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CASE STUDY

Developing an entrepreneurial identity

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The Case Study section of the International Journal of Entrepreneurship and Innovation serves two purposes. First, the case studies presented are concerned with problematical issues that are pertinent to students of entrepreneurship. Thus they constitute appropriate teaching and learning vehicles on a variety of postgraduate and undergraduate programmes. Each case study is accompanied by a set of guidelines for the use of tutors. Second, it is envisaged that those engaged in entrepreneurial activities will find the cases both interesting and useful.

The case in this issue concerns an ex-corporate manager who is in the process of establishing and developing her own business after being made redundant from her senior management position. It is based on two in-depth discussions, one held in the first year of setting up the business, the second occurring after the business had been up and running for 18 months. Focusing on the question of identity, the story illustrates the complex issues involved in the transformation, development and maintenance of identity during such a transition. The case is a real-life one but all names are pseudonyms.

Gillian Gavin has been working in marketing in a variety of countries over the past 14

years. Two years ago the London-based telecommunications company she was working for closed down and she lost her job as a senior marketing director. The company had been experiencing a difficult trading situation during the year prior to its closure and was having, as Gillian describes it:

... waves and waves of redundancies and I was trying to manage a team through that sort of situation and I felt that my skills were inadequate and I wasn't coping well and I had to make people redundant and I wasn't given the right support so I hired a coach and I got coached through the whole process. I also decided that I wanted to learn how to become a coach and learn coaching skills so I did a coaching course and then 4 days later the company went bust.

After this happened she took some time to think about her future, deciding between seeking employment again and

setting up her own business. In looking at her circumstances and the job market at the time, she decided to opt for the latter. The business started out as a business coaching service targeted at individuals who wanted to start their own business, but also with a view to working with large corporate organizations in the future:

... I'm a business coach so I'm coaching people on how to start their business, especially from a marketing point of view, and I'm starting to build the corporate side of my business which is going into strategy, innovation, teambuilding for big companies through coaching, consultancy and training.

As originally conceived, the business was very labour-intensive because, according to Gillian, coaching is a relationship that is '... week, by week, by week'. Six months after the launch of the company,

the business 'took off'. Up to that point, Gillian had been coaching clients on a one-to-one basis and was finding that she had no difficulty attracting clients, but the nature of the coaching work meant that she was unable to build volume, and without this she would not be able to build a sustainable business. Recognizing this problem signalled to her that she needed to develop different mediums for the delivery of her coaching service, which while bearing her personal mark, did not rely on her personally to deliver them:

... my background is in telecommunications. I'm in marketing, telecommunications, and I'm a coach, so it's bringing the three together ... the thing with coaching is time, it's a time business. You don't coach, you don't get paid, so from a business model point of view I started becoming a lot smarter and saying 'OK, if I'm going to build sustainability into the business, this model isn't going to work'. So that's one of the reasons I've developed a coaching computer package because it has programs on there that people can buy and it's once again my creativity, my knowledge, bringing that all together, packaging it in a way that's useful for them and they can buy that any time of the day or night. . . Each time you're creating a revenue stream for the same thing, it's all revenue streams, plus you're getting the message out to people in a mass market and obviously I need to make money. . .

Identity work

Gillian's shift from corporate employment to business ownership has not only meant a significant change in her working environment, it has also led to a significant change in her sense of identity. Accounts of identity configuration in the modern world tend to place an emphasis on the emergence of new types of identity formation (Giddens, 1991; Beck and Beck-Gernsheim, 2002). As self-confirmation is no longer secured through traditional sources such as family status, the importance of paid work as a source of respected and esteemed identity has increased significantly (Collinson, 2003). Thus shifts in the type of work an individual is involved in, particularly transformational shifts such as a move from paid employment to business ownership are likely to lead to significant shifts in an individual's sense of self and character. Gillian was experiencing just such a

transition. As well as losing her job as a senior corporate manager, Gillian also felt she had lost a sense of who she was and was left feeling like '... a nobody'. This meant that she had to rebuild her identity and who she was from scratch. However, in the second year of setting up and running the business, Gillian stated that she was now:

... unemployable, I just couldn't work for anyone full-time again. I mean I could do project work or go in and work a couple of days a week, but to go in and have a full-time job, I could never do it... I mean, I've been screened for TV shows, I've been asked to present with top best-selling authors, and all these things have happened which would never have happened if I was doing 9-5.

