Role Overload, Growth of Obsessive Passion and Moderating Effects of Goals: A Study of Early Founders at Pitching Events

Abstract

Complementing prior research on the obsessive character of the passion entrepreneurs experience in connection to their ventures, and which helps them persist despite high difficulties and risk even when others withdraw, this study examines how the obsessive element of passion emerges and develops in early founders. This research proposes that stressed cognitions and limited cognitive processing in goal pursuit impact growth of the obsessive component over time. Specifically, we suggest role overload as a stressor that activates the obsessive element of passion and examine how different types of goals—degree of goal challenge and self-concordant goals—moderate the effect of role overload on obsessive passion. This research draws on a two-wave longitudinal survey of 45 early founders involved in pitching events to show that that stress in terms of role overload lead to an increase in the obsessive side of passion. Furthermore, our findings reveal that the positive effect of role overloaded is increased when coupled with challenging and self-concordant goals. Our study contributes to a better understanding of how obsessive passion emerges in entrepreneurs, suggesting that obsessive passion is a naturally evolving mechanism of coping with the high overload and weighty and important goals for the entrepreneurs themselves during early stages of entrepreneurial pursuits.

Keywords

Obsessive passion, role overload, stress, goal pursuit

Introduction

Passion for work generally and entrepreneurial passion specifically has been defined as a consciously accessible intense positive feeling accompanied by cognitive and behavioral manifestations of high personal value toward a self-defining activity (Cardon, Wincent, Singh, & Drnovsek, 2009; Chen, Yao & Kotha, 2009). Passion is thought to be a highly prevalent feeling entrepreneurs have in connection to their venture, and has been recognized as of the most important aspects of entrepreneurship (Smilor, 1997). Entrepreneurial passion appears to be a key determinant of new venture success: it leads to persistence despite difficulties, higher self-efficacy (Baum and Locke 2004), creativity, successful acquisition of competitive resources such as capital and personnel (Cardon 2008), and even higher performance and growth of the new venture (Schindehutte, Morris, and Allen 2006). The entrepreneur's passion is closely intertwined to their motivation, goals, behavior (Baum and Locke 2004) and identity (Cardon, et al. 2009; Cardon, Grégoire, Stevens 2012).

Obsession and passion are words frequently associated with entrepreneurs and entrepreneurship in the popular and business press, as exemplified by Isaacson's (2011) biography of Steve Jobs. Anita Roddick is credited with saying "How do you teach obsession? Because it is obsession that drives the entrepreneur's commitment to a vision of something new" (Allen 2008). In the scholarly literature on entrepreneurship, the terms "obsession" or "obsessive passion" are also readily evident. Timmons, Smollen and Dingee (1990) observe that entrepreneurs are "opportunity obsessed", and Byer, Kist, and Sutton (1997) find it a characteristic of entrepreneurs. Harmeling (2011) finds a private obsession can fulfil a public need through the agency of entrepreneurship. Cardon et al. (2009) acknowledge that the experience of entrepreneurial passion may produce obsessive response patterns, labeled as s negative outcome.

Yet, not much is known about how entrepreneurs come to develop this feeling of obsessive passion, nor about how passion tips over from the typical harmonious kind into an obsessive one and or about which situational context promotes this pattern. An answer to that may come from another very prevalent phenomenon in entrepreneurship, that is stress and role overload, a phenomenon shown to increase entrepreneurs' susceptibility to biased appraisals that leading to extreme, one-sided emotion such as obsessive passion.

This work tries to tackle these questions by looking at the emergence and early development of passion in a sample of nascent entrepreneurs in a typical environmental context. We theorize obsessive passion as a natural coping mechanism emerging as a response to the goal striving stress specific to the early phases of new venturing. On this account we test the effect of high workloads on the emergence of obsessive passion, while considering the moderating effects of the individual goal striving of the entrepreneur.

