health outcomes.

### 3.2 Coping as a promoter of wellbeing

In this study I see coping as essential in relation to individuals' well-being. In Antonovsky's (1979) words, wellbeing is dependent on how an individual sees her life as understandable, meaningful and manageable. Similarly as Park (2010), I see that coping is about making meanings: interpreting the past, anticipating the future and finally directing behaviour through meaning-making.

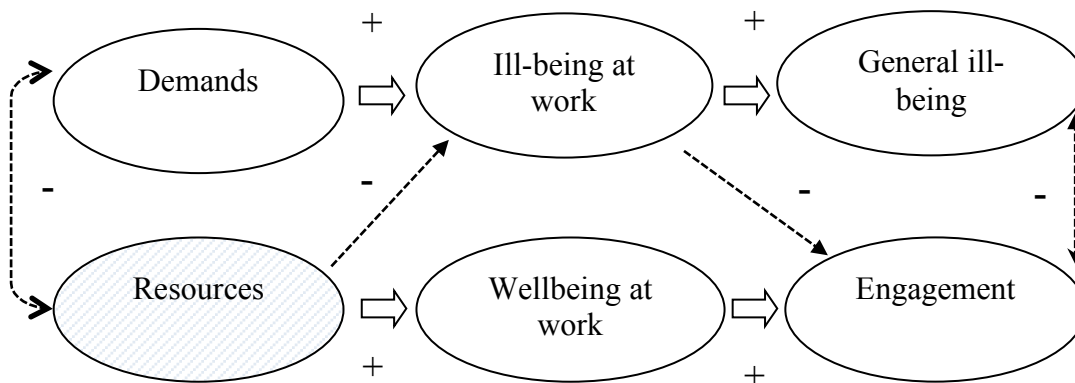
Thus looking beyond the well-being issues and explaining different definitions of wellbeing is followed here. Defining what is meant by well-being is rather hard both for the researcher but also for the participants and it can have different meanings depending on the culture an individual lives in. Aristotle thought that true happiness is rather doing things that have meaning and are worth doing. Eudaimonic is translated as happiness but it has a somewhat differing view on well-being and relates the feeling of well-being to developing oneself. (Ryan & Deci 2001.) Similarly, the concept of psychological capital represents more closely the possible resources individuals may obtain to sustain their motivation and further to impact on their well-being. Luthans, Avey, Avolio, Norman & Cobs (2006) argue that psychological capital goes beyond human and is more directly concerned with developing one's actual self to become the possible self. They define psychological capital as follows:

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<sup>4</sup> In Finnish language coping and sense of coherence are often translated similarly as "elämänhallinta". In this study I see that coping is a broader term that explains the whole picture of "surviving", balancing and adapting in challenging situations. Whereas sense of coherence explains how coping and balance is achieved.

*An individual's positive psychological state of development that is characterized by: 1) having confidence (self-efficacy) to take on and put in the necessary effort to succeed at challenging tasks; 2) making a positive attribution (optimism) about succeeding now and in the future; 3) persevering toward goals, and when necessary, redirecting paths to goals (hope) in order to succeed; and 4) when beset by problems and adversity, sustaining and bouncing back and even beyond (resiliency) to attain success.*

Necessity entrepreneurs' well-being and coping can be also explained from the point of view of unbalanced demands and resources. Schaufeli and Bakker (2004) presented the idea that job resources and demands initiate two different psychological processes, which eventually have an important effect on several aspects of well-being. According to Schaufeli and Bakker (2004), work demands start the "health impairment process", which may exhaust these mental and physical resources. This can lead to the depletion of energy and to health problems. However, resources can also lead to the development of "motivational process"; here, job resources can exert a motivating force that can lead to positive engagement with work, low levels of cynicism, and better performance. Job resources can play either an intrinsic or an extrinsic motivational role (Schaufeli and Bakker 2004). See Figure 5 below.



**Figure 6.** Modified work demands and resources (see Schaufeli & Bakker 2004).

Resources can also be seen as running parallel to the demands that the job may create. However, the emphasis here is on the supportive process: the resources necessity entrepreneurs have and especially how they utilize these resources and cope with demands during their survival process in order to sustain or achieve their subjective well-being.

Keyes (2003) clarifies the definition of well-being by presenting three different aspects based on symptoms of mental health; emotional, psychological and social



well-being. Psychological well-being relates closest to the above mentioned perspective on well-being (Table 3).

**Table 3.** Factors behind psychological well-being <sup>5</sup> (Keyes 2003: 299, also Kauko-Valli 2008)

<b>Emotional well-being</b>	<b>Psychological well-being</b>	<b>Social well-being</b>
Positive affect	Self-acceptance	Social acceptance
Happiness	Personal growth	Social actualization
Life satisfaction	Purpose in life	Social contribution
	Environmental mastery	Social coherence
	Autonomy	Social integration
	Positive relations with others	

Psychological well-being is characterized by relationship to self, others, the unknown and the general environment where the individual is operating. It dictates that well-being consists of six components: self-acceptance (positive evaluation of oneself and one's life), personal growth, purpose in life, positive relationships with others, environmental mastery (the capacity to effectively manage one's life and the surrounding environment), autonomy and positive relations to others.

In the field of entrepreneurship especially the role of autonomy as a characteristic or work is often emphasized. Entrepreneurship is often described by independence, offering freedom and an opportunity to be your own boss. Several studies conclude that autonomy is the main attraction of self-employment, and "being your own boss" produces happier workers. When individuals perceive their work tasks as satisfactory and meaningful, they will be happier at work and be motivated to do the job well. (Benz & Frey 2004.) Independence is seen as providing freedom from the constraints associated with employment in a formal, bureaucrat-

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<sup>5</sup> Originally defined as Operational Definitions of Symptoms of Mental Health (Keyes 2003).

ic organization. Freedom is also linked with the decision-making process, where one is accountable only to oneself (Jamal 1997.) Freedom means also the ability to choose one's work and methods (Dennis 1996). Independence is often related to the concept of procedural utility, which means that individuals value the processes and conditions leading to an outcome and do not care just about an instrumental outcome. Hundley (2001) also believes that independence increases an entrepreneur's level of job satisfaction but also identifies work flexibility – the use of the entrepreneur's personal skills – as an important factor.

Based on a review of research on job satisfaction carried out 20 years ago, Katz (1993) concludes that entrepreneurs and the self-employed are more satisfied with their job than are wage earners. Hytti, Kautonen and Akola's (2012) recent study revealed similar results when they compared the job satisfaction of salaried and self-employed professionals in Finland. They found that the self-employed were significantly more satisfied, though employment status as such was not found to explain job satisfaction, merely characteristics such as autonomy, variety and task significance. Also a comparison between entrepreneurs and contractual workers confirm similar findings. Just as Katz (1993) shows, numerous smaller studies also conclude that entrepreneurs are more satisfied with their jobs than contractual workers are. International comparisons carried out by Blanchflower (2004: 18) support these conclusions, but it was found that contractual workers were more satisfied in Finland, Switzerland and Greece. In a later study, Blanchflower et al. (2001) concluded that self-employed professionals were significantly more satisfied with their work than those in paid contractual jobs. Even Eden (1975) – the pioneer of job satisfaction – suggests that self-employed professionals are more satisfied with their work. It is shown that the self-employed derive more utility from their work than do those employed by an organization, irrespective of income gained or hours worked. This is evidence for procedural utility: people value not only the outcomes; they value also the conditions and processes leading to these outcomes (Frey & Benz 2003).

Although job satisfaction and satisfaction with certain dimensions of the job (e.g. autonomy, flexibility) among entrepreneurs is claimed to be higher than among the self-employed by many (Blanchflower & Oswald 1998; Benz & Frey 2004), there is less evidence that life satisfaction or overall happiness is higher among the self-employed. The concept of job satisfaction is widely used in research on entrepreneurship, but recent studies have been seen as restricting and not capturing the whole essence of the entrepreneur's life. Andersson (2008) found that self-employment leads to an increase in satisfaction, but she also discovered a positive correlation between self-employment and satisfaction with life in a wider context. Wooden, Warren & Coad (2012), for example, extended the concept of

job satisfaction in their study on self-employment to measure “life satisfaction”: satisfaction with life in general. During the years, studies have increasingly moved toward a wider concept of job satisfaction. This has been identified by a distinctive name within research on entrepreneurship: “entrepreneurial well-being”. This refers to the entrepreneur’s entire life sphere, without separating working life and private life. Work and its demands have been seen to dominate the lives of the self-employed and a clean separation between work and non-work is generally absent. A normal work day can be extended and “chronic uncertainty and a high rate of failure among small businesses put the self-employed in a state of constant struggle requiring high investment of their emotional and physical resources” (Jamal 1997). Also other studies have shown similar results. For example, while Andersson (2008) found high levels of satisfaction in both the working lives and private lives of entrepreneurs, she also found evidence that the self-employed suffer from more mental health problems and have poorer general health than wage earners do. Millán et al. (2011) found that – compared with paid employees – the self-employed are more satisfied with their present jobs in terms of type of work but less satisfied in terms of job security.

In contrast to freedom and independence, the entrepreneurial challenge is balance with the amount of work and the number of hours worked. Long working hours are associated with health problems and tiredness, and this can affect stress levels. However, the self-employed generally have a more positive attitude towards work and so do not suffer from an increase in working hours as much as a wage earner would (Andersson 2008). Also Blanchflower & Oswald (1998) believe that entrepreneurs are, by nature, more positive and happier, and their attitude towards work would reflect this positivity. Although studies have shown that the self-employed earn less (on average) than employees and the self-employed often face higher fluctuations in income (Hamilton 2000), entrepreneurs maintain a more positive attitude toward the restrictions of their work.

Although individuals might not possess suitable traits when they start a business, some studies support the idea that traits can evolve in time. For example, Minniti (2005) believes that entrepreneurship itself has a transformative effect on individuals. She maintains that the entrepreneurial environment and networks shape individuals along the way and so social skills and networking should be seen as more valuable assets. Hills et al. (1997) found that “network entrepreneurs” – those who use social network contacts to find out about opportunities – recognized many more entrepreneurial opportunities than “solo entrepreneurs” did.

From a situational perspective, various factors have been seen to influence entrepreneurial satisfaction. Being unemployed before starting in business is seen to

reflect positively on reported satisfaction; this is supported by the notion that individuals simply are happier not to be unemployed. It is suggested that when unemployment rates are higher, job conditions may worsen and people may also be more aware of the risk of job losses; this can then translate into higher levels of job satisfaction (Millán, Hessels, Thurik & Aguado 2011).

Some suggest that the type of business has certain effects on the sense of satisfaction and the attainment of well-being. Kauko-Valli (2008) found that owners of family businesses are happier than other groups. Although there is a balance between challenges and resources, with different roles and levels of appreciation, they experience their whole life as highly meaningful. In contrast, Gartner (1988) suggests that franchising would be a suitable option for necessity entrepreneurs, assuming that they do not particularly enjoy working independently and bearing that much responsibility alone. Franchising offers team-like work and a network on which to depend. However, working as a subcontractor is characterized by a lack of the essential strength that owning a business offers to individuals: independence. In this context, self-employment is dependent on a large organization or is limited by rules, so the entrepreneur cannot carry out the work independently and freely; as a result, this group does not attain high levels of satisfaction. Gartner (1988) assumes that this group of entrepreneurs is the most reluctant subgroup of entrepreneurs.

Job satisfaction is also connected to values and attitudes. In a simplistic classification, work can be a job that has only instrumental value or it can be contentually relevant. According to Kahn and Wiener (1967), work attitudes can be divided into six categories: 1) Interruption: work is seen as interrupting other parts of life and is carried out merely to achieve an adequate level of income; 2) Job: the basic instrument for making a living; 3) Occupation: work is done because it utilizes the skills the worker possesses; 4) Career: work as a career; 5) Vocation: work as a path to self-fulfilment; 6) Mission: work as a calling or a mission in life.

Expectations about entrepreneurship are as important as attitudes, as they reflect in individual satisfaction and well-being in the long term. It is shown that satisfaction decreases if there is a gap between expectations and performance. Cooper & Artz (1995) found that individuals who were more optimistic initially were more satisfied later, even if the performance was only marginally better.

### 3.3 Coping as an adaptive process

Positive psychology emphasizes an individual's own capabilities and resources to achieve and maintain well-being. Coping is referred to here as general life-management process that captures behaviors and cognitions that individuals use to cope with particular stressful episodes. Thus coping is central to well-being as it is seen as the individual's means of managing demands and maintaining balance. Originally, coping has been defined in psychological terms by Folkman & Lazarus (1984) as *"constantly changing cognitive and behavioral efforts to manage specific external and/or internal demands that are appraised as taxing or exceeding resources of the person."*

Coping is associated with many other concepts, which of few are familiar in the field of entrepreneurial studies. Aldwin, Skinner, Zimmer-Gembeck (2010) conclude in their study that related concepts such as perceived control, locus of control, self-efficacy were dominating the interest of researchers 25 years ago as discussion around coping began.

The term "locus of control" is a psychological term, developed by Rotter, and it refers to how an individual sees the world around him/her. Rotter (1966) distinguishes locus of control to the dimensions: "external locus of control" and "internal locus of control." A person with an external locus of control sees the world "happening" to him/her; thus the individual feels no control over his/her own life. Then the person feels that whatever he/she does it has no connection to what eventually happens. In contrast, a person with an internal locus of control feels that he/she has control over much of what happens in his/her life; thus the person "happens to the world." In the field of entrepreneurship, past research suggests that entrepreneurs with an internal locus-of-control personality trait tend to undertake innovative strategies, whereas their external counterparts tend to prefer low-cost strategies. (Anderson 1977.)

The concept of self-efficacy is originally derived from Bandura's social learning theory and refers to a personality trait whereby an individual believes in his or her own abilities and skills when facing a challenge. It influences an individual's goal setting and commitment to the goals. Even goals are seen to be more challenging among persons who are high in self-efficacy, i.e. they have belief in his or her own capability. Aldwin et al (2010: 566) claim that previous studies have shown that people with high self-efficacy exhibit constructive coping behavior and the ability to see stressful situations even as challenges.

The concept of empowerment also has many similarities with coping and the concepts mentioned above. Empowerment is referred to as "mechanisms by which

people, organizations and communities have mastery over their lives (Rappaport 1984: 3). Here again empowerment is a tool or premise for coping: if an individual does not feel empowered, he does not even attempt to engage in coping behaviour. The feeling of not having power to effect a happening or lost control can be also described as one sort of trait. Relinquishment of control or helplessness are referred to then when individuals who feel incompetent or when the desired outcomes are based on causes they cannot influence and their regulation loses focus, with energy and concentration sapped by self-doubt and worry; and as a result, they lose access to their own best skills. People with feelings of helplessness are particularly vulnerable to encounters with setbacks or failure and they often see that control comes rather from others, chance, luck or fate, than from themselves (Peterson, Maier & Seligman 1993).

Coping can be specified through distinguishing an individual's action toward maintaining balance with varying mechanisms. Psychological coping mechanisms are commonly referred to as coping strategies or coping skills. About 400 to 600 coping strategies have been identified, and a broader classification of these strategies has not yet been agreed upon. Common distinctions are often made between various contrasting strategies; for example, problem-focused versus emotion-focused, active versus passive, active versus avoiding.

In this research, I utilize the three broad types of coping strategies provided by Weiten (2005), namely appraisal-focused, problem-focused and emotion-focused. *Appraisal-focused strategies* occur when people modify the way they think by, for example, denying or distancing themselves from the problem. They may do this by altering their goals and values, such as by seeing humour in a situation. Those using *problem-based strategies* try to deal with the cause of the problem. They do this by seeking information about the problem and learning new skills to manage it. This method of coping is aimed at changing or eliminating the source of the stress. *Emotion-focused strategies* involve releasing pent-up emotions, distracting oneself, managing hostile feelings, meditating or using systematic relaxation procedures. Emotion-focused coping "is oriented toward managing the emotions that accompany the perception of stress". Folkman & Lazarus (1984) identified six emotion-focused coping strategies: disclaiming, escaped-avoidance, accepting responsibility or blame, exercising self-control, seeking social support and positive reappraisal. Problem-focused coping allows for greater perceived control over the problem, whereas emotion-focused coping may sometimes lead to a reduction in perceived control.

Skinner, Edge, Altman & Sherwood (2003) argue in their extensive review of the coping literature that categories like problem- and emotion-focused fail to capture the complexity of coping strategies as they simplify the functionality too narrow-

ly. They remind us that any coping strategy serves multiple functions and not just one. According to their view, “action types” present the best way to describe coping strategies. Also Lazarus (1999) reminds us that the researcher should not think of categories as discrete types, but also should avoid evaluating one as better than another when comparing problem- and emotion-focused coping. Coping styles vary also due to their role: they may alter the effect, protect by softening the effect or even injure and increase the effect of stress or pressure caused by a difficult situation (Rantanen & Mauno 2010).

Aldwin (2010: 564) compare coping with regulation and stress that as self-regulation is seen as effort to manage a specific feature such as emotion, coping is a so-called “organizational construct” which involves all aspects of the self that are under pressure or need to be balanced (e.g. actions, thoughts, emotions, etc.). As such they characterize coping as multidimensional and flexible and stress characteristics such as situation-based adapting, where individuals evaluate the need for different coping based on the situation and additionally modify strategies if the outcome was not wanted; thus, coping is also recursive. Due to this multidimensional perspective they favour defining coping as encompassing a profile of adaptive processes.

Moreover, Aldwin (2010: 571) argue that coping should not be observed without taking the environment into account, thus pointing out that coping is not solely individual actions and about interindividual differences, but the individual does take actions in line with his or her environment. In addition, relationships are of great importance in every phase of coping processes. Especially, coping benefits from warm relationships that support an individual’s autonomy and are communicative and reasonably challenging. Whereas unsupportive social surroundings with a controlling and neglectful spirit damage the individual’s coping resources.

### 3.4 Coping as entrepreneurial behavior

Scholarly research on coping strategies is very limited when it comes to entrepreneurs. Coping strategies develop from discussions on stress, and are often seen simply as ways to diminish stress, whereas entrepreneurs often describe themselves as “working in haste, “working very hard” and not having “time for relax or to get the job done”. As entrepreneurs are described as especially vulnerable to stress when conceiving, developing and managing new ventures, as they need to divide their daily responsibility between various duties, consequently many studies have adopted a stress-based view. In this chapter studies that connect entre-

preneurs and coping are discussed and finally presented in a table that sums up earlier findings.

In their seminal work on coping of entrepreneurs, Boyd & Gumbert (1983) demonstrate that, despite being financially successful, many entrepreneurs do not have control over their activities and so they suffer from high levels of demand and stress. Also Buttner (1992) concluded in his study that entrepreneurs who were able to leave work worries behind reported fewer stress-related problems, and that reflected in greater job satisfaction, too. The findings thus suggest that owners frequently need to engage in coping. The background to this is that perceived challenges and stress occurs as a result of the entrepreneur's expectations, ambitions, goals and desires. Entrepreneurs therefore need to engage in coping strategies to combat these levels of stress and face the challenge (Jennings & McDougald 2007). Entrepreneurs' coping is also situation-dependent, with Sankelo & Åkerblad (2009) arguing that coping improves in time, and in the very beginning coping is not that effective.

For example, Patzelt & Shephard (2011) studied negative emotions associated with entrepreneurship, such as stress, fear of failure and loneliness. They found that both emotion-focused and problem-focused strategies were helpful when balancing feelings. They argue that the autonomy of self-employment provides individuals with better opportunities to cope more effectively than employees. They believe that the task characteristics of self-employment provide the preconditions needed to cope with negative emotions, despite the fact that those who become self-employed fear the opposite. However, although entrepreneurs are seen to be more susceptible than employees are to negative emotions (Patzelt & Shepherd 2011), strong entrepreneurial types are seen as "talented" in regulating negative emotions; this is then reflected in high levels of job satisfaction (Patzelt & Shepherd 2011, Subramanian & Kumar 2009).

Despite the limited number of studies looking at the relationship between entrepreneurs and coping, several coping strategies have been recognized. Ahmad and Xavier (2010) examined sources of stress and associated coping mechanisms and found that effective communication, disregarding, and diverted thinking were most often used by Malaysian entrepreneurs. Gunnarsson & Josephson (2011) investigated the association between the self-reported good health and good social life of entrepreneurs and the strategies used to maintain good health. They discovered that planning, control over work and physical exercises were the most important strategies. Similarly, in a study of entrepreneurial failure, Singh, Corner & Pavlovich (2007) reveal that entrepreneurs mainly use problem-focused coping strategies to work with the economic aspects of life, such as facing a lack of in-



come and financial pressures resulting from debts. When Ericson (2010) investigated how entrepreneurial managers cope with unusual and unexpected situations; he found that they make plausible sense of events and negotiate between rational decisions and emotion. However, entrepreneurs use emotion-based coping strategies to deal with the psychological aspects of stress and debilitating situations, which include grief, guilt, depression, despair, anger and frustration.

Previous studies have outlined some examples of how entrepreneurs can be more or less effective in coping in the search for individual and firm-level benefits. A substantial part of this research indicates that the characteristics of the entrepreneur are important for determining the nature of the response and the coping efforts. For example, Anderson (1992) examines the relationship between the locus of control, decision-making behavior and performance in stressful settings to reveal that the locus of control has significant effects on coping patterns during times of stress and in a challenging working environment. Subramanian & Kumar (2009) also believe that those who possess the typical characteristics of successful entrepreneurs – such as risk taking, aspiration and achievement – generally follow adaptive coping strategies, whereas those who prefer working for others prefer non-adaptive coping strategies, such as self-blame and blaming others.

In another study, Frese et al. (1997) associated personal initiative and coping strategies. Here, personal initiative refers to an active approach to an activity that is beyond formal requirements. This was found to be related to individual attempts to actively do something to address the demands at hand. However, personal initiative was negatively related to a passive coping strategy, which indicates the extent to which one distances oneself from using avoidance tactics. Likewise, Subramanian & Kumar (2009), when studying failed entrepreneurs, suggested that those who had a strong intention to start again used (positive) adaptive coping strategies.

Congruent with findings in psychology, entrepreneurs typically engage in problem-based coping strategies when they need to deal with insurmountable problems and take direct action to alter a situation in order to reduce the level of stress (Singh, Corner & Pavlovich 2007). When a situation is perceived as more difficult to control, they tend to engage in emotion-based coping strategies in order to reframe the problem in a way that no longer evokes a negative emotional response or leads to stress (Mattlin, Wethington & Kessler 1990). An individual's internal resources, such as self-esteem, are seen as crucial when adopting a suitable coping strategy; in this sense, suitable psychological interventions among entrepreneurs could help them to overcome non-adaptive cognitive strategies and support the adoption of more adaptive coping strategies to deal with difficult situ-

ations and emotions (Subramanian & Kumar 2009). Along with developing personal coping strategies, entrepreneurs are advised to benefit from coping mechanisms that rely on external agents, such as personal networks, from which individuals could receive social support (Örtqvist, Drnovsek & Wincent 2007). As leisure is highlighted in entrepreneurial coping literature (e.g. Patzelt & Shepherd 2009), results from employee studies confirm that engaging in well-planned leisure activities helps to develop resources to refresh positive emotions and enhance job satisfaction and well-being. One study indicates that different goals of leisure coping cannot achieve the same positive outcomes, so it is central to well-being that the individual uses proactive measures, such as planned leisure and taking a break from work, or leisure as a tactic to avoid stressful events.

**Table 4.** Studies relating to entrepreneurs and coping.

<b>Authors</b>	<b>Year</b>	<b>Findings</b>
Ahmad & Xavier	2010	Effective communication, disregarding and diverted thinking were used to reduce stress.
Anderson	1992	Locus of control has significant effects on coping patterns in conditions of stress and work role challenge.
Boyd & Gumbert	1983	Many entrepreneurs do not have control over their activities and experience substantial work demand and stress.
Drnovsek, Örtqvist & Wincent	2010	Problem-based coping facilitates well-being and venture performance.
Ericson	2010	Entrepreneurial managers make plausible sense of events and negotiate between rational decisions and emotion.
Gunnarsson & Josephson	2011	Found that planning, control over work and physical exercise were the most important strategies to maintain good health.
Patzelt & Shepherd	2011	Regulating negative emotions was found important.
Sankelo & Åkerblad	2009	Coping efficacy improved compared to situation shortly after starting up in business.

Singh, Corner & Pavlovich	2007	Entrepreneurs mainly use problem-focused coping strategies to work with economic aspects of life, such as facing a lack of income, etc.
Subramanian & Kumar	2009	Internal characteristics have significant impact on types of adaptive and non-adaptive cognitive emotion regulation coping.
Örtqvist, Drnovsek & Wincent	2007	Reducing expectations and/or working harder to meet expectations positively affect venture performance.

### 3.5 Summary: Coping with changes and creating order in life

The positive psychological view offers an insight into individual resources that strengthens the individual's capabilities to balance and reduce the negative effect of specific demands upon them. This study leans on the idea that the individual manages his/her life by different coping styles, thus aiming to maintain his/her well-being. In this study well-being is seen from the eudaimonic point of view; rather as a balance between demands and resources, than aiming at purely hedonistic goals or pleasure attainment. Similarly, as necessity-based entrepreneurship in this study; an employment choice that is determined out of necessity and that is full of ups and downs may still develop into wellbeing among individuals and give them the strength to continue.

Although entrepreneurs are claimed to be more satisfied with their job than those in paid employment, they may face uncertainty, loneliness, stress and mental strain in their work. Moreover, specifically entrepreneurs who start a business out of necessity face challenges that occur because they would have wanted to choose otherwise if there had been other available employment options. Necessity as opposed to opportunity sheds a light on the discussion about individuals' well-being, as previous studies on well-being have argued that self-endorsed goals (Ryan & Deci 2000) and self-concordance of choices (Sheldon & Elliot 1999) have a positive influence on subjective well-being.

In this study, coping is understood as a widely and subjectively evaluated concept that encompasses both job satisfaction and life satisfaction. Well-being is discussed in this study as a subjective experience of balance and satisfaction: a sense of coherence. The sense of coherence, consisting of a sense of *comprehensibility*,

*manageability and meaningfulness* (Antonovsky 1979) is seen here as something which individuals naturally aim at in their life and wish to achieve through their actions. Thus, how an individual understands, makes sense and sees meanings in life are essential premises in this study. The perspective of coping comprises these elements and offers in this study a broad construct in differentiating the individual's approaches to entrepreneurship based on necessity.

Interest here lies in the coping, how individuals cope with possible mixed feelings and challenges due to new kinds of responsibilities and new life situations, managing their life and balancing feelings. Coping is often studied from two broad perspectives: problem-focused and emotion-focused, and here also appraisal-focused is taken account, in order to give clarity to different kinds of coping orientations (Folkman & Lazarus 1984; Weiten 2005). Three essential characteristics of coping can be summed up:

- coping styles can happen parallel to each others
- coping is socially influenced
- coping styles are flexible and can be strengthened to a certain extent

Concepts used in this study are based on subjective evaluation and individuals' own judgements. Similarly, just as coping is referred to as subjective perceptions of situation and evaluation of means of coping, here methodological choices, i. e. the narrative approach, offers tools to enhance understanding of subjective meaning-making. Through personal narratives individuals are able to share their experiences of being entrepreneurs and give insights into coping in an (entrepreneurial) situation that is based on necessity.

## 4 NARRATIVE APPROACH

The aim of this study was to increase understanding of the phenomenon of necessity entrepreneurship, and more precisely, necessity entrepreneurs' coping. To gain understanding, 16 individuals were interviewed and their narratives were analyzed from the perspective of how the story is told and what is told, seeking understanding on *how individuals' narratives illustrate the coping experiences of necessity entrepreneurs*.

To find answers to these questions, I chose a narrative approach for this study. This was followed by the theoretical and epistemological assumptions of entrepreneurial behavior and the coping perspective described in the earlier chapters. To satisfy the overall aim of this research, I needed an interpretative method that would capture subjective meaning-making processes. I chose a narrative approach for this study, because it offers an insight into perceptions of individual experiences. Whereas coping is based on individuals' sense-making and actions following meanings made, narratives are seen as individuals' sense-making. I posed two questions to achieve the aim:

*How do necessity entrepreneurs narrate their coping?*

*What kind of coping experiences do individuals illustrate in their narratives?*

Next, the following chapters will discuss shortly how narratives have been used in the field of entrepreneurship. Then it moves to specify methodological choices made here, such as analysis and interview techniques.

### 4.1 Narratives in the field of entrepreneurship

The narrative approach in focusing on the forms of understanding and meanings produced by language and discourse has been referred to by Fletcher (2003) as the "fifth movement in entrepreneurship research". Already in 2003 he argued that entrepreneurship is moving from a static view to a perspective that is "dynamic and constantly emerging, being realised, shaped and constructed through social processes" (Fletcher 2003: 127). While being a relatively new approach, the amount of the studies is rather extensive (Gartner 2010).

The last decade has shown an increasing interest in narrative-based studies, according to dissertations published in Finland (e.g. Auvinen 2012; Hasanen 2013;

Hytti 2003; LaPointe 2010; Marjala 2009), not only among students of management, but also in entrepreneurship studies.

Narrative provides an approach into prosaic or everyday aspects of entrepreneurship. Previous narrative studies within entrepreneurship research have offered views of many kinds of entrepreneurs from different kinds of angles: from the process perspective both the transition phase to self-employment (Mallon & Cohen 2001, Sinisalo & Komulainen 2008), being self-employed and even failure have attracted attention (Mantere, Aula, Schildt & Vaara 2013). In addition, self-employment has been observed more widely: as a phenomenon in studying students' perceptions of entrepreneurship, as in Luoto (2010).

Different types of entrepreneurship have also evoked interest; for example, social entrepreneurs (Jones, Latham & Betta 2008), "mompreneurs" - mothers who start businesses often due to their family situation and willingness to combine career and motherhood and also achieve flexibility to organize their family issues (Duberley & Carrigan 2012), and academic entrepreneurs (Hytti 2005).

Many of the studies have found identity construction as the central focus. Study of mompreneurs recognized how mothers combine intensive mothering and enterprise in their discourses (Duberley & Carrigan 2012); Hytti (2005) found that identity construction happens parallel to assigning roles to others, and Jones et al. (2008) observed how an ideologically motivated social entrepreneur constructs his identity in the interaction of three different discourses.

The narrative approach has varied widely within the approach, and the role of narrative has been also positioned in different ways: narrative as data, narrative as an analysis tool or as a combination. Narrative data has opened up many ways to perform analysis: rhetorical sensemaking (Holt & Macpherson (2010), general sensemaking (Mantere et al. 2013), discourse analysis (Jones et al. 2008), etc. Narrative analysis methods are also applied in multiple ways: narrative deconstruction (Luoto 2010), reconstruction of narrative (Down & Warren 2006, Duberley & Carrigan 2012), life history methodology (Mallon & Cohen 2001) and structural analysis (Sinisalo & Komulainen 2008).

Table 5. below gathers together a few examples of studies that combine entrepreneurship and narrative approach, showing the variety of approaches, tools and focuses.

**Table 5.** Examples of narrative studies within the field of entrepreneurship

<b>Author</b>	<b>Focus</b>	<b>Data</b>	<b>Narratives in the study</b>	<b>Main findings</b>
Down & Warren 2006	Entrepreneurial identity	Two and half year ethnographic study on small business firm	Reconstruction of narrative	Study describes how clichés used by aspirant entrepreneurs are significant elements in creating entrepreneurial self-identity.
Duberley & Carrigan 2012	Career identities of mumpreneurs	Twenty mumpreneur's narratives	Narratives as data and reconstructed narratives as a outcome	Study found out that mothers weave a path between the discourses of intensive mothering and enterprise.
Holt & Macpherson 2010	Entrepreneurs sensemaking of organization formation	Three entrepreneur's narratives	Rhetorical sensemaking approach	Study revealed how social competence is central to the foundation and succes of small firms.
Hytti 2005	Entrepreneurial identity	Narrative from eight academic entrepreneurs	Narrative data, method and analysis	Study found that as entrepreneurs are constructing their lives and identities, they at the same time assign identities to others.
Jones, Latham & Betta 2008	Social entrepreneurial identity	Social entrepreneur's self-narrative	Discourse analysis through narratives	Recognized how ideological social entrepreneur construct his identity through joint crafting of the discourses "Me", "Not-Me" and "Suppressed-Me".
Luoto 2010	Entrepreneurship as phenomenon	162 Finnish university and polytechnic students' narratives	Narrative deconstruction	Recognized that narrative construction is a combination of a western modern entrepreneurial and the localized Finnish agrarian and laboring narrative from previous generations.

