An Interpretive Phenomenological Study Investigating the Perceived Impact of Role Models on Founders' Entrepreneurial Process and Leadership Development in German Digital Startups

Philipp Christian Jauch

A thesis submitted in partial fulfilment of the requirements of Edinburgh Napier University, for the award of Doctor of Business Administration

March 2020

Abstract

This phenomenological study investigates the perceived impact of role models on founders' entrepreneurial process and leadership development. The study addresses practical and theoretical challenges in entrepreneurship based on the conditions of entrepreneurs, as described in social capital theory, with an emphasis on role models.

In the context of digitalisation and low interest rates, increased interest has been shown in startups. An ongoing role for startup founders is to provide sustainable company growth. However, over 90% of new ventures fail. Consequently, a key question in the domain of entrepreneurship concerns why some individuals succeed while others do not.

This qualitative study uses an interpretive phenomenological design with data collection techniques taking the form of 12 semi-structured interviews in the sample of entrepreneurs, each a founder of a respective German digital startup. With an underpinning from a social constructionist perspective, all interviews were recorded, subsequently transcribed, and analysed using framework analysis.

The outcome of the analysis is a conceptual framework that broadens the understanding of how founders reflect on and make use of role models; the conceptual framework comprises the startup proximal outcomes of role modelling. For the founders, their role models must be of personal relevance. Having role models to turn to can help entrepreneurs during the entrepreneurial process by giving them entrepreneurial expertise, especially in recognising the importance of entrepreneurial leadership during this process. Therefore, outcomes regarding company growth in the founders' context are a shaped company culture towards scale and a leadership methodology enabling growth.

Role models emerge as a source to which entrepreneurs can turn when tackling the challenge of growth in their startups, and the study helps entrepreneurs to better cope with the challenges of growing their startups by recommending that entrepreneurs utilise role models as learning point and growth enablers.

Acknowledgements

Declaration

I declare that the work has not been submitted for any other degree or professional qualification.

I also declare that the thesis is the result of my own independent work based on my personal study and research and that I have referenced and listed all sources as appropriate.

Signed: _____

Philipp C. Jauch

Contents

List of Figures

List of Tables

1 Introduction

1.1 Chapter Overview

This chapter provides the reader with the context underlying the research. The introduction presents the background of the study describing why the area is important and investigated. This statement is followed by positioning the researcher. Then, the research context of the study is discussed, after the overall aim and objectives of the work are introduced. Before the introduction is briefly summarised, the structure of the thesis is presented.

1.2 Background of the Research Study

1.2.1 Startup Boom and Failure

High company valuations, freedom of action, and glorified success stories from famous entrepreneurs like Richard Branson, Elon Musk, or Oliver Samwer tempt people to become entrepreneurs. The idealised concept in the domain is to turn a business idea into a viable, growing business with a high firm value. Startup founders eventually want to be the next Elon Musk or Oliver Samwer.

Such success stories, paired with the idealisation of startups, might be one set of reasons that the number of startups increased (Gauthier, Stangler, Penzel, Morelix, & Arora, 2019; Shane, 2009). Another reason is that policy makers try to encourage new venture creation (Shane, 2009). If this stimulation is not enough, the boom of startups is ignited by rock-bottom interest rates, which lets more capital flow into the domain and decreases difficulties with funding (Achleitner, Braun, & Kohn, 2011; Kollmann, Hensellek, Jung, & Kleine-Stegemann, 2018; Overall & Wise, 2015). However, it is not the total number of new ventures that has grown, but specifically the number of startups, which are companies striving for significant growth (Graham, 2012; Kollmann et al., 2018). Startups around the globe continue to grow, and they doubled their total value in 2018, compared to 2013, reaching a value exceeding United Kingdom's annual gross domestic product (Gauthier et al., 2019). Therefore, increasing numbers of entrepreneurs are becoming founders of startups, considered as a specific type of venture (Graham, 2012; Kollmann et al., 2018).

Especially in the context of digitalisation, an increased interest has been shown in startups, and nearly one in every two startups is strongly related to new technology and digitalisation (Gauthier et al., 2019). Therefore, the digital economy is predominantly an important sector for startups, which are becoming more important from a macroeconomic perspective (Kollmann et al., 2018).

While the domain is growing, however, it is not becoming more efficient. Most startups withdraw from business, discontinue voluntarily or eventually file for bankruptcy (Sarasvathy, Menon, & Kuechle, 2013). Only one in 12 entrepreneurs is counted to succeed with a startup with respect to surviving in the market (Gauthier et al., 2019). Additionally, one in three entrepreneurs has had an unsuccessful entrepreneurial experience before. Thus, most startups fail, and not only does this high rate of failure have consequences for the entrepreneurs themselves, but also investors and society suffer from it (Cacciotti, Hayton, Mitchell, & Giazitzoglu, 2016). Aside from monetary costs, the burden of risk in entrepreneurship implicates also psychological losses and economic inefficiencies (Singh, Corner, & Pavlovich, 2015).

Ries (2011) states that most startups cannot live up to their potential and therefore fail, even with a promising start. Gauthier et al. (2019) describe that most entrepreneurs fail in maintaining a balance between external traction and internal scale, which makes growth unsustainable, since startups tend to exaggerate scaling internally before external traction is in balance.

Therefore, the question is whether entrepreneurs either misunderstand the opportunities or cannot unlock their organisational or personal potential. Unfortunately, little advice is available for existing startups, neither from practice nor from the literature (Rosa, 2013). With that said, the specific company type of a startup or the different stages in the lifecycle of a startup are mostly neglected in answering this question, and too much emphasis is put on how to manage companies that are already established in the market (Overall & Wise, 2015). The start-up and growth stages of a startup are important for growth, however, because they are the foundation of producing extraordinary results (Gerber, 1995). Yet, the importance of these stages has often been ignored in recent entrepreneurship research.