Information processing theory, role overload and the development of obsessive passion

Basic research on human cognition suggests that our capacity to select and process information about the world around us is severely limited and can readily be exceeded. The bounded rationality perspective and the literature about causes behind limited informational processing is especially relevant for founding entrepreneurs. Operating under high-pressure conditions to accumulate start-up resources and revise their initial business model leaves them vulnerable for information processing biases and errors. As founding a venture is characterized by numerous commitments, deadlines, time pressures and pressured evaluations (Baron, 1998), early stage entrepreneurs are often found in situations that can overload their information-processing. Early founders have many different tasks that have to be attended to, and the high majority of them are

stressful: presentations in front of highly critical audiences, approaching potential customers and partner, selling a prototype product. In these efforts to launch and develop new ventures, these entrepreneurs face a daunting array of potential stressors, one of the most important being the intense workloads, or role overload. Role overload is a role-stressor representing the degree to which persons are overtaxed cognitively as a result of being under time pressure and having too many commitments and responsibilities, relative to the available capabilities and resources (Reilly, 1982).

There are reasons to believe that role overload influence information processing abilities with relevance in explaining the growth of the obsessive component of passion. While being overloaded, the cognitive processing of the surrounding stimuli is compressed. This leads to selective attendance to information and one-sided processing of information, to lowered attention and working memory. In such a condition, the entrepreneurs' field of vision is narrowed, and their appraisals turn more black and white, more definite and less tentative, resulting in a "rosy", over-simplified view on reality (Kahneman & Lovallo, 1994). The growth of the obsessive component is likely to have its origin in this biased information processing. Entrepreneurs, as all individuals, will seek for coherence in information processing while being overloaded. As known from experimental research, individuals assess contextual stimuli around them in a way that is congruent with their desired states and tend to seek supporting evidence for them instead of discounting evidence (Gollwitzer & Moskowitz, 1996; Russo & Schoemaker, 1992). This means entrepreneurs will have an implicit ambition of striving for coherence through assimilating information that matches prior beliefs and desires. Moreover, they will tend to not revise their initial estimate after receiving new data, due to the initial overconfidence. In a situation of

overload, this lead to coherence through the use of as little processing effort as necessary and only evaluating information to support own beliefs (Allport, 1954).

As a result of the above biases, entrepreneurs will adopt a narrow-minded focused view on the situational context around them, which will anchor their beliefs about future results on wishful plans, optimistic images of the future and success scenarios. Early founders with high overload are especially prone to select and interpret information in a bold, unreasonably optimistic manner, congruent to their desires, because they by definition lack experience and knowledge about outcomes of previous related situations (Kahneman & Lovallo, 1994). When assimilating and processing information in this way, entrepreneurs will not only prefer to cling to their interests and expectancies and to see the world in a way consistent to what they already believe; but also, their strong expectations will lead them to filter or ignore inconsistent information, because the place available to process thoughts opposing their wishes and desired states is lowered. Consequently, entrepreneurs will appraise cues in a way that reinforces their wishes and beliefs, while neglecting negative feedback and possible downsides of their business undertakings. As such, overloaded entrepreneurs will have activated optimistic appraisals of the chances of success of the business undertaking and be at risk that desirability-related information regarding the business idea will be processed in a partial manner favoring pros over cons (c.f. Beckmann & Gollwitzer, 1987). The exaggerated belief in the business idea, together with the feeling of potency will spark off obsessive passion and hence a persistent involvement in entrepreneurial venturing despite potential objective difficulties, characterized by very proactive behavior and a readiness to face and eliminate even high obstacles. Therefore, we posit:

H1: Role overload will positively influence the development of the obsessive element of passion in early founders.

The moderating effect of challenging and self-concordant goal pursuits

Goal Challenge

The level of goal challenge is characterized by how difficult or complex the task is, based on task content, its intensity, or the probability of succeeding (Fried and Slowik, 2004; Locke, 1996; Locke and Latham, 2002; Locke et al., 1981). Perceiving a high discrepancy between the actual and the desired state will occupy extra cognitive capacity. Overloaded entrepreneurs already have little cognitive capacity to process all informational stimuli that arise around them, even less so when cognitive space is further lowered by the difficulty of the goal they are trying to achieve (Keh, Foo & Lim, 2002). Therefore, the tendency to attend only to specific information is exacerbated in the case of overloaded entrepreneurs with difficult goals.

H2: Goal challenge will positively increase the effect of role overload on the development of the obsessive element of passion in early founders.