Mallon & Cohen 2001	Transition to self-employment	41 women entrepreneurs	Life history methodology	Found that women talked about how organizational life in their former career had let them down, how they felt more autonomous and had more balanced life as self-employed.
Mantere, Aula, Schildt & Vaara 2013	Entrepreneurial failure	Three reconstructed start-up company cases	Sensemaking approach	Study provides a view of entrepreneurial failure as a complex social construction.
Mills & Pawson 2012	Psychological processes of entrepreneur	Eight new ICT-business founders' narratives	Sensemaking approach	Provides a typology of enterprise development narratives: the epic saga, The adventure, Quest for creative expression and The evolutionary tale
Sinisalo & Komulainen 2008	Career transitions	Female entrepreneur's narrative	Labov's structural analysis	Recognized that entrepreneur's career narrative can be seen as developmental story.

## 4.2 Making sense of narratives

### 4.2.1 *Experience-centered narrative research*

The origins of narrative research stretch from study of literature to philosophy and linguistics. The history of narrative draws upon conventional and structuralist theorists such as Labov, Greimas and Propp, who all had interest in the structures and form of narratives, although from different points of view. Labov (Labov & Waletzky 1967), an American linguist, introduced us to the Labovian model of narrative analysis, which posited that oral speech consists of six parts (abstract, orientation, complication action, evaluation, resolution, coda). The French linguist and semiotic, Greimas (*Semantique Structurale* 1966) is known for the



Greimas Semiotic Square, and Propp (*Morfologie du conte* 1970) for his interest in Russian folktales and their structural elements.

While classic narratology was interested in defining the methods and structures of stories, the post-classical movement within the study has been interested in how narratives and storytelling offer us tools to understand meanings in different psycho-social contexts. The shift in thinking has often been described as “narrative turn” (Czarniawska 2004). The actual turn can be traced back to 1986, when Theodore Sarbin edited a book with leading researchers in the field, entitled: *Narrative Psychology: The Storied Nature of Human Conduct*, following Bruner’s *Actual Minds, Possible Worlds*, where ideas were presented about narrative as a mode of thought, a perspective that moved narrative from description of text structure to a form of organization or process. Mishler’s (1986) *Research Interviewing: Context and Narrative* continued to confirm the heyday of the narrative, followed by Polkinghorne’s (1988) *Narrative Knowing and the Human Sciences* and Bruner’s (1990) *Acts of Meaning*, writing about the functioning of the human mind and the early development of narrative in the life of the child.

An interdisciplinary approach melds various fields, such as literature, psychology, anthropology, sociology and organization studies, while offering broad access to different disciplines (Riessman 2008). As the narrative approach taken in this study is strongly rooted in psychological thought – such as meaning-making, coherence, unconsciousness, personal story and mind – it can be described as belonging to **narrative psychology**. Although psychologists have been doing “case study” research for years and have been puzzled by similar concepts, Theodore Sarbin (1986) is said to have been the first to coin the phrase “narrative psychology” to describe this stream of narrative research, whereas Herman’s (1999) idea of stream of newly found cognitive narratology captures the same field of studies.

This increased interest, “narrative turn”, has also given rise to the concern, as Riessman (2002) suggests, of the “tyranny of narrative”, referring to specificity being lost to popularization (Riessman 2002) and diverse approaches, methods and concepts having conquered the field. Narrative data analysis can range from the more straightforward collection of stories to be categorized and classified (into genres, etc.), through a more in-depth analysis of stories (e.g. breaking them down into their underlying themes, or in an attempt to reconstruct the ‘original event), to a more closely focused micro-analysis of the narrative sense-making process and the psychosocial context within which this takes place. As the narrative approach has many varying perspectives on understanding and analysing stories, based on the multidisciplinary background and philosophical groundings of

the study. Riessmann (2008) uses functional tripartite division and distinct approaches for the structure, the content and the context.

Here, the aim is to understand an individual's life and experiences through stories, following a **content-based narrative approach**, concentrating on theme (meaning) rather than linguistic structure or interactional context (Mishler 1995). It allows researchers to link these narratives to real-life experiences rather than to just see stories as part of a detached reality (Riessman 2008). This study also concentrates partly on the structure of the narrative and partly on a thematic point of view, with the focus on recognizing the continual (building) elements of personal coping narratives rather than on the sense of capturing narrative structural elements that are based on ideas from literature and narratology. Although the stories told are analyzed through narrative means, the story is only a tool to communicate individual experiences. The interest lies more in the processes of the individual's minds than in the output (the story) itself.

The emphasis in this study is on **sense-making**, i.e. the meanings necessity-based entrepreneurs construct of their experiences. Sense-making is studied through personal stories collected from individuals who recognized themselves as belonging to the group of entrepreneurs who started their businesses when they had no other options – forced and out of necessity. The stories that people tell about their lives represent their meaning-making; the methods individuals use to connect and integrate the chaos of internal and momentary experience in their **personal stories** and how they select what to tell and how to link elements of their experiences are all aspects of how they structure the flow of experience and understand their lives (Bruner 1990). In experience-centred narrative research, it is assumed that narratives are the means of human sense-making, that humans are imbricated in the narrative. Here, *narrativity is seen not only as a way of storytelling but also as an individual's way of understanding his or her life*, especially in the context of disrupted life events.

Unlike event-centred narrative research, experience-centred research sees stories in their wider meaning of personal experience. Stories may present events, but, in addition, the experience-centred approach defines the story more flexibly to include time and personal experience; the focus is then rather on the theme than on the structure of an event. Stories here are characterized by several events rather than by one that changes the direction of an individual's life choices when a new path in life had to be found. (Squire 2008.) For some it was illness, for others it was unemployment, getting fired or changes in family situation. Denzin (1989) calls these points of change turning points, although turning points may some-

times be more general experiences, such as continuing to live through work – entrepreneurship in this context – which was not chosen freely at first (if ever).

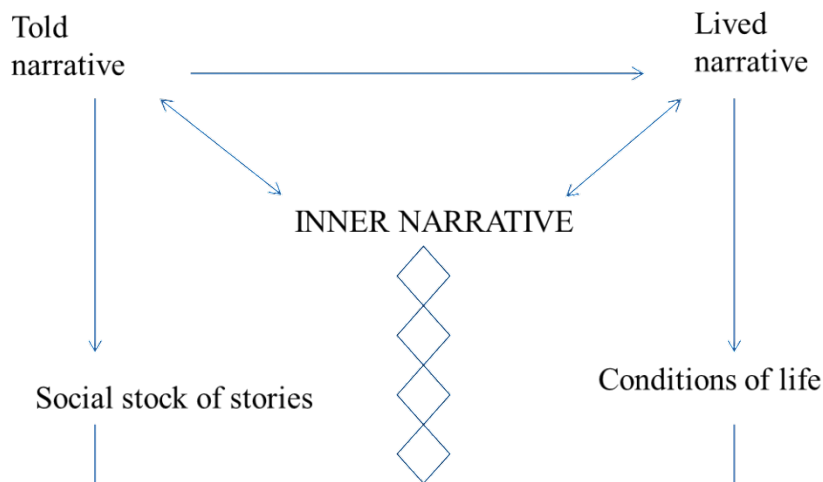
Williams (1984) argues that it is natural for human beings to reconstruct meanings in their minds when something disrupts the expected course of life. He calls this **narrative reconstruction**<sup>6</sup>, referring to the need to construct a sense of order out of the fragmented picture of one's life. Similarly, Hänninen & Koski-Jännes (2010) discuss the role of narrative in the recovery process and claim that the breaking of the self-narrative can work as a means of **reorientation**. In the field of positive psychology, Antonovsky's (1979) concept of the sense of coherence conceptualizes similar phenomena: the individual maintains psychological well-being and balance by explaining events and making them meaningful and understandable to themselves. This allows individuals to create understanding in their minds.

According to Bruner, who emphasizes the subjectivity and construing of meanings, a story consists of two landscapes: the landscape of action (consisting of agent, intention and goal) and the landscape of consciousness (thoughts, feeling, and emotions). For Bruner, meanings are constructed as intertwined process between these two landscapes, which are necessary to each other but are also separate from each other (Bruner 1986). Also Hänninen (1999, 2004) describes narrative meanings through different levels, modes that are in interaction with the situation and the individual's life conditions, and additionally influenced by the *socio-cultural stock of stories*.

Hänninen (2000) explains inner narrative through the idea of flow of narrativity where inner narrative is seen as a mental process. The model illustrates the connection and relations between life, narrative and cognitions. According to the thought of flow, the inner narrative is made explicit in told narratives that are influenced and shaped by various social constraints and conventions. At the same time, it shapes individuals' inner narrative in interaction.

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<sup>6</sup> Reconstruction does not always refer to individuals' meaning-making (as in this study); in the methodology chapter it is used to explain reshaped and -constructed narratives, named reconstructed stories.



**Figure 7.** The concept of inner narrative (Hänninen 2000, 2004)

Just as Goffman describes inner cognitive models, scripts and frames, culturally-shaped, similarly, self-narratives are explained to draw models consciously or unconsciously from the cultural surrounding (Hänninen 2004). *Inner story, told story and lived story* in narrative circulation theory, present three forms of narrative. The term inner narrative (also referred to as self-narrative/personal narrative here) refers to the way a person interprets his/her life or an aspect of it, the lived story refers to real-life actions taken and told story to the actual narrative. In this psychologically oriented study on narratives the focus lies in the concept of inner narrative, which can be seen to “*serve several functions: it makes sense of the past, provides a vision of the future, defines the individual’s narrative identity, articulates values and moral standards, and helps to regulate emotions.*” (Hänninen 2004: 74.)

Following the idea of inner narrative, storied sense-making is not seen only retrospectively but is also future-oriented; according to Bruner (1986: 13), stories are about “*human or humanlike intention and action and the vicissitudes and consequences that mark their course*”. Thus, narratives capture people’s own explanations about what they want and how they go about achieving it. McAdams (2001) presents a similar idea and suggests that the internalized and evolving stories we tell about ourselves weave together the reconstructed past, the perceived present and the anticipated future in an attempt to provide our lives with unity and purpose.

#### 4.2.2 Conducting narrative thematic analysis

One thing that definitely challenges the narrative researcher is that narrative research does not set rules about suitable materials or modes of investigation, or the best level at which to study stories. Unlike many qualitative frameworks, narrative research does not offer an automatic starting point or finishing point; also, since the definition of “narrative” itself is in dispute, there are no self-evident categories on which to focus (Squire 2008). In experience-centred narrative research, the emphasis is on sequencing and progression, which defines narratives.

What is perhaps unique to narrative research is that it endeavours to explore the whole account rather than fragmenting it into discursive units or thematic categories. It is not about the parts that are significant in human life, but about how the parts are integrated to create a whole (Squire 2008). All narrative inquiry is concerned with content – “what” is said, written or shown; but in thematic analysis, **content** is the exclusive focus. Narrative thematic analysis is often confused with grounded theory in the qualitative methods literature, but Riessmann (2008: 53) notes an obvious difference, stating that “narrative scholars keep a story ‘intact’ by theorizing from the case rather than from component themes (categories) across the cases”.

Fundamental to this approach is the idea of the “hermeneutic circle”, in which an understanding of the whole illuminates the parts, which in turn create the whole. Narrativity recognizes that the sense-making process aims to transform the chaos of internal experiences into a coherent whole. Accounts are therefore likely to be multivocal and dialogical, in that aspects of the self will appear in conversation with or juxtaposed against other aspects. There is never a single self-representation (Josselson 2011). With reference to these characteristics of narrativity, this study follows the suggestion made by Lieblich, Tuval-Mashiach & Zilber (1998). This involves considering three different perspectives: the written or narrated subjective story, which provides the foundation for analysis; the theoretical background, i.e. what to rely upon and against what to judge the notions; and reflective reading and interpretation of the findings.

In order to approach a holistic understanding, stories were analysed in four phases (Lieblich *et al.* 1998):

- 1) *Overall reading* to increase understanding of the structure and general theme of the narrative as a whole. Beginning with specifics leads to the development of deeper meanings with a wider perspective.

- 2) *Multiple readings* to give “voices” to the storyteller and to recognize how they interact with one another.
- 3) *Iterative readings* to highlight possible contradictions and to recognize patterns that unify the groups.
- 4) *Linking* to the theoretical literature, making it possible to understand findings in a larger context and to provide explanations for the nuances and the meanings found within it.

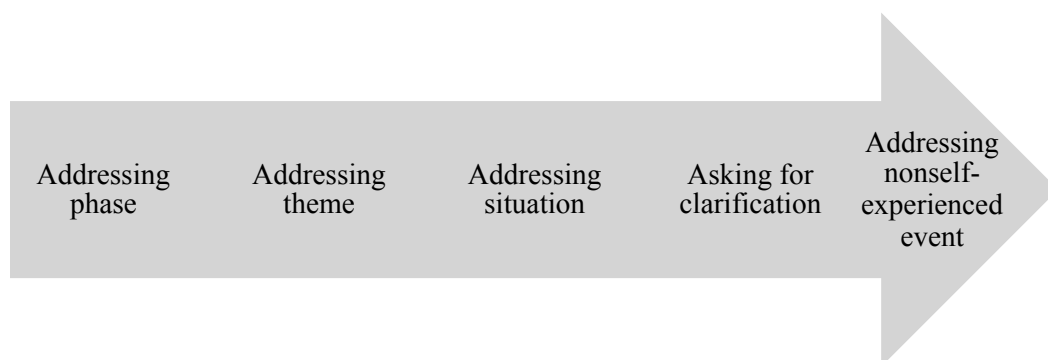
Thematic narrative analysis is most similar to qualitative methods such as grounded theory and interpretative phenomenological analysis. Compared to other qualitative methods, Riessman (2008) summed up previous studies and noticed that narrative exemplars were theory guided inquiries, although novel theoretical insights were observed at the same time. One essential characteristic of narrative analysis is that it strives to preserve stories intact as against grounded theory, which is often criticized for fracturing data, thus missing details and moving toward rather generic explanations. Whereas grounded theory aims to generate a set of stable concepts, narrative analysis is case centered, even if a case can consist of a group and not necessarily based on single reference). (Riessman 2008: 74–75.)

In this study, the first round of interpretation of the interviews followed the idea of emplotting (Ricoeur 1984), that a story consists of certain elements and structures that create the wholeness. To emplot, to narrate, is one of the central human capacities and related to the creation of identities, according to Ricoeur. Re-plotting is done to recognize the parts and to organize the thematic elements. Emplotting the story from the text through part-to-whole, the differences and similarities in the stories are easier to recognize. It is also seen as the key element to study meanings and it offers an effective route toward interpretation (Alasuutari 1997). Originally, Propp (1958) held a more structuralist view and he claimed that certain functions appear in every tale; here, an analysis of the structure uncovered the elemental building blocks that bring wholeness to the coping narratives in this study. Analysis of the thematic elements in this study provides the tools needed to further analyse the narrative content; as Alasuutari (1997) argues, emplotting is merely the beginning of the analysis. The style of interpretation could also be characterized by means of a categorical content style of reading, which enables the reader to recognize different themes and plots in stories (Lieblich et al. 1998).

#### 4.2.3 Conducting a narrative interview

Undertaking qualitative research poses particular challenges for both the participants and (especially) the researchers. Unlike other types of intensive and open interviews, narrative interviewing concerns the production of stories. Stories are of interest to researchers for many reasons. Through stories, individuals rearrange their past and create coherence out of their experiences, identities are created in the shape of stories and the future can be directed through individual stories. Undertaking a narrative interview requires certain technical skills – questioning, listening and conversation guiding – that often need practice (Eriksson & Kovalainen 2008: 216–217). Riessmann (2008) argues that an interviewer can look “across” an interview at the story of living with certain challenges, moving backward and forward through time; it can sometimes be general, sometimes specific, and sometimes with diversions into other topics.

This study followed the narrative interviewing method developed by Gabriele Rosenthal (2003) – originally proposed by her mentor, Fritz Schütze (1976). The method includes five phases of conversation: 1) addressing a phase of the interviewee’s life; 2) addressing a single theme; 3) addressing a specific situation; 4) asking for clarification of an argument made previously; and 5) addressing an event not experienced by the individual. Choosing a specific method helps the interviewer to guide the conversation in a narrative-biographical style and determines what kind of roles the interviewer plays during the interview.



**Figure 8.** Narrative interview method (based on Rosenthal 2003).

Rosenthal (2003) argued that one of the important aspects of qualitative research concerns boundaries and roles in interview situations, particularly when researching sensitive topics. The emphatic role of the interviewer creates the challenge of distancing oneself from the topic, and can lead to emotional exhaustion. Below

are my thoughts, borrowed from a learning diary, about the beginning of the interview process.

*It soon became apparent how confusing the role of interviewer could be – sitting opposite individuals who opened up to a total stranger. Although the interviewees were asked to talk about their lives as entrepreneurs, the narratives sometimes focused on tragedies in their personal lives and experiences of long-term unemployment, the sudden closure of a firm, serious depression or the failure of a marriage. There was confusion about how the interviewer should act during these encounters – as a participating friend, an academic, a distant interviewer or an understanding listener? Most of the time, the interviewer's role became more like that of a therapist or psychiatrist as the personal narratives began to evolve deeper.*

Although the conventional view of an interview is as a means to transmit knowledge from the interviewees to the researcher, the constructivist view taken in this study emphasizes that interviews are an opportunity to construct knowledge. Interviews are interactional events, where the end products – short answers or extensive narratives – are the result of the participants talking to each other (De Fina 2009).

All participants attended the interviews voluntarily, and they all had their own reasons and agenda for doing so. Most participants said that they wanted to share their experiences to prevent others from making similar mistakes.

*Interviewee: I want to exploit my experiences in the future, but if someone else is also getting something good out of my experiences... (N7)*

Inviting people to interviews creates certain expectations for the interviewees. They may think that they are expected to relate previously decided facts and believe that researchers have strong views on the topics under discussion. Narrative interviewing creates the challenge of how to frame a topic. People often felt that they were not being guided sufficiently, and they were worried that they are not good enough as storytellers.

*Interviewer: This is good, if you don't have anything to add?*

*Interviewee: I don't know what do you need to hear? (N5)*

While the purpose of the interview was to gather material for the research, it was also an opportunity for the participants to reflect on their lives. As narrative interviewing and storytelling are considered therapeutic processes, the interview offered participants an opportunity to look back on their experiences and create an



overall picture of their actions and make sense of their experiences. In particular, they wanted to define themselves and give justify their actions.

*“I have kind of bohemian life style” (N4)*

*“It is integrity, that I have to prosecute everything in conscientious way... sense of honor is my problem” (M2)*

As the interviews were not rigidly structured, the interviewees had time to reflect on their own thoughts. These were often uncovered elements that had been hidden for a long time, either during the period of entrepreneurship or outside of it (in their private lives).

*“Now afterwards I think that if I managed to survive that, I will survive everything...but it has not been easy, the last 7 years have been quite a traffic” (W1)*

*“What I have learnt is don't devote yourself to work in your life, because work life is not rewarding, it will just use you ruthlessly” (W4)*

*“When I look ten years back, I could have never thought that these kinds of times come, think how easily one gets it if you work from 8 to 5 and can have weekends and holidays off...” (M8)*

As entrepreneurship is traditionally characterized as being very materialistic, with the aim of achieving high profits, many of those interviewed wanted to correct a false impression, stressing that they did not represent the so-called traditional type of entrepreneur, but were a new kind of self-employed. They often emphasized the fact that they were not originally oriented toward entrepreneurship, but saw it as a need to create work for themselves in a time of need.

*“I am not that kind of type, entrepreneurial type, I am not interested at all to make money or build up a position ...I am rather bohemian” (W4)*

When considering a topic where “necessity” is mentioned, the presumption is that negative emotions and events are inevitable. There was much debate about this topic in the media, and the tension surrounding it meant that the need by many to express their opinions was tangible.

Many of the interviewees had been active within the entrepreneurial sphere, and they felt taking part in the research would give them an opportunity to express their thoughts and share their experiences.

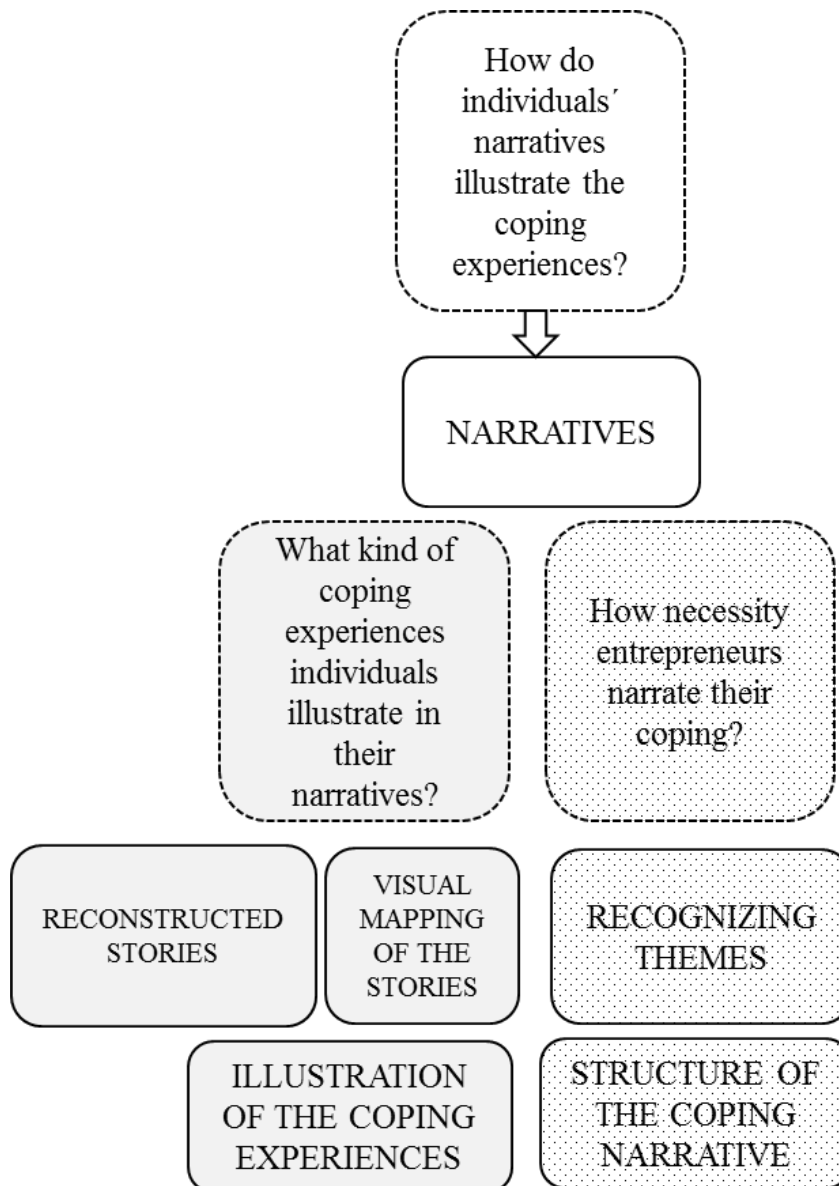
*“I was myself planning to write down some thoughts...and there have been even a few articles in newspapers about me..” (W1)*

The invitation to be interviewed referred to the sessions as “biographic interviews”. In fact, the interviews were not systematic biographic interviews but unstructured narrative interviews that in some cases resulted in a life story being told; these were mostly middle-range accounts of being self-employed. At the beginning of the interview, individuals were invited to talk about their life path as self-employed persons. They were asked about how they ended up choosing self-employment, about their preceding work situation, about how self-employment had fulfilled their expectations and about whether it suited them. Since it had been specifically stated that the emphasis was on self-employment as an overall path/story, this probably resulted in longer stories about work and life than would have been the case if they had simply been asked to talk about the period of time when they were self-employed. If necessary, short questions were asked to aid clarification while they were narrating their “self-employment career”.

The interview started by explaining how it would proceed and what the interviewee might expect. I explained to the interviewees that I did not have a set list of questions. I just let the interview move forward. I asked them to tell me how it all started, how they began working as entrepreneurs, how it has been for them, and if they had any significant turning points. I then asked them to describe where they are now.

### 4.3 Phases of the analysis

In this study, 16 narrative, biographical interviews as the unit of analysis are investigated in multiple ways. Analysis is done combining both single and group cases in approaching narrative interview data from two angles: how the narrative is told and what is told. Figure below illustrates the two paths analysis is following; (1) recognizing the themes of narrating the coping and (2) understanding and finally illustrating the coping experiences in this context of necessity entrepreneurship.



**Figure 9.** The phases of the analysis.

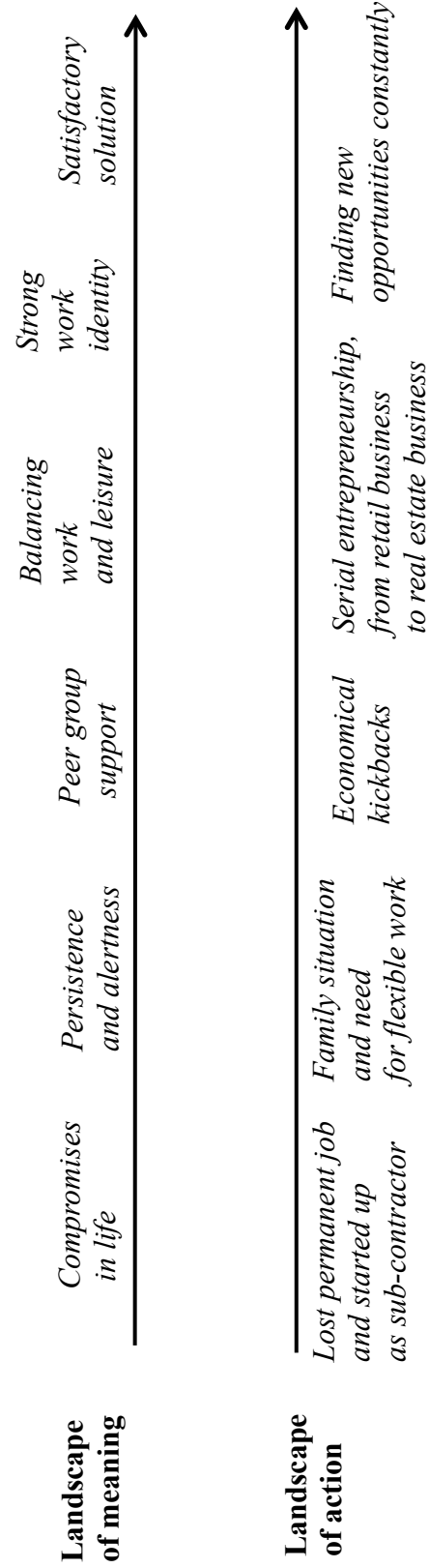
The first route of analysis with *the focus on narrating the coping* was focusing on narrative content from the group point of view: observing the elements (themes) individuals displayed in their narratives to understand how necessity-based entrepreneurs narrate their coping and recognizing the similarities within the narratives of individuals.

The other route focused instead of narration on *the content and meanings*. The analyzing process started with working with a single interview at a time, isolating and ordering relevant topics that individuals handled in their narratives about cop-

ing as necessity-based entrepreneurs. To hold on to the individual point of view and avoid generalization in too early a phase, all narratives were reconstructed to story maps and individual stories. I began the analysis by recognizing the narrative themes at the content level and then trying to uncover the meaning behind them. To separate important themes, all stories were first analysed separately utilizing the White's (2007) idea of mapping the storyline – in his case for therapeutic means (see original version of White's illustration of storyline, Appendix 1 and example of my version, Figure 11). White refers to “re-authoring conversations map” (2007:75) as he visually charts clients' stories from real-life transcripts. Maps help author to better understand and interpret telling, but it also at the same time “externalizes conversation” (2007:9), objectifyis the problem – And brings alternative storylines visible and accessible.

The perspective of a two-level story is based on Bruner's (1986) distinction between two landscapes, which offers a starting point for identifying and defining narratives. Also, White's (2007) idea of a visualized story map adopts Bruner's view, where the listener (the therapist in White's idea) draws a life line following a summing up of the most significant points of storytellers on two levels: consciousness (identity) and action. White (2007) formulated maps to make the therapeutic process more transparent. These maps offer a similar opportunity to follow up spoken narratives as well as to support the work of researchers, and to summarise the findings and interpretation along the way. From therapeutic point of view, storyline is not only for therapist's use, but it is also meant to illustrate the path of individual to individual self. White (2007: 80) argues that storyline “encourage readers to fill in (these) gaps by stretching their minds, by exercising their imagination, and by recruiting their lived experience”. This perspective could be utilized among entrepreneur's mentoring, for example.

In addition to visualized storylines, reconstructed stories are utilized here. Particular cases are selected to illustrate range and variation and to offer more detailed description; thus, theory-based categorization offers here insights into individuals' coping that leans on thoughts of three broad types of coping (Weiten 2004).



**Figure 10.** Illustration of Mikko's storyline

#### 4.4 Summary: Reflecting and orienting self-narratives

The previous section outlined the philosophical assumptions and main concepts that the investigation and practical part of this study draws upon. The epistemological and ontological assumptions in this study can be described through constructivist and phenomenological premises. In this study knowledge and reality are understood rather as constructed accounts than as truth, as the individual interprets and constructs narratives based on his/her experiences and interactions with his/her environment. What really happened is not in focus, but rather how the individual interprets it. In narrative research knowledge is seen as narrative in its nature and reality is constructed by means of language. Further, the constructivist perspective comprehends narratives as an outcome of reconstruction rather than as a story of the past.

Methodological choices follow the course of the study and support the view of coping as an individual way to redirect action or for the mind to deal with difficulties or uncomfortable situations. Both the concept of coping and narrative methodology contains the idea that an individual's perceptions of experiences have strong effects on future behavior and the individual has, to some extent, the ability to redirect thinking. In this experience-centered narrative research, narratives are treated both as interpretation grounded but also understanding them as means of human sense-making. Thus, narrativity in this study is not the only way of storytelling but also an individuals' way of constructing meanings and sense out of their lives; thus, the focus in this study lies in the concept of inner narrative, which stresses individual level sense-making, taking into account social and cultural aspects.

Individuals' narratives in this study are analyzed by means of narrative thematic analysis. Narratives are analyzed both from the individual and group level. Analysis begins with emplotting narrative themes, then through recognizing storylines and group categorization finalizing analysis and giving insights into coping as a necessity-based entrepreneur. The table below condenses the methodological choices made in this study.

**Table 6.** Methodological choices in this study.

<b>Subject</b>	<b>Choice</b>	<b>Argument</b>
<b>Phenomenon</b> (Necessity-based entrepreneurs and their survival path )	Social constructivism	Sense-making and coping, both reflecting the subjective, cognitive process of creating understanding and order to the mind.
<b>Ways to achieve information</b>	Narrative questions of the time as an entrepreneur and beyond	Personal stories capture the history but also reflect personal meaning-making
<b>Ways to collect information</b>	Individual narrative interviews (Rosenthal 2003)	Open format allows stronger role for participants and their experiences which they value important.
<b>Theoretical tools for analysis</b>	Narrative thematic analysis (Riessmann 2008)	Captures both the building elements of stories and content and gives a basis for creating typology.
<b>Practical tools for analysis</b>	(i) Life-line drawing (White 2007)  (ii) Reconstruction of stories	First one enabled visualizing entrepreneur's path and highlight the meaning-carrying elements.  Helped to treat large interview material in condensed order. Enables readers to follow reasoning of analysis.
<b>Interpretation</b>	Hermeneutics	Iterative

From the constructivist perspective, coping and narrative methodologies are both influenced by the same central focuses. The focus is on ways of processing: how individuals integrate knowledge or meaning into pre-existing schemes or change schemes to fit the environment. Polkinghorne (1988: 16) sees that cognitive schemes “are layered and can undergo modification in the interchange with the linguistic and natural environments”. As narrativity is claimed to be part of human nature and a way of telling stories and reconstituting the past, coping is seen

as an individual's special method of directing this narrative way of thinking. Although coping is strongly linked to personality, its basic assumption is that coping is a natural way to redirect action or for the mind to deal with difficulties or uncomfortable situations. Whereas the narrative approach is philosophic in nature, coping is a tool used to the advantage of the narrative nature of human beings; but similarly narrative approaches have been extensively deployed in the study of difficult life events and major life decisions, revealing how people make sense of adversity and change. For example Hänninen & Koski-Jännes (2010) analysed recovering alcoholic and Riessmann (1990) individuals in middle of divorce from narrative point of view. Although the concepts of coping and narrative share many counterpoints owing to their psychological and philosophical origins, differences can be explicitly explained by understanding McAdams' idea of the three levels of personality (trait, characteristics and story level), where coping and narrativity and the storied mind present different subcategories, which are not parallel but dependent.