1.2.2 The Role of Entrepreneurship Research

For the above reasons, no significant information on improvement for entrepreneurs and their startups can be attributed to research. Moreover, the overall practical contribution of entrepreneurship research has declined since the 1990s, and Rosa (2013) criticises that practitioner agenda is not addressed in detail. While the understanding of new venture creation and venture capital has improved, little progress can be found on how entrepreneurs act in scaling startups (McKelvie, Brattström, & Wennberg, 2017).

The academic perspective on entrepreneurs varies from perceiving them as innovative drivers to describing them as people with high achievement orientation (cf. McClelland & Winter, 1969; Schumpeter, 1934). Furthermore, various characteristics and skills are typically associated with entrepreneurs (McClelland, 1987). However, since individual characteristics have been examined without finding an optimal approach on the basis of mostly positivist-oriented research, the entrepreneurial process must be emphasised from the entrepreneur's perspective to gain a deeper understanding of the phenomenon (Shane, 2012). During the entrepreneurial journey, something like entrepreneurial expertise, described as a favourable form of entrepreneurial behaviour, might develop in entrepreneurs (Sarasvathy, 2001). This development stands out as a process in which existing resources, comprising an entrepreneur's financial, human and social capital, are recombined to pursue an objective (Shane, 2012). In this context, little is known about role models as a form of social capital and their ability to help entrepreneurs to learn and develop in their entrepreneurial journey, whereas human and financial capital are investigated in more detail (Gompers & Lerner, 2006; Kessler & Frank, 2009).

Consequently, the key questions, becoming even more relevant considering the startup boom, regard why some individuals start new ventures and others not and why some of these individuals are successful in sustaining growth while others are not (Baron, 2004). Investigating these key questions in relation to role models as a stimulus and a success factor can contribute to a broadened understanding and help to fill the research gaps around social capital with respect to role models in entrepreneurship.

As the numbers prove, starting up a new venture with initial growth is no general practical issue, but making the venture grow sustainably and survive in the market has become a real practical issue in recent years, and the research on this subject has offered no significant improvement in Germany so far, which substantiates the research gap. However, people who have succeeded in entrepreneurial ventures may represent role models that serve as a good resource for founders, helping them in sustaining growth in their startups.

Therefore, the question is how to help entrepreneurs to stumble less, not in starting the venture but in growing it. One perspective is social capital in the form of role models and their social impact on founders during the entrepreneurial process, comprising leadership development. More specifically, the proximal outcomes regarding growing the business while maintaining a balance between internal scale and external growth. Consequently, this approach might offer some indication of why some individuals have become successful entrepreneurs and implies that entrepreneurship is a process that can be learned, rather than entrepreneurs being defined only by personal characteristics. Within this observation lies also the personal motivation of the researcher for conducting this study.

1.3 Positioning the Researcher

Working for several years with German startups gave the researcher first-hand experience in the domain from both the investor and the business perspective. Being a shareholder and responsible for growth during the growth stage of a startup illustrated practical, context-specific issues and demonstrated organisational requirements regarding leadership to facilitate company growth. Alternatively, analysing and consulting several startups provided a more general perspective on the domain and revealed common themes in startups. As a result, startups often shared the same problems, but leadership approaches varied. Entrepreneurs reacted differently in regard to their developed skill sets and backgrounds.

Since entrepreneurs with relevant work experience can make fatal mistakes, while unexperienced entrepreneurs often make the right decisions, the idea emerged that these decisions cannot be attributed only to luck and contingency.

Favourable forms of prior entrepreneurial exposure other than personal experience might exist in entrepreneurs' networks to become successful startup entrepreneurs. Additionally, having access to a network of startup founders in Germany seemed to serve as a potentially good, significant, and valid database for such a study, since Germany is a relevant country for both startups and family enterprises, and family could be a form of entrepreneurial exposure for startup founders. For the purpose of comparability, the present study is limited to Germany, because the problem was observed in the German context and if policies, infrastructure and environment are similar for entrepreneurs, the behaviours of entrepreneurs and the impact and availability of entrepreneurial exposure might also be similar.

The most significant issue for the development of the study was to put the observed practical problem into a researchable context with consideration of feasibility, originality, authenticity, and self-reflexivity. During the process of developing the study, however, the approach to the study became more distinct, the purpose clearer, and a contribution to theory and practice emerged. Moreover, having considered the underlying assumptions as a practitioner made narrowing down and embedding the study in recent research more reasonable, to weaken the assumptions and biases of the researcher's own experience in the field. This reflexivity and self-disclosure about potential involvement in the study is an element required of a qualitative researcher and describes the positioning of the researcher (Creswell & Poth, 2018).

One step towards that positioning was the awareness of the underlying assumptions and beliefs linking to the research process. The strategy of the research process comprised the methodology for this study, and the study's logic is discussed in terms of its ontology, epistemology, and axiology. The research paradigm then had to address to an ontological, an epistemological, and a methodological question (Guba & Lincoln, 1989).

The methodology for this study deployed a phenomenological design, based on an interpretive paradigm in epistemology (about knowing). The epistemology justified a relativist ontological position (about being) and vice versa (Patterson & Williams, 1998).

To maintain consistency, another dimension became relevant, axiology (about acting), which finally justified the epistemological position. The epistemology then set the limitations on what is achievable from that paradigm (Patterson & Williams, 1998). Therefore, axiology is about value and morality or the way to write about things in this study (Creswell & Poth, 2018). Axiology describes what lies behind a good study and a good researcher.

This study required a researcher who is reflexive and able to interpret context-sensitive knowledge with methods that fit the problem, since individual perceptions mattered (McBride & Wuebker, 2014). The assumption was that individuals and their context are closely linked and can only be investigated in the form of individual perceptions (Taylor, Bogdan, & DeVault, 2016). On that point, qualitative methods were considered suitable to gain in-depth knowledge from small samples. For this study, semi-structured interviews supplemented with field notes seemed appropriate to gain detailed information about the interviewees' individual perceptions and to put an emphasis on meaning of their experiences.