Goal self-concordance

The concordance between the self and a goal refers to the degree to which stated goals express enduring values of the individual (Sheldon & Elliot, 1999). A high concordance between the set goal and the self implies that the desired outcome of the business pursuit is very close to the heart of the entrepreneur, with his or her self-esteem and ego – that is, the self - depending on achieving it. Because goals with high self-concordance are representative of high-held values, the volitional strength (Gollwitzer, 1990) behind them is likely to intensify the use of the strategy of coherence by overloaded entrepreneurs. Not achieving the high self-concordant goal will constitute a bigger threat to the integrity of the self, and therefore entrepreneurs will be even

more biased towards the desired, imagined future outcomes when making appraisal of the desirability, feasibility of their business idea and control over its implementation.

H3: Goal self-concordance will positively increase the effect of role overload on the development of the obsessive element of passion in early founders.

Methods

[The methods section of this work is still in a development stage, but will be finished until the conference.]

Data Collection

The longitudinal data were gathered on a sample of 45 nascent entrepreneurs in Berlin, Germany, in June-September 2014, in the context of three highly intense weekend-long pitching events provided with monetary prizes. During the event, the entrepreneurs had to face different challenges, outplay their business ideas or their prototype offering against opponents, and pitch in front of investors. The sample comprised nascent entrepreneurs, who, however, already started acting upon their business idea and were either far in the ideation stage or already in the implementation stage of the new venture process.

The entrepreneurs in the study already selected and committed to the goal of turning their business idea into real businesses. Thus, they were not in the decision phase anymore, but already in the implemental phase of the goal pursuit (Gollwitzer,1990).

The data was collected by administering a survey instrument at two time points, once before the pitching weekend event and the second at the end of the event. Prior to administering it, the

survey was piloted with a small group of doctoral researchers, other experts and entrepreneurs who gave feedback and advice.

Data analysis

Table 1: Pearson's Correlations between variables

n=45	1	2	3	4	5	6	7	8	9	10	11
1. Obsessive element of passion	1.00	.06	-.07	-.17	.42**	.18	.55***	-.13	-.14	-.39**	.48***
2. Age	.06	1.00	-.03	.41	.43**	.67***	-.05	-.01	.01	.09	-.03
3. Gender	-.07	-.03	1.00	.09	.13	.08	-.01	.11	.07	.22	-.34
4. Education	-.17	.41**	.09	1.00	.08	.20	.12	-.06	-.01	-.18	.04
5. Founding experience	.42	.43**	.13	.08	1.00	.63***	.24	-.01	-.03	-.08	-.01
6. Work experience	.18	.69***	.08	.20	.63***	1.00	.11	.02	-.23	.18	-.17
7. Role Overload	.55***	-.05	-.01	.12	.24	.11	1.00	-.05	-.23	.18	.54***
8. Goal Challenge	-.13	-.01	.11	-.06	-.01	.02	-.05	1.00	.07	-.17	-.10
9. Goal Self-concordance	-.14	.01	.07	-.01	-.03	-.23	-.23	.07	1.0	-.08	.16
10. Overload * Goal Challenge	.39**	.09	.22	-.18	-.08	.18	.18	-.17	-.08	1.00	.17
11. Overload * Goal Self-concordance	.48***	-.03	-.04	.04	-.01	-.17	.54***	-.10	.16	.17	1.00

*** Correlation is significant at the .001 level (2-tailed)
** Correlation is significant at the .01 level (2-tailed)
* Correlation is significant at the .05 level (2-tailed)

Table 2: Hierarchical regression analysis: independent and interaction effects on the obsessive element of passion

	Base Model	*Independent effects only*	*Interaction effects*
Age	-.05	.15	-.00
Gender	-.11	-.05	-.14
Education	-.16	-.29*	-.16
Founding experience	.52**	.37*	.44**
Work experience	-.07	-.16	-.1
Role Overload		.50***	.22
Goal Challenge		-.11	-.02
Goal Self-concordance		-.05	-.12
Overload * Goal Challenge			.27**
Overload * Goal Self-concordance			.32**
R^2	.49 †	.69**	.77***
Adj. R^2	.24 †	.48**	.60***
ΔR^2	.14 †	.36**	.48***

Note: Standardized regression coefficients are displayed in the table.
†p<.1;**p < .05; **p < .01; ***p < .001; n=45.

Discussion

The main hypothesis was supported ($\beta = 0.50$, $p < 0.001$), confirming the idea that role overload positively influences the development of obsessive passion in nascent entrepreneurs.