## 5 RECONSTRUCTING THE COPING NARRATIVES OF NECESSITY ENTREPRENEURS

This chapter presents an analysis of the collected personal stories of entrepreneurship in a situation that was characterized as necessity. The chapter begins by presenting how I found the participants and which things I found challenging along the way. In addition, I introduce the backgrounds of the participants and place them in relation to the general economic environment. Narrative interviews are approached in this study from three angles: 1) recognizing the themes in narration 2) recognizing storylines within the stories and 3) creating illustration of necessity-based entrepreneur's coping utilizing the reconstructed stories.

### 5.1 Collecting narratives

My past experience of recruiting respondents for a national report commissioned by the Finnish Ministry of Labour on involuntary entrepreneurs indicated that unravelling this phenomenon would be challenging. Back in 2006, the concept of the necessity entrepreneur was an unfamiliar one for most, and researching it was often seen as a negative sign and as an attempt to support negative thoughts about entrepreneurs and entrepreneurship. That quantitative project, while being the first comprehensive national report on the topic, still barely scratched the surface, but it did motivate me to study the topic further. From the beginning, it was obvious that although the drivers of the phenomenon were identified as strongly biased on economic issues, the individual level demanded closer investigation.

When I began my study, I was interested to find out why it was so hard to talk openly about starting a business out of necessity and why discussion of the topic was not accepted and was so much avoided. The more I met people, entrepreneurs, business people, trade officers and researchers, the more the phenomenon at an individual level started to open up for me. It seemed that people felt that having difficulty finding a job stigmatized them and caused them to feel ashamed. Many mentioned that the term *necessity* had a very strong negative effect and did not want to use the word. Business people felt this new definition tarnished all entrepreneurs as if they were frauds and not entrepreneurially talented individuals who did their best to overcome the challenges brought about by economic fluctuations. Among all the often mentioned factor was the duality of the phenomenon: reasons behind starting up a business vary and are often sequential. It is hard to distinguish pure necessity, because it may give a push to look for opportunities and seize them as an individual suffers from his work situation.

It eventually took three rounds of attempts to recruit the 16 final story tellers. As previous studies pointed to there being many necessity based entrepreneurs among those engaged in the service business, I decided to approach individuals through an announcement in a newspaper. This way I was able to open up the definition of necessity entrepreneur in a few lines. I posted the announcement in the magazine of a national service trade union (PAM) at the beginning of 2008 (the Finnish version is available in the appendix). I soon started to receive encouraging e-mails about my topic and how necessary it was to explore it. Volunteers, however, were harder to find. After two weeks, I had seven volunteers who had contacted me via mail or phone. The poor health of one of the volunteers led them to offer to relate their story by phone, but at that point I was still determined to conduct all the interviews in person. As the magazine had a nationwide circulation, the volunteers were scattered around Finland. I offered to travel to meet these people in their hometowns to make it easier for them to participate. The first female (W1) invited me to her home and we had a cordial discussion lasting almost three hours about her years in the home care business. A second woman (W2) in her fifties was also a former home care entrepreneur. We spent a couple of hours in a hotel meeting room engaged in lively a discussion that ranged from business to the situation of Finnish society and personal life experiences. The third participant (M1) man in his sixties had terminated a business he had started in the 1990s following a period of unemployment.

The fourth person (M2) was a man in his forties who had been working in sales since he had lost his permanent job. Still he had a very positive life attitude and willingness to find opportunities. The fifth person (M3) was the oldest in the group and a former shop owner. His touching story of his son, at that time also his employee, and his serious accident was hard to listen to. The sixth volunteer (W3) was a young woman who had worked as a self-employed hairdresser in her small hometown due to a lack of salaried work options.

Three of these had closed their businesses already years ago and were at the time unemployed; two of them were established in business; and the other had recently established a firm. The volunteers had all given thought to their rich stories before relating them to me. My first impression was that these individuals were very strong and brave even after some extreme events that fate had thrown at them. The very range of the struggles recounted left me aware that I was still missing some more stories that would enable me to reflect current reality.

After half a year, I contacted a local trade officer who suggested a few people that he knew who had started their businesses out of necessity. Consequently, I obtained interviews with these people, but there was a difference from the first set.

The interviewees were local entrepreneurs, and as such felt obliged to market their business in a positive manner. It was difficult to obtain any information on their lives outside of business or on the factors that drove them to establish a business. They also clearly felt the study was connected to the trade office, as the initial contact had been arranged by a trade office official. The experience with the trade office referrals convinced me that I needed to find participants for my research in another way, one that protected anonymity and ensured that volunteers would not feel compelled to participate. I wanted to interview people who were interested in voluntarily sharing their thoughts and experiences around the phenomenon.

Wanting to enrich my material by finding participants who were currently in business, I contacted the Finnish SME association<sup>7</sup> in the spring of 2010. Its president was an active lobbyist for the rights of SME owners and was aware of the problems of individuals starting up in businesses without proper resources. The association agreed to publish my notice on their web pages and that generated 15 offers to participate in the study. By chance they were all from the Helsinki region and represented a wide range of occupational fields ranging from translation to photography to journalism to industry. I was able to arrange and conduct 12 interviews rapidly, most of them in a library meeting room, but two at workplaces, which benefitted the interview by establishing a context and providing a more relaxed atmosphere. The first interview was with a man (M4) in his forties who had been working as a photographer since he left school and had many experiences to share from both lean and busy years. He invited me to his photography studio and told me how he had recently decided to abandon entrepreneurship and move back to salaried work, giving a detailed account of his reasons. After that meeting, I was lucky enough to get a taste of the world of journalism when interviewing a veteran journalist at a creatively decorated shared work space in a former factory building. The interview was as colourful as the place itself and I got to hear the life story of the journalist. Unfortunately, six months later, I noticed the journalist's obituary in the *Helsingin Sanomat* newspaper and decided to omit the account, out of respect.

The following four interviews were conducted in the library meeting room. As a meeting place it did not offer such a relaxed atmosphere, but somehow felt more professional. The volunteers entered apparently aware of seriously taking part in something they found useful and important for the future generation. I met a woman (W4) in her forties who had years of experience at sea as a manager and

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<sup>7</sup> Suomen Pienyrittäjät ry

who decided to take a whole new direction in life by going back to college in her forties. She was disappointed to find that, even with a degree, she was unable to get a job despite applying for many. Finally, she became self-employed out of necessity. Then there was a man in his forties (M5), a sympathetic and analytical journalist who had been dismissed after a disagreement with his previous employer and photographer. In addition, I interviewed two men in their fifties, both of whom had lost their jobs when their employers went bankrupt. One (M6) created a business from his computer hobby and started offering IT-support services, and the other (M7) continued within the same printing business, but in a self-employed capacity.

Four of the interviews arranged were cancelled at short notice and I decided to do those by phone. Despite the lack of face-to-face contact, the interviews were open and relaxed. There were two women, one (W5) who had lost her job in language education and started her own translation bureau, and the other one (W6) had been away from her chosen marketing and management field for some years and was desperately trying to earn a living as a self-employed management consultant. Also W7 was a middle-aged woman who had instead changed her field of business lately and studied new education, but was forced to start her own business, because she had been constantly rejected after job interviews and was suffering from unemployment. A man in his forties (M8) had been an entrepreneurial photographer since his previous employer went bankrupt and another was man (M9) nearly in his forties who I met close to his workplace. This humble man spoke openly of his struggles with work and his health in the past, but at the same time of how he was inspired by the future within the construction business.

All but one of the interviewees cited unemployment as being a reason behind the decision to start their business in one way or another. Unemployment was a threat owing to four main reasons: the general economic recession, age discrimination, health-related restrictions and working in a field dominated by self-employment where salaried positions were less common (e.g. artistic fields). Only one person had left salaried work and become self-employed because there was no other option due to a family situation and a need for flexibility. Accordingly, this group is very homogeneous, although there is a wide variation in education, field of work and even type of firm. This group represents the age category where necessity entrepreneurs are often situated: most of the group were over forty and many of them already in their fifties.

Defining the primary factors behind becoming self-employed or an entrepreneur is a complex task. The decision-making process reflects both personal reasons, including health and family issues and general working life situations arising

from restructuring to redundancy. In this study, the participants were asked in advance whether they saw themselves as part of the group who have started their businesses out of necessity. As being a necessity-based entrepreneur hides many personal issues and cannot be argued to be solely caused by the economic environment (like unemployment), it is the participants' self definition of being necessity-based entrepreneurs that serves as the primary criterion. In this sense, as this study is very explorative, it also reveals that different subjective views on the phenomenon become more transparent than they would in a ready-made framework set up by a researcher. Nevertheless, subjective evaluations of necessity can be divided in this study into three different aspects: a) a clear view on a necessity-based beginning, as a product of a complex work/life situation, b) necessity as the driving force for change, and c) no specific mention of necessity, but entrepreneurship seen as a negative result of failure.

The interviews brought out the different elements associated with necessity entrepreneurship, as the following excerpts demonstrate. Most of the participants did not hesitate to announce directly that they had started their businesses out of necessity. For them it was the driving force, though it did not necessarily shape their whole journey as entrepreneurs.

*Then came this economic recession and xx firm went bankrupt and then it was actually a necessity to start as an entrepreneur. (M3)*

Often when participants began to evaluate their past years, they realized how strong effect necessity had been at the time they started.

*This was a real necessity. Or it was necessity in the way that the other option would have been to leave on early retirement or unemployment, and although even that would have been a more secure option, I could not imagine not working as 55 year old. But I don't regret anything. (W3)*

In a few cases person did not speak straightforwardly about necessity, but referred to it by other means.

*At that point I could not come up with anything else, I was somehow in such shock that I could not figure out any other option. I don't see myself as an entrepreneur, more like I have drifted into being one. (W4)*

*I did not have any work at that point and I wanted to practice my professional trade. (W5)*

In some cases personal life or family situation is so complex that it is difficult even for the individual to describe the reasons behind the decision to start the business name/company.

*I thought and thought of different options; I had no education, or I had but I was not anymore able to work in that occupation; I had a student loan waiting to be paid – what could I lose – nothing. (W6)*

In one case the interviewee did not refer to necessity, but after disappointing failure, he evaluated how easily people are directed to self-employment for the wrong reasons.

*All things considered, entrepreneurship should go along the natural path according to the individuals' abilities and resources. The more there exists that humbug and too much animating? - Even dangerous animating?, it is not good then. Because it means that if you have heavy obligations, it may ruin your whole life. (M1)*

Some of the interviewees admitted straightforwardly that in their area of business there was no other option than create a work place by yourself by starting as an entrepreneur.

*This field is in a way such that it has no salaried work places. (M4)*

One exceptional case was when the participant was struggling to find work and eventually bought the company where he used to work before restructuring and getting fired from his manager's position.

*Then you got to think about where you could find a job or another option is that you buy a company and you find the funding. (M5)*

The interviews do show that economic constraints (such as job losses and lack of work alternatives) shaped the context in which individuals made their decision; even if not all regarded those as 'very important'. Moreover, beyond job loss and a lack of work opportunities, some also faced a difficult working environment and a lack of independence that in part pushed them to become self-employed. Most of the participant's decisions were heavily shaped by the circumstances of restructuring, eroding work conditions and a rejection of what their work had become. These individuals' situations reveal an intermingling of factors, which also suggests a need to broaden the traditional perception of 'push' factors.

Necessity entrepreneurship has been described as a very controversial issue in the media and even been stigmatized. That made the recruitment of respondents for this study rather challenging. The process required finally the use of three different media. The first route to collect participants used an announcement in the ser-

vices union PAM's magazine, following a ministry's report which found that in increasing amount individuals in service-related fields were lacking paid employment and individuals felt pushed toward self-employment<sup>8</sup>. Five volunteers were sourced through that announcement that also provided a good starting point for approaching the topic. Next, a snowball technique was applied and enquiries made through entrepreneurs and trade officers; however, the approach was ultimately unproductive. In 2008, the topic of necessity entrepreneurship was still not widely discussed and initial reactions to studying it were usually very defensive. The first round of interviews was mainly with entrepreneurs who had already wound up their businesses, meaning the study still required input from entrepreneurs still in business. Finally, the association representing Finnish SMEs agreed to cooperate and published an appeal for interviewees on their internet pages at the end of 2009. Nineteen respondents were interviewed as a result, and contributed to the final tally of sixteen accounts that were incorporated in the study.

While finding participants was challenging, it has to be acknowledged that taking part in this study was not easy for the participants. Firstly, defining yourself as a necessity-based entrepreneur requires candour on many personal issues and a willingness to revisit and recount difficult times in one's life.

Although interview situations can be therapeutic and offer both parties new insights (Rosenthal 2003), my feeling was that the main motivation was curiosity toward this topic or willingness to share experiences they felt could be significant for others. Participants who enrolled in this study had gone through their personal processes and accepted their paths and were able to see the learning experience and its value to future entrepreneurs.

## 5.2 Presenting the participants

The sixteen accounts were gathered from interviews with seven women and nine men. The women worked in services, sales, hairdressing and business consultancy. Three of the women had wound up their businesses, two of them as early as 2004 and 2006, so their views were more from the perspective of the past

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<sup>8</sup> Kautonen (2007) (Ed.) was first to study necessity entrepreneurship in a larger scale in Finland and it was published by the Ministry of Labour and Economy of Finland. The results found that hairdressing and beauty professionals mentioned strong entrepreneurial push in their field.

than those of the others. The women were mostly in their forties or fifties except for one 20-year-old who had recently wound up her business. Four of these women had higher education, and almost all had gone through entrepreneurial training. Only one of the women had left salaried employment to become an entrepreneur, and the rest claimed unemployment or the threat of it to be the strongest reason behind the necessity of starting a business.

The men worked in sales, construction, expertise services and the technical field. The expertise services in this case were photography and journalism, which could also be characterized as art/creative businesses. One of the men had been in business years ago and looked back on his experiences more retrospectively than the others. The men's ages varied mainly between 40 and 50, and five had higher education. All the men mentioned unemployment or the threat of it as the main reason behind the decision to start a business. Four men had experienced a former employer going bankrupt.

Only one of the women had established a limited company and employed others, while four of the men had hired employees and three of them had business partners. Overall, the men had more successful and larger companies than the women in this group. One interesting point is also that five of the men continued in the same area that they had been trained in and some even in the same firm or group, but in a self-employed capacity. The study does not include information on the income of the participants.

**Table 7.** Research participants' background.

	<b>W=woman M=man</b>	<b>Age</b>	<b>Area of business</b>	<b>Years</b>	<b>Main "push" reason</b>	<b>Employees</b>
1	W1 (F)	50–	Home services	2002–2004	Unemployment	-
2	W2	50–	Beauty consulting	1985-	Family situation	-
3	W3*	50–	Translator	2006-	Unemployment	-
4	W4*	40–	Marketing consulting	1991-	Unemployment, fired	-
5	W5 (F)	20–	Hairdressing	2008–2009	Lack of work options in living area	-
6	W6 (F)	40–	Home services	2002–2006	Health issues, temporary unemployment	2 part-time
7	W7	40–	Consulting	2006-	Unemployment	-
8	M1 (F)	60–	Shop owner	1996–1998	Unemployment	-



9	M2	40–	Journalist	2004–	Unemployment, fired	-
10	M3	50–	Technical consulting	1993–	Unemployment, bankruptcy	8
11	M4	40–	Photographing	1990–2010	Lack of salaried work in branch	-
12	M5	50–	Printing business	1999–	Unemployment, bankruptcy	7
13	M6*	50–	IT-support	1995–2010	Unemployment, restructuring	3
14	M7*	40–	Photographing (2 pers.)	2000–	Unemployment, bankruptcy	6
15	M8	40–	Salesman	2002–	Unemployment, bankruptcy, family situation	1
16	M9	30–	Construction business	2008–	Unemployment, took over old firm	2,5

*F= finished business, \* =phone interview*

In many countries the rates of entrepreneurship have increased alongside rising rates of unemployment, giving rise to the notion that high unemployment forces people to create their own jobs. In many countries, including Finland, this correlation has been found to be especially strong; for instance, according to Canadian statistics, as many as two of every three new jobs created between 1989 and 1996 were a result of entrepreneurship. Simultaneously, the growth of paid work has dwindled to a very low level. Typically, these entrepreneurs very rarely hire additional workers (Moore & Mueller 2002). Five of the participants' businesses experienced the severe recession of the 1990s, when in 1993 unemployment peaked at over a million people, or 16.3 % of the workforce. At the beginning of 2010 when the interviews were conducted, there were over 224,000 people unemployed in Finland. The recent economic crisis started to have an effect during 2008, and subsequently the most affected business areas have proved to be construction, business services and industry (Myrskylä 2010). The participants' stories reflect the severe consequences of the economic downturn, and many described the long lasting changes to their businesses caused by the recession. The recession in the 1990s was one of the worst in Finland's economic history and more severe than in most other countries. It had long-term consequences not only for the economy but also for politics, culture, and the general atmosphere. The actual recession lasted from 1990 to 1993. During this period the unemployment rate went up from 3.1% to 16%. Five years later, in 1997, unemployment was still over 14.6%. Unemployment was particularly widespread among the young and recently graduated.

### 5.3 Narrating the entrepreneurial coping

The narrative material could be approached from the point of view of archetypal patterns of literature, recognizing different genres or plots within the stories, and naming them for example after in Frye's (1957) style to archetypes: romance, tragedy, comedy and satire. That is a traditional and formal approach; which often leans on known storylines and draws influences on literature. Then focus lies on plot, canonical events, whereas I am approaching in this stage of the study this narrative material, narrative interview, on group level and aiming to separate themes that create the certain way of narrating entrepreneurs' coping experiences.

#### 5.3.1 *Patterns in the entrepreneurial storylines*

Multiple readings revealed a common pattern in the storylines. Although it did not follow a similar order in every story, it nevertheless revealed similarities between the stories that in narrative terminology could also be termed sub-stories (Riessmann 2004) or small stories (Georgeakopoulou 2007). Although structural linguistic elements of the narrative are not the focus here, similarities with the aforementioned structuralist view can be seen, for example, within the Labovian view that believes that every story repeats a generalizable form comprising an abstract, orientation, complicating action, evaluation, resolution and coda (Labov & Waletzky 1967).

In Labov's (and Frye's (1957) footprints, many other scholars have found interesting to study how narratives are created and how individual narrate certain aspects in their narratives. Table 8 below gathers together examples of typologies made previously of entrepreneurial narratives' structures, thus making the comparison with the previous findings more visible. Within the field of entrepreneurial studies, narratives have been found to reflect for example identity (Jones, Latham, Betta (2005), self (Linde 1993), business development (Mills & Pawson 2012), personal development (Smith 2002) and being a role model (Smith & Anderson 2004). Larty & Hamilton (2011) focused purely on the creation of narrative, recognizing the general structure of entrepreneurs' narratives, not leaning on any specific theme, and found that the narratives of 18 early-phase franchisees consisted of six themes; critical event, reflection on work situation, reflection on self, decision to take on a franchise, complexities and paradoxes and reflection on that decision. Despite different focuses, narrative structures have many similarities and the structure of entrepreneurs' narratives seems to hold certain repeated elements; the context of entrepreneurial narratives seems to be often embedded with meta-narratives of entrepreneurial discourses or classical entrepreneurial

storylines (Mills & Pawson 2012, Smith 2002, Smith & Anderson (2004). Smith (2002) found that narratives included characteristics which described the entrepreneur as heroic; Mills & Pawson (2012) also found that narratives' consisted of "epic" elements and descriptions of adventurous and creative entrepreneurs. The following sections present the themes recognized in this study in the necessity-based entrepreneurs' narratives: *The disappointing point, reasoning the choice, finding the new me, balancing paradoxes, lessons from the past, hopes for the future.*

**Table 8.** Typologies of entrepreneurial narratives.

<b>Author</b>	<b>Data &amp; focus</b>	<b>Typology</b>
Jones, Latham & Betta, 2006	Social entrepreneurial identity	<i>Me, Not-Me, Suppressed-Me</i>
Larty & Hamilton, 2011	18 early-phase franchisees, general structure of narrative	<i>Critical event, Reflection on work situation, Reflection on self, Decision to take on a franchise, Complexities and paradoxes, Reflection on that decision</i>
Linde, 1993	Characteristics of self	<i>Continuity of the self, the relation of the self to others, the reflexivity of the self, the treatment of the self as other, the moral evaluation of the self</i>
Mills & Pawson, 2012	Enterprise's development narrative styles	<i>Epic saga, Adventure story, Quest for creative expression, Evolutionary tale</i>
O'Connor, 2002	Entrepreneurial narratives in general	<i>Personal stories (Founding stories &amp; Vision stories) Generic stories (Marketing stories &amp; Strategy stories) Situational stories (Historical stories &amp; Conventional stories)</i>

Smith & Anderson, 2004	8 personal narratives	<i>Familial Fables (inspiring role model tales)</i> <i>Mentorial Tales (encouraging, mentoring tales)</i>
Smith, 2002	3 biographies of famous entrepreneurs	<i>The entrepreneurial child prodigy figure,</i> <i>The classical narrative of the poor boy made good,</i> <i>The heroic entrepreneur,</i> <i>The entrepreneur as an outsider,</i> <i>The entrepreneur legitimised,</i> <i>The entrepreneur castigated</i>

### 5.3.2 *Disappointing point*

The stories of the interviewees often started with the background to the reasons for starting a business. In Labov & Waletzky's (1967) words, narratives started with "abstract" and "orientation", which lead listener to comprehend the scene of events and understand the circumstances during the decision.

Typically, describing that background involved recounting work history and broader life issues, such as health or personal issues. In fourteen of the sixteen cases the stories featured the threat or experience of redundancy. Two of the cases pointed out how unsatisfactory their previous work had been and how this dissatisfaction with the situation pushed them into starting their own company. This theme could be seen also as a "critical event" in the story, like Larty & Hamilton (2011), because it acted like an introduction to the following story of the individual's entrepreneurial path and described the critical beginning point: the situation or even feeling, which pushed them into entrepreneurship.

One common characteristic to all of the beginnings was that it was shaped by **disappointment**. Narrating the background issues and beginning of their business was not only telling about specific events and consequences, but was about creating the atmosphere and sense of that time, when the narrator's life received a new direction.

### 5.3.3 *Reasoning the choice*

A personal (work) history was typically followed by a statement that there was no other option due to the reasons mentioned before. Necessity for some equated more with economic necessity and for others more with psychological necessity, but all cases explicitly or implicitly dealt with the lack of choices, though individuals' reasoned the necessity or background differently. Mainly all referred one way or another to economic reasons and the responsibilities they had to take care of. Either to their role as a head of the family, or they characterized themselves as persons who did everything possible to maintain work life, despite the setbacks.

These two previous themes clearly follow the results of previous studies on necessity-based entrepreneurship and its background. Unemployment or the threat of it has been seen as the strongest reason propelling people towards entrepreneurship in Finland (Kautonen 2007). Personal reasons have also been cited as strong push elements, even if an individual had not been thinking of entrepreneurship as an option before. In addition to the forced situation, a few described that entrepreneurship would give them the opportunity for more flexible and independent work at times, thus showing that disappointment in the past also made possible some positive things and that the decision behind was not clear cut-out, but it brought new chances that reflect on other parts of the life, such as family life.

The theme of **reasoning the choice** was about creating comprehensibility from past events; perceiving events as making logical sense and that they are ordered and consistent (Antonovsky 1979). As individuals presented the disappointing point that eventually pushed them into entrepreneurship, in this part they explained, both to themselves and also to the listener, why all had happened and what caused this change in life. Individuals characterized their necessity reflecting on different kinds of pressures behind the decision, but they also brought bigger issues to the table; they discussed about the poor employment situation in general, structural changes, changed values in work life and diminished opportunities in certain fields.

### 5.3.4 *Finding the new me*

After offering their background stories, individuals often described their attitudes and feelings towards entrepreneurship. They almost seemed to feel obliged to explain their choices to me as a researcher, and I wondered whether it may be due to the complex and vague definition of necessity entrepreneurs, when many feel that necessity-based entrepreneurs are stigmatized as victims and are destined to

work in involuntary employment for the rest of their lives. In contrast, a few studies have shown that necessity-based entrepreneurship can lead to very fulfilling work. In this sense personal coping skills are one of the key elements to turn the unwanted work situation into dream work.

This theme in a way represents a person's self reflection and explanation to themselves more than to the researcher. In the theme, the chosen path was also described as a personal challenge, thus this part of the discussion represents the individual's inner discussion. It could be described as offering reassurance and helping to find the strength to continue and reinforce the choices made. This theme is called **finding the new me**, which consisted of doubt in the entrepreneurial self and their own capabilities, which often made them evaluate how well the traditional picture of an entrepreneur fitted them. Some clearly distinguished between different types of entrepreneur, but others saw familiar characteristics in opportunity seeking entrepreneurs and in themselves. It also made a difference how long they had been working as entrepreneurs. The longer they had been entrepreneurs, the stronger they found the similarities, but still they had the picture of being a specific kind of (or a new kind of) entrepreneur. An entrepreneurial career in itself may have the effect of developing entrepreneurial characteristics within a person. According to Granger et al. (1995), some of those "pushed" into self-employment may afterwards show less interest in going back to salaried work.

### 5.3.5 *Balancing paradoxes*

The stories also addressed the individuals' reflections on well-being. The stories included opposing themes that had strong connections to well-being, such as considering the disadvantages of being lonely but at the same time the advantages of being independent; balancing work and family life; and evaluating the amount of work and its relationship to passion for the work.

This theme represented the **balancing paradoxes** of entrepreneurship which the participants found problematic and which provoked discussion. This has a point of convergence with Larty & Hamilton's (2011) complexities and paradoxes, where individuals presented matters in juxtaposing positions. In many senses these present the familiar paradoxes of entrepreneurship: the paradox of being independent but realizing that independence also brings along responsibilities; having the possibility to manage time, but at the same time having the position of being constantly on call as an independent contractor.

This theme reflects the elements of sense of manageability, which, according to Antonovsky (1979), highlight the contradictions and express how individuals manage these challenges; the feeling of how a person feels she can cope. Within this theme, the individual tries to look objectively at opposing perspectives, and along the telling evaluates where to situate herself and how to accept the non-balanced situation. Aligning with the negative juxtaposition, some positive notes are made; also, for example, how a certain work rhythm is suitable for their personality or life situation, or how they feel good for being responsible and able to be creative.

### 5.3.6 *Lessons from the past*

The participants' stories also dealt with **lessons from the past**. This theme involved thoughts about the past and the evaluation of changed thinking and values. It also addressed concrete things that had changed such as the pace of work and the amount of it, but in the sense that reflected the views toward those changes as having been accepted. This theme represented a new and changed mindset of the individual.

This theme reflected evaluations of past years and the options to proceed and what could be changed. The emphasis in this theme was on learning experiences; the individual's strengths to look back at and learn from the past. According to Labov and Waletzky (1967), evaluative clauses describe the human consequences of the event, and are therefore particularly important, as they convey what the story means. Following the idea of coherence (Antonovsky 1979), this part represents the sense of meaningfulness, how much an individual feels that life makes sense, and the challenges are worthy of commitment.

### 5.3.7 *Hopes for the future*

Furthermore, participants conveyed their thoughts about the **hopes for the future**; whether they would like to continue, how to balance work and life better, and some were worried about their future.

The themes lessons from the past and hopes for the future go hand in hand, because evaluation and learning from the past are essential for directing future actions and even planning it. Whereas the theme hopes for the future included business-related discussion, it also included lot of talk about well-being related matters and personal development. One observation was that those who had a good situation with their business and clear future directions talked about well-being

related issues and planned improvements for the future. Whereas those who were struggling with their business oriented their future hopes towards business solutions and finding faith to continue.

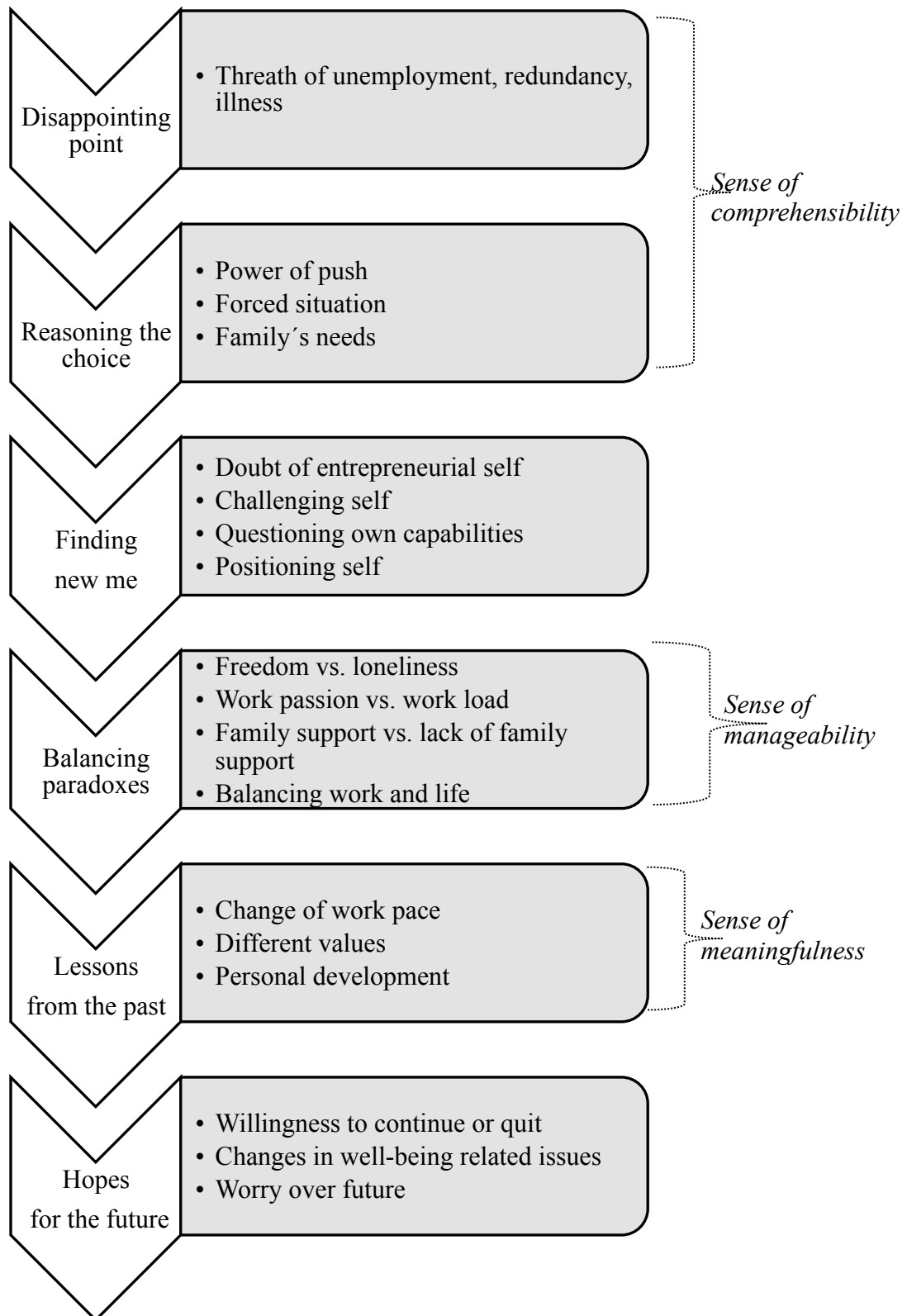
### 5.3.8 *Structure of the entrepreneurial coping narrative*

In this section I approach the narrative data as a way of narrating (entrepreneurial) coping. After several rounds of reading, I recognized six themes that were repeated in every coping narrative, although in varying order. The themes were: The disappointing point, reasoning the choice, finding the new me, balancing paradoxes, lessons from the past and hopes for the future.