The experience of the problem, to date, has demonstrated that subjective practical observation might be transferable to a larger context as well and that entrepreneurship theory could offer neither a comprehensive understanding nor practical solutions to address the issue. Out of this recognition, the overall aim and objectives for the study emerged.

1.4 Overall Aim and Objectives

Following from the background of the study, the idea was to conduct a study into understanding the perceived impact of role models on the entrepreneurial process and leadership development from the perspectives of founders.

This study considers that one success pattern in entrepreneurship possibly lies in the founders' leadership development and entrepreneurial process, and thus entrepreneurial leadership might be as important as the context for sustainable growth in startups (Zaech & Baldegger, 2017).

Role models then might be a key impact for entrepreneurs and facilitate, according to social capital theory, the acquisition of entrepreneurial leadership behaviour (Brown & Treviño, 2014; Tarling, Jones, & Murphy, 2016).

Aligned with the research aim, the research objectives framed the study. The four objectives set the focus and boundaries and were as follows:

- to critically examine individual-level and contextual factors related to entrepreneurs with possible impacts on entrepreneurs' leadership development and entrepreneurial process, building on and extending the research streams of entrepreneurship and leadership with an emphasis on role models;
- to determine the perceived impacts of role models on founders in the entrepreneurial process in order to offer a critical reflection on role models in the context of startups;
- to reveal success patterns in the leadership behaviour of founders as perceived outcomes of role models as a source of entrepreneurial exposure in the context of German startups, in order to understand whether role models may be particularly relevant for entrepreneurial leadership in digital startups;
- to develop, based on the literature review and empirical findings, a conceptual framework of perceptions of role modelling in the entrepreneurial context to guide current and future founders to turn to role models to inspire social interaction and sustain growth in the context of their startups.

1.5 Research Context

In the context of digitalisation, increased interest has been shown for startups, which predominantly have an important role to play in the digital economy and are thus becoming more important from a macroeconomic perspective. However, most new ventures still fail, and many founders are inspired by only a few success stories (Sarasvathy, 2001).

Consequently, a key question in the domain of entrepreneurship regards why some individuals succeed while others do not. Subsequently, it needs to be explained why some individuals seek to start new ventures in the first place while others do not (Baron, 2004). The limited understanding of success patterns in entrepreneurship lies in the heterogeneity of the domain (Shane & Venkataraman, 2000). Entrepreneurs act in non-existent or nascent markets, and there is a contingency factor in entrepreneurship (Thiel & Masters, 2014). Moreover, decision making has to take place in the absence of pre-existent goals and under uncertainty pertaining to the future, since predictability is limited without data (Sarasvathy, 2001). Additionally, entrepreneurs are exposed to a constantly changing environment and might pass through different stages over the lifecycle of a venture, thus needing to play more than one role in different stages (Cardon, Wincent, Singh, & Drnovsek, 2009; Gerber, 1995). An ongoing role for founders is to provide a clear vision, values, strategy and principles for the company through leadership (Thiel & Masters, 2014; Zaech & Baldegger, 2017).

The two key questions are both strongly emphasised in recent research in the debate as to whether entrepreneurs are born or made (Vecchio, 2003). One research stream examines differences in entrepreneurs to point out promising entrepreneurial traits in contrast to entrepreneurial-context research that focuses on the entrepreneurial process and entrepreneurs' external influences (Vecchio, 2003). In addition, the overlap of entrepreneurship and leadership is addressed by only a few studies and mostly neglected in the debate, although the development of startups is strongly tied to leadership and therefore relevant for success (Zaech & Baldegger, 2017).

The explanation of individual-level and contextual factors for entrepreneurs is based on different point of views regarding the debate as to whether entrepreneurs are born or made (Vecchio, 2003). The debate is closely linked to concepts in general entrepreneurship theory. Whereas neoclassical equilibrium and psychological theories focus on the attributes and characteristics of entrepreneurs, Austrian theories assume that the entrepreneurial process depends on factors other than individual abilities (Shane, 2000).

Although there is no common understanding of entrepreneurship and despite that theories are borrowed from sociology, psychology, and economics, the understanding of the discipline can be enriched with context-specific definitions and studies (Rosa, 2013).

Entrepreneurship is a younger field of research, compared to management or leadership theory, and it emerged as a phenomenon that cannot be explained properly by related theories (Sarasvathy & Venkataraman, 2011). Since entrepreneurship is generally perceived as a process of creating and running a new venture, the sector associated with entrepreneurship is the small business sector, but startups distinguish themselves from typical small and medium-sized enterprises (SMEs) in terms of their ability to grow. However, the understanding of the small business sector contributes to entrepreneurship studies, and the two company types are often associated (Lundstrom et al., 2014).

Both startups and SMEs are about the organisation of resources and people around an idea by an entrepreneur. The 'start-up' phase, with a hyphen, typically describes the early stages in the lifecycle of any newly founded venture and focuses on the act of starting. Therefore, and to make the distinction clear, when the term 'startup' is used in this study, companies designed to scale fast in revenue and employees are meant, which could also be in business for several years (Graham, 2012; Kollmann et al., 2018). Characteristics such as the growth orientation and scalability of startups contrast the typical SMEs that ideally grow gradually and focus on profits (Gompers & Lerner, 2006).

Since this explicitly distinguished type of company designed to grow has seldom been a subject of study, startups will serve as a subject for this study to broaden the understanding of the field and to emphasise the relevance of context (Zaech & Baldegger, 2017). Accordingly, the term 'startup' in this context describes a firm placed on a continuum from being recently formed to reaching maturity. This continuum can encompass several months or a few years, and maturity is reached when there is no significant increase either in the number of people working for the company or in annual revenue.