Regarding the moderating effect of goal challenge, the interaction effects model shows that the interaction between role overload and goal challenge is positive and significant ($\beta = 0.27$, $p < 0.05$). Hypothesis 2 is supported. To plot this interaction, role overload and goal challenge took the values of one standard deviation below (i.e., low level) and above (i.e., high level) the mean. The plot of the interaction is shown in Figure 1. Consistent with Hypothesis 2, Figure 1 shows a positive relationship between role overload and the obsessive element of passion when goal

challenge is high. Moreover, it also reveals that overloaded entrepreneurs with easy goals (i.e., low level of goal challenge) decrease their obsessive passion.

Similar relations hold true for the goal self-concordance moderator.

The results suggest that there are goal content variables that are responsible for much of the difference in obsessive passion.

Figure 1: The interaction effect between role overload and goal challenge on the degree of obsessive passion.

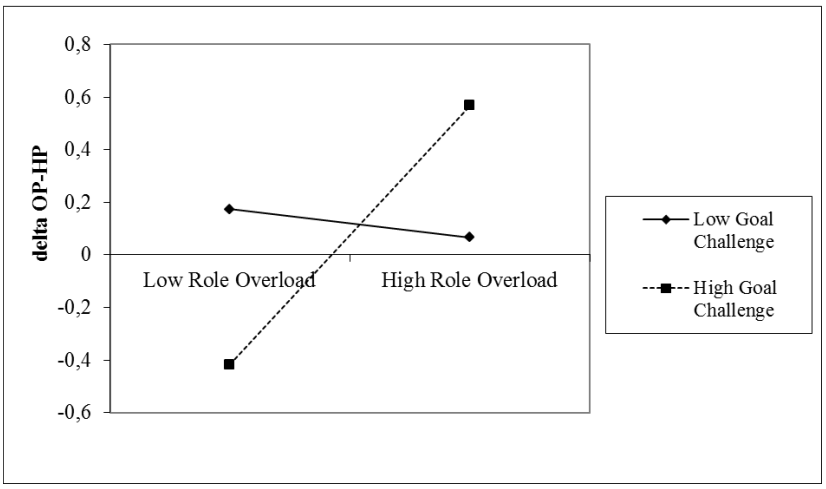
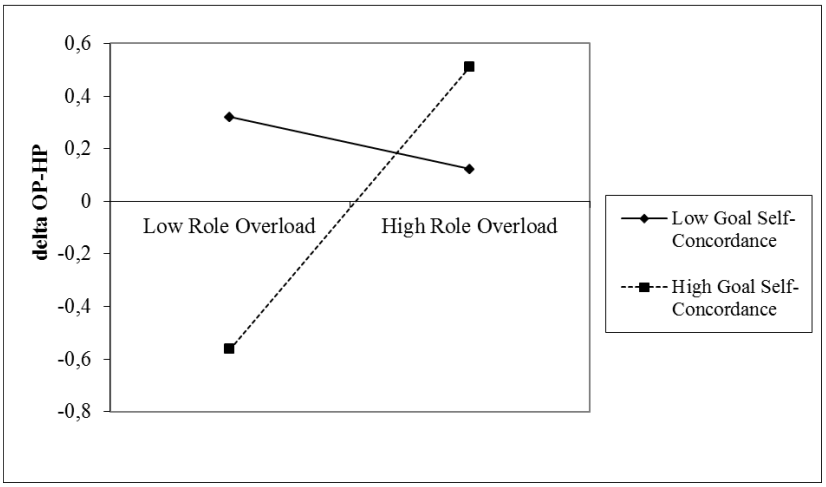


Figure 2: The interaction effect between role overload and goal self-concoedance on the degree of obsessive passion.



Conclusion

A better understanding of obsessive passion requires acknowledgment of other common phenomena intrinsic to the entrepreneurial pursuit such as overload. The time pressure and multitude of commitments entrepreneurs face on a daily basis will bring about an one-sided processing of affect-relevant information about the chances of success of their business ideas, activating in this way the obsessive side of passion.

References

Baron, R. (1998). Cognitive mechanisms in entrepreneurship: Why and when entrepreneurs think differently than other people. *Journal of Business Venturing*, 13, 275–294.