The *disappointing point* and *reasoning the choice* acted as a background story for the situation, where the former recreated the atmosphere for the particular event or life situation, whereas the latter offered varying explanations for it. The theme *finding the new me* can be characterized as a positioning phase, where the individual reflects on her feelings toward entrepreneurship and questions her abilities, role and skills in this new form of working environment and culture. *Balancing paradoxes* is a reflection of the narrator's inner discussion of one kind of paradox she has faced along the way. At the same time she presents the contradictory conditions, explains how these are managed and what the possibilities are to balance these. The theme *lessons from the past* focuses on individuals evaluating the past and learning outcomes, emphasizing the process of personal development. The last theme, *hopes for the future*, is about future plans and actions that are going to be carried out to achieve either well-being or just better survival prospects.

Previous typologies of narrative structures and narrative themes have similarities with the themes found here. The coping narrative consisted also of evaluative parts, learning insights and paradoxical point of view, which have also been recognized in previous studies. The coping narrative had a specific point of resemblance with the idea of sense of coherence (Antonovsky, 1979), and the dimensions of it: comprehensibility, manageability and meaningfulness. These dimensions were strongly reflected in the themes of entrepreneurial coping narrative; thus, the narrating of coping can be argued to repeat the central elements of sense of coherence and serving at the same time as a tool to make sense of the past, present and future, to achieve the balance. Above all, the entrepreneurs' coping narratives reflect the story of personal growth and stepping into a new working environment and finding a place there.





**Figure 11.** The structure of coping narrative.

## 5.4 Illustrating the paths of necessity entrepreneurs

In this study, necessity entrepreneurs were classified into four different groups according to their stories of coping as necessity-based entrepreneurs, and the four groups were given metaphorical labels. Metaphors are one example that make it possible to describe qualitative material through linguistic models. Lakoff and Johnson (1980) explain that metaphor is a fundamental mechanism of mind that allows us to use what we know about our physical and social experience to provide understanding of countless other subjects. Metaphors are rich way to express and tool to shape our thoughts, thus here they help creating metaphorical illustrations of the paths of the necessity entrepreneurs' in this data. Metaphors can help make sense of an unwieldy mass of information. Aubusson (2002), for example, represents typical qualitative research which attempts to represent the "massive, untidy mess of information" with the help of a metaphor. (Aubusson 2002.) Metaphors work as tools for presenting the phenomenon, but the creation and assignment of the metaphor is, on the other hand, conducted by researchers, due to the subjective and unconscious nature of the process. Metaphors might also be suggested by what participants say (e.g., Hyrsky 2006) and offer a fruitful perspective on the participants' experience. In this study, however, the metaphors applied were created subjectively by the researcher, so they work only as a tool for presenting the results of the study. The metaphors applied here are used only on a surface level, to help depict the phenomenon of necessity entrepreneurship but also to supply a general name for individual entrepreneurial experiences within the phenomenon, I think of metaphors in a more simplistic way, as linguistic pictures (following Schmitt 2005).

Several readings of the stories revealed them to be dealing with struggling with various difficulties and the phenomenon of necessity-based entrepreneurship was related as something uncontrollable. Using the sea as a metaphor for entrepreneurship represents this multifaceted phenomenon of individual career or work choice best. First of all, the individual makes the choice of whether to work as an entrepreneur or as a salaried worker: whether to go to sea and be solely responsible for one's own well-being or to stay ashore with solid ground under one's feet but perhaps without a job. A life at sea is more unpredictable as a work environment and there is a risk of falling into deep water. Being at sea, individuals also need the support of a variety of resources; figuratively speaking, either sailing in the boat or swimming will demand a lot of one's own capacities and resources, mental, physical and social. Failure to deploy those resources means drowning. There are always some individuals who do not feel at home at sea and would rather stay ashore. Some will be lost at sea as a result of a boat inadequate for the

task, poor sailing skills or an act of nature like a storm. Some choose to abandon the sea and sail back to shore.

Using the sea as a metaphor condenses the characters of entrepreneurship but it also leads to analysis on a second level; the differences in individual stories and their characters. Using the sea metaphor for entrepreneurship enables us to label the four kinds of entrepreneurs who have started out of necessity as drifters, the drowned, sailors and the ashored. Briefly, sailors have found their metier as entrepreneurs and are enjoying it. Drifters are managing in their business, but they would prefer some other work. Drowned individuals presided over businesses that failed due to a too heavy work load or often unsuccessful business practices. Those returned ashore did not enjoy being entrepreneurs and chose to leave it behind and continue as a salaried worker. In the following sections the characters and factors behind the necessity entrepreneurs' stories will be explored and the study will discuss how these stories reflect necessity entrepreneurs' well-being and ways of coping. It will follow the pattern presented earlier in terms of analysis.

#### 5.4.1 *Drowned*

Three of the stories, Anneli's, Seppo's & Mirja's, had common characters and a similar path as entrepreneur. These similarities mean they constitute the group of the drowned. Stories which belong to this group describe disappointment in a former career and failure in entrepreneurship after an often inspiring beginning. The stories reflect strong drivers such as the personal life situation or necessity of everyday survival. This group can be characterized by lack of proper economic and mental support and often even the wrong kind of support. These are the stories of low income workers who had not previously considered entrepreneurship but were forced to do so in the absence of any other employment options. For these individuals, entrepreneurship did not equate to survival, and unfortunately they had to eventually wind up their businesses due to an accumulation of economic and/or health and personal issues.

*"I was working as a childminder for 14 years and then I got unemployed. There were two years in between of unemployment and I finally got fed up"*  
(W1)

*"I got sick and my doctor said I could not go on like this...I had to leave my job as a nurse"* (W6)

**The disappointing point.** The individuals in this group described their work before establishing their businesses as very short-term employment and they all

longed for work that would offer them something stable in life. They all characterized themselves as very eager to do work, but they also felt that under these economic circumstances they had been betrayed and left alone despite wanting to do work. Following one contract after another and periods of unemployment they decided to go in for entrepreneurship, although they had never before thought of that option for themselves.

**Reasoning the choice.** One of the shared characteristics in the drowned group's background and the beginning of the entrepreneurial journey was that they all had experienced a strong push due to unemployment, but more interestingly also from certain people. In Mirja's story it was a close and trusted friend who strongly advised her to take the chance as entrepreneur, and in Seppo's and Anneli's stories the person pushing was a local employment consultant in an unemployment office. All three mentioned these people's influence as some kind of turning point. In addition, all three were offered a start up loan, which enabled them to start a business without excessive personal investment. These individuals characterized their choice to start their businesses as a pure necessity, as there were no other available employment alternatives.

**Finding new me.** One of the strongest mutual characteristics that also differentiated these individuals from others was that their values did not fit with entrepreneurial aims. Mirja and Anneli were care workers who valued the human kind of perspective on the elderly and wanted to give their time and support to those in need of it, although it did not provide them with any economic advantage.

*"It felt like I was the only person in the whole world [for customers]...I was so important for them" (W1)*

*"I was so old-fashioned about the socializing, drinking coffee and time used for eating, that I could not think charging for those" (W1)*

**Balancing paradoxes.** The drowned also suffered from a *lack of support*. In the busiest times Mirja and Anneli mentioned that they had difficulties to find trustworthy people willing to share responsibilities with them and start as partners. Mirja hired two women, but also experienced how difficult it was to find trustworthy and hardworking employees. Although both women acted toward solving the work load problem actively, the employment initiative did not succeed.

One dimension of support was a lack of family support. Anneli found her family did not support her in any way, although it had been a mutual decision in the beginning that she as the mother of the family would start her own business. Then again, Seppo faced serious problems in his family life in the course of entrepre-

neurship and lost at the same time the support he thought he had had earlier. The family hit a crisis due to a serious accident and the business was left untended. These experiences strengthen the view that social support and especially acceptance in the family are crucial factors when one's well-being is challenged in the work environment. Individuals need one kind of backup from family surroundings and people close to them.

*“As there were these issues in my family...my boy was nearly killed in an accident...although everything got well...time passed and I had no more money nor strength to turn the business onto the right track” (M1)*

All the individuals had gone through specific plans and thought processes with trade officers and entrepreneurship experts, but still the stories reflect the challenge to keep on in the business and survival as an entrepreneur in these certain branches. Unfortunately, these three had challenges even on the basic level: low paid businesses combined in Seppo's case with an extremely challenging business area and specified items: a small rural community where Seppo ended up on selling hand-made art. And in Mirja's and Anneli's case their major mistake was in being too sensitive in the business where they had to make their living. A good question is also whether they were suitable as entrepreneurs due to their personalities and previous challenges in work life.

Although entrepreneurs' work is often described as very hectic and they are said to work longer hours than salaried workers, the Drowners were in their stories working especially much, often described as 24/7 without holidays, and it eventually sapped their strength. They had *problems balancing the work and their free time*, as work took all the time.

*“I acted like an alcoholic, I lied about having holidays, although I did not” (W6)*

*“Result was that I sold better than I had time” (W6)*

*“Although I worked day and night, nothing was left” (W1)*

**Lessons from the past.** One common factor for all three was that they were all very motivated in the beginning, but along the way their work did not fulfil the expectations they had in the beginning and the work became a disappointment. Seppo had a special interest in wooden art and design, based on his occupational background, but he did not enjoy the idea of taking the post office as a side business. He would have preferred to concentrate more on art and handicrafts. Anneli, on the other hand, felt that her work was too monotonous and customers were not interested in services other than simple cleaning. She could not actually

help the elderly as much as she had hoped and she even felt that the culture of hiring home help was not fully understood and accepted in Finland. In one way they felt their view on work was not appreciated and valued in the job market.

All the drowned felt very frustrated after winding up their businesses. They were lucky to survive the debts and saw how their strength had been drained.

*“This theatre [hobby] was my way to relax. Phone was off. No one could not reach me while I was attending the rehearsals..that gave me energy.” (W6)*

*“I just utilized my acting skills pretending to be happy and rested, but I knew that the feelings were the opposite” (W6)*

They would have wanted to find a way to escape from unemployment, but the end was necessary for all of them, for several reasons. Mirja even hired a one person to help her, but she noticed that along that came also the problems, such as trust issues and different views on work and money.

*“As long as you are alone, things go well, but as soon as you get the first employee, you loose the control” (W6).*

The women clearly highlighted lack of support as the biggest barrier and Seppo saw the past as a collection of unlucky events. Weiner’s attribution theory (1972) claims that an individual can control certain things such as skills, but others such as luck and the actions of others are not possible to control. Similarly, the drowned can be characterised in many ways as victims of uncontrollable causes, but also it becomes evident how neither the sorrows nor the benefits of life can be predicted.

**Hopes for the future.** None of the group mentioned any willingness to go back to entrepreneurship, but Seppo thought about the option of working part-time as a self-employed constructor. None of them could consider relying on entrepreneurship totally, but as extra funding they could see that working. None of the drowned were able to find permanent work and were either unemployed or doing occasional jobs or working as replacements. The tiring experience also changed them and opened their eyes. Mirja moved back to her hometown and started a new life, the same as Anneli did after divorcing her husband. They all appreciated the years back and found that it has helped them to learn much.

*“That job as an entrepreneur benefit me a lot, because I learnt to do independently all the orders, deliveries...I could not do this (new work after the she finished her business) without that experience.” (W6)*

They all felt urge to share their experiences and wish they could support others that they do not fall into same problems as they did.

*"I am not in a hurry anymore. All the experiences, expertise and knowledge I gained during the years are something you cannot read from the books...I wish others could manage to avoid the worst pitfalls. " (W6)*

**Coping as a drowned.** The drowned had a chain of struggles, but strongly tried to survive. With strong will and the power to work, they managed to handle the business until their resources totally disappeared. They all saw the signs of failure ahead, but ignored the warnings about the condition of the business and their own health and kept working, often to the extreme. The drowned could be described as a very benevolent, good hearted group of people who had higher aims with their work. *Altruism* refers to this very kind of work: "unselfish concern for other people" (Merriam-Webster 2013). Altruism is also attached to sacrificing something, such as time or energy, with no expectation of any compensation or benefits, as Anneli did when she felt that no one else had time for the elderly, so she sacrificed her time and energy without payment to be there for people who needed it.

Although these altruistic acts are unselfish efforts, those seem to work as a fulfilling and energizing act. Clavien & Klein (2010) studied psychological altruism from the motivational point of view as a goal of increasing another's welfare, which could be one explanation here. As it gave them the motivation to do work properly, it may have prevented them from seeing the business side of the work and hindered establishing a successful or manageable business. Psychological altruism is contrasted with psychological egoism, which refers to the motivation to increase one's own welfare. This is similar to the traditional view of entrepreneurs as opportunists, whereas the aforementioned group of individuals would represent the other end of the continuum. All the drowned had to end their businesses due to economic and/or health issues. Everybody's well-being was (severely) damaged and none of them was able to jump straight back into work. Afterwards, they all redirected their lives, but none of them was anymore able to find anything but temporary work. Even years after past memories disturb their minds.

#### 5.4.2 *Drifters*

For drifters, starting a business was usually prompted by an unexpected incident that redirected their future and plans. Eventually they looked for optional employment, but did not succeed in finding a way out of the entrepreneurship, thus they have started to look at the entrepreneurship from the point of view that they will be staying there for a long time, because the availability of other options is non-existent.

**The disappointing point.** Drifters had various disappointing happenings in their background; there were ones who had been fired, divorced or diagnosed with severe illnesses, which forced them to organize their life in a new way. One of them felt that she had been discriminated against because of her age and found it impossible after tens of work applications to find suitable work that would employ her within her own field. The reasons for disappointment varied, but they also acted as a motivational push that led them to think about their life in a new way.

**Reasoning the choice.** Their personal situations made being unemployed unthinkable, thus they reasoned that there were strong reasons behind the decision. In addition they had families and/or obligations that made them consider entrepreneurship as a serious alternative. However, the switch to entrepreneurship happened for some over a very short period of time that implies how the circumstances were also very easy for jumping to the new work in an instant.

*“The company where I used to work was reorganized and as I happened to be the manager, they just did not need me anymore. It was difficult to find another job and I decided to buy a job for myself.” (M5)*

Drifters’ personal life situations and or other issues limited their options within job markets, in addition they were recommended to pursue entrepreneurship and they found no other way to earn a living than by being an entrepreneur.

**Finding new me.** Drifters describe themselves as very hard workers and they see looking for job as their own responsibility. They are aware of the consequences of the economic crisis and comprehend the current lack of salaried employment options. They rationalize the consequences and understand that they just have to find ways to survive in this new situation and adjust to it.

Drifters rationalized and pondered different reasons behind the situation and tried to make sense of why they had lost or were not able to get salaried work. Often their reasoning reflected their own capabilities and/or characteristics. Some of the drifters cited age as their biggest barrier to getting salaried work or to return to salaried work. Highly educated drifters saw not getting work as paradoxical and



felt that their experience was not appreciated. Heli and Johanna had both faced situations where they were described by potential employers as over-qualified and had often not even been invited to interview. Juhani had dreamt of leaving business, but did not have much faith in his options on the job market, where the young most often take the available jobs. The drifters' perception of their job market value was seemingly low.

*“During the time [of unemployment] there were very few positions open”  
(M8)*

*“My strenght is that I have experience, so to speak from the other side of the fence, I know how to sell and how factories work and how the suppliers act” (M5)*

Drifters often found themselves as entrepreneurs suddenly, and consequently often had trouble coming to terms with the change. They often felt that they were lacking some entrepreneurial characteristics necessary to be an entrepreneur and had a very traditional view of entrepreneurs, from which they wanted to differentiate themselves. They did not differentiate themselves only mentally but also deliberately avoided traditional entrepreneurial groups and institutions. Mikko, for example, often mentioned his former colleagues from a factory that had closed down, and that many of them had been forced to start their own businesses after the closure. To some extent, Mikko aligned himself with necessity entrepreneurs more than with opportunity entrepreneurs. Others also defined themselves as belonging to a new kind of group of entrepreneurs mainly due to the origin of their business. Necessity-based entrepreneurship seems to reflect in the individual's self-image as an entrepreneur.

**Balancing paradoxes.** Drifters step to a whole new type of work, and many of them are amazed at how demanding this type of occupation that promises independence can be. It is a reflection of their constantly exploring new opportunities to make money and also reflects the many hours they find themselves working after becoming entrepreneurs. Mikko's case particularly highlights the complexity of apparently independent work, which ends up making the worker more dependent than expected. Mikko started to work as a contract worker for his old employer, but soon realised that he had little decision-making autonomy, even having to explain his movements and choice of holiday periods to the employer. Mikko's situation was mirrored in that of Heli, who also became very dependent on one employer. Both participants in the study were suddenly left without income when their one employer laid them off due to a lack of orders. This kind of dependence has a more extreme effect than when income comes from a scattered field and networks.

*"The moment when you should pay the salaries, but the big companies, that has lots of money, have payments overdue...[thus making the paying impossible] (M5)*

Drifters can waver between entrepreneurial and worker identities. Their employment profiles seem incomplete due to their working in various fields or sudden changes in moving into new markets. This came across when they recounted their experiences of former colleagues and surroundings. Their accounts were sometimes coloured with shame or a lack of self-esteem because they tried to understand why they had ended up experiencing bad luck in their careers. The lack of strong or lengthy professional experience must have had an influence on their feeling that they did not fit in either as entrepreneurs or as workers; in effect, they were floating between the two environments.

**Lessons from the past.** In the beginning, entrepreneurship seemed the solution to the employment problems of individuals and offered some relief, but the drifters soon started to become uneasy. Entrepreneurship turned out to be more challenging and making money harder than expected. Income was collected from across a very scattered area or was very insecure.

*"When I am looking ten years back, it did not even cross my mind to start as an entrepreneur; you start to think how easily one has it, when you go to work from eight to four." (M8)*

On the other hand, drifters showed tremendous willpower and determination to survive difficult circumstances. That itself raised their belief in themselves and even made them feel strongly that they were more independent than before. They knew their own strengths and believed that no one else could help them gain employment.

*"I have developed myself to be entrepreneurial." (M8)*

*"It has brought an amazing amount of experience" (M5)*

**Hopes for the future.** Drifters estimated the various options that would enable them to leave entrepreneurship and return to salaried employment. For various reasons the salaried options are not attractive enough for them to abandon the entrepreneurial path. They are resigned to their destiny and try to find fulfilment and enjoyment from their leisure time.

For drifters, work means struggling and finding ways to earn at least an adequate amount of sum. Drifters are very persistent and do not see giving up as an option. They are going to win their battle however challenging it is. Drifters dream of a

better future, of being retired and free of business. Their work as an entrepreneur is a way to meet living costs; it is seen as a job rather than as a fulfilling career. Drifters value things that are outside work more than the work itself.

*“Each day is the same as the last...that is what is really exhausting. You have to push your limits, but still the salary is under €2 000. I am, though, very positive by nature, so my attitude is that this is what it is, I can’t do anything about it.” (W3)*

**Coping as a drifter.** Drifters are a group of hard workers surviving in the situation, which is maybe almost impossible for these individuals. For many reasons entrepreneurship presents them with the last straw. They adjust to the situation and search for new entrepreneurial ideas in various ways, but distancing themselves and distancing the value of work represent the strongest coping methods for them.

The story of Mikko (M8) especially describes the alienation from the traditional entrepreneurial environment. Mikko benefitted from support from ex-colleagues because their shared backgrounds and setbacks meant they understood each other and that made them stronger, and also gave them their own private group.

The individuals of the group were representing themselves as welcoming a different kind of entrepreneur, and thus their actions are characterized here as alienating. Drifters confirm their belonging to “others”, “not-entrepreneurs” or “forced entrepreneurs” by alienating or distancing themselves. The definition of alienating is, “to make (someone) become unsympathetic or hostile or to cause to be withdrawn or diverted” (Merriam-Webster 2013). Traditionally, entrepreneurs were seen to come from different backgrounds, but all the drifters have been forced to create a new opportunity for themselves because of unemployment. Drifters have in a way repositioned themselves socially, while at the same time trying to change socially constructed expectations of traditional entrepreneurship.

Mentally, this also gives them self-certainty, because they have found their own group and do not have to be compared to entrepreneurs from different backgrounds. They could worry over being in a place where they would not necessarily want to be, but instead have decided to adjust to the situation and be satisfied with that and do that as well as they can. Additionally, they cope *by blotting out* the value of work from their own life and treat it as a job that brings income. They emphasize family and personal reasons as the reasons why they are still in entrepreneurship.

### 5.4.3 *Sailors*

Sailors are people who have had the resources and options available to be able to choose their direction on the sea of working life, and could therefore be described as the most successful of the necessity-based entrepreneurs, though they have had similarly disappointing points in their past, they have had the chance to continue within their own field of work.

**The disappointing point.** All the sailors have faced sudden negative events, setbacks in their careers in which they have already gained years of experience. One of them got fired due to redundancy, another got fired due to a tense atmosphere at the work, third found the corporate culture too constricted. Despite they had the resources to cope, although they would not find work immediately, the situations made them to feel betrayed by the former employers and they were struggling to direct their expectations on new path. The sailors have found their field of work and were determined to continue with that and utilize the skills they had achieved during the past years.

**Reasoning the choice.** Sailors have not previously considered starting a business, although in their occupation it is common. As experts, they already have strong networks in the field and they believe they can rely on those to continue to work on a self-employed basis or as entrepreneurs.

*"The company, where I used to work, went bankrupt" (M7)*

*"It was total surprise, I had never thought or for example I had no dreams to start my own business.." (M7)*

*"The reasons were totally somewhere else than in business.." (M2)*

However entrepreneurs narrate their entrepreneurial path by returning back once a while; wondering why it all happened and although time has passed, they still ponder the reasons behind. The sailors were having stable career, that was changed by sudden happenings and they seek understanding even years after.

**Finding new me.** Sailors are experts in their own area and they are proud of their work and the work itself gives them strengthening motivation and power. They do what they want to do for a living, even though entrepreneurship has not been their ideal way of doing that work. Sailors are often from an artistic field, and that may create some resistance because they do not appreciate and connect marketing and business easily to their original idea of work. They do, however, have a very strong work profile due to their earlier career and experience in the field. The same qualities could also be labelled self-respect, because they do not want to do things against their own values and in that sense they rather characterize them-

selves as a different kind of entrepreneur, forming their own group that differentiates them from others.

They characterize themselves as first of all creative; not only in the sense of their occupation, but also creative in finding new solutions and selling themselves. They also often highlight their persistence, referring to struggles they have had on their career path and at the same time distancing themselves from counterparts with regular jobs who do not have to struggle to create employment opportunities.

*"I am fine with this kind of petit bourgeois life, and that I am able to achieve it with this [work]. ..But in the end it is the freedom, although you can make money with diligence." (M2)*

They engage in the kind of talk that builds up their identity as entrepreneurs as they raise characteristics such as perseverance and self-efficacy that are often connected to entrepreneurial behaviour. Relationship with money is often very straight, as Tuula describes:

*"The money is the motivator..it is not a bad word for me." (W2)*

**Balancing paradoxes.** For sailors, losing a job represents something negative in the past that was not down to them, although they were the ones who had to suffer the most extensive consequences. This experience reflects in a way that they want to show that they can manage without others and get along. This reflected strongly in the early years of business, when they used all their energy to build up a successful business, expunging the previous disappointment from their minds. Although that early effort contributed expediency and motivated them, many sailors will have realised the negative effect on their energy levels and the need to rebalance their work rhythm afterwards and work more sensible hours.

Jumping into a new work role as an entrepreneur and manager is one challenge on the way. As it represents identity work and learning new roles and tasks, it also brings concrete challenges. For example, Sami and Kari had to learn to manage personnel and be ready for disappointments caused by problems among the workers.

*"You have been in two roles, both as a worker and running this firm." (M7)*

*"Those [old customer relations] did not last for many years, maybe couple and after that those had disappeared." (M7)*

*"...leading and managing personnel has been interesting and most educational, but then those have caused the biggest disappointments and surprises.. " (M7)*

**Lessons from the past.** While their own firm is precious for the owner, it has different meanings for workers, which has also been a lesson for the sailors. Addressing people management issues has also toughened their minds and feelings. Sailors describe themselves as thick-skinned due to tough lessons learned.

*“Freedom means for me that I do not owe anything to anyone.” (M3)*

*” I remember in 1991 I was a freelancer for very short time...that was a extremely nice time.” (M2)*

*” I decided to face the realism that time is not unlimited and our child is growing.” (M2)*

As sailors mirror their past they also recognize the positive sides the entrepreneurship has enabled for them. It gives impression of satisfaction with entrepreneurship. They find important that they have achieved sort of freedom for example to invest in children when they need you, but they also recognize how they have had good experiences and feelings about the entrepreneurship already in the past, although they had not considered that option seriously.

**Hopes for the future.** The sailors’ first years as entrepreneurs were turbulent and hectic ones, coloured by a passion for their work but mainly a strong desire to show others their skills to survive setbacks. Since then they have found a new kind of balance where there is time for other activities and the family, and that has given a new focus to their life parallel to the work they enjoy. The years have proved that they have the talent, personality and resources to survive as entrepreneurs, which calms them. They actively review the lessons of the past and try to find improvement through changing their actions or ways of thinking and believing in their own possibilities:

*”Life is not a rehearsal...I set my aims high and that is why people laugh at me, but I am fine if I manage at least to the half way.” (W2)*

Sailors have relied on their expertise acquired in a specific area, and directed their will and resources to succeed in business and gain success. Sailors are those who seek enjoyment parallel to work and they often invest in leisure time activities to live their dreams.

**Coping as a sailor.** Sailors belong to the group of necessity-based entrepreneurs: the ones who are most suited to be entrepreneurs due to their strong mental and instrumental resources. Sailors still face the stress of work overload and have difficulties balancing time between free time and work, but from the point of view of necessity, within the group it has rather pushed them to a career they had not planned or expected, but they are succeeding in it very well. In dictionary termi-

nology, adapting is translated as showing or having a capacity for or tendency toward (Merriam-Webster 2013), which describes how they have created their own kind of career and found inner strengths suitable for entrepreneurship. In that sense, they are challenged by necessity in a different form than others; necessity may have taught them to value work in certain way or view their work identity differently.

Sailors are pondering whether to grow the business and how to handle success, and many would call these winners and not traditional necessity-entrepreneurial type, but they are still carrying the memory of necessity in their actions and thoughts. Their life seems to be a constant fight over balance, but these individuals have adopted new values toward work. They give weight to leisure time and have created rewarding leisure time as a counterweight. Some emphasize satisfying living conditions and some travelling. Close ties to the family and organizing living so the family stays close seem to be key elements. These individuals seem to have a certain kind of coping strategy: they have adopted new values and created a life that looks like them. Entrepreneurship is making that possible. But adopting is also possible for them due to the resources, the human capital they have gained during their earlier career and life. From an outsider's point of view, the sailors' life seems to fit into traditionally argued entrepreneurial characteristics. These could even be named disguised entrepreneurs, because they adjust their life to being entrepreneurs so well. A good question is whether they have grown to be entrepreneurs or whether they have had a hidden entrepreneurial mindset already from the beginning.

#### 5.4.4 *Ashored*

This particular group struggled with entrepreneurship, but was determined to gain something from it. They have survived without drowning, but their ultimate wish has been to change back to salaried work when the time is right and the opportunity presents itself. These individuals have swum or sailed back to land.

**The disappointing point.** The ashored has similar background as other afore mentioned. The disappointment for them has represented the choice they will do as well as possible, but they will carry on pursuing the salaried work eventually. Thus the beginning of starting own business has been based on pure need, but they have stick to their opinion and willingness to be other than entrepreneurs.

**The reasoning the choice.** The ashored are a very homogeneous group compared to the drifters. They have started up businesses due to economic necessity and a lack of other opportunities in the field. They always have in mind that they would

prefer another option, such as salaried work, but they have not yet been able to find opportunities to change direction. When the opportunity arises they rapidly decide to jump back to salaried work.

*"I used to be a photographer back then, thus it was natural reason to start up your own business due to a taxing." (M4)*

**Finding new me.** The ashored could be described as stoically resigned to their destiny as they do their best to survive as entrepreneurs, but do not feel that entrepreneurship is for them or represents their values.

*"As an entrepreneur you have to have sensors on all the time; listen to others, collect some ideas, then you have to sell and be active... You can see the entrepreneurial ones. I am just the kind of organizational worker who does not want to please anyone or sell anything". (M4)*

*"The ones who have succeeded [as entrepreneurs]...are very social, open and get along with all kinds of people, you sense it already from handshake..." (M4)*

**Balancing paradoxes.** When we consider the stories of the ashored, we see more specific problems than emotional challenges than are typical in the accounts of entrepreneurs. Katri was eagerly supported as a young girl, and even guided to start a business, but ultimately the business plan and realities did not combine to create a profitable business or even offer a base on which to establish a business. Arto suddenly found himself unemployed with family responsibilities, and his attempts to start a firm were prejudiced by the negative effect exerted by an old business name, which also reduced unemployment benefits. Although Arto had not practiced his side business for a while, he was economically dependent on it. Then Jari faced enormous difficulties along the way as his purchases caused confusion at the tax office. All these tangible problems reflect the restrictions, limitations and challenges that small business owners must be aware of and learn to handle.

*"You should be so alert all the time, but also do the creative side of your work. Combining these two is not just working." (M4)*

*"All my colleagues from the field are in troubles with them [tax authorities], because they do not comprehend this field of business." (M4)*

**Lessons from the past.** The economic recession undoubtedly affected the chosen path of the ashored, although they did not capitulate even if their business partners may have finished work. They also tend to reflect on their time as entrepreneurs as learning experience which has not been merely negative. They were able



to do the work they wanted to only in the form of entrepreneurship, and that brought about challenges such as complicated taxation. Although they accepted that the economic situation dictated at that time that there was no option other than entrepreneurship, they still felt they were in the wrong place.

*"They have sued me and I sued them...but then I decided that I want out of this entrepreneurship." (M4)*

**Hopes for the future.** These former entrepreneurs wonder things that could have changed their entrepreneurial path and make suggestions for future practitioners, such as creating stronger culture of agents, which would especially support the entrepreneurs from artistic background.

*"We should have....like abroad they....agent, who takes care of all this paper work" (M4)*

Those former entrepreneurs who have gone ashore describe themselves as relieved to have found a solution permitting them to return to salaried work. The salaried state represents security and reliability to them without economic pressure and with a regular salary. Their enjoyment is especially highlighted.

*"Now I have had four years this [salary] and I get it monthly....there is sense of occasion" (M4)*

**Coping as gone ashored.** The swept ashored found entrepreneurship quite a struggle, but for many reasons they did not have the possibility to switch back earlier, although they were at all times willing to go back to salaried work. They decided to approve the situation and accept that they have to make best of it. According to the dictionary, acceptance means "to receive willingly" and/or "to regard as proper, normal, or inevitable" (Merriam-Webster 2013). The swept ashored settled into entrepreneurship but their acceptance was more superficial, for example, compared to sailors. Even during many years, it had not changed their deeper thoughts and values toward entrepreneurship and neither had they grown into it. Acceptance can be also understood from the point of view of grief. Acceptance is the fifth stage of the Kübler-Ross model (1969), which is commonly known as the "stages of grief", and the inventors of this model reframe acceptance as follows: "Acceptance is often confused with the notion of being "all right" or "OK" with what has happened. We learn to live with it. It is the new norm with which we must learn to live." (Kübler-Ross 2013). They adopted entrepreneurship only for the period of time that they needed, for temporary needs, and when the opportunity arises they want to make their lives easier and go back to the worker's role.