This definition is not based on hard data, since employment and revenues differentiate considerably between industries. It is based on interpreting a startup as a state of mind with the ability to grow as common thread, independent of industry. The number of startups, the funding, and consequently the value startups create has grown around the globe in recent years (Gauthier et al., 2019). While Silicon Valley in the United States of America is the biggest ecosystem for startups, Western Europe has produced three of the top 10 startup ecosystems, situated in London, Paris, and Berlin (Gauthier et al., 2019).

Typically, startups have a seed stage, a start-up stage, a growth stage, a later stage, and a steady stage (Kollmann et al., 2018). Not until the steady stage does a startup stop growing significantly. In the start-up stage, initial revenues can be generated with a minimal viable product before a company starts to scale fast in customers and revenue and enters the growth stage. However, these stages are not unique to startups, but only startups aim to go through a period of rapid growth, the so-called growth stage. In this respect, success is perceived as maintaining the growth of the startup without running out of cash until the company reaches a later or steady stage. Therefore, a startup successfully ceases being a startup when the company is sold or becomes profitable long term. The study targets startups, since predicting their performance and success under constraints remains a very difficult problem in research and practice.

Moreover, the introduced definition takes into account the emergence of a new kind of digital startups, due to the rise of the Internet in the 1990s (Thiel & Masters, 2014).

Nowadays, two out of three startup business models in Germany must be categorised as digital (Kollmann et al., 2018). This development results in startups with the ability to grow, no track record, and tremendous uncertainties becoming more and more popular with entrepreneurs. Being entrepreneurial carries a need to understand and work with people who decide and act on things that bring the future into existence (Sarasvathy, 2001). Entrepreneurs believe in some way in a yet-to-be-realised future that can be shaped by their actions (Read & Sarasvathy, 2005).

In the context of entrepreneurial opportunities, the first action after an intention emerges is founding a new venture (Kessler & Frank, 2009). Vesper (1983) describes entrepreneurship as the process of creating and growing a new venture. Along with that definition, startup entrepreneurs are perceived as the founders in charge of their ventures. Consequently, startups are understood as growing organisations run by growth-oriented entrepreneurs. Entrepreneurs then are narrowed down to founders of digital startups for this study, because these kinds of businesses are becoming more relevant and are strongly tied to the entrepreneurial performance (Sarasvathy et al., 2013). Therefore, when talking about founders, this study refers to those entrepreneurs who start and are in charge of a German startup, which also underlines the originality of the study. A startup's growth relies on the founder, because organisational structures and processes that catch individual mistakes are generally not yet established to its full extent in startups (Hmieleski & Ensley, 2007). Growth is the common thread in startups, thus striving for significant increase in numbers, typically in employees and revenue, instead of allocating profits (Kollmann et al., 2018).

1.6 Structure of the Thesis

The structure of the thesis follows the plan to guide the reader through the research to create a flow and to demonstrate the academic underpinnings to finally determine outcomes for practice. The chapters follow a consecutive structure, as Figure 1 shows. However, each chapter can also be read on its own. Therefore, each chapter is introduced with a chapter overview and closes with a summary offering closing remarks for each chapter in particular.

INTRODUCTION				
Background of the Research Study	Positioning the Researcher	Overall Aim and Objectives	Research Context	Structure of the Thesis

LITERATURE REVIEW			
Approach	Individual-Level Factors of Entrepreneurs	Entrepreneurial Context and Process	Entrepreneurial Leadership

RESEARCH METHODOLOGY						
Aim of Study	Research Philosophy	Preparing and Piloting the Study	Main Study Data Collection	Data Analysis	Ethical Considerations	Evaluating Qualitative Research

FINDINGS	
Founders' Perceptions of Role Models	Presenting the Findings

DISCUSSION				
Purpose of the Discussion	Founders	Role Models	Quality of Role Models' Impacts	Discussing the Conceptual Framework

CONCLUSION				
Achievement of the Research Aim	Contribution to Knowledge	Contribution to Practice	Limitations of the Study	Recommendations

Figure 1. Chapter overview introducing the structure of the thesis.

This first chapter begins with the background of the study on why entrepreneurship and, in particular, startups and role models need further investigation. This is complemented by positioning the researcher. This positioning is linked to the overall aim of the study, before the research context is introduced. Finally, the chapter introduces the structure of the thesis for each subsequent chapter, beginning with the literature review.

Based on the overall aim of the study, the literature review in Chapter 2 explores entrepreneurship literature as discussed in the academic theory. The literature review introduces the key research areas and shows the databases utilised to describe the approach of encountering the discussed literature.

Furthermore, the development of research on individual-level factors such as self-efficacy and passion and contextual factors such as the entrepreneurial process of entrepreneurs is revealed. Then, the research streams around entrepreneurship and leadership are connected with a focus on the evolving research questions. During the review, key contributors and models are also presented and compared, to identify possible research gaps in the area.

What comes from the literature review conducted is the philosophical approach adopted for the study, demonstrated in the research methodology in the third chapter. Based on the aim of study, the research philosophy is explained in terms of ontology, epistemology, theoretical perspective, methodology, and methods. This explanation is followed by a critical distinction of the final research paradigm and a statement on ethical considerations arising from the research philosophy. Then, with applicability to the research aim, the preparation of the study is indicated, followed by a description of data collection and analysis to show how the findings emerged from the main study.

Consequently, the findings present a summary of the responses in the fourth chapter. The chapter is structured around the outcomes of the main study. The expectations of founders concerning role models are shown before the ways in which entrepreneurs utilise role models are presented. Then, the different types of role models and how they might change are described. This description is followed by a presentation of the key impacts these role models have on founders, which could result in startup proximal outcomes.

A reflection on the importance and essence of the findings in relation to the research aim and its relevance is offered in the discussion, which guides the fifth chapter. First, the discussion focuses on the perspectives of founders in relation to social capital theory. Second, role models are emphasised, with contribution to knowledge and practice, based on their types, transition, and impact. Third, the quality of entrepreneurial leadership as an outcome of role modelling in startups is presented.