In reaching this position, Gillian has experienced a continually changing sense of her own identity. She is not surprised that she ended up running her own business because previously, while in Mexico, she had freelanced while she was between jobs, and really liked the freedom this situation gave her. However, she felt at the time that Mexico was the wrong country in which to embark on independent business ownership, but that the UK in contrast was the right country. On setting up her business, Gillian recognized that this would mean significant changes in how she did things and how she understood her own identity:

It's taken me a year to realize I'm a business woman and what I did was swing right out into the entrepreneurial way and I built my business in a real entrepreneurial way, really loose and it didn't work for me. So what I've done is bring in some of the corporate structure which you probably wouldn't find in a lot of entrepreneurs... because there are things from the corporate world that do make a lot of sense.

On first establishing her business and in working out 'who she was' at that point in time, Gillian perceived a Cartesian-style dichotomy between her former corporate position and the identity derived from that, and her new position of owning a business and the sense of self attached to these new circumstances. Originally for her these identities, particularly the corporate identity, were bounded and stable (Valins, 2003). In making initial comparisons between her former position and her current situation,

she did feel that the latter did not have the same type of gravitas (eg working at home as opposed to working in a corporate office) as her senior management position had. Her new position meant that she would experience difficulty in trying to sustain a corporate identity because the social facts attaching to her situation had changed (Goffman, 1997). She no longer possessed the organizational authority, the office, the salary package, the business card, the company car, which had supported her previous corporate identity. As a way of dealing with this experience of loss, Gillian began developing and adopting the identity of entrepreneur, which presented her with something to aim for, and which differed from the previous corporate identity that she was unable to maintain. As part of this transformation, Gillian paradoxically tended to perceive her old corporate identity in negative terms, perhaps as a way of coping with its loss:

... all that corporate stuff is anal and boring and oh my God I'm an entrepreneur.

However, as time went on Gillian recognized two things: first she developed some discomfort around adopting the label 'entrepreneur' because of the lack of structure that attached to this. Second she felt wholesale take-up of this identity was a little premature, given the type of business she currently owned, although she saw the potential to adopt this fully in the future. Having reached this position, and to develop a sense of comfort and acceptance of herself, she went back to her old corporate identity and introduced aspects of this into her new business identity, creating a sense of 'in-betweenness':

... Right, I plan out things, I draw flow process charts, so I'm actually integrating my corporate... because there's a lot of sense in doing that and thinking and planning before you set out. So the transition then is from becoming a coach, which I've never been happy with, to being a business woman, an entrepreneurial business woman... I'd say I'm an entrepreneurial business woman. I see 'entrepreneur' more as an adjective, it's the way you do things, like the marketing is entrepreneurial, so it means it's loose, creative, innovative, different... so I'd say I am entrepreneurial. Am I an entrepreneur, I guess for me I haven't built a successful business because I'm

still, you know... financially it's still got to build up... I mean, if I created something and sold it then I would say I could feel... I could say I'm an entrepreneur. For me, I would say more I run my own business rather than saying I'm an entrepreneur, but I actually like the word entrepreneur, there's a certain amount of energy in it and I realize... I've just read the book by the owner of the Coffee Republic. It's really really good and I really identified with that and she's very corporate, but she is a classic entrepreneur, but she wasn't when she started. I think it's sort of like when you're intrinsically something, you don't label it, do you get what I mean? But everybody says to me 'you're a serial entrepreneur' but I would never say... I'll try it tonight and see how it goes because it sounds quite cool, doesn't it?

Gillian's experience of her changing identity demonstrates the stability and stubbornness of aspects of identity even in situations of extreme change. Although her new circumstances made it difficult for her to hold on to her former corporate identity, neither could she let it disappear completely along with her corporate job. In particular, she had a continued commitment to structure, planning and professionalism in doing business. In this sense, her corporate identity can be understood as a 'stubborn identity', which allows her to do three things: first, she can stabilize and secure her new identity by connecting it to what she was before:

And that's what would work for me, saying I'm an entrepreneur, and that bit says to me because I still have (my existing projects) and I've got another project I want to start next year. I'm an executive coach with two companies, people... even my PA says 'it's all really confusing, who are you?' I'm like, I'm an entrepreneur, I've got my fingers in lots of pies. There's also the sense of being... 'I'm an entrepreneur' says to me that I start businesses, I set businesses up and that's the piece that I'm really good at. I'm not really good at taking the business through the long term... and that's why I say bringing the corporate in... as so many entrepreneurs start and it just evolves organically, and there's a certain amount of romanticism about that, but I believe you can have that and have structure and then you create a framework that grows as the business grows. So for example, my business has business processes. I've got flow diagrams about how things work, so you're setting up a framework, a structure, and you feed the good ideas through it and there's a delivery... and a couple of my other friends who have been self-employed for a lot longer, they're coming to the same realization and that they're... it's not... there's something about the structure, having the structure and doing the thinking and the planning combined with the entrepreneurial spirit and the idea and the

concept. It gives me speed to market. People who have been talking about projects still haven't got them out there. I get them out . . . I get them out, I move quickly because if you set the infrastructure . . . this is my thing . . . if you set the infrastructure up for delivering the message, as soon as you've got something new the infrastructure is there, you just pump it out and it's very quick.