## 5.5 Constructing the scene of coping

In this study, after interviewing 16 participants who identified themselves as entrepreneurs and who had started a business out of necessity, I reconstructed narratives into concise stories, to make a more comprehensible version for the readers. All the stories can be found in the appendices, but here I chose to take a closer look at the four stories that each represent the aforementioned “paths”, but also concentrated on one story at a time, to better portray the scene and different circumstances of coping of necessity-based entrepreneurs.

Necessity is characterized here as a sudden disruption or unexpected event in an individual’s career, as often there was involuntary unemployment, threat of unemployment or challenging personal issues in the background that forced an individual to contemplate the option of starting up an own business. As previous entrepreneurship studies have proved that necessity-based entrepreneurship preceded loss and change in an individual’s personal work path, the research design leans on the idea that starting a business from necessity is a sort of personal crisis, where meaningfulness and comprehensibility are challenged, and that creating a business and doing business with this kind of background can be described as a coping process. *What kind of coping experiences individuals illustrate in their narratives*, is in the focus in this part of the analysis.

A coping perspective is rather rare in entrepreneurial research. With a few exceptions (Drnovsek et al. 2010; Patzelt & Shepherd 2011; Örtqvist et al. 2012), coping behaviour has not been used as a viewpoint, although it sheds light on many topics surrounding the entrepreneur’s behavior, such as survival, work-life balancing and stress. In order to analyse the coping of necessity entrepreneur’s, the ideas of coping strategies presented by Weiten (2004) are used as a heuristic device. Weiten recognized that the means of coping can be seen from three perspective; problem-based, appraisal-based and emotional perspective.

Out of 16 stories, I have chosen four to represent the nuanced and ambiguous individual stories: (1) Anneli, a caretaker, who finished her business because she could not find a balance between workload and insufficient income. (2) Mikko, a former factory worker who jumped into self-employment for personal reasons and because of struggles with uncertain business fluctuations. (3) Sami, a professional photographer who started a company with a colleague after being made redundant, and ended up creating a successful business. (4) Jari, also a photographer, who looked for more secure salaried work after several years of business ownership. Last, I will present the means (strategies) of coping, illustrated in the stories.

### 5.5.1 *Anneli – Burned out under work load*

#### *Bored with unemployment*

*Anneli, a woman in her late forties and mother of two, had worked as a nanny for years. After moving to a new town she ended up working on short-term contracts and finally was unemployed for two years. Anneli got bored with her situation and trained as a practical nurse. Through a careworkers entrepreneurship course Anneli got the idea to join a local hire-a-worker team. This 10-person cooperative, offering temporary agency workers, was at the time a pioneer in this branch and got a lot of publicity in newspapers and on the radio. Customers were able to hire a worker to do cleaning and other household work, the elderly being the main customers. As a consequence of physically hard work and a demanding work phase, Anneli started to feel more like a slave than an appreciated worker and her health started to suffer. Anneli worked in that situation for three years, until she felt her health could not handle that amount of work and the busy work rhythm. The small town she lived in did not have other permanent options, and as a mother of three teenagers, she got the kick to start as a self-employed person.*

Anneli is middle-aged woman who has suffered from long-term unemployment and has difficulties to find new employment due to reasons that may be manifold. She is living in a small town with her family; thus, personal reasons hinder her to move to find work, even though employment possibilities in a small commune are poor. Also having an education and professionalism in the field, where employment has suffered great losses, thus pushing more and more individuals to start their own businesses, adds more challenge to Anneli's situation, and although she was not selective in terms of work, she still did not find any solutions other than taking responsibility for her own employment.

Even though there are many challenges, she is very determined to find work and is willing to take risks and sacrifice. It seems that the primary reason to start self-employment is economic necessity; she did re-educate herself and tried other options, in this case temporary agency work, but in the end the primary push was to find independent work, where she would not feel like a "slave" and organize work in a way that would satisfy her and support her well-being. This inner push drove her to believe in her own skills in the end and find the solution from self-employment.

#### *Setting up own home care business*

*Anneli decided to set up her own home care business, becoming self-employed in 2002. She was also encouraged to try self-employment because she was offered an eighteen month start-up trial. Anneli was able to bring a few former customers into her business and soon her days were filled with customer visits all over the*

*region. The challenge to get customers was heavy, due to other competitors in the area and prices that people felt were too high, although it hardly covered the minimum of Anneli's expenses.*

*Cleaning was the most requested task. Anneli also trained herself to offer professional foot care, so ended up having to make 12 customer visits per day. The remainder of the days were filled with various cleaning tasks, driving to the next customer, with little chance of proper meal breaks. In addition, elderly people were naturally in constant need of social company and Anneli as a kind person did not want to hurt their feelings, and offered her own time, so that the elderly person would not feel lonely. She knew that socializing was an important part of the work and soon realized that much of the care worker's time is spent on activities for which she cannot charge.*

Anneli had strong experience in the field of caring, but starting as a self-employed person brought her new challenges, which she maybe had not realized. Her economy was partly secured and supported by start-up money, but having new responsibilities from administration to marketing increases the amount of worked hours. Additionally, Anneli worked in a field which does not have a long history as a service business in Finland, meaning that traditionally in Finland buying home care services is still very much based on helping the elderly and not services that the wider public purchases, thus leading to challenges to gain a sufficient income.

Anneli shows signs of being a traditional, self-sacrificing person who has a strong work ethic and who does not give up easily. She also respects other people and is emotionally attached to her customers, does work with her heart and gives her own time rather than asking money for it. This is ultimately a bad combination when it comes to business.

#### *Giving up the lonely struggle*

*At the same time she was needed at home. Two teenagers and a husband were not able to make food, help with groceries or household work, which created even more of a burden to Anneli. She felt her career was not supported, but rather it was hindered. She was away from home a lot, from seven to sometimes eleven in the evenings. She had to confess that she could not cope with so much work without help and she began to look for a business partner, but she had a hard time finding someone who would be brave enough to share the responsibilities. She calculated with her accountant several times whether she could survive with less work. Anneli just felt that even if she worked 24/7 there would be inadequate amount of money after her expensive insurance policies. Finally, after a year and a half, she gave up.*

*Even years after, her old customers still call her to come and help. They have no one else to call to clean their floors or do other heavy housework that they cannot*

*manage. Even though Anneli does not feel comfortable about people calling her to help at short notice as if she were still self-employed, she never says no. Of course, she receives no wage, but may get her travel expenses covered.*

Having emotionally wearing work and physically demanding tasks, Anneli burns out. During the last period she struggles to find solutions to protect her company by looking for a colleague to share her responsibilities, but does not succeed in that. Long working hours are a burden on her health and as she feels that taking care of the home is also her sole responsibility, she finds that the only option is to give up in the face of the demands.

### 5.5.2 Mikko – Pushed to start as self-employed by the employer

#### *Reluctant but painless change*

*Mikko, a father and husband in his forties worked in a factory producing beverages in his hometown. He had studied administration, but chose to start work as soon as possible and did not pursue the option of studying more. Dreaming of a considerable incremental income, he had set up as a sole trader to take care of a petrol station once a week. He was not thinking of starting anything bigger, just performing an easy task once a week, like collecting money and taking it to the bank. He had no intention of starting as an entrepreneur as he enjoyed an easy-going life with proper summer holidays and eight-hour working days.*

*In the early 2000s, the beverage factory was restructured and eventually changed hands. The new regime introduced changes to working practices that meant Mikko and many others were placed on short-term temporary contracts. After Mikko was refused a mortgage because of his employment situation, he was encouraged to take responsibility for changing the situation and to set himself up as a subcontractor for his former employer since there did not seem to be any other viable option at the time. The change was painless for Mikko, who described returning the company car one day and coming to work on his own the next day.*

Mikko has a permanent work and a long history in one work place, with a settled life who then suddenly at a stroke loses the job. Mikko had his personal responsibilities, a family to take care of, and without special education his opportunities were poor; thus, he naturally seized the first option available. An easy start and familiar work offered him a quick change to a new form of work and his future felt secure.

#### *In control of employer*

*Nevertheless, Mikko soon noticed that being an independent contractor did not mean being free. Vacations, for example, were strictly controlled by the field*

*manager. The variable hours that the new arrangement entailed proved inadequate to make a good living, mainly because the beverage business has a high season during summer, but during the winter business decreases significantly. Mikko realized that he had to find another source of income.*

Working as a sub-contractor showed the other side little bit later. Mikko did not get the independence he expected and the role between former worker and newly started business-owner was confusing. As the former employer, the factory faced setbacks, and trouble was reflected instantly in Mikko's work.

#### *Continuing search for extra income*

*Mikko happened to hear of an additional option and soon he started to deliver entertainment equipment to restaurants and bars. For quite a while it offered additional income, but as more and more restaurants folded due to alcohol taxation, Mikko was soon again facing the same dilemma of needing supplementary work. Then his old colleague offered him work as a retail seller and Mikko accepted without hesitation. Mikko's experience is that he has never had to apply for any position; he has always been invited to work and he follows the options that feel suitable and fitting to him.*

*All the positions just supplemented others, but Mikko was looking for more. Then another former colleague, who had also started his own business following the changes at the beverage factory, invited Mikko to join him at his local real estate company.*

The reality of working as an independent contractor opened up to Mikko quite soon and he started to activate himself. Economic fluctuations and radical changes within the fields of business Mikko had been working in, affected him immediately. Mikko's determination and entrepreneurial attitude were needed as the business markets one by one suffered losses. Mikko juggled with multiple businesses at the same time and maintained his faith, because he believes in his own possibilities. He has created good networks and his personality supports networking and an open-minded attitude, which a person needs when looking for balance in keeping business alive.

#### *Richness of life outside of work*

*As Mikko's marriage had recently ended and his son had moved to southern Finland, Mikko appreciated the flexibility that came with the real estate agent's job. Although Mikko was dealing with many different jobs and contracts at the same time, he considered them to be supplementing each other. As one job hit a low season, he was able to devote himself to another. Looking back, he realized that he had to work twice as much as he would have had to with a salaried job, but each successful deal brought a fair amount of money to compensate for the lost*

*free time. In between, he enjoys travelling and spending time on his hobbies. In addition he has arranged for one of his former colleagues to cover for him in his own business if he runs out of time. Mikko has learnt that business requires perseverance as nothing happens in a year or two.*

Although Mikko's work takes up a large part of his life, he keeps balancing his life with other interesting areas, where work is far away. After the first years he also found concrete ways to balance the work load, such as organizing a person to stand-in for him when needed and moving to work that has a more stable future scenario. Switching to the real estate business, he stays within a very entrepreneurial minded business. The choice may reflect also the change of his attitude towards the entrepreneurship. Or has being entrepreneur just nurtured his entrepreneurial side that was hidden before?

### 5.5.3 Sami – Fired and forced to start own business

#### *Suddenly out of work*

*Sami, a photographer, had been working as an advertising photographer in a small company. He very much enjoyed the atmosphere there and found it an ideal position for fulfilling his career desires. He had no intention of starting his own business, but the day came when his employer went bankrupt and Sami had to face the fact that photographers positions did not come up very often, at best once every second year. He saw that the only option was to employ himself and he started a company with one of his close colleagues.*

Like Sami, Mikko had a steady job and no worries about the future, until the firm suddenly went bankrupt and he lost his position. Whereas Sami represents an educated person in a very specific field of arts, his possibilities to change to salaried work were poor. However, the photography business is better paid once an individual decides to start their own business, and this gives rise to more business opportunities. Also Sami is a person who had no intention or interest in being a business owner, but pushed by the employment situation and due to a good market position and support, he was encouraged to start his own business.

#### *Business thrived beyond expectations*

*In five years they had managed to create good networks and were doing their best to hold on to their old customers. The business began smoothly, and within a couple of years the partners were creating new networks with the support of members of old ones. Sami had years of business experience in the field and had a clear picture of what entrepreneurship would feel like. Although income insecurity was the main concern, the business thrived beyond expectations. Sami believes his*

*income is higher now than he could get from salaried work, but at the same time admits how much work has been done. Sami has thought several times of going back to salaried work, but is also proud of having been able to establish the company and improve it to the point it is now.*

The unfortunate start turned fast to a fortunate one as they managed to exploit old networks and things learned in previous work. Although creating a new business demands a risk-taking propensity, instead or in addition to that Sami had a strong background in the business, a colleague to share responsibilities with, whom he approached carefully after taking into consideration all the features within the photography business.

#### *Challenge to lead personnel*

*A couple of years of ago, Sami and his colleague employed eight staff, but two of them left the company in a very uncomfortable situation as it was found that they had been secretly creating a competitor firm. Losing two skilled persons was in many ways a setback for the firm mentally and also financially, as it started a long process in court and cost money. Sami reports one of his most challenging tasks to be leading personnel and learning from disappointments and surprises that arise. Although Sami is involved in a creative business, he sees himself as having an advantage in that he is very persistent, not easily discouraged, and driven by a desire for precision. Sami considers that to survive as an entrepreneur, one must be very thick-skinned.*

Sami's business growth made it possible to employ people, but it also brought challenges that a business owner at the beginning does not always consider. Also Sami faced the unfortunate truth that in business all are competitors and losing part of the group suddenly shakes a firm's future. Though maintaining or reaching more income is an aim, losing personnel or having to cut personnel are tough situations, which no entrepreneur can prepare for.

#### *5.5.4 Arto – Hobby was turned into serious business in need*

##### *Single dad left out of employment*

*Arto was 55 years old when interviewed. He had worked as a service manager since graduating but spent his spare time assembling computers. Arto considered setting up as a sole trader – a relatively simple thing to do, so he set up a business to work with computers as a side business. A year after doing so, Arto was made redundant from his main employment in the midst of a deep economic recession.*



*At the time Arto was a single father with two small children and had just built a house, so needed to think fast about ways to earn a living. The computer business registered a year before meant Arto was not eligible for benefits and that proved an important driver of his decision. Applying for work anywhere seemed hopeless at that time, so Arto briefly joined a cooperative community that had common billing and marketing channels, and continued with his computer business, creating more permanent customer relationships. The community was intended to support the unemployed with similar backgrounds to Arto.*

Arto represents a person who is educated and skilled, but who, in common with others, faces a sudden setback and loses employment. Arto faced the often criticized flaw in legislation, whereby a business meant to stay as a hobby prevented him receiving unemployment benefits. He was also in a very pressured situation, with a family which he was taking care of alone, and the fastest solution was to start a business. He immediately found his way to a group that supported the creation of business on a larger scale. At the same time social support given by persons with a similar unemployment background is valuable both when creating networks but also exploring new business possibilities and partners.

#### *Developing a side business into a real company*

*In the beginning he was able to continue with existing customers, while looking for new ones. Over the years in the community, Arto also met other unemployed people who have since created their own businesses and even become his customers. He made good connections with programmers and engineers with whom he planned to start a company, but eventually only one had the courage to jump into the insecure income world of a partnership. The change of millennium and the threat of the millenium bug brought a lot of work to their programming and IT-support business and at the peak it employed 12 people, but when the millenium started without the predicted global meltdown, the firm was forced to lay off most of its staff. For Arto's business partner, the process of laying people off was too much and he decided to leave the firm, too. Arto continued on alone as the owner with two employees.*

Time spent in the community created a strong base for the future company and he eventually found a partner to start a company with. Unforeseen fluctuations changed rapid growth to a slower phase and in the times of economic turmoil Arto was left alone to continue the business. Sudden changes in the field of IT destroyed many entrepreneurs' dreams back then and similarly Arto had to adjust to tremendous changes in demand.

*Leaving the pressure behind*

*In 2010, Arto heard about a company that was interested in adding a smaller company to their network and Arto decided to sell his company and change back to being an employee. He is still working on the same tasks, but now as an employee and part-time member of the board. He enjoys not having economic pressure anymore and not being forced to earn every penny himself.*

The business, started as a necessity-based one, saw its heyday but also showed its worse side. The origin of necessity followed Arto, although changed its essence. The first necessity was due to unemployment, then due to challenges and pressures brought by multiple changes. Finally, he had the chance to leave the role of entrepreneur behind and change to his original role, as a salaried worker, as he had planned in the first place.

## 5.7 Summary: Sensitive and strengthening stories of coping

The aim in this study was to understand individuals coping as necessity-based entrepreneurs. 16 narratives from necessity-based entrepreneurs were analysed in two levels; providing understanding on how individuals narrate their coping and what kind of experiences they illustrate in their narratives. In addition data analysis utilized visual mapping and the reconstruction of the stories.

In the first part the narratives were approached from the perspective of themes that are common to connect the individuals narrating the coping. It was noted that the stories repeated the same pattern: the disappointing point, reasoning the choice, finding new me, balancing paradoxes, lessons from the past and the hopes for the future. The themes did not follow same order, but rather represented the themes that come across when an individual makes sense of his entrepreneurial path.

The second part of the analysis was based on narratives, too, but concentration was on the plot. The aim was to recognize types of necessity-based entrepreneurs and characterize their path as entrepreneurs through illustrations. Table 8 below presents the four paths that describe differences in necessity-based entrepreneurs' backgrounds and their coping as entrepreneurs. The characteristics of entrepreneurs are illustrative, not all-inclusive descriptions.

**Table 9.** Illustrations of necessity entrepreneurs and their coping.

Group	Characteristics of coping
<i>Drowned</i>	Lack of resources, mental, social and even physical, leading to failed business.
<i>Drifters</i>	Life situation creates the economic necessity and they cope with the challenges and misfits with resilience and by distancing the value of work to their life and seeing it more as a job.
<i>Sailors</i>	With excellent resources, in a previous career they created human capital, balancing their values and managing to adopt an entrepreneurial mindset to cope with a new career approach.
<i>Ashored</i>	Coped with being entrepreneurs but had the intention all the way of going back to salaried work if the possibility came up, and felt relieved afterwards.

In addition the narratives were reconstructed to represent individual points of views and scenes where necessity-based entrepreneurs are operating and coming from. Four stories were chosen to represent the variety and multiplicity of informants' stories in this study. The chosen stories also repeated the order of the metaphors, representing from one to another these paths from an individual perspective. Common to all informants is that they were struggling in a very pressured situation, where they often had others to support, such as family.

Problem-focused strategies are those that modify the behaviour of the person, and in this study the problem-focused approach to challenges offered the most to individuals and raised the possibility of success (see sailors). The findings show that individuals use networks or social reference groups as a supportive element. Sailors and the ashored differed from others in the sense that they already had a professional network around them, due to their continuation in the same field. Those who used social network contacts have been seen to find out about opportunities and recognize many more opportunities better than solo-oriented entrepreneurs (Hills et al. 1997). The same view is confirmed in the ideas of Singh (1999), who claimed that networks provide entrepreneurs with more heterogeneous infor-

mation, leading to them recognizing a “larger pool of opportunities”. The drifters and the drowned, however, used social networks differently to their more successful counterparts. To the first group social networks represented a rather personal form of support, both in instrumental and emotional ways, whereas for the latter types, social networks were sometimes used in professional and work-related matters.

The appraisal-focused means of coping seemed to have the strongest role among the necessity entrepreneurial narration. The emphasis on coping was centralized on cognitive methods, to balance and find meaningfulness in the situation in the background (necessity), but also within the challenges that the new entrepreneurial role evoked. The entrepreneurs mentioned multiple appraisal means, but three of them characterized most of the participants: positioning themselves as differing from traditional entrepreneurs, creating new values of work and putting effort into building up a new entrepreneurial identity.

Emotion-focused strategies offered individuals the opportunity to alter their emotions to tolerate or eliminate stress. The findings proved that individuals appreciated leisure time and used it often to aid relaxation or as way to distract them from work. Hobbies, arts, family members and physical condition were often mentioned as strengthening elements in their lives. Filion (2008) claims that, for many entrepreneurs, the enterprise is an important aspect of their lives, while for the self-employed their business activity is one element among others in their quest for personal growth and fulfillment. In one sense, keeping busy to take one’s mind off the issue or ignoring the problem in the hope it will go away may serve as a coping tool for the entrepreneur in a situation where other options are not available.

Nevertheless, negatively-oriented coping was also found. The group of drowned denied the facts and explained their failure through other people’s needs and were not able to find problem-focused solutions or advisors to listen to. Denial is the most common coping mechanism under this category (Weiten et al. 2009); thus in this context it could be seen, in Freudian terms, as a defense mechanism, which helps an individual survive failure and to understand the predictable forces behind the situation (Freud 1932). Clearly, those who most desired to return to salaried work, the drifters and the ashored, blamed themselves and others the most, as Subramanian and Kumar (2009) have noted in their earlier work. An emphasis on blaming others was even higher among those who had wound up their businesses and were looking back at the time of being an entrepreneur. The culture of blame was less evident among entrepreneurs who were still in business, but they also reflected their own actions and critically assessed their own actions and behavior.

Despite the similar situation the characteristics were different: the individuals' stories showed how the beginning of a necessity-based story holds many different life situations and backgrounds, depending on education, field of work, profession or living area. However, none of them predict the future of the employment situation, but in a situation where only option is to start as a business owner, some factors do make the path easier. The stories highlighted support, either mental or physical, as being very important. Informants receiving support from those with a similar background made a long term impact, whereas also non-professional, background support was shown to be important, as when family help and cooperation is lacking, so an individual feels double-pressure, both from the side of the insecure business and also in not receiving the mental support needed in believing in success and coping. Moreover, crucial value comes from knowledge of the field, so-called human capital that is often gained during previous work and holds a deeper perspective on the business itself and also helps to predict upcoming challenges. Still, the power of unforeseeable factors remains strong- sudden changes, either unfortunate ones, or luck, which is something that noone can be prepared for, but with the factors mentioned above, changes may not have such a strong impact on the individual.

## 6 DISCUSSION

Here I have come to the end of one kind of journey. Through the stories of 16 individuals, who openly shared their lives to me and experiences in business that they characterize based on necessity, I have reached understanding of how individuals who start their businesses out of necessity narrate their coping and how they characterize their coping.

In the beginning of the study I proposed two questions: *How do necessity entrepreneurs narrate their coping and what kind of coping experiences do individuals illustrate in their narratives?*

The findings show that necessity-based entrepreneurs share certain specific tendencies, which seem to reflect in their business along the way. Those are reflected in their perceptions, emotions and behavior. In this study, necessity-based entrepreneurs' narratives were recognized to consist of certain elements that reflect personal growth and finding meaningfulness in their life. With illustrative narrative types: *the drowned, drifters, sailors and the ashored*, this study adds knowledge about necessity-based entrepreneurs' lives and coping as a multifaceted phenomenon.

I started the study by creating the scene in reviewing previous studies concerning necessity-based entrepreneurship. Then I moved to understanding of the individual's coping as entrepreneur (i.e. wellbeing) and especially individual actions and processes where they face difficulties and unexpected changes in their lives. Individual narratives were approached from a sense-making perspective; thus, understanding the narratives also offered the researcher a tool to gain insights into the individuals' perceptions and experiences. The findings are discussed more specifically in the following sections.

### 6.1 Reflecting the findings

From a theoretical point of view, this study contributes to two different areas, as follows:

1. The perspective of necessity-based entrepreneurship
2. The perspective of narrating coping

The implications related to the field of entrepreneurship studies will now be discussed.

### 6.1.1 The coping of necessity entrepreneurs

From a theoretical point of view, this study contributes to the research gap in entrepreneurship theory that still lacks a deeper understanding of necessity-based entrepreneurship on individual level. In this study two research streams came across; the field of entrepreneurship and the theory of coping. The study began with conceptualizing the phenomenon of necessity entrepreneurship and the literature view shed light on the antecedents and consequences of the entrepreneurship started out of necessity. The aim here has been to leave behind sole concentration on background and situational factors framed by necessity, and focus instead on the whole picture, by describing the full path. Although necessity-based entrepreneurship is strongly framed by the background, here interest lies on the life after that. As necessity entrepreneurs are seen against the traditional entrepreneurial point of view starting their business out of necessity and not fuelled by the zeal to fulfil their own entrepreneurial dreams, the individual's process as an entrepreneur is evoking questions. This study enhances understanding of individual meaning-making in a life situation that is not seen as begun voluntarily, unlike in traditional meaning out of opportunity, but is instead a forced option due to a surrounding situation.

The way an individual adjusts her/himself to a new life, surroundings and habits, is seen through coping. As Park (2010) states, coping is about making meanings, interpreting the past and anticipating the future and finally directing behaviours through meaning-making. The importance of coping is justified by its essential role in wellbeing: when an individual senses his/her life as meaningful, understandable and manageable, the individual achieves a feeling of balance.

The findings suggest that the diversity within necessity-based entrepreneurship cannot be captured strictly based on motivational background or decision-making perspective, as the traditional push-pull model has treated the phenomenon, but it is the whole entrepreneurial journey, including the background and motivation as well as decision-making that shape necessity entrepreneurship. In this regard, the narrative approach enabled the capturing of events, and also meanings. The narrative point of view offered views on actions on timely order, and described the subjective meanings of experiences in the past, present and future. Empowered by the emplotment and theme-analysis, the necessity-based entrepreneur's narratives were illustrated in four groups: as *drowned*, *drifters*, *sailors* and *the ashored*. These types characterize how different individuals cope on the basis of necessity, how they manage their survival, and what are the different kinds of means along the way that support their coping.





The illustration has certain similarities with previous studies. The results agree with previous findings that suggest that defining necessity- and opportunity-driven entrepreneurs is not straightforward, and there are border line groups, depending on their background (Granger et al. 1995). In 1995, Granger *et al.* identified necessity-motivated entrepreneurial types and called them “refugees”, due to an unemployment push and their continuing willingness to return to a job as an employee if and when one became available. This definition captures the idea of running away from something unwanted, and escaping with the help of entrepreneurship. Fayolle (2011) characterizes necessity entrepreneurs as “vulnerable”. The drifters, drowned and the ashored used entrepreneurship as a tool for their survival in an already vulnerable situation. Although Granger et al. (1995) did not specifically study necessity-based entrepreneurs; they separated out one type, converts, who were undergoing an ideological conversion, where, in effect, an unemployment push becomes an ideological pull. Similarly, in this study sailors represent individuals who derived drivers from entrepreneurship, although they had not before considered becoming entrepreneurs.

Psychologically, individuals are said to struggle with a sense of coherence when they face difficulties like losing a job (Antonovsky 1979). Given that assumption, and in addition, that these sometimes already “vulnerable” personalities (Fayolle et al. 2011) have to adjust to a new role, type of work and often even to entirely new work, individuals’ well-being could be claimed to be challenged. The findings of this study show that although all the individuals had been pushed by the necessity to entrepreneurship, consequences, as well the means of coping appeared to be different for each group. The means were understood through broad terms of so-called coping strategies following Weiten (2005): problem-focused, appraisal-focused and emotional-focused coping.

#### *Problem-based*

The findings showed that necessity entrepreneurs were active in dealing with the causes of the actual problem, to that extent that they were able to. These so-called *problem-based strategies* try to deal with the cause of the problem and within this context individuals were, for example, seeking information, learning new skills to manage new challenges and utilizing different networks or support systems provided for entrepreneurs.

One of the notable findings was the importance of individual resources in terms of survival. The most important resources are acquired human capital, social (and especially business) networks and expertise in the field. Because individuals in different occupations use different resources and “energizers”, as Schaufeli and Bakker (2004) argue, it is important to recognize particular resources of entrepreneurship in order to sustain and develop those in changing circumstances. In this study, especially *social support* was argued to be an important driver, both in terms of having business partners but also emphasizing the importance of support received from other life spheres, such as family. Moreover, human *capital* especially referred to knowledge gained in a previous career, which was seen to create sensitivity to the culture of that specific field of business, thus driving individual business behavior as well affecting the individual’s well-being.

The findings also indicated that individuals were striving to improve their skills and often chose to *educate themselves* more to attain better capabilities to survive and cope as entrepreneurs. Especially those in the group of drowned and drifters doubted their skills and tried to find training courses to offer a solution to secure their businesses. The more struggling types of necessity entrepreneurs (drowned and drifters) aimed to improve their business situation by developing their own skills, whereas others leaned on outsiders in terms of networks. Similarly states Kauko-Valli (2008), that careful sensing of the business environment and also recognizing one’s own capabilities and managing, both mentally and physically are necessary.

Some of the participants reported that the reason behind their decision to start a business was a lack of salaried work within their field. This accord with the previous statement about individuals from fields related to art and journalism most often being forced to start their own businesses, because traditionally those areas have employed many freelancers. To some extent, it indicates that individuals were aware of the risk of the necessity of becoming self-employed when they started out in their chosen field. As Vroom (1964) stated, occupational choice is not determined by motivational factors alone, but also depends on so-called reality factors (i.e. field-related or regional unemployment). Further, Rusakova and Fritsch (2011), state that choosing an occupation precedes entrepreneurial choice. According to them, entrepreneurial choice can be viewed as a two-stage process, where, in the first stage, people choose an occupation that matches their preferences, interests, and personalities and then the occupation defines the choice between entrepreneurship or employment. The occupation already itself hides the characteristics of occupation-specific unemployment, job security and wage structure, thus possibly indicating that some occupations attract more entrepreneurially-oriented people. This study indicates that individuals from these kinds of en-

trepreneurially-oriented occupations do have stronger resources to survive, but it should not be taken for granted that they would necessarily enjoy entrepreneurship or be motivated by it. They are often just utilizing their skills to operate within their field.

*Appraisal-based coping* Problem-focused strategy is often claimed to be the most effective coping strategy, as it deals with the root cause of the problem, thus providing a long term solution. Problem-focused strategies help individuals to improve business on a practical level, but in terms of seeking a feeling of balance and well-being, the struggle is often happening more on a mental level.

The findings showed that individuals in this study used a multiple appraisal form of coping that refers to coping which involves a change of mindset or revision of thought (Weiten et al. 2009). The participants' stories revealed that individuals adjust themselves to entrepreneurship by *positioning themselves* differently as entrepreneurs, by taking distance or creating new kinds of entrepreneurial identity. Some identify themselves as outside the group of general entrepreneurs, as "new entrepreneurs". They identified themselves by the former group they belonged to, such as in terms of former colleagues and peer-groups, other necessity-based, the fired, or the outsourced. By shifting their perceptions of self, they move between traditional entrepreneurial discourse, while simultaneously *searching for a new entrepreneurial identity* for themselves, as they do not recognize themselves as entrepreneurs in the traditional form, but rather base their judgement on their backgrounds.

However, positioning themselves as a different kind of entrepreneur than the traditional one they pictured in their minds reflected also a feeling of lower self-esteem. One of the entrepreneurs used term "upstairs and downstairs" to express views on the differences between traditional and necessity entrepreneurs. They differentiated themselves from others who have pursued their dreams to become entrepreneurs, as they have been forced to start a business against their wishes, but at the same that kind of talk reflects their fear of other's seeing them as second class citizens. With such talk, necessity entrepreneurs confirm they think of their their position as something different, outside the general entrepreneurship population.

Whereas necessity-based entrepreneurs may build themselves a new work identity, and find a new role in the job market, the identity work may also cause distancing from others and a lack of not believing in the possibilities within the market. For example, the drifters' stories were about struggling businesses, and as they established their own businesses they rather leaned on their colleagues with a similar background. Paying attention only to those who struggled in a similar en-

vironment and with the same background may hinder them seeing other chances and routes to success. On the other hand, leaning on former colleagues strengthened their identity, but also supported their understanding of a situation where they were not the only ones who had to start business out of necessity.

Individuals were also found to survive by *repositioning the importance of work*. The findings brought up the prevailing discourse of necessity-based entrepreneurs as they highlighted leisure, freedom and non-work related issues as more important, and stressed that work is not their whole life. The findings indicated that the more they had to fight for income and business survival, the more they used a tactic of distancing the meaning of work as their method of coping. While business survival was more balanced, the meaning of work was repositioned to balance work and leisure and offer a break to the sense of haste. Necessity entrepreneurs represent the new entrepreneurial type, who value work as an entrepreneur strongly by the elements more familiar to paid work. For them, work is done for a living and it should not occupy the whole life sphere.

Overall, the findings indicate that the means of coping are dependent on the individual's resources. If an individual has a stable economic situation and a well-established business, the role of necessity is weak, although it is reflected on the cognitive level. For the drowned for example, survival was about making a very basic living, whereas drifters were surviving but struggling to find more opportunities. As against, sailors and those gone ashored ones struggled on a very different level. Their resources led them to transcend the survival process earlier, and move on to face challenges often related to entrepreneurship in general: balancing work and leisure and in addition time and stress management.