Fourth, the developed conceptual framework is discussed and mapped against previous concepts on role models to indicate contribution. Finally, contribution to knowledge and practice are discussed in the conclusion, which is the sixth and last chapter.

Before presenting the study's contributions to theory and practice, the conclusion deals with the achievement of the research aim. Following the highlighted contributions, the limitations of the study are critically reflected; the study closes with a summary of recommendations for future research and practice.

1.7 Summary

The startup boom shows the increasing importance of startups, not only in the domain of entrepreneurship but also from a macroeconomic perspective. Should the trend continue, the high failure rate of 11 in 12 for startups must be enhanced in one way or the other. One way to create such enhancement may be to emphasise startups as a specific type of company that can be characterised through growth. However, entrepreneurship research does not offer much room for improvement of how entrepreneurs can sustain growth in such startups, which substantiates the research gap for this study so far. While entrepreneurs' human and financial capital are well researched, the understanding of social capital and especially role models as form of social capital remain limited (Spiegel et al., 2016). Therefore, the approach is to emphasise role models' impact on the entrepreneurial process in order to increase the understanding of the phenomenon, which could then potentially contribute in reducing the failure rate of entrepreneurial ventures (Bosma, Hessels, Schutjens, Praag, & Verheul, 2012). The research gap is linked to the personal observation from the researcher in the field of German startups and underlines the overall aim of this study, which was to conduct a study to understand the perceived impact of role models on the entrepreneurial process and leadership development from the perspectives of founders.

The research design for this study is that of phenomenological research to gain deeper insight into the perceived impact of role models from the perspectives of entrepreneurs in Germany, in contrast to the predominantly positivist research that has been done on thus far in the subject of entrepreneurship (Kempster & Cope, 2010).

2 Literature Review

2.1 Chapter Overview

The review is introduced with the approach adapted for this literature review to make the review comprehensible. The discussion of literature begins with an examination of approaches investigating founders at an individual level to understand whether entrepreneurs bear characteristics that make them successful from the beginning of their entrepreneurial process. Then, contextual factors impacting founders' behaviours and entrepreneurial process are investigated to assess various forms of entrepreneurial exposure and to examine the level of understanding how entrepreneurs are made. Accordingly, this examination requires a theoretical understanding of the entrepreneurial process, involving opportunities, decision making, and social interaction. Since human resource management and leadership of employees stand out as important parts of and beyond this process, leadership development is approached and connected to entrepreneurship in terms of parallels between the two research streams. Finally, along with a conclusion of the literature on the key themes related to entrepreneurs during the entrepreneurial journey, research questions for the theme of study based on prior literature are stated and concluded in the summary of the literature review.

2.2 Approach

The primary broad choice of literature was informed by the key research areas to the theme and covers, from one perspective, articles of peer reviewed journals covering the addressed debates in the domains of entrepreneurship and leadership. By contrast, it utilises articles corresponding with arguments or offering additional or controversial insights from practice.

The narrow choice of articles was then based on the following criteria: object of analysis; contribution to the field; perception of the entrepreneurial venture; and publication in a peer reviewed journal.

The criteria allowed a critical analysis of the literature on the entrepreneurial journey. The applied sources and databases included, among others,

- ABI/INFORM Collection,
- Emerald Journals,
- Applied Social Sciences Index and Abstracts (ASSIA),
- Library Search Edinburgh Napier University,
- Education Collection, and
- Psychology & Behavioral Sciences Collection.

The search strategy was intended to start with generic research terms like 'entrepreneurial', 'entrepreneurship', and 'entrepreneurs' to get an idea of the area and then subsequently connect them with key research terms to become more specific during the process, as Figure 2 demonstrates.
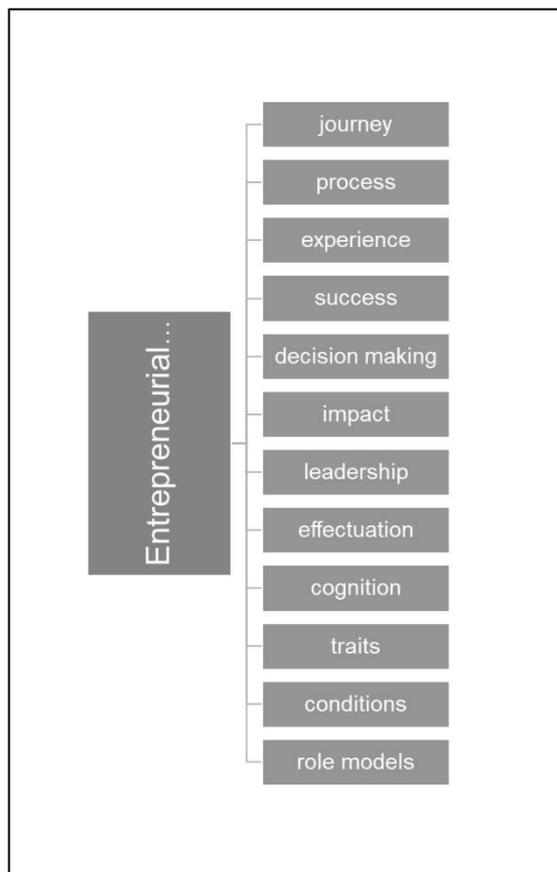
Figure 2. Exemplary outline of connected terms used for research.

The review then is based on Gartner's framework, which covers important aspects that help in the investigation to understand who entrepreneurs are and what allows them to succeed (Gartner, 1985).

This literature review is linked to the key questions in the research concerning why some individuals start new ventures while others do not and why some of these individuals are successful whilst others are not, specifically in relation to role models as stimulus and success factor. The theme of study, namely an investigation into the perceived impact of role models on founders' entrepreneurial process and leadership development in German startups, addresses these challenges from a narrow perspective.