Second, she can differentiate herself from the broad population of small business owners in general and the population of coaches in particular:

I am professional . . . I've realized because that's the core value, and in developing the Website I worked with entrepreneurial people who weren't professional and that's what didn't work for me. There's a certain amount of professionalism, of the way things are done and that guarantees the quality of the service that you give to your customers . . . I raise the bar, I raise the bar and that's the feedback I've been given. People say you raise the bar . . . I show them . . . I sort of show them how they can be more professional in their business and as a result grow their business. It's not that small businesses are not professional . . . how do I describe it? . . . things like the logo and the branding, I had one client, they were notorious . . . it was terrible and they were trying to portray an image of being a Rolls Royce training company and the marketing materials were terrible and the training they had plastic, yellow . . . it was just so unaligned and I worked with them on aligning the brand and now the whole look and feel, looks like a Rolls Royce training company. It's about . . . you can have a small 'Mum and Pop' store . . . you know a lot of people can look at my Website and not realize I work from the kitchen table, and who says I have to have a big office to have a Website like that? You can be really professional just from wherever you are . . . I think a lot of businesses start out and they've got a crappy business card and a little tatty brochure, which is terrible and it's like how can you. . . ?

Third, the various dimensions of her corporate identity form a central part of the service she is developing for clients:

The key thing though is that there's a lot of people with great ideas, but they need to do something and they need to have the skills and structures to do it, you know . . . this is my theory . . . I bring structure, I tell them how to at least package their product and get a message out and what they need to do. That gives them structure so that they can plug their idea in and it just goes out, because so many people have great ideas but they don't do anything with them, and that's what the founder of Coffee Republic raises in her book, and I'm like 'yeah'. I've coached so many people with great ideas, but it's the difference between thinking and doing.

In creating her business, what Gillian has experienced is a constant movement between her old and her new identity:

. . . the professional brings in the structure and the entrepreneurial sits down and does the mind maps and the strategizing and I've often wondered . . . whether the professional might dampen . . . or because I'm stuck doing business processes I might miss out on a wow! or an aha! moment or a great idea, whether the professional structure dampens the entrepreneurial spirit, but then what I do is try and give each one its time. Like give myself time to just be totally ideas and you know . . . I give myself the time to do that, but at the end of the day you don't make money from just sitting down and writing ideas. I've got to build a business, it's about building the business.

Nevertheless, despite some concern over this coexistence, the emergence of a hybrid identity created out of the constant movement between her old and new sense of self provides Gillian with a feeling of security in herself, which she believes gives both her and her business credibility:

Exactly, I'm credible, but what it does is bring credibility and people say they can trust me and a lot of that comes from the professionalism, like when I run a workshop everything is branded: handouts, the structure is very professional and that's helped me get some really good speaking opportunities because it brings credibility.

However, Gillian does not want to claim that the credibility of her business solely emerges from her old corporate identity. She also emphasizes the importance of her new entrepreneurial self:

The thing is, the thing that I think is that you get a lot of business consultants and coaches who tell you how to do it. My philosophy is 'I want to do it' and then tell people how I did it, and that's what I think brings a lot of the credibility as well. Yeah, lead by example and that brings a lot of the credibility, because a lot of the feedback I get from my peers is that I raise the bar for them as well and they're like 'if Gillian can do it, so can I', you know, so I show them what's possible. . . It's quite hard for me because I'm always out of my comfort zone trying different things. I like to try them so I can then write about the experience and say what works and what didn't work, and that's part of the product. . . The thing is, it's built from me as an entrepreneur . . . you've got the Business Links and you've got formal government . . . but they all do it from a place of being a company. They don't know what it is like to be an entrepreneur, so they structure

their services from a point . . . and I used to do this when I marketed telecommunications: you market to SMEs from a place of being a corporate, not from the place of being an entrepreneur. . .

Although Gillian tries to create a balance between her old identity of corporate manager and her new identity of entrepreneurial business woman or entrepreneur, there is a lot of moral ambiguity around the label 'entrepreneur'. While she states above that this identity 'sounds quite cool', and she uses it in reference to herself when discussing her business; when asked specifically to define her identity she is loath to use 'entrepreneur' as her new identity and refers to herself as 'entrepreneurial'; 'a founder'; 'a creator'. In addition, although she presented a positive account of 'the entrepreneur', she also expresses some reservations about the intentions of the entrepreneur as an individual:

To me, when I say I'm an entrepreneur, in a sense it means venture capital, it means high stakes, it means equity, it means bond holders, it means high finance . . . and there's also something cold and steely about being 'I'm an entrepreneur' . . . it sounds sort of . . . to me it sounds sort of, you buy companies and you sell them, so there's no emotion attached. . . It has got . . . for me it has that sort of wheelie, deally, you know 'I'm an entrepreneur', yeah you know . . . it doesn't have much sort of heart in it, whereas I'm a founder, I'm a creator, it's got something . . . it's more, it's something you've created or founded, something solid . . . entrepreneur has a feel of taking 'this' and then passing it on, it doesn't have the sense of creating.