#### *Emotion-based*

Emotion-focused strategies that help individuals to manage the emotions that appeared in stress-related situations were mentioned as a means when the situation was not changeable, like busy times at work, tight schedules, difficult work relationships or problems in finding new income alternatives. From the emotional point of view, necessity-based situation reflected on longer terms and captured feelings of shame, frustration and betrayal. Especially sailors' business behavior showed that they felt that they had been rejected in the job market and they felt extra pressure to succeed in future and partly to show off to others. Necessity-based entrepreneurs acknowledged the role of the economic environment, and a common experience was that they felt themselves to be victims of the current working life norms and that they had been left to struggle by themselves in a damaged job market.

The findings showed that individuals put weight on personal hobbies and other stress-relieving free time activities. In addition, close family relations, socializing with others and travelling were mentioned as reducing stress. Whereas these acts take one's mind off work it also attaches them to other social environments and strengthens their identities as also someone else other than solely as an entrepreneur.

Many of the participants spoke of physical health issues related to stress and an irregular work rhythm as well as constant insecurity. Some indicated that they suffer from mental stress, but in addition many of them had physical health problems. This is in line with previous findings that suggest that necessity entrepreneurship has a negative effect on individual well-being. (Filion 2004.) However, it remains open within this research frame as to whether necessity actually causes ill-being or if it is just the result of certain kinds of "vulnerable" individuals setting up firms. As against, this study concentrated on well-being issues from the point of view of achieved balance and meaningfulness, thus providing important knowledge on reflection of necessity as one sort of unbalancing construct that requires stretching in the situation from where there is no way out.

When looking beyond the stories of necessity-based entrepreneurs, these results touch the question of whether necessity entrepreneurs are their own separate group and whether they should be regarded as their own kind of group with unique characteristics, although it has also been claimed that necessity entrepreneurs would not be that different from opportunity-based ones after they start up their businesses. Although this study is lacking a comparison of opportunity and necessity-based entrepreneurs, it does indicate that necessity entrepreneurs have certain specific tendencies that seem to reflect to their business along the way.

Borrowing Bogenhold and Staber's (1991) idea of a certain kind of logic in self-employment, here necessity entrepreneurs could be seen to practice the logics of necessity. Elements are reflected in their perceptions, emotions and behavior. Perceptionally, necessity entrepreneurs carry a heavy burden as they still hold negative experiences and often see themselves as victims of the prevailing disrupting work life. Emotionally, necessity beginning may also be accompanied by a feeling of shame and of being a second class citizen. Thus, behavior from a hard situation often leads to a more careful approach toward entrepreneurship, thus even sometimes hindering the business growth or on the other hand, it may lead to being caught in a desperate situation of unpredictable and dysfunctional business options.

The stories indicate that necessity may have some special influences on entrepreneurs' business behavior, causing careful business behavior. Necessity-based en-

trepreneurs seem to approach entrepreneurship very carefully and do not rush decisions. Once an adequate level of income is achieved, only a few show any interest in growth, and they rather stress the quality of life and balance. This is in line with previous studies that claim that necessity-based entrepreneurs seldom reach growth and are the opposite of risk-takers, rather resembling salaried workers (Block & Wagner 2006; Filion 2004), while some of the stories could be described as instead following the “logic of the survivalist” as Berner *et al.* (2011) call entrepreneurs who differ from their growth-oriented counterparts.

Even though necessity leaves its mark on individuals, they may develop to be more entrepreneurial in time within the entrepreneurial environment. Minniti (2004) claims that in addition to individual characteristics, the entrepreneurial environment increases the individual’s skills to socialize and network as time goes on. This could be seen as an effect visible, for example, among the sailors, who were drawn to entrepreneurial culture, as they noticed when their own business started to flourish. The term necessity entrepreneurship gives the impression that entrepreneurship is, for such individuals, pure necessity, but, depending on the result, it may evolve over time into quite the opposite. This study showed that individual necessity may sometimes act as motivation to try entrepreneurship and it can sometimes prove to be an opportunity to find a new and fruitful position in working life.

This study clarifies the definition of the concept of necessity entrepreneurship and the ways it is reflected at the individual level. As a central theoretical goal it moved from situational reasoning towards individual reasoning and reveals what a multistranded phenomenon it is. The results suggest that beginning from a necessity-based situation reflects on the whole entrepreneurial path. In contrast to previous studies, where necessity is seen as a purely situational factor that pushes individuals to self-employment, in this study necessity had longer-term effects that shaped the whole cognitive process of an individual’s entrepreneurship, thoughts, values, perceptions of themselves as entrepreneurs and approaches to work.

However, becoming entrepreneurs gave a form of lift to the spirit of these individuals. Gaining the status of entrepreneur reflected in the individuals’ self-esteem. The feeling of appreciation and pride in being an entrepreneur had a strong influence on many of the participants and seemed to strengthen the individual’s ability to cope within a difficult situation where there is no support and everything seems to fall apart, as in the case of the drowned. Identifying their position as entrepreneurs through values other than work also indicates hiding the status of something they do not want to relate.

Thus, positive psychological, salutogenic views of stressing individuals' strengths can open up new perspectives in entrepreneurship research. As the research focus is no longer on negative health effects but on remaining healthy this can provide new ideas regarding, for example, interventions for (previously unemployed) entrepreneurs. Coping with entrepreneurship is, and also will be, a central question in the future, since a society without unemployment seems to be unrealistic, but individuals will always have to deal with job disruption.

Following the findings in this study, one could argue also that the person-entrepreneurship fit is an essential part of well-being and adjustment to the entrepreneurial role. As Markman and Baron (2003) suggest, the closer the personal characteristics match the requirement of being an entrepreneur, the more successful they will be and the better they will find ways to cope within that environment. Although regulative coping behaviour (Patzelt & Shepherd 2011), such as active problem solving, looking for and receiving help and relying on networks, is essential, the dependency of survival should not be undermined without entrepreneurial incentives and economic support. If basic survival is not guaranteed, an individual is not capable of improving business or taking actions within the entrepreneurial business environment. The findings here suggest that even exhaustion is a possible consequence.

### *6.1.2 The interface between coping and narrative*

The confluence of coping and narrative perspectives enabled me to gain insight into individual experiences from a time perspective. At the same time it offered views on both action and meaning-making levels.

Firstly, the narrative perspective made a contribution to the field of necessity entrepreneurship by increasing understanding of the necessity entrepreneurs' lives, leaving behind sole concentration on the situation that pushed them into entrepreneurship. Moreover, it captured the whole experience of the individual, opening up the subjective level of how individuals perceive the experience and challenges along the way and how they manage those challenges. As was concluded, individuals experience most challenge on the emotional and cognitive level and they handle their coping in multiple ways, such as by differentiating themselves from traditional opportunity-based entrepreneurship, repositioning the importance of work and building up a new entrepreneurial identity.

Secondly, the narrative perspective enabled me to recognize smaller units, narrative themes from the necessity entrepreneurs' narration that also provided a tool for analysis in content analysis. The narrative themes that recurred in the necessi-

ty-entrepreneurs' narratives were: *the disappointing point, reasoning the choice, finding the new me, balancing paradoxes, lessons from the past and hopes for the future*. These findings shed light on the role of the coping narrative as a personal growth story that captured the reflection on past and perceptions of future orientation.

In a similar way to how Eija Kauppinen (2010) in her dissertation on teachers' emotions applied Lazarus's (1999) concept of emotional narrative and defined it as conceptual wholeness proposing a common denominator to the each narratives, I termed these narratives *entrepreneurial coping narratives* that reflect individuals' perceptions in relation to major unexpected change in their personal life. Following that I named each group of narratives after recognizing the similarities within their narration of entrepreneurial coping. As Hänninen & Koski-Jännes (2010) discuss the role of narrative in the recovery process and claim that the breaking of the self-narrative can work as a means of reorientation, so I see that the individual benefits from dealing with the past in narrative form, although telling a personal story does not solely help the individual to redirect their thoughts, but rather create experiences in an sensible order. In these narratives, individuals were able to reconstruct their thoughts and create a coherent and understandable past, gain a sense of coherence towards the sudden changes they experienced in going from salaried work to entrepreneurship. The stories of the participants repeated similar patterns and as their narratives constructed a picture of their past events, the storytelling had a wider meaning for the teller, as they reflected their own thoughts and evaluated meanings. They even sometimes considered possible learning outcomes. As these narratives offered them an opportunity to crystalize their own thoughts and pass on their experiences to others, they at the same time reassured themselves that there was hope as others were in the same position.

In addition to adding knowledge on how entrepreneurs narrate their coping and what kind of themes they deal with, the structure of the coping narrative provided a tool for further analysis in this study. The structure was advanced in creating understanding of entrepreneurial path together with emplotting the journey of the entrepreneur. In terms of analysis, I suggest that the structure of the narrative can be appropriate in other coping contexts, too. This could provide a structured approach to the personal stories of, for example, other precarious forms of work such as temporary agency work and temporary contract workers, and also for the analysis of other career-related personal stories that have similar elements of sudden change and lack of other options.

The literature on coping and narrative discussion shares many aspects. Narrativity is claimed to be part of human nature and a way of relating and reconstituting the past, whereas coping is seen as a special kind of habit to direct that narrative way



of thinking. The literature on coping lends a wider perspective on a practical level, for example by emphasizing a wider perspective on resources available to individuals, reaching also beyond the psychological side, and although coping is strongly linked to personality, its basic assumption is that coping is a natural way of human nature to redirect action or mind to cope with difficulties or uncomfortable situations. Similarly, narrativity is seen to be part of a natural way of thinking and creating coherence in one's life. Hence, narrativity and coping are interwoven when considering concepts and basis of thought that strengthen conceptual development. Coping here was seen as an individual's subjective evaluation of his/her life and situation: as the individual's means of managing demands and maintaining balance (Folkman & Lazarus 1984). In similar means, the narrative concept of inner narrative (Hänninen 2000, 2004) comprises a similar idea: an individual's personal story that is based on perceptions of the past from which the individual draws future directions. Both are cognitive processes that are created in interaction with the social environment. In this regard, individual coping is very suitable to study from a narrative point of view; thus, both lean on an individual process of making sense of the past and creating meanings.

Although psychology has connected coping and narratives for years and discussed the healing effects of narrating, work life context phenomena have received less attention. Coping in psychological studies is usually attached to more severe coping cases arising from trauma, loss and threat and other psychotherapy-related topics. In this study, I tried to apply understanding to a less dramatic context, but I would still claim that this context may have challenging and even well-being threatening consequences since it is also linked to a person's self-confidence, well-being and identity crises. Individuals revealed through their stories different attempts to create understanding between their new and old self in a new life environment as entrepreneur, but they also reconstructed a sense of order in the situation and reasons that resulted in them leaving and changing to entrepreneurship.

When positioning the study within the discussion of necessity-based entrepreneurship, the results point toward personal coping and highlight the aspects from an involuntary employment choice point of view. Previous negative findings related to necessity entrepreneurship created the basis for the study, thus framing the starting point, and although this study is not able to answer whether necessity leads directly to poor employment alternatives, it certainly stresses the process of becoming an entrepreneur from a starting point that did not originally contemplate striving toward entrepreneurship. Because of the sole concentration on necessity-based entrepreneurs, this study does not give answers to the distinct well-being of opportunity and necessity-based entrepreneurs, but instead by means of coping it has revealed how individuals respond to major (employment) changes in

their lives. Nevertheless, narratives can also be seen as an opening contributing to an individual's life satisfaction, because well-being as such is very subjective in nature; thus, general factors do not manage to follow individual perceptions about the issue. A narrative life story is closely tied to the subjective interpretations of oneself as happy, emphasizing meaningfulness and growth. The emphasis within the narratives of the participants on personal growth and the way they framed difficult life experiences as transformative, imply a certain kind of happiness or eudaimonic feeling (term from Bauer, McAdams & Pals 2008). Whereas interpretation of their happiness is not in focus here, or even aimed at, the ability to create rather coherent narratives and tell the story of one's own life, refers also to the process they have gone through finding meanings and sense in the past. Whereas stories were not about seeking pleasure, but rather managing life challenges, it may also point to a mature attitude toward sudden changes in life or even a resigned attitude, resulting from years of forced adaption to the situation.

### 6.1.3 *Practical implications*

Whereas studies give a generally positive impression of entrepreneurship and its consequences, and the media support the impression by offering success or survival stories of entrepreneurial careers, opposite views also exist. As the findings indicate, the consequences for well-being may even be devastating if the individual has not processed his/her chances in entrepreneurship carefully enough, but has been merely drawn into it by emerging push factors. The most shocking examples are connected to the recent economic crisis that is said to have affected entrepreneurs most severely. According to the news from the abroad, International Herald Tribune tells that, there has been a significant rise in suicides amongst entrepreneurs in the European countries most affected by the economic crisis. Greece, Ireland and Italy have been forced to cut off social protection that has led to the sad phenomenon of small-business owners and entrepreneurs increasingly taking their own lives. Some European newspapers have started referring to 'suicide by economic crises'. Here in Finland, the latest news in March (Assulin 2013; Valkeeniemi 2013) highlights marginalized entrepreneurs, mainly freelancers, such as translators, who have run up debts after receiving barely adequate minimum salaries and who have ended up pursued by debt collectors. Clearly, not all entrepreneurs, whether necessity or opportunity-based, will be so harshly affected, but the phenomenon and its consequences should not be underestimated.

Nevertheless, the findings reveal that a business started out of necessity need not necessarily lead to a difficult survival challenge, but can also offer a new view on work and entrepreneurship, and may prove to be great opportunity for the individual on the way. Clearly, that scenario depends on available resources, such as

education, networks and previous experience in the field. In this study, the necessity entrepreneurship discussion was related to the field of working life studies, and as such it refers to one form of work that does not represent the kind of values of work - secure, long-term, traditional employment - that people are used to. From a sociological point of view, this issue is also partly related to inequality in society, where a gulf exists between people's access to scarce resources (Veenhoven 2008). Since it is claimed that these kinds of situations are rarer and necessity-entrepreneurs are characterized as rather vulnerable due to the non-availability of these strengthening resources, they are more often struggling with their mental resilience. Nevertheless, there is another side of the coin that is not so visible in this study, which consists of a variety of paths, where more than half succeeded to manage their lives and even find satisfactory alternatives to their past employment from entrepreneurship.

However, this study shows how mentally exhausting starting a business as a necessity-based entrepreneur can be, and therefore the results emphasize individuals' coping from a cognitive perspective. Whether individual has well established company and he happens to work at the successful field of business, necessity seems to reflect and even shape the business behavior and perceptions of self as an entrepreneur. With strong coping skills and self-efficacy individual can empower themselves in challenging times and win over the past often negative memories related to situation that in the end pushed individual to start business out of necessity.

One perspective is not to blame the prevailing employment situation and the most recent changes to the labour markets, but to discuss how to change the situation and improve the position of the self-employed and entrepreneurs, so that more are better equipped to survive and earn a living through entrepreneurship. The state gives monetary incentives for start-ups and some of the subsidies are open to every kind of start-up, while some are only for particular types. Although we do not have special programmes designed for necessity, a large part of the subsidies are targeted on those who have been previously unemployed. Question remains, however, as to whether people are equipped to cope with entrepreneurial responsibilities and challenges, given the increasing number of reports of entrepreneurs in economic distress and in debt. (Assulin 2013; Valkeeniemi 2013.)

The partly challenging task of gather the participants for the study and in addition the discussions with the entrepreneurship representatives shed light on the attitude environment towards the phenomenon of necessity-based entrepreneurship. The term "necessity entrepreneurship" has indeed been criticized from several directions. It is claimed to be misleading, negative and to damage the reputation of entrepreneurs. Unfortunately, this study was not able to offer a better term. The

term necessity entrepreneurship does reinforce that entrepreneurship is not always a self-fulfilling option; sometimes it is just about putting bread on the table. The current pressure to highlight pleasure-seeking options may be the result of necessity entrepreneurship having its own term. It is worth remembering that in the 1970s Shapero (1982) claimed that most individuals end up being entrepreneurs due to some sort of displacement, whether it be personal feeling of displacement in organizational work, or as in this study, an impossible situation in job markets and employment situations. In some senses, the literature has neglected the idea of “uncomfortable” entrepreneurs over the years.

In challenging economic times, people are afraid of the consequences of stressing or referring to depressing topics when there is a generally flat and desperate atmosphere. In addition, the designation of entrepreneurship as something negatively-related is seen as stigmatizing, which is hard to change. In the Finnish language “necessity” is also related to “forced” and somehow “oppressed”, and as such it has a strong negative connotation. The culture around and the overall attitude atmosphere is also something that can be seen to affect individuals’ perceptions of themselves. The need to position themselves as a new kind of entrepreneur and the pressure to differentiate from the traditionally treated opportunity entrepreneur revealed how socially pressured entrepreneurs feel their roles. Change in overall attitude atmosphere could have a major influence on supporting individuals seeing themselves as doing valuable work and giving them strength to not to stress about fitting into a certain entrepreneurial role or type. However, the supporting public discourse should be ethical. As nearly half of new entrepreneurs close their businesses within three years, the coping capabilities and the consequences at an individual level should be emphasized. The discussion around entrepreneurship should be more responsible and ethical in the sense that coping as an entrepreneur should not be taken for granted. Entrepreneurs (whether necessity or opportunity types or in-between) often lack proper resources, not to mention a difficult economic situation, where switching to an entrepreneurial status may change official unemployment rates, but does not always change the individual’s economic capacity.

*“Even if start-ups received loads of money; it is no use if the purchasing power or economy is not taken care of. Similarly, the condition of taxation should be improved in relation to large companies.”(comment on internet pages)*

The narrative perspective on this topic of coping opens up discussion of individuals’ abilities to influence their own experiences and already on perceptions of experiences. When looking beyond the topic, this study discusses individual’s abilities to use effective skills to sustain or develop happiness and well-being.

Kinnunen et al. (2011) refer to this as career *self-management*, noting that in insecure times it is important to be able to find new ways to remain employable. This perspective refines the necessity entrepreneurship discussion from the level of the whole society to an individual level. In other words, the problems relating to employment or necessity-based entrepreneurship are not society's alone, but also the problems of individuals. This perspective can be seen as presenting an opportunity, since every individual has the power to change his or her own life situation or perceptions of it, at least in some extent. Frese and Fay (2001) refer to a similar idea, claiming that "personal initiative" is fundamental in today's working life, and also Beck (2000: 53) states that there is nowadays a "collective wish to live a life of one's own". The same issue can also be seen as a threat as the responsibility for finding a new job or ensuring survival as an entrepreneur and coping with new circumstances lies on the person's own shoulders. Additionally, taken together, not everyone may be interested in "leading" themselves, and some people may be happier taking direction from others and working in a highly structured environment. Nevertheless, in today's world, the ability to behave entrepreneurially is becoming more and more important in many work situations as today's business environment does not provide the security it once did.

It is suggested that even people who have a low need for autonomy and who may not naturally be interested in entrepreneurship will benefit from learning and utilizing self-leadership strategies to seek new opportunities (D'Intino, Goldsby, Houghton & Neck 2007). In the light of this study, though the success and coping of entrepreneurs was explained by a certain enthusiasm and entrepreneurialism, previous experience and better market situation and suitable field of business were in the end combined with hard work as the essential drivers. The concept of the mystical entrepreneurial individual is not confirmed here, where experts are created through persistence and experience. As Ericsson's (1994) work indicates, entrepreneurs are made, not born.

#### 6.1.4 *Narrative tools for practioners*

In this study I utilized a narrative approach both as a methodological base and also as a tool to conduct interviews. Along the way, narrative as a tool proved to provide rich material, and from the point of view of analysis it provided the bridge between the past and future experiences and opened up the meaning-level of the life of entrepreneurs.

In addition to the advantages I found as a researcher, narratives seemed to provide some help in terms of understanding and sense-making for entrepreneurs themselves, too. The act of constructing stories is claimed to be a natural human pro-

cess that helps individuals to understand their experiences and themselves. The construction process helps individuals to organize and remember events in a coherent fashion while integrating thoughts and feelings. Further, structured and meaningful experience gives individuals a sense of predictability and feeling of control over their lives. (Pennebaker & Seagal 1999.) Gergen & Gergen (1988) use the term self-narrative in the same sense: to describe particular types of stories that help us to create order in our lives. As with a good story, also a good self-narrative is seen to consist of certain elements: a guiding reason, important events that relate to the story goal; all this presented in a sensible order. (Gergen & Gergen 1988.)

Pennebaker et al. (1999) discuss how writing a story may have several benefits, not least to mention health-related benefits. According to a review of studies around the world, Pennebaker et al. (1999) conclude that there are several benefits, for example they mention positive health and behavioural benefits, positive effects on the immune system and even positive short- and long-term mood effects.

Both my own experience as an interviewee, but also previous findings on the benefits of narrative telling opened my mind as to whether this could offer a tool for practitioners, too. Psychotherapy has traditionally involved creating a story that will explain and organize critical life events causing distress. Further, narrative therapy has adapted the stronger role of story telling in therapy sessions (White 2007). From this point of view also other types of counselling would benefit from using narrative writing or telling; business and career counsellors, employment officers, educators and start-up counsellors who support, guide and develop the skills of entrepreneurs. It would offer a supportive tool in different phases of entrepreneurial path. Individuals would benefit from narrative in many ways that would orientate their actions in the future:

- To evaluate the personal resources
- To create sharper goals for the future
- To impact attitudes and behaviour
- To improve health
- To gain vision to continue or find other employment solutions
- To strengthen their entrepreneurial identity

Narratives could be utilized in many forms: existing stories could provide examples and discussion openings for *peer support*. Whilst this study aimed to give voice to a group that has been neglected or presented in a very narrow way, these four paths recognized in this study could provide support for individuals in a similar situation. Stories represent social and entrepreneurial knowledge, so that stories can bridge the gap between explicit and implicit knowledge and offer an individual new insights into their situation, and also give support to their thoughts and justify their feelings.

Also different forms of mentoring - either *individual or group mentoring* - could benefit from narrative practices. Pennebaker (1997) introduces the healing power of emotional expression in a simple method that could be developed further for practical use. He conducted a study by asking students to write about an assigned topic for four consecutive days for 15 minutes each day. They were encouraged to write without stopping, without regard to spelling, grammar, or sentence structure. Later, students who wrote about their deepest thoughts and feelings about traumatic experience reported that they found writing to be extremely valuable and meaningful for them. Whilst writing personal narratives seems to be a good route to express own thoughts, Sinisalo & Komulainen (2008) add that career counselling could benefit from the narrative focus. They noticed during their study that “clients maintain and create a sense of coherence in co-operation with the guidance counsellor” (p. 47). Similarly, this could support the mentoring process within the context of entrepreneurship, either as an individual tool or as a part of a co-production.

## 6.2 Evaluation of the study

Narrative research has attracted many critics and accumulated a body of reservations in recent years, as a “linguistic turn” explain this has touched the social sciences permanently, leading to an increase in narrative studies being labeled a “narrative turn” due to its popularity and applications to different sources.

Empirical scientific research within the social science tradition is often seen as being in favour of using objective, quantitative measurement, but when considering the existence of deep, often hidden, meaning structures, to encompass the idea of truth in society and to accept the fact that scientists are also exponents of dominating beliefs in society, the qualitative approach offers tools and understanding. Though the dissertation is a systematized approach to a certain topic, the path to the creation of any kind of system involves a long journey. A researcher

pulls together different areas of discussion, following clues to other sources and creating the central idea of unique combination. A researcher is a “traveller” between disciplines, “a reasoned decision-maker”, a “problem-solving detective” and reviewer of a controversy (Bean 1996). In this section I look back at the process of producing a narrative study and consider its outcomes i.e. *results*, evaluating not only the study itself but also the *process* and the *role of the researcher*: my impact on the end product. The questions of the relationships between the researcher and the respondents, reflexivity and the dynamics of power during data collection and data analysis will all be discussed.

### 6.2.1 *Persuasiveness and coherence*

The purpose of narrative is not to produce one definite truth about something that is “out there”, but to offer one version of it, told by somebody from a specific point of view. In narrative research, facts are interpreted, that is why the evaluation criteria of positivist and post-positivists, the reliability, validity and generalizability of the research cannot be used. A variety of researchers have offered different evaluation perspectives on narrative study; for example, Mishler (1990) proposed that narrative research should be evaluated from the point of view of trustworthiness and authenticity. Riessman (1993: 65–58) refers to the same criteria as *persuasiveness*, a reasonable and convincing reporting style, but adds three other criteria to evaluate narrative studies: correspondence, coherence and pragmatic use. I here follow three perspectives of Riessman’s (1993) criteria to evaluate the study. I begin with coherence and persuasiveness, which are related to facets of trustworthiness, whereas correspondence leads the discussion towards ethical considerations related to narrative and generally qualitative research and I deal with this topic in a later section. Additionally, as the role of the researcher is in many ways challenging, both mentally and practically, in these kind of sensitive topics I complete evaluation criteria with the role of the researcher and discuss lastly about the ethical issues that were involved in this study.

Narrative analysis is in its interpretative form very subjective and especially the creation of four paths, the types of necessity entrepreneurs, combine my own views of the results coloured with imagination and articulated in a way that is illustrative from my point of view. Interpretation is ultimately a subjective outcome of the study, as its aim is not generalization, but rather presenting views and opening up new perspectives. Instead of explaining opposite cases, the aim is to present this group of four cases as an example to help understanding of the phenomenon and bring out possible differences between the groups. Many researchers suggest that narratives that are not “closed off” and contain multiple possibilities within them are better than others (Freeman, 2004). In this study, I recognized



four different types of being and coping as a necessity-based entrepreneur. Still, this is only a simplification of the truth and an attempt to reflect the multifaceted nature of the phenomenon. Differentiation between individuals is not black and white, and in some cases these types could also be seen as presenting different phases along the necessity-based entrepreneurial path.

As Lakoff & Johnson (1980) state, it is not only participants who use unconscious metaphors, but it is true also for researchers - the use of metaphors is often unconscious. Seen in this light, metaphors do reflect structures and the prevalent ideologies we live in. From a self-reflecting point of view, creating certain metaphors can also be argued to reveal my own perceptions as coming from a non-entrepreneurial family and/or reflecting the underlying assumptions of secure vs. insecure employment. Instead of fully accepting the view, and not diminishing the power of unconscious elements in our communication, I claim that here the aim has been to use metaphor as a tool which was employed intentionally and deliberately. Similarly, in the context of therapy, the goal is to develop metaphors and allegories that present a client's problems. This can be seen to have points of resemblance with White's (2007) narrative map, which sets the therapist (in this study the researcher) to the position of interpreter and describer of a client's (here participant's) life path.

By choosing only those who recognized themselves as necessity-based, instead of conducting a comparative research between necessity and opportunity entrepreneurs, is leading partly the choice of metaphors and without a doubt, whole interpretation. The struggling beginning and negative stand-point of necessity, shaped my choices of metaphors and some may blame, that this illustration of four paths is provocative and based on too negative connotations. Although I have striven to open up my reasoning, it is indeed only one interpretation and one way to present it. Analysis would have indeed offered many other possibilities to present the results. Classification, amount of types and even naming and choosing illustrative metaphors, could have been different. Following the metaphor of the sea, I might have presented for example the woman (W2) who started a beauty business after a successful but wearying corporate life and aimed to create an American type of business here in Finland as a *cruiser*. There was also signs of being some sort of life style entrepreneur, thus family, home and work were very intertwined. There again, a *surfer* would have been the woman (W4), who had a more easy going approach to entrepreneurship and life in general, for whom a fulfilling life was the first priority, rather than money. Family and supporting others seem to be rather important for this type of entrepreneur, a "mompreneur"; thus, entrepreneurship is just seen as a side business and supporting business or maybe even as

a hobby. From another point of view entrepreneurship offers mothers who want to stay at home an option to maintain their professional skills.

I could have ended up presenting these paths with different kinds of metaphors instead of setting the entrepreneurs in the unstable surroundings of the sea and employed individuals on the ground. One could even claim that paid employment is an insecure option nowadays and when self-employed you have the power to regulate your own time, work load and to some extent, income. As a self-employed person independence is aimed at, but in a worst case scenario as the business does not turn into a profitable one, you are alone in surviving the responsibilities and struggles ahead. Calling one of the group as drowned, I try to emphasize their employment situation that started within very unstable situation and even ended with unemployment. They were not able to or did not get the chance to jump to the ground or they suffered in other ways, got depressed or suffered from exhaustion due to their experiences in entrepreneurship.

As an interviewer I experienced that the spirit of the participants created together with the narrated facts an atmosphere where struggling and survival were evidently the main themes, as the individuals strongly made a differentiation between paid employment and entrepreneurship. Thus, a metaphor serves well in performing the distinction between forms of work, but also brings individual paths into different shades of light. The public discourse surrounding entrepreneurial stories is often either hero-like or especially when referring to the self-employed, based on victimization. In this study, approaching entrepreneurs coping with certain negative situations can be called provocative, but on the whole it has rather been emancipatory: opening up new perspectives, offering new meanings and giving voice to what is suppressed by the dominant discourse, that is, presenting necessity-based entrepreneurship in its full range, not only victimizing individuals but showing also how individuals strengths can pull in a new direction after changes.

Narrative analyses must accept that there can be multiple valid interpretations and multiple narrative truths (Freeman 2004), but a researcher can confirm trustworthiness by offering a good, detailed description, so that the reader can feel connected to the events, characters and things that are being written about. Persuasiveness can be strengthened also by supporting evidence by theoretical claims and accounts from the participants' stories (Riessman 2008: 191). In addition to the four entrepreneurial paths, packing and grouping personal narratives into the four groups, I have made individual stories available to the reader in the appendices, so that it is possible to follow my reasoning and apply it more easily to those differences highlighted within the presented paths. Riessman (2008: 191) has suggested that the precise words spoken or written by narrators strengthen

persuasiveness, but in this study only a few sections of the interviews were used in order to make the report more vivid, but not exhausting to the reader. By reconstructing the stories, the aim was to present the full story and create the feeling of the participants' narrative to the reader. This practice follows the idea of "leaving room for the reader's imagination" (Eriksson & Kovalainen 2004: 223).

A relationship between narrative and *coherence* is considered a virtue that guarantees the quality of the enarratives. Additionally, it is assumed as a norm for good and healthy life stories, in which incoherence may imply "turmoil of the author's inner life" (Hänninen & Koski-Jännes 2010: 105) but also the main characteristic of a good story structure. In the traditional view a coherent story proceeds in a linear, chronological and thematic form, whereas later arguments have suggested that an unlinear form does not necessarily imply worse quality, but it can also be created through small and fractured stories. Coherence is achieved here by providing complete narratives with a plot, including a beginning, a middle, and an end grounded in context, attached to place and time connected to action. Additionally, coherence here can be seen to reflect the mental process of the informants. Their ability to reflect their past experiences and create stories out of their experiences point to a phase where they have processed their experiences.

### 6.2.2 *Role of the researcher*

A researcher has a two-way role as a data collector, interviewer and as a person who conducts the analysis. All interviews can be characterized as interventions, but unlike in a therapy session, where the interviewee is the expert, here the researcher is a listener and later an interpreter, wearing theory-guided lenses, and the participant is treated as an expert who gives new insights into and perspectives on the phenomenon she lives in, and the interviewee tries to understand and learn about it. Smythe & Murray (2000) call this "restorying process" where the researcher has to make sure that the final report is logical and coherent and to remember that story belongs to the teller.

As a researcher interprets one truth, also a participant can be seen to produce alternative truths depending on the situation, the audience, or just simply on moods. Baron (2008: 38–340) presents an interesting point of view about how an emotion affects cognition and memory, claiming that "current moods strongly determine which information in a given situation is noticed and entered into memory". In other words, when a person feels negative for some reason, he also remembers stronger things that are negative. Like people in love, they see only positive things around them and the person they are next to. The role of moods makes me

think how much moods have affected my own role as researcher, interpreter and co-participant.