Gartner (1985), as a key contributor to the understanding of entrepreneurship, describes new venture creation from four perspectives: individual characteristics of the founder in terms of both individual-level and contextual factors, the organisation which that individual creates, the surrounding environment, and the process of decision making. The entrepreneurial process starts with an entrepreneurial intention, which could comprise the commitment to start a new venture in the future. When individuals start to turn their commitment into a plan including serious actions that might lead to a new venture, they become nascent entrepreneurs (Zapkau, Schwens, & Kabst, 2017). The realisation of entrepreneurial behaviour by becoming a founder of a new venture, then, describes a key characteristic of an entrepreneur. When someone founds several new ventures, one becomes a habitual entrepreneur.

The intention of this review was to critically reflect what has already been done in the research on the entrepreneurial journey from being an individual, shaped by individual-level factors and by context, to becoming an entrepreneur. During this process, nascent entrepreneurs undergo the entrepreneurial process and finally become entrepreneurs by founding and growing a new venture, which also requires leadership development during the process (Hisrich, Peters, & Shepherd, 2004; Johnson, Parker, & Wijbenga, 2006).

By using this kind of structure, the literature review possibly reveals impacts on founders' leadership development and the entrepreneurial process by addressing the role of individual-level factors, the role of context including role models and the leadership perspective (Gartner, 1985). Throughout this entrepreneurial journey may be some research gaps and contradictions that explain why the key questions in the domain of entrepreneurship still cannot be addressed to its full extent.

Especially in the German context, few contribution has been made around the entrepreneurial process involving opportunities and decision making (Schmude, Welter, & Heumann, 2008). However, Germany has an active labour market policy to support entrepreneurship (Shane, 2009). This explains the research in women's entrepreneurship and also the emphasis on context-specific topics such as startup financing (Schmude et al., 2008). It is apparent that considerable personal assets from entrepreneurs are utilised to fund German startups in their early stages, whereas in later stages founders' network becomes more important in terms of financing (Achleitner et al., 2011). Additionally, a local entrepreneurial environment is acknowledged for influencing entrepreneurial activity, which is of special interest in Germany where family businesses account for the vast majority of businesses (Mueller, 2006; Stadler, 2009). In comparison to other regions, this also raises the chance of knowing an entrepreneur, which is associated with fostering entrepreneurial behaviour and providing a source for entrepreneurial role models, which might also impact individual-level factors of entrepreneurs (Wyrwich, Stuetzer, & Sternberg, 2016).

2.3 Individual-Level Factors of Entrepreneurs

2.3.1 Entrepreneurial Profiles

Entrepreneurial profiles comprise personal demographics, specific sets of skills, and psychological attributes approached by research to differentiate entrepreneurs from non-entrepreneurs (Vecchio, 2003). Additionally, the same approaches distinguish successful and unsuccessful entrepreneurs; however, the concept of success lacks a collective understanding in this context. The understanding of characteristics and personality traits understood as capable profiles in entrepreneurship is increasing and can be translated into established entrepreneurship concepts such as locus of control, self-efficacy, need for autonomy, need for achievement, risk-taking propensity, and tolerance for ambiguity (Cogliser & Brigham, 2004; Vecchio, 2003). The understanding of these concepts involves the understanding of a specific set of skills that only promising entrepreneurs inherit.

It is not the intention to list all entrepreneurial traits ever researched, but to discuss the general themes and frequently used models to get an idea of research on entrepreneurial traits which are perceived favourable in the entrepreneurial process. Mixed results have been produced around these models, and both overlaps and contradictions in these results can be found. Additionally, most research on entrepreneurial traits follows a positivist research paradigm. Emphasising these personality dimensions might not lead to the conclusion that entrepreneurs are made, but even if their origin is disputed, they offer some explanation of entrepreneurial behaviour from a cognitive perspective. Moreover, traits provide an overview of what is perceived as a capable entrepreneurial profile for the entrepreneurial process from previous research (Leutner, Ahmetoglu, Akhtar, & Chamorro-Premuzic, 2014).

2.3.2 Locus of Control

Individuals who have high locus of control are internally motivated by believing in their personal control over their own destiny, and thus these people are more entrepreneurial than are externally motivated individuals (Kroeck, Bullough, & Reynolds, 2010).

While Kroeck et al. (2010) observe higher locus of control among nascent entrepreneurs, compared to non-entrepreneurs, Engle, Mah, and Sadri (1997) were unable to distinguish employees from entrepreneurs in terms of locus of control in their quantitative study. The reason for this finding might be that the quantitative measure for locus of control fails in the context of entrepreneurship (Shaver, 1995). Nevertheless, the aspect of intrinsic motivation and being in control underlines a central element of entrepreneurship and leads to the question of what ignites this motivation for the founder of a startup.

2.3.3 Self-Efficacy

Another cognitive dimension overlapping with locus of control is self-efficacy. According to Vecchio (2003), individuals who believe in their capability to act entrepreneurially will more likely engage in entrepreneurial activities.

Explanations vary from greater opportunity recognition to positive anticipation of outcomes. Research suggests that self-efficacy is positive in entrepreneurship and confirms a greater likelihood of being an entrepreneur with high self-efficacy (Chen, Greene, & Crick, 1998; Drnovsek, Wincent, & Cardon, 2010). While some researchers regard self-efficacy solely as a personal characteristic, like self-confidence, other prestigious authors in the research area pay attention to the interacting dynamics and environmental influences (Baron, 2004; Shane & Venkataraman, 2000). These different approaches in defining self-efficacy show that arguments go beyond simple differentiation of entrepreneurs and non-entrepreneurs. Therefore, the existing models of effects of personality traits must be aware of other variables, abilities, and external influences which might impact their outcome (Sarasvathy & Venkataraman, 2011).