Nevertheless, despite the ambiguity surrounding her views about the character of the entrepreneur, overall it still is an identity that, from her perspective, is desirable:

. . . it's a great idea, but you know what, I sort of tend to lack around the idea . . . you know, I've read about the Coffee Republic and her passion and the passion . . . I would do anything for it and I still haven't found . . . I still haven't really ever felt that, so that's why I think I'm not a true entrepreneur, I'm a professional entrepreneur and that maybe one day I'll see a product, see something that I'll just be so passionate that I'll go off and do it, you know, but I'm still . . . not cautious, but I still plan and think before I leap.

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See overleaf for 'Teaching Note'

TEACHING NOTE

Gillian Gavin – developing an entrepreneurial identity

1. Synopsis

A former senior marketing director establishes her own coaching business. As well as developing the business, she is also in the process of developing and transforming her identity because of the new circumstances in which she finds herself. On first establishing the business, she made a stark differentiation between her old corporate self and her new entrepreneurial self, adopting the latter wholesale. However, she did not feel completely comfortable with this and began to reintroduce elements of her old corporate identity into how she ran and developed the business.

2. Learning objectives

- to explore the issue of identity formation within the context of establishing a new business;
- to consider how the abrupt loss of a previous 'large firm' identity impacts on the development of a new identity in a small business context;
- to explore how this process may impact on the development of a new business;
- to examine the interaction that occurs between an old and new identity;
- to assess how material circumstances may encourage or deter an individual from taking up a certain identity; and
- to explore the policy implications of the entrepreneurial identity formation process, in a policy context in which solutions to economic problems are invariably presented in terms of the need to encourage 'more entrepreneurs'.

3. Analysis and in-class discussion

This case is probably best used to explore the issue of entrepreneurial identity formation in a policy context in which the identity 'entrepreneur' is highly valued, while at the same time being surrounded by a significant level of moral ambiguity. The focus here is on an ex-corporate manager who, one might assume, would be willing to take up this identity to replace the lost corporate identity. However, identity formation within the context of loss is more complex than simply replacing an old identity with a new one.

Issue 1: The process an ex-corporate manager goes through in the early stages of setting up a new business, with a particular focus on how that individual perceives him or herself in the context of the new business. This question might be considered within the context of a consideration of the possible differences that might exist between an ex-corporate manager who is 'pushed' into business ownership and an ex-corporate manager who is 'pulled' into business ownership. This case centres on entrepreneurial identity formation within the context of loss, but a loss that was not chosen by the individual. How would such a context influence an individual's perception of his or her new circumstances and sense of self within these circumstances?

Issue 2: The orientation of individuals to the identity 'entrepreneur'. Most work on the character of the entrepreneur tends to focus on the traits of this particular individual and how we might identify entrepreneurs. Its orientation tends to be one that focuses on who we should or should not include in the category 'entrepreneur'. There is also an underlying assumption that individuals are eager to adopt this label. However, there is very little research on how individuals themselves orientate to this identity and the circumstances and reasons surrounding why they will or will not accept this categorization.

Issue 3: The moral ambiguity surrounding the character of the entrepreneur. The entrepreneur as an identity has a long history, with negative and positive traits attributed to it, both historically and in contemporary times. Up to the late 1970s the label 'entrepreneur' was a form of abuse within the UK context. How does this impact on current views of this economic character? How does this affect people's take-up of this identity?

Issue 4: The coexistence of a new entrepreneurial identity with an older corporate identity. How important are Gillian's two identities to the success of her business? Is one identity more important than the other? How does she prevent one identity from dominating the other?

Issue 5: In establishing an entrepreneurial identity, how important is recognition from peers? In working out who we are, it is often the case that we do this through a process of knowing who we do not want to be, before we feel completely certain about who we do want to be. How has interaction with other business owners affected Gillian's establishment of a new business?

4. Discussion questions

The following are case-end questions:

- (1) Would a male business owner be more likely to 'take up' the identity of entrepreneur than a female business owner?
- (2) How does the process of identity formation within the context of establishing a new business impact on the development of the business itself?
- (3) Do you agree with the association of the identity entrepreneur with significant business success?
- (4) Does Gillian Gavin strike you as someone who will achieve significant entrepreneurial success in the future? Why?