In interpretative research, the researcher and his/her understanding, attitudes, and past experiences of life are the primary tool of enquiry. Many researchers, like Josselson (2004), emphasize that self-knowledge and self-reflection are necessary to the project in order to evaluate which perspective leads the author and which observations are derived from the participant, and, in the end, those that are derived from the interaction between them. Some researchers have adopted a style of report where they report their emotional process and reflections to the reader along the way, and although the narrative approach demands a stronger self-position from the researcher, here I have tried to reduce my role down to only that of researcher, rather than that of collaborative interpreter, though my influence as a woman, researcher and non-entrepreneur is acknowledged. As a woman I certainly encouraged, although unconsciously, the women to talk more openly about discrimination in the job markets and the difficulties in balancing work and family and family responsibilities that often lie on women's shoulders. The men treated me primarily as an entrepreneurship researcher and more often avoided talking about non-work related matters, whereas the women were more open about things surrounding and related to their entrepreneurial life. A non-entrepreneur position gave me as a researcher an "outsider's" standpoint, and the participants also showed openness toward me and maybe even relief that I was not myself currently an entrepreneur; thus, they were able to share even the most negative perspectives with a person who had no own experience or concurrent past with them. But I have to admit my presumptions. I have followed many entrepreneurs in my life, though have not been one myself or even part of an entrepreneurial family, so that I have the impression that having a strong entrepreneurial type of personality pushes you further, but also keeps you on track when facing difficulties. My personal view has been that there needs to be a strong inner push that keeps you going on. And if the choice is pushed by external pressure, the individual is not following an inner voice. The same has been experienced with this topic. As I pondered why I had chosen the topic around necessity-based entrepreneurs and even maintained an interest for several years, I admit that it has been an interesting journey to follow the lives and destinies of people I admire, who have taken their lives into their own hands and have had the courage to jump to an insecure path. The interest has also been derived from a wider context, namely how necessity-based employment influences an individual. I do not fully agree with Josselson (2007: 549), who says that "the researchers are interested in the research questions (and their career). The participants are interested in themselves." I believe that the social scientist researcher needs to have a genuine interest in people and aim to some extent to effect change in society. . Still, I cannot be without ponder-

ing whether my non-entrepreneurial background does reflect in my interpretation as supporting stronger traditional salaried work and stressing too much the challenges in the lives of entrepreneurs, and also whether the participants highlighted especially those negative aspects due to the mention of “necessity”.

Interviews and data collecting are also about the situation. One of the informants I interviewed at her home and others in public places such as cafes, library and a conference room at the university. The atmosphere is evidently more relaxed and open when interviewing at someone’s home, whereas operating in a library room makes the situation a little more artificial and inflexible. In terms of that concern the researcher’s role is finding the right support for the participant to open up and make the interview situation fluent.

Though an interview may produce emotionally touching stories, the interviewer must be sufficiently in control of her own inner processes and comfortable in dealing with complex and painful emotions. In Josselson’s words, the interpersonal dynamic requires that “we be good containers”, and otherwise show respect and empathy towards their stories (Josselson 2007: 546). At times, when facing stories touching on divorce, death, loss or severe health issues, I strove to be empathic and non-judgemental, giving emotional space for the participants, but at the same time supporting them in their stories, without taking any stand. Objective statements were such as “it must have been hard”, or understanding was shown by pointing out that others have faced the same kind of tragedies or difficulties in saying e.g. “it’s unfortunate that so many go through this”.

### 6.2.3 *Ethical considerations*

During the study process a researcher faces many situations where ethical considerations play an essential role. As the informants have offered their private lives to the use of science, the researcher is in an important role in protecting the knowledge, but also treating the informants with respect from the first contact point to the finishing interview and reporting the study. The central task that intertwines all the aspects is protecting the integrity of the participants.

Protecting the participants’ anonymity is one of the most important ethical issues. Already very early in the beginning I asked the participants’ permission to tape-record the interviews and promised them that their names would remain only to my acknowledgement. This procedure was also mentioned already in an interview announcement which was published in a newspaper (see Appendix 2.). Many of the informants said that they were participating in this research to give voice to necessity entrepreneurs and bring out the experiences that necessity-based entre-

preneurship may produce, and their narratives can be used as such. Some were, on the other hand, very cautious about their anonymity, due to a very specific set of circumstances or history that would be easily recognized if someone happened to read this. I automatically changed the names of family members, close associates, and companies they worked for, but I noticed that some of the studies were so sensitive and described very genuinely that I did not want to use the narratives as such in my report. I did use them in my analysis, but produced according my analysis “illustrative storylines” and used only small excerpts in the final report. Additionally, one of the interviews was chosen for presentation as an example, but the rest of the narratives are made available and represented as reformulated, reconstructed stories in this study. To reduce the possibility that the participants could be recognized the names, areas of living and field related specific information was changed or was not mentioned. At the same time, this practice means that the stories already are my interpretation, but it also turns long narratives into a comprehensible style and what is most important, it generalizes the individuals’ narratives into a mode that protects their privacy better.

I have earlier characterized this study on many occasions as a sensitive topic and discussed the wider meanings of narratives and psychology, deriving thoughts even as far as narrative therapy, and pointed out that narrative telling can be “empowering” and even “healing”. Riessman (2008: 1999) reminds us that we have to stay cautious about the consequences of interviews like that. A narrative interview risks having resemblance to a therapy session, as there is an interested person giving full attention to the stranger, whose life story is in her interest. Although research, from the researcher’s point of view, is guided by theory, seldom are these theoretical commitments compatible or meaningful to the participants. The risk is that the informant may feel afterwards opposite views and even be reluctant to accept those of the interviewer. The stories told are static, but the memories and meaning of experiences may change as time passes.

Narrative studies are often justified and validated by “giving a voice” to otherwise muted groups. This involves complexities in reporting the study, and also with how informants accept the interpretation. Even if interest lies in giving voice, the researcher should stay faithful to what has been told, otherwise the narratives are used as a source of analyzing unconscious and socially constructed processes, latent meanings. Then the interpreter takes a more authoritative role and ownership of the narratives. In this study I was taking a line somewhere between of these two styles. On the one hand the aim was to keep the stories “alive” and give readers insights into lives that are not that familiar to the wider public. And on the other hand I did fade out the individual “voice” by grouping the participants, and in addition followed the “latent meanings” by adopting a sense-making perspec-

tive. There is again a risk that individuals feel that they have been betrayed, as they might have expected another outcome, a more “truthful”, word to word version. In qualitative studies, nevertheless, a larger topic, given in beginning, is just a starting point that narrows down during the writing process and reveals later the hidden, underlying topics: in this study, the sense/meaning-making processes involved in handling the coping. (Josselson 2007: 548.)

In referring to **correspondence**, Riessman (1993) suggests that a narrative study should allow the participants in the study to check the interpretations, and many researchers are following this criterion by sending earlier versions of narratives back to the participants to read and comment on. Also Riessman (2008) stresses that for ethical reasons it is important to find out what the informants think of the final outcome and interpretation. Here in this study, the aim was to above all bring up the disregarded topic and people, so in that sense giving voice is inevitable. Somehow, I see that as fundamental to the role of a researcher of working life, but in scientific terms decoding the texts, understanding the phenomenon through data, was the aim in this study; thus, I did not send my analysis to the participants to reflect upon. Thus, as a researcher my role has been a less collaborative one (Josselson 2004) and more one resembling merely an interpreter, which can be admitted to be one of the weaknesses in this study. Nevertheless, we come here in my understanding to the ethical question that Josselson (2004) raised: “*Who owns stories once they are told?*” In this role, I have rather adopted a role where collaboration and reflection of stories has happened with research colleagues, but one of the main contributors has been the representative of a Finnish small business union, who from the beginning offered collaboration with the union’s Internet pages and allowed me to publish announcements there and use their contact lists, and also engaged in valuable discussions about the concerns and current topics within the field. He gave me the chance to test my findings and reflect on views with a person who has first-hand knowledge about small business owners and the self-employed and who himself has years of experience of being an entrepreneur. Whereas the participants would have been in a sensitive position to judge my interpretation of their experiences, he had enough information about necessity-based entrepreneurs from the field so that he was able to evaluate their correspondence with real life.

Although previous studies have a lot of evidence that participants may find interviews with them healing, integrative, useful and meaningful, this does not guarantee that nobody will ever have a less pleasant experience, claiming that researcher’s understanding and interpretation is misleading and even offensive. The interviews, as such often involved sensitive contexts or personal facts, and their interpretation is like tightrope walking, balancing with theory-based inter-

pretation and preserving authentic material, and the final interpretation can be seen not just as touching upon an individual, but also a wider context, being “socially sensitive”. Sieber and Stanley (1988) argue that the implications are not only for the participants but also for the group of individuals represented by the inquiry, all necessity-based entrepreneurs or ones who can relate to the issue. In many senses responsibility for protecting integrity stretches to a wider social context, bringing heavy pressure for the researcher. Borrowing from Josselson (2004), I agree that “*As social scientists, our primary task is the better understanding of human experience in society, and in time and we believe that this knowledge will ultimately and along the way lead to a betterment of human life. We cannot fulfill this task unless we can study humans as they are engaged in living their lives, and we cannot do this without uncurring some potential for risk.*” Any story that intrigues the public and encourages discussion is worth carrying this responsibility.

### 6.3 Suggestions for further research

This study is the first of a kind that approaches entrepreneurship in Finland by concentrating solely on necessity-based entrepreneurs. The quest to understand the importance of acquiring a deeper understanding of necessity entrepreneurship has been notable in the lively discussion in the media and on the other hand the lack of studies within the field of entrepreneurship which have driven this study further. There is, however, still a great deal of potential for further research in this area. In addition to the dimensions of characteristics of the necessity entrepreneurship, this study provided a methodological tool that could be utilized in many fields that combine work and coping perspectives. Following this, I now present five suggestions for further research:

- 1) *The importance of social support.* The findings highlighted how strongly individuals emphasize the need for social support. It is understandable that in a position of often hazardous thoughts and feeling of insecurity people seek support from others. In this study support was provided by both by private circles and business professionals, but two special groups that were highlighted evoked my interest: first, the strong influence of family members, and secondly the influence of former colleagues, with whom many of the necessity entrepreneurs still identified themselves. In addition to studying how this influences, it would be useful to understand the side of those who need the support: what kind of support, why and in which situations entrepreneurs call for support, especially from these above-mentioned support groups.



- 2) *Public discourse.* Just as people long for support from their closest ones, they equally like to be appreciated and seen as important. The findings showed some signs that necessity entrepreneurs may experience a feeling of shame and perceptions of them as second-class citizens. This raises concern over how the public attitude atmosphere regards individuals who start their businesses out of necessity. Knowledge around this could be gathered through journals and magazines, but also from so-called public voices such as politicians and celebrities. Rich material from multiple sources could provide us with a unified picture and create the narrative of necessity entrepreneurship.
- 3) *The possibilities of structure of the coping narrative.* Methodological alternatives within this topic could offer various interesting outcomes. This study serves as a basis for further investigation, and as indications of well-being and coping are revealed here, so it would be fruitful to conduct studies in other fields that connect work and coping. The first part of the analysis in this study provided a structure of the coping narrative that could offer a methodological asset for future studies. This could provide a structured approach to the personal stories of, for example, other precarious forms of work such as temporary agency work and temporary contract workers, and also for the analysis of other career-related personal stories that have similar elements of sudden change and lack of other options.
- 4) *Catching the process with narratives.* One of the limitations of the study was that it looked at the topic from a retrospective point of view, thus raising concern over how glorified individuals' memories are. One solution here would be to conduct a follow-up study, when certain phases of the entrepreneurial path are under process. I suggest that several narrative methods could provide insights on the path along the way. For example, writing a personal diary would open up perceptions on the actual moment, thus the notes would afterwards create an interesting point of view of the experience as a whole and create a platform for comparison between experienced feelings now and in the past. Thus, this would bring important knowledge on both the retrospective element of narrative reasoning, but also would provide an individual a mirror to the development within the process.
- 5) *The importance of self-efficacy.* Although this study emphasized the importance of resources, it also points out how individual personal capabilities to handle stress and sustain a sense of coherence in life are truly important. This topic revealed important aspects by relating this to personali-

ty and observing whether coping in a change situation is more natural for some, regardless of occupation, resources and instruments. This point of view could also be attached to the discussion around self-leadership and individual problem-solving skills to give insights into individuals practicing entrepreneurship. The findings highlighted especially the importance of self-efficacy that seemed to have an impact on several dimensions of doing business and being an entrepreneur. In order to contribute to business development, it would be useful to understand how self-efficacy can be improved and in what kind of situations it is especially needed. Previous studies provide some support that entrepreneurial characteristics may be improved and strengthened along the entrepreneurial journey; thus, in the context of necessity-based entrepreneurship this possibly holds a very important solution if it could provide insights into how to find the entrepreneurial me in every business man.

## 7 THE STORY GOES ON

It was a cold January in the year 2010, when Carola, 47, was interviewed at the library's conference room in Helsinki. She had started her business as a business consultant five years previously after changing career and gaining a Master's degree in sociology. She noticed the announcement requesting necessity-based entrepreneurs to be interviewed and got in touch, explaining that she did not fit the average definition of a necessity entrepreneur:

*“I identify myself as a necessity entrepreneur, although my story diverts from the prevalent reasons to start up out of necessity”.*

Three years after, in January 2013, I contacted her by email, asking how she was doing and how her business had started going on. She replied quickly and mentioned that she had just recently thought about my research and pondered whether it was finished. In the email, she described her business situation as better than back then. She had managed to create long-term business relations and focused her business on organizational development for a specific group, and decided not to waste time on low paid lecturing. In the beginning she rented an office, but now she found it more convenient to work from home. She feels that she has finally started to gain understanding of which direction she wants to move in and how to achieve her aims. Nevertheless, her situation remains the same economically.

*“On sales numbers, I am still behind. I am still not able to pay myself the kind of salary that people with my background receive in salaried work”.*

She still agrees with the concept of necessity entrepreneurship. She recently turned fifty and acknowledges the difficulty of acquiring challenging work under the current economic circumstances outside of entrepreneurship. Still she sees that admitting that to herself, gives her stronger motivation to try.

*“On the other hand, becoming aware of [these restrictions] it also drives me further, as I realize that this is the only option”.*

The recent experience of entrepreneurship has changed Carola's thoughts and values, and she admits that current discussions of employment issues make her feel that it is somehow entrepreneurs' responsibility to create more work and in that sense support the whole of society to create more work and reduce unemployment. She describes that she has mentally withdrawn from these kinds of topics and does not want to feel guilty for not serving society and supporting its communal spirit.

*“I do my own share, but I won’t start any bee?”*

She adds that she just spent one month on a winter holiday and plans to have two months summer vacation. She has decided to work just the amount that is necessary to survive and more if it is offered. Carola’s experiences have not made her feel bitter, but she instead feels that her thoughts and values differ greatly from the values expected of a Finnish citizen. Carola does not have strong feelings of unity and appreciation of being a Finn, because she feels that the system turned its back on her when she needed support.

*“Now I know that we all have to cope here on our own”*

She feels that her values have toughened in many ways and that it is also sad to see “these selfish streaks” in herself. She adds that she does not understand why she should feel pressured to take on more than she is able to. One of the pressures she mentions is expectations that entrepreneurs should aim to grow their businesses in order to be able to employ more people.

*“Unemployment is a sad thing, but it is not my responsibility”*

At the end of the email she concludes that after all she is doing the work she enjoys. She highlights the advantages of entrepreneurial work, stating that she has the opportunity to work in her own work rhythm and time.

*“Day by day I appreciate that I can do work at what I like to do and at which I would like to improve.”*

She was writing to me on a Friday and she told me she had taken the morning slowly following an exhausting training trip at the beginning of the week. Her Friday afternoon was reserved for work and the weekend for paperwork. Though she works during weekends, she does not feel that restricts her from spending enjoyable weekends. Work and leisure time are very mixed, but it suits her now and in her life situation.

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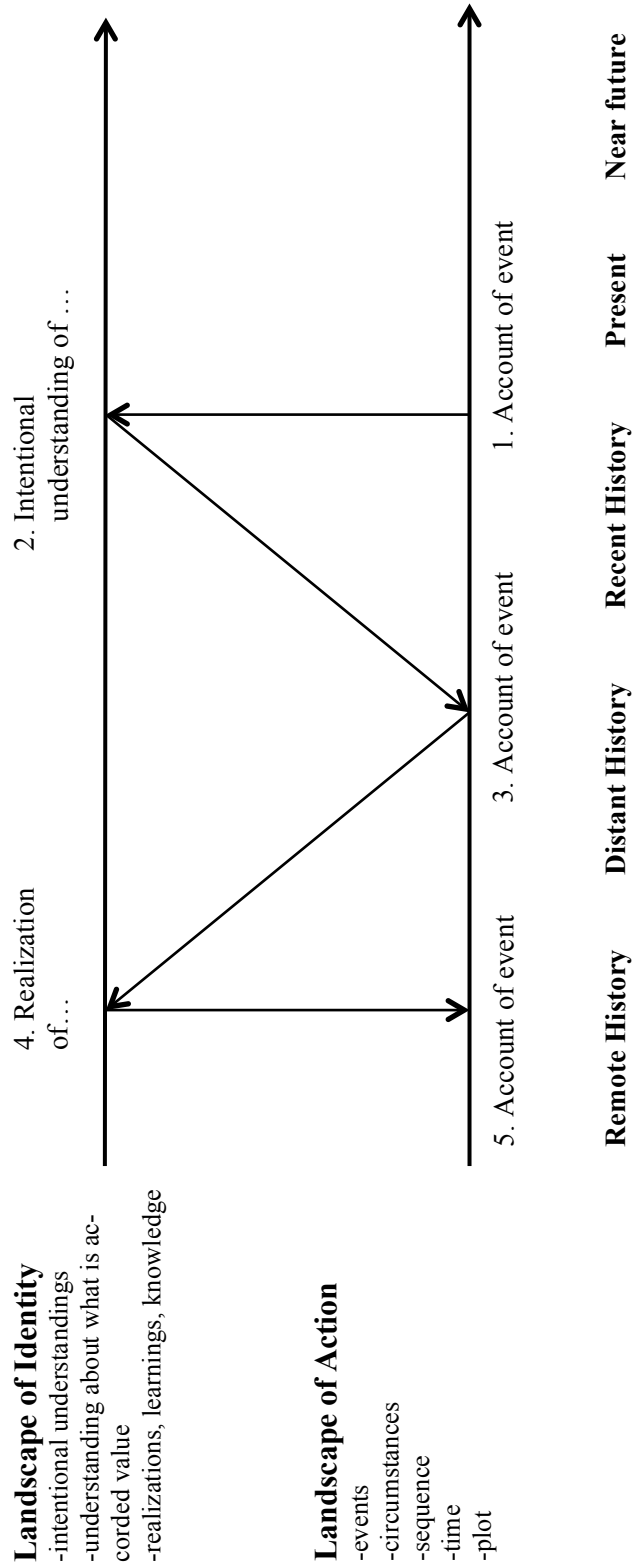
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## APPENDICES

### Appendix 1. White's (2007) illustration of storyline



## Appendix 2. Interview announcement

*Finnish SME's association –member's internet pages*

14.12.2009

Pakkoyrittäjyys – yrittäjyys työllistymisen keinona

Osallistu tutkimukseen!

Tutkija Jenni Palmroos Vaasan yliopiston johtamisen laitokselta tarkastelee pakkoyrittäjyys-ilmiotä yksilön näkökulmasta tekeillä olevassa väitöskirjassaan. Miten tällaisista lähtökohdista yrittäjäksi ryhtynyt kokee yrittäjyyden, yrittäjänä toimimisen ja minkälaisia haasteita ja mahdollisuuksia yksilö on saanut vastaansa?

”Haluan nostaa esiin ilmiön ja sen mahdolliset seuraukset yksilötasolla. Uskon, että tällainen lähtökohta yrittäjyyteen tulee vain kasvamaan tulevaisuudessa ja siksi haluan herättää keskustelua yksilön kokemuksista. Tutkimuksen tavoitteena on ymmärtää ilmiötä paremmin ja tuoda esille yrittäjien hyvinvointiin liittyviä näkökohtia.”

Palmroos etsii parhaillaan tutkimukseensa haastateltavia, yrittäjiä, jotka ovat kokeneet yrittäjäksi lähtemisen välttämättömyydeksi.

Jos olet kiinnostunut osallistumaan tutkimukseen ja kertomaan oman tarinasi, ota yhteyttä!

Haastattelut käsitellään anonyymisti.

Jenni Palmroos

Vaasan yliopisto / Johtamisen laitos

Harri Jyrkiäinen

Suomen Pienyrittäjät / Association of Finnish Small Business Entrepreneurs

[www.pienyrittajat.fi](http://www.pienyrittajat.fi)

## Appendix 3. Interview announcement

*Service Industry Association (PAM) magazine*

September 2009

”Oletko pakkoyrittäjä? Tutkija Jenni Palmroos valmistelee väitöskirjaa yrittäjyydestä Vaasan yliopiston Johtamisen laitoksella. Hän etsii tutkimukseensa haastateltavia, jotka voivat olla aktiivisia yrittäjiä tai yrittäjyyden lopettaneita henkilöitä. Tutkimuksen keskiössä ovat yrittäjät, jotka ovat kokeneet yrittäjiksi lähtemisen lähes välttämättömyydeksi huonon työtilanteen tai alaa koskevan yrittäjyyspainotteisuuden takia. Palmroosia ilmiö kiinnostaa työtyytyväisyyden ja hyvinvoinnin näkökulmasta. Hän on työskennellyt aiemmin Työministeriön projektissa, joka käsitteli samaa aihepiiriä. Ota yhteys tutkijaan: [jenni.palmroos\(at\)uwasa.fi](mailto:jenni.palmroos@uwasa.fi) / 050577XXXX virka-aikana”

## Appendix 4. Example of interview

Woman 3

*Interviewer.* Well, right I have the background information written so that we can begin with this story, so what happened back then when you decided to become an entrepreneur. I've got no tougher questions, so that actually here they come, so when I ask you to fill up if there are some gaps left. But it would be nice if you just told with your own words what happened back then, and what turning points you've kinda had, and maybe some ups and downs in the entrepreneurship, and over all what has it been like to move on from where it began back in the day? So if we go back to around the year 2006, so what incentive was there that you then decided to become an entrepreneur, so what like happened then?

*Interviewee.* What happened was that in 2005 I became unemployed, I have a master's degree in languages and I've been kinda always working in adult education. And then the program that I led, it was finished and then I got fired. I was totally sure, I mean I was 55 years old and I was totally sure that I will get a job anytime, from anywhere, because I have good experience and good education, and all things are possible, but no, I didn't get anything. Probably I sent 100 applications and uhm already then this had begun, that no fifty-year-old would get hired. And then also the government does this sort of a disservice, that it snatches from the employers, was it from over 53-year-olds a higher pension contribution was taken than from others. That it is kinda uhm stupid to rant that you should work longer when the oldest ones are the first ones to be kicked out because they are the most expensive for the employers. But anyhow that's what happened to me, and then I couldn't even imagine going to any circle or anything like this or to hang around unemployed, as I've always been working and I like to work, so then I first went to work in an international translation agency in Riga for a year, so that I could learn all those translation memory programs and all such. And then I was there for a year, so that I learned those and then when I came back, then I started my own.

*Interviewer.* Yeah, you had that then before you went there, so you thought, that from there one goes to seek knowledge and then...

*Interviewee.* Yeah, that I had never used those programs, that I had every now and then translated something, but never kinda like for living.

*Interviewer.* So how did you end up going to Riga?

*Interviewee.* I saw some advertisement somewhere and I applied there, as it was at least such a place where one would get in.

*Interviewer.* Had it been also offering a longer term job, or?

*Interviewee.* Yes yeah, but it is not a pleasant environment to be in. It's socially such an absurd place that you break your heart there watching those grandmas. It's such a corrupt and horrible country. It would had been kinda like a permanent job, but that year was enough, that I was there for, that in my opinion I learned properly those tricks of theirs, everything that has to do with this, that I then had the courage to start on my own and then to get myself all the programs

*Interviewer.* Do you have an office somewhere special?

*Interviewee.* No, I have workplace at home

*Interviewer.* Well, how did everything start then? You already had some knowledge up your sleeve?

*Interviewee.* I had knowledge and then I followed the internet and I got one really big translation agency kinda like as a customer right when I came to Finland, so that I made all the test translations for them and others there in Riga, so that I had in a way a guaranteed, one big guaranteed employer when I came back. And it was a good thing and it took, of course I was looking the whole time for something else as well, but they employed me fulltime and with a kinda reasonable price, so that my incomes were always between 3-4 thousand per month. And then it came to a sudden end, they changed systems and apparently they lost that big client, as it was the whole time the same client of the translation agency for whom we worked and apparently they lost it and it was, wait a second it was in 2008 August when after that there has not been any work from them, nothing. And then not much from anywhere else. And then right away the depression started or this current recession. There has been work so terribly little, that so-so and prices have been taken down. So to get some 1800 gross per month is decent.

*Interviewer.* A tough cut in a sense.

*Interviewee.* Really tough and so on, livelihood is quite a struggle (cannot make sense)

*Interviewer.* Well, have you applied for more work here on the way or is it kinda like ruled out?

*Interviewee.* Yes I have applied, but I have applied always when there has been something suitable and then I have applied, when I thought that maybe these kinds of temporary posts would be easier to get. But you don't get into any interviews. But despite that I've applied for everything possible and impossible. And then of course customers into these, but in this translation it's also that there are plenty of young people who work cheaply and that's how these prices have fallen too. And then all big companies use these translation agencies, so that it's really difficult to get a direct customer. And it's kinda understandable, if they need translations for several languages, they get those from the same place, plus then that one person can only work on one translation at a time, so that if they have busy schedule and sometimes it cannot be received as only one can be done at a time. So they always get from translations agencies. So it's quite tough.

*Interviewer.* Yes, there are so many factors there. How, and I've asked this from many, do you think if the previous work had continued, so what maybe do you kinda think, now that you've been an entrepreneur, you've been these past 3 years, so what has it in a way brought into your life, and what has it taken most in comparison to if you had continued there?

*Interviewee.* In a way it has only taken away, that this is so insecure all the time and then when I have had work, I haven't had any free time. So on normal days I work like from eight in the morning until half-past eight, until the news and of course I have to eat something every so often and go to a store, but that I don't have time, so I don't have time to read anything, I've always liked to read. I don't have time to go to art galleries and do nothing of such things that would bring something kinda good. Then you just need to work hard and still the outcome is like less than 2 thousand gross per month. And then all the time the uncertainty, whether I will get enough work to pay the bills next month. So, in comparison with the monthly salary. On some other field entrepreneurship can be different, if you have more secure income. But this is day after day that this is really wearing. And then the fact that you don't have that free time. That half-past eight in the evening I start to cook while I listen to the news and water the flowers and wash the laundry.

*Interviewer.* Have you thought in which ways it has affected your own sort of managing and everything, when thinking that it's like that fast-paced and with long days?

*Interviewee.* Well I don't know, my personality is quite positive, so that I think that it's the way it is and it can't be helped. And then when you're kinda like on your own, if you become unemployed, then you get nothing from nowhere. That I just have to try for another 3 years, and then I'm in the retirement age. Or if I get sick,

then I'm in real trouble, as there is no spare money, it has all gone here. So I don't even dare to think. Or that I cannot have, I cannot have even for two weeks a holiday, or even a week, as I can't afford it.

*Interviewer.* Yes, you just need to work all the time then.

*Interviewee.* It just has to be done, but uhm not that I mean, I like this job, that there is no other possibility at the moment, this is just the way it has to be.

*Interviewer.* Would you have done something differently during this entrepreneurship when you think about it afterwards? So have you in a sense learned something on the way? Different ways of conduct?

*Interviewee.* Well actually I haven't. I'm terribly pedantic and organized, so that I don't really, I have several times thought especially about this scheduling of mine, like how would I somehow get more time. But I haven't figured it out anyway. So I go on walks, need to get some fresh air.

*Interviewer.* Yeah, those kind of ways.

*Interviewee.* Yeah, to get my head working and for other reasons, but nothing else then. Or of course sometimes there are evening parties and such, so that I just don't sit alone around here. But if 2 nights of going somewhere, then I get stress, that I lose working time.

*Interviewer.* So it's straining.

*Interviewee.* It's kinda straining, but it can't be helped.

*Interviewer.* So that it's in a way like the work itself, that in a way it is restorative

*Interviewee.* Yes it's quite interesting work

*Interviewer.* Well what kind of, do you think that you have had certain kinds of support groups or where do you get support, where to get from? Have you had on the way any support from anywhere?

*Interviewee.* Well not as such. I wouldn't say that I would really require it. That I do have friends and I do have a child and a husband, but we live in different places.

*Interviewer.* But the inner circle is like that

*Interviewee.* Yes, so that I don't feel like needing. And then I am a member of the Association of Translators and Interpreters, so they would have as well, they have plenty of different events, but I don't have time to go there

*Interviewer.* Yes exactly, and have not felt that there would be any need

*Interviewee.* Yeah, no

*Interviewer.* Well, have you tried any, been to any of these entrepreneurship trainings, as there is so much talk about them?

*Interviewee.* I was in the beginning offered all kinds, so I visited them. Those were like shorter ones, but I went anyway. So you in a way would get then different kinds of information, so how then, like then in the beginning, how to get going and so on

*Interviewer.* Would you have then, if you think like 10 years backwards, so would you have then imagined that someday you'd be an entrepreneur?

*Interviewee.* No

*Interviewer.* So in a way that hadn't crossed your mind before

*Interviewee.* No, not that this is a necessity. Or it was a necessity in a way that either you go to some circle, in which you in a way would have had a lot more secure situation as you would have had the salary as a cover and then the salary was quite fair. But however, as a 55-year-old I couldn't imagine not working. So in a way I don't regret it anyway.

*Interviewer.* Ok, do you have some sort of, like, when thinking about this moment, so are there some new plans? Or is it in a way like this going forward in the everyday life, if thinking about this company

*Interviewee.* No, well trying to get new customers all the time, it's the only thing. So, no I don't uhm. Yeah, I do in a way that I've applied and got into a guide course, I thought, that if you would get some extra income and be out with people a bit. So it's for one year but it has quite a lot of remote? days.

*Interviewer.* What is it like then? What does the guide course mean?

*Interviewee.* A guide course is like that you qualify in a way as a tour guide, but I kinda thought to focus on being a city guide in Helsinki. So, for tourist groups and then it's like an official qualification so that, for example, the city can hire and sorta like for these gigs



*Interviewer.* Oh, that's interesting. By the way, how have you felt so far about your job itself being quite lonely in a way and there is little contact with customers, if everything kinda like easily comes from the bigger companies

*Interviewee.* Yeah, and they're all through e-mails, so we don't talk. I, uhm, don't know, in a way I don't feel lonely and not, and as said, still I have friends and I like going to the theatre. So actually for me it's enough to meet somewhere once a week and go somewhere. So I am a bit, if I think back on my whole life, I should have become a researcher, that would have well-suited me.

*Interviewer.* Yes, somehow I can see, as a job translator it is in a way really similar. That similar qualities are needed.

*Interviewee.* Yeah, but I'm still an extrovert, I'm not like, kinda withdrawn, but I like being by myself

*Interviewer.* So, in a way a sort of a balance. I've at least asked the questions that I have gone through before with people. So at this point I can thank you for giving me this time for the interview. This does always have its own trouble.