2.3.4 Need for Autonomy and Achievement

Along with performance, both the need for autonomy and the need for achievement are associated with successful entrepreneurs and related to their motivations (McClelland, 1987; McClelland & Winter, 1969).

Nevertheless, a mutual understanding that need for autonomy describes successful entrepreneurs is absent, and research findings are not convincing, since understanding of the effects and outcomes of the need for autonomy is limited. Furthermore, Vecchio (2003) argues that no convincing evidence has been offered to link need for achievement to entrepreneurial action or performance. While a variety of mostly quantitative empirical studies have shown that entrepreneurs have higher achievement motivation than do non-entrepreneurs, the question of where this comes from remains unanswered (cf. Shaver, 1995).

2.3.5 Risk-Taking Propensity

The concept of risk-taking propensity implies that entrepreneurs are exceptional in their handling of risk and therefore serves as a distinguishing characteristic for non-entrepreneurs.

Brockhaus (1980) sees no differences in risk-taking between managers and entrepreneurs, whereas later studies with large samples claim that entrepreneurs are more likely to take risks than are others.

Since risk-taking is about decision making, some findings suggest that non-entrepreneurs interpret some challenges as problems, while entrepreneurs with specific skills perceive them as opportunities (cf. Vecchio, 2003). In contrast, it is shown that risk-taking propensity can vary across situations and is no stable measure (Shaver, 1995). Moreover, one key author in this field of research, Shane (2000), argues that the explanations of opportunity discovery are incomplete and that prior experience influences the discovery of opportunities and not a specific set of skills. The question of what type of prior experience impacts founders in which way remains unanswered.

2.3.6 Tolerance of Ambiguity

Dealing with ambiguity can also be considered a skill, and entrepreneurs are often confronted with ambiguous situations. The ability to handle these situations positively can be described as tolerance of ambiguity.

Aven, DeVries, Williams, and Smith (2002) argue that entrepreneurs are intolerant of ambiguity, despite that there is confusion over whether entrepreneurs should be tolerant or intolerant of ambiguity. Kamien (1994) observes a tolerance for ambiguity within successful entrepreneurs and therefore assumes their preference for the unknown future. Since uncertainty regarding the future is a central element in entrepreneurship, this might be a favourable preference (Sarasvathy, 2001). However, entrepreneurs eventually must find ways to cope with this uncertainty, for instance by turning to people who have done it before (Wyrwich et al., 2016).

2.3.7 Mindset

The way to handle ambiguity might also be connected to what Obschonka, Hakkarainen, Lonka, and Salmela-Aro (2017) call the entrepreneurial mindset. This mindset is based on the understanding of entrepreneurial thinking and acting as a meta-skill.

Therefore, entrepreneurial alertness and intention can be predicted by basic differences in personality and competency between individuals (Obschonka et al., 2017). However, like most previous research on personality traits, the authors follow a positivist research paradigm with statistical analysis instead of providing a deeper understanding of the concept, which would be helpful.

Reporting results consistent with other findings, Obschonka et al. (2017) argue empirically that competencies in leadership and self-esteem impact entrepreneurial intention, while leadership, creativity, and proactive motivation are linked to entrepreneurial alertness. Entrepreneurial alertness can be connected to the risk-taking propensity of entrepreneurs, since it describes the ability of entrepreneurs to perceive opportunities that others overlook (Vecchio, 2003).

Additionally, the motivational aspects of entrepreneurial alertness can be found in the model of need for achievement (McClelland & Winter, 1969). By contrast, entrepreneurial intention translates locus of control and self-efficacy into a plan to prepare and act on.

Apparently, it is suggested that a set of specific competencies like leadership is more valuable in entrepreneurship than skills in a great variety of domains (Obschonka et al., 2017, p. 498). This suggestion raises the issue of what specific competencies entrepreneurs should focus on and how to acquire them to succeed.

2.3.8 Passion

Another characteristic stemming from affirmation and validation of an individual's self-conception is entrepreneurial passion (Cardon et al., 2009). Passion is considered to be prevalent among entrepreneurs. To answer what drives that passion, Cardon et al. (2009) have developed three role identities for entrepreneurs and relate distinct characteristics of these roles to venture outcome. The authors suggest that there is an inventor identity, founder identity and developer identity (Cardon et al., 2009, p. 516).

More precisely, the inventor identity describes a passion for identifying and exploring opportunities, whereas the founder identity is more into exploiting opportunities. The developer identity is most passionate about growing and leading a company. Within these role identities lies an explanation for heterogeneity in success patterns, since an individual entrepreneur might not have a passion for all of the mentioned activities (Cardon et al., 2009). Therefore, the concept of entrepreneurial passion inherits a tolerance for ambiguity and contradicts what Aven et al. (2002) have reported concerning entrepreneurs' intolerance of ambiguity.

The research on personality is of limited practical value by tendency. Despite that the understanding of characteristics and personality traits that are considered positive in the entrepreneurial process is increasing, they often serve only as factors to distinguish specific characteristics. Little is known about how to acquire the specific set of skills or gain an entrepreneurial mindset. Moreover, the inconsistencies in results, contradictions within the models, disregard of different stages and external influences, and general heterogeneity among entrepreneurs underline the need for a more dynamic process perspective (cf. Kessler & Frank, 2009). Hence, it can be stated, in line with recent acknowledgments, that 'skills, abilities and attributes are emergent and evolving' among entrepreneurs (Kempster & Cope, 2010, p. 9).

2.4 Entrepreneurial Context and Process

2.4.1 Evolving Features

For the most part, trait research holds the assumption that entrepreneurs are born with a specific set of skills. Another approach describes entrepreneurship and required skills, abilities, and attributes as emergent in a process that depends on opportunities and individuals (Shane, 2012). Therefore, entrepreneurs are seen as made or shaped, and the specific set of skills and behaviours that distinguish them from others is evolving and is learned through the entrepreneurial process. Shaver (1995) argues that characteristics are enduring features of an individual, and the belief of individuals about their entrepreneurial potential can be changed.