Baron, R. (2008). The role of affect in the entrepreneurial process. *Academy of Management Review*, 33(2), 328–340.

Baum, J. R., & Locke, E. a. (2004). The relationship of entrepreneurial traits, skill, and motivation to subsequent venture growth. *The Journal of applied psychology*, 89(4), 587–98.

Breugst, N., Domurath, A., Patzelt, H., & Klaukien, A. (2012). Perceptions of entrepreneurial passion and employees' commitment to entrepreneurial ventures. *Entrepreneurship Theory and Practice*, 36(1), 171–192.

Busenitz, L. & Arthurs, J. (2007). Cognitions and capabilities in entrepreneurial ventures. In J.R. Baum, M. Frese, & R. Baron (Eds.), *The psychology of entrepreneurship* (pp. 131–150). Mahwah, NJ: Lawence Earlbaum.

Cardon, M. (2010), Entrepreneurial Passion: Sources and Sustenance. Wilson Center for Social Entrepreneurship.

Cardon, M. S., Foo, M.-D., Shepherd, D., & Wiklund, J. (2012). Exploring the Heart: Entrepreneurial Emotion Is a Hot Topic. *Entrepreneurship Theory and Practice*, 36(1), 1–10.

Cardon, M., Gregoire, D., Stevens, C., & Patel, P. (2012). Measuring entrepreneurial passion: Conceptual foundations,scale validation. *Journal of Business Venturing*, 28(3), 373–396.

Chen, X.-P., Yao, X., & Kotha, S. (2009). Entrepreneur passion and preparedness in business plan presentations: a persuasion analysis of venture capitalists' funding decisions. *Academy of Management Journal*, 52(1), 199–214.

Davidsson, P. & Honig, B. (2003). The role of social and human capital among nascent entrepreneurs. *Journal of Business Venturing*, 18, 301–331.

Deci, E. L., & Ryan, R. M. (2000). The ''what'' and ''why'' of goal pursuits: Human needs and the self-determination of behaviour. *Psychological Inquiry*, 11, 227–268.

Forgas, J. (1995). Mood and judgment: The affect infusion model (AIM). *Psychological Bulletin*, 117, 39–66.

Hidi, S. & Renninger, A. (2006). The Four-Phase Model of Interest Development. *Educational Psychologist*, 41(2), 111 – 127.

Isen, A. (2000). Part V: Cognitive factors. In M. Lewis & J. Haviland-Jones (Eds.), *Handbook of emotions* (2nd ed., pp. 417–435). NewYork: Guilford Press.

Koestner, R., & Losier, G. F. (2002). Distinguishing three ways of being highly motivated: A closer look at introjection, identification, and intrinsic motivation. In E. L. Deci & R. M. Ryan (Eds.), *Handbook of self-determination research*.

McClelland, D. C., Atkinson, J. W., Clark, R. A. & Lowell, L. (1953). *The achievement motive*. New York: Appleton-Century-Crofts.

Murnieks, C. Y., Mosakowski, E., & Cardon, M. S. (2012). Pathways of Passion: Identity Centrality, Passion, and Behavior Among Entrepreneurs. *Journal of Management*.

Renninger, A. (2006). Interest and Identity Development in Instruction: An Inductive Model. *Educational Psychologist*. 44(2),105-118.

Schwartz, S. H. (1996). Value priorities and behavior: Applying a theory of integrated value systems. In C. Seligman, J. M. Olson, & M. P. Zanna (Eds.), The psychology' of values (pp. 1-24). Mahwah, NJ: Erlbaum

Schwartz, S. H., & Bardi, A. (2001). Value hierarchies across cultures: Taking a similarities perspective. *Journal of Cross-Cultural Psychology*, 32: 268–290.

Shapero, A. & Sokol, L. (1982). The social dimensions of entrepreneurship. In C. A. Kent, D. L. Sexton & K. H.Vesper (Eds.), Encyclopedia of entrepreneurship 72-90. Englewood Cliffs, N. J.: Prentice Hall.

Shane, S., Locke, E., & Collins, C. (2003). Entrepreneurial Motivation. *Human Resource Management Review* 13, 257–79.

Vallerand, R. (2008). On the psychology of passion: In search of what makes people's lives most worth living. *Canadian Psychology*, 49(1), 1-13.