*Interviewee.* Hopefully you've got enough material

*Interviewer.* Yes I've somehow got sort of really diverse stories in a way, so that it's quite interesting to get them from a different point of view from lots of different fields, so that it's been really interesting to hear

*Interviewee.* Yeah and then you could, if possible, also have this social point of view, that there's no-one to support us. That we are like a real pariah class we private entrepreneurs. That any kind of illness or anything is a disaster. That there is such an unemployment fund called AYT for us but uhm they're so extremely expensive the subscriptions

*Interviewer.* Yeah there's not. I'm doing this kinda together with the Small Entrepreneurs of Finland, so I've talked there with the executive director, so there are completely impossible traps for small entrepreneurs

*Interviewee.* Yeah, even the thought of that makes you get sick, so I would need to sell my apartment, I could no longer pay those and then everybody uhm over 53-years-old so our pension contributions are higher than the others. So that you'd need to get money from everywhere and you don't get it no matter what you do

*Interviewer.* Yes because occupational health care costs and everything and supposedly this planned YLE payment, so that it would affect entrepreneurs, but also

the same person would pay double through the company and then through their own home. So YLE is trying to battle over that, so it doesn't make sense

*Interviewee.* It makes no sense and all this then, if you get sick it's not just that you don't get sickness benefit, but when you can't work, then you don't get any money from anywhere. So it's kinda like this strange trap, that in a way we don't have anything

*Interviewer.* Yes, so in that way the security is completely taken away. I have heard really sad stories about how when you get slightly unlucky, the situation is completely horrible then

*Interviewee.* Yes it is, when there's not. Then when you think about people who might not have anyone, then I don't know, no-one's paying them welfare

*Interviewer.* Yeah this is really interesting indeed, that people are actively pushed and encouraged to become entrepreneurs, but then in a way things are not really understood at all

*Interviewee.* Yeah no, and then of course if you're 53 and over you have to foot all the bills and whatever in my field, where these salaries are so terribly small, so it felt totally unreasonable. But somewhere there is a squeeze on this. That at least my stomach turned over when that Vanhanen is going on about that how you have to stay longer in the working life, so how do you stay when no-one's hiring you

*Interviewer.* Yeah it has come out a lot here, that right away it's been, that if you're over 40 so it has already come up, that after that, there's actually no getting into interviews despite the fact that you'd have years of experience from all kinds of things

*Interviewee.* It's not coming back, that experience doesn't mean a thing anymore

*Interviewer.* Yes, that what matters nowadays then, that's interesting, so what is it nowadays?

*Interviewee.* I'd say, uhm well young women are wonderful but they make babies and become more expensive for a company

*Interviewer.* Yes that's also really horrible, you're never the right age or the right things

*Interviewee.* And now that the age to have babies is over, then you're too old

*Interviewer.* Yes, but then the kids get sick and a sort of a burden, that takes away a lot anyway. A woman does not have much chance, I've come across this a lot, that many small entrepreneurs who are men have said that they would not, that it's a joke, that a woman would get hired, but why would he like risk their business with it

*Interviewee.* They should hire us older people, who don't have screaming kids anymore. But it doesn't work either. And then there's of course this, that then the employers would get punished by having to pay much higher pension contributions

*Interviewer.* Yeah, the employer gets always punished for something, it's interesting yes

*Interviewee.* Yeah but this is how it is

## Appendix 5. Participant's stories

### *Drowned*

#### **Anneli (W1): Caretaker burned out under work load**

Anneli, a woman in her late forties and mother of two, had worked as a nanny for years. After moving to a new city she ended up working in short-term contracts and finally was unemployed for two years. Anneli got bored with her situation and educated herself as a practical nurse. Through a care workers entrepreneurship course Anneli got the idea to join a local hire-a-worker team. This 10-person co-operative was at the time a pioneer in this branch and got lot of publicity in newspapers and radio. Customers were able to hire a worker to do cleaning and other household work, with elderly people as the main customers. Cleaning was the most asked task to do, and in addition Anneli educated herself to do professional footcare, so she ended up having up to 12 customer visits per day. Her days were filled with various cleaning tasks, driving to the next customers, with no possibility to have proper meal breaks. In addition, elderly people were naturally in constant need of social company and Anneli as a kind person did not want to hurt their feelings, and rather used her own time so that the elderly people would not feel lonely. As a consequence of the physically hard work and demanding work phase, Anneli started to feel more a slave than an appreciated worker and her health started breaking down little by little. Anneli worked there for three years, until she felt her health could not handle that amount of work and busy work rhythm. As a conclusion she decided to set up her own home help business. In 2002 she started to be self-employed, not anymore someone's "slave". She was encouraged to try the idea of self-employment because of the safety of the 1.5 year start-up trial time. Anneli was able to continue with a few old customers and soon her days were filled with customer visits all over the municipality. She knew that an important part of the work was socializing, and soon realized that much of the time is used for activities from which you cannot take any money.

At the same time she was needed at home. Two teenagers and her husband were not able to make food, help with groceries or household work, which created even more of a burden to Anneli. She felt her career was not supported, in fact it was only hindered. She was away from home a lot, from seven in the morning to sometimes eleven in the evening.

In the first year Anneli noticed that she could not survive that much work without help and she began to look for a business partner, but she had a hard time finding

someone who could and would be brave enough to share the responsibilities. She calculated with an accountant several times whether she could survive with less work. Anneli just felt that even if she worked 24/7 the money did not last after the expensive insurance. Finally, after a year and a half, she gave up.

Even years later her old customers called her to come and help. They have no-one else to call when they want someone to come and clean the floors or to do other household work too heavy for the elderly. Even though Anneli does not feel comfortable about people calling her to help at short notice as if she was still self-employed, nevertheless she never says no. Of course, Anneli does not receive any salary, but the customers usually cover the fuel costs.

### **Seppo (M1): Two years desperate turbulence as an shop owner**

Seppo, now 55 years old, had years ago trained as a carpenter and ended up working in a furniture business, not as one making artefacts but as a seller. The years went by smoothly until suddenly the employer went bankrupt. In the late 1990s it was difficult to find a job and as a family man it was necessary to find a living from somewhere. Seppo decided to talk to a local work consultant and as they advised and recommended he start his own business, he started a shop in his small hometown, where he sold small wooden artefacts. Seppo's bank was reluctant to lend capital to a business that was based solely on selling, so Seppo decided to follow some strong recommendations to take on a post office as a side business. At the same time his son qualified as a carpenter and he took him on as an apprentice in the shop. Seppo was proud to provide work and a living also for his son. Within a year, the son had a serious accident and the family faced difficult times as surviving was difficult. Concentration was focused on family issues rather than improving the business. Taking care of the business alone meant focusing on the post office handling, although it was planned to stay as a side business. As it was a very low paying option, Seppo decided to wind up the business as his two-year start-up loan had expired too, but he was still left with a fair amount of loan that he had taken to improve the business. With an unpaid loan, he has not been able to get even his own mobile phone contract and has been forced to use prepaid cards. He still cannot help thinking that it all could have turned out better with bit of luck.

**Mirja (W6): Hard years in the cleaning business**

Mirja, now a 42-year old talkative and active woman from Eastern Finland, started work at 16 years old. She spent eight years in trade before she turned to the caring industry. After several jobs and training courses all over the country, shift work and stress finally caused a difficult illness. Her doctor warned her that she could not continue her permanent physically demanding job in a nursing home. She began to study management and started as a project worker in a local health association.

However, after only a year an acquaintance from her hobby, the theatre, noted Mirja's skill at handling crowds and stressful situations and persuaded her to go to become a waitress at her country restaurant. Initially, Mirja helped her friend out by waiting tables during peak periods like the summer and Christmas party seasons. Sometimes there were even weeks between work periods and she started to accept extra jobs she was offered as a cleaner and waiter from local entrepreneurs. Little by little, her work situation became a mess, with mix-ups and overlapping work shifts. As one of her friends was questioning why she did not begin her own business, Mirja started evaluating her options, and at the same time, an unpaid student loan was on her mind. As she could not see any other work options in the living area, and as nursing was no longer an option in her condition, she realized that there was nothing to lose.

In 2002, one day she was serving a glass of cognac to customers as a restaurant employee and the next day she had become self-employed. Looking for new customer relationships was a slow process and although a local trade officer stressed that Mirja should focus more on cleaning; Mirja herself was reluctant to do so. However, it soon became obvious that it was the work in demand at that time. Mirja wanted to do everything properly and gained a cleaning qualification while doing cleaning work and taking waiting jobs. At the same time she was involved with a local entrepreneurs' association and enjoyed being part of a bigger community. Although she felt similarly respected as any other business owner, somehow she sensed the pressure to succeed.

Years went by in a fog of work overload and studying and eventually she acted like an alcoholic, lying to her worried friends about having holidays, although she did not have time to do so. After two years, she employed two women so that she could concentrate more on business customers. Although she knew them both before, the issues they caused her were surprises. One would not work more than around 30 hours per week, meaning that Mirja had to cover for her, and the other received complaints from customers, but Mirja did not know how to dismiss her. Mirja still kept up her hobbies and continued with the theatre and acting as it gave

her some power and a way to relax. Mirja felt that even her biggest customer made things even more difficult as the customer was an unreliable payer. Mirja's firm was on the verge of bankruptcy and her health was burned out. She had to take the decision to wind up the business and followed doctor's orders to have a rest. One of her employees had left already, so Mirja let the other one take care of the last customers. After 4 years of self-employment she closed down the business and packed her belongings and moved back to her home town.

### *Drifters*

#### **Mikko (M8): From factory worker to entrepreneurial salesman**

Mikko, a father and husband in his forties worked in a factory producing beverages in his hometown. He had studied administration, but chose to start work as soon as possible and did not pursue the option of studying more. Dreaming of a considerable income, he had set up as a sole trader to take care of a petrol station once a week. He was not thinking of starting anything bigger, just performing an easy task once a week, like collecting money and taking it to the bank. He had no intention to start as an entrepreneur as he enjoyed an easygoing life with proper summer holidays and eight-hour working days.

In the early 2000s, the beverage factory was restructured and eventually changed hands. The new regime introduced changes to working practices that meant Mikko and many others were placed on short-term renewable temporary contracts. Mikko found himself refused a mortgage because of his employment situation.

He was encouraged to take responsibility for changing the situation and to set himself up as a subcontractor for his former employer, there did not seem to be any other viable option at the time. The change was painless for Mikko, who described returning the company car one day and coming to work in his own the next day.

Nevertheless, Mikko soon noticed that being an independent contractor did not mean being free. Vacations, for example, were strictly controlled by the field manager. The variable hours that the new arrangement entailed proved inadequate to make a good living, mainly because the beverage business has a high season during summer, but during the winter business decreased significantly. Mikko realized that he had to find another source of income.

Mikko happened to hear of an additional option and soon he started to deliver entertainment equipment to restaurants and bars. For quite a while it offered additional income, but as more and more restaurants folded due to alcohol taxation,

Mikko was soon again facing the same dilemma of needing supplementary work again. Then his old colleague offered him work as a retail seller and Mikko accepted without hesitation. Mikko's experience is that he has never had to apply for any position, he has always been invited to work and he follows the options that feel suitable and fitting to him.

All the positions just supplemented others, but Mikko was looking for more. Then another former colleague, who had also started his own business following the changes at the beverage factory, invited Mikko to join him at his local real estate company.

As Mikko's marriage had recently ended and as his son had moved to southern Finland, Mikko appreciated the flexibility that came with the real estate agent job. Although Mikko was dealing with many different jobs and contracts at the same time, he considered them to be supplementing each other. As one job hit a low season, he was able to devote himself to another one. Looking back he realizes that he had to work twice as much as he would have with a salaried job, but each successful deal brings a fair amount of money to compensate for the lost free time. In between, he enjoys travelling and spending time on his hobbies. In addition, he has arranged for one of his former colleagues to cover for him in his own business if he runs out of time. Mikko has learnt that business requires perseverance as nothing happens in year or two.

### **Heli (W3): Translator struggling with lack of job opportunities**

Heli, was 55 and had worked as a language teacher for many years when she was made redundant when the unit where she worked was closed down. At the time she not at all worried that she would not get a new job with such long experience and her good education. After a hundred applications, she realized that times had changed and no longer were people in their fifties being hired easily, because of the high pension contributions it entailed for employers. Heli could not even think about leaving working life so early. Eventually she was hired by a translation agency in Riga. She spent a year there, taking the opportunity to familiarize herself with all the latest translating programs, before returning to Finland in 2006 to set up her own business. For two years she earned between 3000 and 4000 euros per month, due to a contract with a big translation agency that basically employed her fulltime. Things looked certain and the money was fair, until the company lost its biggest customer and Heli did not receive any more orders. Heli's situation very quickly changed as the world entered into recession. It was difficult to find customers and prices had to be cut. Since that time, Heli has felt that she has to



scrimp and save and it has still been hard to earn a reasonable income. She has applied for several jobs, but without even getting interviews. Heli is especially irritated by the unfair competition caused by young language students who offer their translating services at low prices and force incomes down across the whole field. Heli describes her situation as really tight and mentally wearying. She works from morning until nine in the evening and hardly has time to enjoy reading and art exhibitions where she used to go. She has to direct all her efforts to earning money. As a pedantic and organized person she constantly calculates how to manage the schedule better and how to successfully balance free time and work. Although she is a positive person and sees her work as interesting and rewarding, she easily gets overly stressed if she has meetings outside the home more than once a week. She immediately feels working time is wasted. Heli calms her thoughts by jogging and hopes that she remains healthy until she reaches retirement age in three years time.

#### **Johanna (W7): Age barrier kicked into entrepreneurship**

Johanna had a strong background in the customer services field and she had been working nearly her whole career on passenger ships, first assisting in restaurants and then slowly gaining promotion to managerial level. She had enjoyed the challenges and opportunities, and even the income level that was available to her, but years of demanding working hours and travelling and troubles with and between personnel persuaded her to follow her dream to achieve an academic qualification. Johanna wanted to achieve a deeper understanding of organizations and decided to study sociology and organizational development. By the time she graduated, Johanna was in her forties and was eagerly anticipating work that would combine her interests, background and education. She sent dozens of applications and but rarely even succeeded in getting an invitation to interview. She felt rejected because of her age, because on paper, she had an excellent background recently complemented by education.

As time went on, she had to find a way of gaining income, so she decided to set up her own company. Her career as a self-employed consultant started in 2006, and she aimed to help organizations develop and improve customer satisfaction. The early phases of her business were difficult as she tried to build a client base, but a start-up grant guaranteed her a minimum income. She felt fortunate to have no family responsibilities, because even with some financial support from her sisters, she had no money to spare. She had no intention of becoming an entrepreneur and starting her own business was evidently driven by necessity. She ex-

pressed disappointment and amazement at how academics with huge working experience faced such poor employment opportunities.

Once she established her company, she rented an office. Little by little she managed to get work as an educator and lecturer and she even wrote an educational book related to human resources development. In addition, she took several vocational courses to improve her expertise in specific areas, all the time struggling to devise a clear business plan. Johanna felt she had no focus and needed to get a clear view of where to focus her effort to bring in business. She also wondered if she was too humble and not a very entrepreneurially advanced person.

Nevertheless, she could not stop hoping for some alternative work situation in the future, as she left the old career on the ships. She had dreamed of academic education opening opportunities, but while it opened the door to working with some interesting issues, she had never considered having to become self-employed after extending her education.

#### **Teemu (M9): Health issues turned career to entrepreneurship**

Teemu had worked for many years in the construction business, mainly as a painter. Years of working with chemicals eventually caused a severe allergy, so his only choice was to re-educate himself and look for other options. Teemu was well known in the local community for his trade union activism and as a supporter of the working class and he suspected that to disadvantage his job seeking attempts. He went to study administration and began to think of becoming an entrepreneur. For Teemu it was obvious that everybody considers entrepreneurship at some point in their lives, but for years the thoughts are only ideals.

One day, however, Teemu got a call from his old boss asking if he would be interested in taking over the firm when the boss retired. Teemu was drawn to the opportunity because he knew the firm and its customers. Teemu had to hit the ground running, working to secure building projects and addressing a major loss accumulated while the previous owner had been on sick leave. Although the owner was retiring, he had promised to work as Teemu's employee for at least two years so that Teemu got to know the processes involved and he even gave him extra time to cover all the sudden expenses. Stepping into the manager's shoes showed Teemu how little books at school could teach about actual customer service and marketing in a branch of construction. Teemu has realized the importance of hosting good drinking parties for customers and treating them properly.

Economic risks do not frighten Teemu as he has gone through rough times in his personal life. At the same time as he got severely ill, he became a single dad with a big mortgage. The fact that he got through that period gave him the belief he could survive anything. He is, however, cautious and avoids personal risk by opting for the form of business where the sole trader holds all the risk. Still very much a newcomer at the time we spoke, Teemu saw himself as a practitioner and gives a big hand to his old boss, who is still supervising most of the projects and helping him to improve the business back to its roots. The company now has three salaried workers and a couple working as subcontractors. Although Teemu's severe allergy prevents him from doing much manual work, he still cannot stay in front of the computer compiling orders for more than a week. Teemu enjoys his position allowing him to sometimes switch back to manual work, at least by loading and driving a truck.

#### **Juhani (M5): From manager to owner**

Juhani had been working for years as a manager in a printing company, until restructuring of the organization led subsidiaries to become small offices and Juhani lost his managerial position at the end of the 1990s. Juhani looked persistently for other jobs, but it seemed hopeless. He happened to hear that a firm was for sale and after looking at the decision from different angles for a year, he decided to buy the company. The change from manager to owner felt like a big jump for Juhani. Social security and even visits to doctor made him look at the business from a whole new perspective.

At the time he bought it, there were 24 employees. Quite soon, after two years, he was forced to cut the personnel to only six employees due to the recession. Facing that enormous challenge right after the beginning wore him out. After nine-months sick leave he had gathered his strength and had the power to build up the business again.

As a business owner, Juhani feels that challenges can drop from the sky at any minute and that tomorrow is always unpredictable. Juhani's employees represent a rather interesting variety of personalities and the climate between the staff varies daily. Juhani is no stranger to sudden shifts in employment and life circumstances, describing himself as one day announcing taking parental leave, other day quitting a job to return to study and on another day having everything turned upside down by illness. Juhani has to be constantly alert and ready to look for people to replace. Problems are also caused by bigger companies not paying their bills on time and Juhani has had to pay salaries from his own pocket. Customer

orders usually arrive at short notice, but Juhani sees the flexible working hours also as an advantage both for the workers and for him. Sometimes he may escape to his summer cottage, but always in his mind is that anything can happen and he has to be ready to get back to work.

The past years have been a strong learning experience and those years have changed his view on life and how to redirect life in a totally different direction. Over the years, he has often thought about quitting, but suspects that he would not be able to find other job because of his age. Although he has been asked to sell his company, he thinks it is not yet time. He is currently investing in the company and wants to improve it to earn more profit, so that when it is time for him to retire, its sale realize enough for him to retire comfortably.

### *Sailors*

#### **Sami (M7): Forced jump to photography company owner**

Sami had been working as an advertising photographer in a small company. He very much enjoyed the atmosphere there and found it an ideal position for fulfilling his career desires. He had no intention of starting his own business, but the day came when his employer went bankrupt and Sami had to face the fact that photographers positions did not come up very often, if even every second year. He saw that the only option was to employ himself and he started a company with one of his close colleagues. In five years they had managed to create good networks and were doing their best to hold on to their old customers. The business began smoothly and within a couple of years the partners were creating new networks with the support of members of old ones. Sami had years of business experience in the field and had a clear picture of what entrepreneurship would feel like. Although income insecurity was the main concern, the business thrived beyond expectations. Sami believes his income is higher now than he could get from salaried work, but at the same time admits how much work there has been done. Sami has thought several times of going back to salaried work, but is also proud of having been able to establish the company and improve it to the point it is now. A couple years of ago Sami and his colleague employed eight staff, but two left the company in a very uncomfortable situation as it was found that they had been secretly creating a competitor firm. Losing two skilled persons was in many ways a setback for the firm mentally but also financially, as it started a long process in court and cost money. Sami reports one of his most challenging tasks to be leading personnel and learning from disappointments and surprises that arise. Although Sami is involved in a creative business, he sees himself as having

an advantage in that he is very persistent, not easily discouraged, and driven by a desire for precision. Sami considers that to survive as an entrepreneur, one must be very thick-skinned.

### **Kari (M2): From conflicts to fulfilling dreams**

Kari, a journalist in his early forties, had worked for a long time at a big publishing company as an editor. At the same time, he pursued his career as novel writer and published a few books. At some point Kari's relationship with his employer soured, when he was accused of using work facilities and time for his side business as a writer. Kari also sensed some jealousy and personnel issues were involved. The conflict came to a head when Kari was fired in 2004. A major issue for him was that the terms of his leaving dictated that was not allowed to compete with his former employer for a period of time. Nevertheless, Kari was soon contacted by old colleagues and customers and realized there was plenty of interest and opportunities outside the company business. He started his own company quite soon after and began to accept job requests as an editor and a writer. While establishing the business, Kari worked an extreme number of hours, was overly exceeded and made more money than before. He described his first two years as an easy start, due to one big employer, a magazine, which basically covered all his work orders. After the magazine folded, he was left to more insecure and scattered markets. After the furious start he slowed down the pace, partly because he wanted to devote more time to his family. Kari does not see any setbacks in his entrepreneurial career. He is happy with his income and work life balance, where there is time both for his family and also to pursue his dreams of being a novelist.

### **Tuula (W4): Copywriter seeks more enjoyable life**

Tuula started work in advertising even before graduating from university at the beginning of the 1980s. Over the years she worked as an advertisement planner and copywriter in several successful companies. The late 1980s was a golden age for the advertising business, but the work was very demanding. Expectations were set very high for employees and everything was counted. Tuula described the work as brutal, and sometimes worked at the office until the early hours of the morning. After such working days she felt barely capable of doing the most basic household chores. Tuula was recognized as the fifth most profitable person of over forty in the company, but was still laid off when the hard times came. It was not the first time for Tuula to experience that, as a couple of times before posi-

tions, including hers, had disappeared owing to a recession or changes in company strategy.

Tuula did not think of herself as an entrepreneurial kind of person, but others encouraged her to consider setting up alone. In time, laid off again, tired and frustrated in 1991, she did, but did not start working right away, instead choosing to leave Finland behind and head to Asia to travel around for a few months to recover from tiredness. While Tuula was travelling, her former colleague started her own consulting business and they decided to cooperate. Tuula's life changed greatly after she returned from abroad. She met her husband and started a family, so self-employment offered her a decent way to work less on a part-time basis. Her new husband was also a busy entrepreneur and Tuula took the primary responsibility for taking care of the home and daily life in the family. Although she basically abandoned all the social network events due to focusing on family life, she still received enough customer orders and projects for quite a time to keep her occupied all year round, except that January and the summer months were free, which Tuula felt to be an advantage as it gave her time to work on the family house and spend time with her kids.

In many ways Tuula's ambition had withered after the all-consuming years in the advertising business. She had adopted greener values and an almost bohemian lifestyle was also reflected in the way she worked and evaluated working life. She became less fastidious about paperwork, such as billing and taxation issues, and always got noticed for that. She had a hard time selling herself, although she was used to it as marketing professional. Looking back at those busy years, she had concluded that working life is not the one to invest in, because in business you are just taken advantage of. Tuula decided to do less work that pleased and rewarded her more, even if that meant adjusting to a lower income.

Now her kids have grown, Tuula is eager to get back to business more actively. For years she worked part-time, with ever fewer work offers, and filled her time with voluntary work with a variety of organizations. Tuula has also applied for jobs, but every time was told she was over-qualified. She would like to work for a sports-related association. She has acquired a wandering Indian way of life attitude, and is grateful for her past. She has enjoyed her life with her kids and with not too many working hours.

In many senses, Tuula presents a different kind of sailor, a part-time sailor, as her attitude toward entrepreneurship is not particularly business-oriented, and she has stressed other things such as family and leisure time more than business during her journey. Tuula has in a way taken the best out of entrepreneurship as it has provided her with some work, while letting her spend time on family life and her

children's hobbies. It should be noted that Tuula does have the backing of her entrepreneur husband, and that makes it possible to concentrate on other things. Nevertheless, Tuula represents the sailor as she was able to continue to work after her career suddenly ended by directing years of expertise into building her business successfully.

### **Pekka (M3): Engineer fighting over satisfying work**

Pekka graduated as an engineer in the late 1970s and worked as an engineering consultant in a big company until it was closed down during the recession of the 1990s. Seeing the closure coming, a group of colleagues decided to continue in business. They all had families to take care of and it felt natural to continue in the same business with the same people. Pekka joined 8 colleagues from the firm, who decided start up on their own and continue within the same business and with known customers. The future looked good and their business offering services for specific needs was in demand, and it took off well after taking over contracts from customers of their former employers.

Since those times, the field has faced tremendous changes: efficiency requirements have increased and sizes of projects have decreased. As the original group has diminished along the way, Pekka has seen that an important issue is to do projects well and hire "good guys". Working with a good group of colleagues enhances work satisfaction and makes life more enjoyable, but it also makes work more effective. He has not aimed too high - just earning a decent living doing challenging and interesting work has been his goal. He thinks the company is of a good size and that he is not responsible for great a sales budget, so the stress level is also manageable. He dreams that he and his partner can sell the business in a few years and retire.

### **Leena (W2): Career woman changes to entrepreneurship**

Leena was a successful career woman in a big company, when she became a single mother in the early eighties. The costs of being a single mother encouraged her to start a beauty network marketing business as a side business. As the years went by and Leena met her future husband, who had a secure career, she saw the chance to leave her employer and the associated pressures. She often felt her mindset was more American and that she had a special gift to see what was needed and what she could do with it. She started to concentrate fully on the beauty business as a self-employed worker. She trained to become a special kind of beauty consultant and brought new products from America. The whole business was

based on growing a network of consultants and sellers of the products. As a kind of pioneer in the beauty consultant business, the network became quite a success in Finland. Leena invested her time in learning how to handle the network business, educated others, got customers and travelled back and forth to London. At the peak time, Leena worked almost ceaselessly, but then her daughter had a serious accident that nearly paralysed her. Leena was happy to be able to run her network business during the evenings and still be able to take care of hospital and rehabilitation visits. Her success in business meant she could cover expensive treatments and surgery. A few years ago she fulfilled one of her dreams, which was to buy a large property by the sea, and it is now both her home and also a business. While she is still continuing in the network marketing business, she is developing her property, hiring out part of it as a high-class meeting space and expanding to offer chalet accommodation, too. Leena's daughter's family also shares the property and that makes the place very precious to Leena. She is very grateful to entrepreneurship for giving her the chance to see her grandchild every day.

#### *Ashored*

#### **Jari (M4): Photographer looking for security and equability?**

Jari realized early in his career as a photographer that there were no options other than to become self-employed. He started his company with a photographer colleague straight after graduating at the beginning of the 1990s. The company started by taking basic passport, confirmation day and wedding photos. After a couple of years his colleague emigrated and Jari spent a period being self-employed until he found it difficult from the tax point of view and established an incorporated company. Jari was happy to establish his own firm without big loans and the risk of crippling debts, although a reduced credit rating is something that even he has not been able to avoid. Anyway, Jari feels that combining creative work with the obligations of entrepreneurship is not thought through. Jari's view is that any entrepreneur has got to handle several professions, and perform a multitude of roles with the skills of a tax expert, a lawyer, an accountant, a technical expert, without forgetting to deal well with the work itself.

A turning point for Jari was when he became involved in a conflict with the tax office. The tax office suspected that materials purchased for commercial photo shoots like golf balls and paints were not being used for that purpose. The conflict vindicated Jari's decision to quit the company and return to salaried work. In 2005 Jari applied for and was appointed to an interesting job offer and then slow-



ly started to wind down his business. For Jari, entrepreneurship offered some pleasant times, but the situation gradually worsened, through what he sees as no fault of his own. Since Jari wound down his own business, his health has improved tremendously; his blood pressure and cholesterol levels have returned to normal and he is less stressed. Jari thinks that succeeding as an entrepreneur requires a person with an extraordinary way of thinking. Jari, however, does not miss being self-employed and sees the last couple of years working for a salary as pure enjoyment, as he put it.

#### **Katri (W5): Insecure business changed back to salary work**

Katri, a young girl from a small town had worked in customer service before qualifying as a hairdresser. When her work contract in a local mall was not renewed she started to think where she could find a job in her own field of expertise. A local hairdresser had been looking for someone to rent a chair and Katri went to discuss the option with a local trade promoter who advised her to register her own business name and eventually helped her with all the paperwork necessary. The trade promoter was a member of the national entrepreneurs' association, which made Katri trust his advice. Katri never felt alone during the establishment process, as so many people were helping her on the way. She was also grateful for avoiding possible mistakes, when surrounded by professional help.

Katri joined the local hairdresser as a self-employed stylist and began accepting customers in 2008. She put an advertisement in the local newspaper and slowly started to acquire customers. It came as a surprise when a new hairdressing salon opened nearby in the small town centre. Katri felt conflicted by having a competitor in the same field in a town with a little over 3000 citizens, that evidently did not offer enough customers for both businesses and Katri had to hold out to survive. Her money went on paying the rent and covering the expense of materials. Still, she managed to keep her customers, but at the same time her mind started to wander somewhere else. She began to think of following her boyfriend to another city as the distance relationship was not ideal. She longed for more secure salaried work and a year after becoming self-employed succeeded in finding a salaried position at a salon in a different town.

#### **Arto (M6): From side hobby to serious business**

Arto was 55 years old when interviewed. He had worked as a service manager since graduating but spent his spare time assembling computers. Arto considered

setting up as a sole trader: a relatively simple thing to do, so he set up a business to work with computers as a side business. A year after doing so, Arto was made redundant from his main employment in the midst of a deep economic recession.

At the time Arto was a single father with two small children and had just built a house, so needed to think fast about ways to earn a living. The computer business registered a year before meant Arto was not eligible for benefits and that proved an important driver of his decision. Applying for work anywhere seemed hopeless at that time, so Arto briefly joined a cooperative community that had common billing and marketing channels, and continued with his computer business, creating more permanent customer relationships. The community was intended to support the unemployed with similar backgrounds to Arto.

In the beginning he was able to continue with the current customers while looking for new ones. Over the years in the community, Arto also met other unemployed people who have since created their own businesses and even become his customers. He made good connections with programmers and engineers with whom he planned to start a company, but eventually only one had the courage to jump into the insecure income world of a partnership. The change of the millennium and the threat of the millenium bug brought a lot of work to their programming and IT-support business and at its peak it employed 12 people, but when the millenium started without the predicted global meltdown, the firm was forced to lay off most of its staff. For Arto's business partner, the process of laying people off was too much and he decided to leave the firm, too. Arto continued on alone as the owner, with two employees.

In 2010, Arto heard about a company that was interested in adding a smaller company to their network and Arto decided to sell the company and change back to being an employee. He is still working on the same tasks, but now as an employee and part-time member of the board. He enjoys not having the economic pressure anymore and not being forced to earn every penny himself.

## Appendix 6. Narrative studies within the entrepreneurship research.

Author	Focus	Data	Narratives in the study	Main findings
Down & Warren (2006)	Entrepreneurial identity	Two and half year ethnographic study on small business firm	Reconstruction of narrative	Study describes how clichés used by aspirant entrepreneurs are significant elements in creating entrepreneurial self-identity
Duberley & Carrigan (2012)	Career identities of mumpreneurs	20 mumpreneur's narratives	Narrative account as data and reconstructed narratives as a outcome	Study found out that mothers weave a path between the discourses of intensive mothering and enterprise.
Holt & Macpherson (2010)	Entrepreneurs sensemaking of organization formation	Three entrepreneur's narratives	Rhetorical sensemaking approach	Study revealed how social competence is central to the foundation and success of small firms.
Hytti (2005)	Entrepreneurial identity	Narrative from 8 academic entrepreneur	Narrative data, method and analysis	Study found that as entrepreneurs are constructing their lives and identities, they at the same time assign identities to others.
Jones, Latham & Betta (2008)	Social entrepreneurial identity	Social entrepreneur's self-narrative	Discourse analysis through narratives	Recognized three different discourses "Me", "Not-Me" and "Suppressed-Me".
Luoto (2010)	Entrepreneurship as phenomenon	162 Finnish university and polytechnic students' narratives	Narrative deconstruction	Recognized that narrative construction is a combination of a western modern entrepreneurial narrative and the localized Finnish agrarian and laboring narrative from previous generations.
Mantere, Aula, Schildt & Vaara (2013)	Entrepreneurial failure	Three reconstructed start-up company cases	Sensemaking approach	Study provides a view of entrepreneurial failure as a complex social construction, as entrepreneurs, hired executives, employees and the media construct failure in distinctively different ways.
Mills & Pawson (2012)	Psychological processes of entrepreneur	Eight new ICT-business founders' narratives	Sensemaking approach	Typology of enterprise development narratives: the epic saga, The adventure, Quest for creative expression and The evolutionary tale
Sinisalo & Komulainen (2008)	Career transitions	Narrative from small-scale female entrepreneur	Labov's structural analysis	Recognized how entrepreneurs aim to create coherence in their career narratives.