Hence, study of conditions of entrepreneurs and the importance of social interaction must be emphasised to understand whether and how entrepreneurs are made (Shaver, 1995). What comes with being made is a dynamic process perspective of entrepreneurship and the question of what makes entrepreneurs.

The entrepreneurial process can be viewed as a repetitive cycle of accumulations of decisions, beginning in the first stage with developing an entrepreneurial intention and selecting an opportunity (Zapkau et al., 2017). Next, intentions have to put into operation, eventually comprising more stages including planning and preparing, what might lead to actually starting a new venture and managing its growth in the following stage, where the process begins to repeat with selecting new opportunities (Hisrich et al., 2004; Read & Sarasvathy, 2005). Concepts gaining support in entrepreneurship research to improve the understanding of the different aspects and stages of the entrepreneurial process include opportunity recognition and decision making as elements of the cognitive approach (cf. Cardon et al., 2009; Cogliser & Brigham, 2004; Zapkau et al., 2017).

Besides, social interaction seems to be an important element to investigate the entrepreneurial process. However, social interaction is underrepresented in the research, even if there is consensus about its importance in entrepreneurship. Especially, when employees in a startup grow in numbers, they are more likely to feel disconnected from the goals and values of the organisation (Debrulle, Maes, & Sels, 2013; Phelps, Adams, & Bessant, 2007; Thiel & Masters, 2014).

It remains unclear what helps entrepreneurs in their entrepreneurial journey to cope with the challenges of social interaction when there are only limited theoretical and empirical insights. Investigating the conditions of entrepreneurs and linking that information to effects of these conditions on the entrepreneurial process broadens the limited understanding of what types of exposure might impact entrepreneurs and how this impact is perceived in the entrepreneurial process. Investigating the context of entrepreneurs in their entrepreneurial journey might allow the identification of elements of a favourable entrepreneurial journey.

2.4.2 Conditions

2.4.2.1 Role Models

Krueger (1993) investigated the conditions of entrepreneurs and concluded that prior entrepreneurial exposure facilitates the entrepreneurial process. The widely recognised theory introduces four types of prior entrepreneurial exposure: entrepreneurial role models, other role models, prior work experience in an entrepreneurial firm, and prior founding experience. This framework is convincing because it eventually covers the most relevant sources of impact. However, it remained unclear what the specific outcomes of these sources on entrepreneurial action were.

The concept of social interaction and social influence on individuals is not new in psychology and can be adapted to entrepreneurs and leaders as well. Generally, role models can be understood as individuals that serve as a basis for social learning and identification (Holienka, Mrva, & Marcin, 2013). As such, role models set examples imitated by others or foster certain behaviours (Shapiro, Haseltine, & Rowe, 1978).

Mathias, Williams, and Smith (2015) offer role models such as family, friends, and prior work experience as sources of imprint on entrepreneurial action. They describe, using qualitative interviews, how certain experiences, as instances of prior knowledge, affect the decision making of imprinted entrepreneurs. According to Mathias et al. (2015), role models can influence entrepreneurs to pursue opportunities beyond their primary fields of expertise. Additionally, entrepreneurs imprinted by role models are more likely to become habitual entrepreneurs instead of sticking with their first venture.

Kim, Aldrich, and Keister (2006) argue differently, stating that experience with entrepreneurial family members has no positive impact on the transition to entrepreneurship. However, they concede that educational background and wealth have a positive effect on entrepreneurial intention in their positivist-shaped study. Since education and wealth are often provided by family, their impact is not be neglected. This view is supported by longitudinal studies claiming that having a self-employed parent increases the likelihood of one being a nascent entrepreneur (Johnson et al., 2006; Mueller, 2006).

Moreover, family is exposed as a significant source of role models that affects entrepreneurs' leadership development (Kempster & Cope, 2010). The authors' approach from a nuanced interpretive paradigm helps to explain entrepreneurs' perceptions. Since family serves exemplarily in the process of social interaction, role models beyond family might have similar effects on leadership development. Furthermore, entrepreneurial leadership is described as crucial for growth in startups (Freeman & Siegried, 2015; Koryak et al., 2015). Therefore, the understanding of social contexts and its impact on entrepreneurial leadership practices must be broadened. Mueller (2006) has made such distinctions partially and argues that family, friends, and co-workers provide a social network that facilitates entrepreneurial action, without explaining the facilitation further in the positivist study.

In addition, Clercq and Arenius (2006) investigate, informed by a positivist research paradigm, the impact of companioned entrepreneurs as role models for a founder. They support the view that the exposure to their knowledge leads to more self-confidence and increases the likelihood of entrepreneurial action.

Therefore, this supports the model of self-efficacy and explains how to impact one's perception and confidence in having the necessary set of entrepreneurial skills. Moreover, knowing an entrepreneur and perceiving that person to have the necessary set of skills increases the likelihood of engaging in a new venture (Clercq & Arenius, 2006, p. 352).

Holienka et al. (2013) summarise four prominent functions that entrepreneurial role models have for entrepreneurs: serving as guideline; learning by support; inspiring entrepreneurial behaviour; and raising self-efficacy. Whereas the first two functions can be embedded in social capital theory, the third and fourth are based on role identification. Social capital theory builds on knowledge exchange, where individuals benefit from their trusted social structures through social learning and accumulation of knowledge (Debrulle et al., 2013).

In this manner, social capital is perceived not only as an actual resource but also a potential resource derived from one's relationships (Nahapiet & Ghoshal, 1998, p. 243).

Therefore, role models, being a part of entrepreneurs' networks of personal relationships with either strong or weak ties, are an element of founders' social capital (Bosma et al., 2012). Figure 3 summarises the process of role modelling in entrepreneurship based on existing concepts.
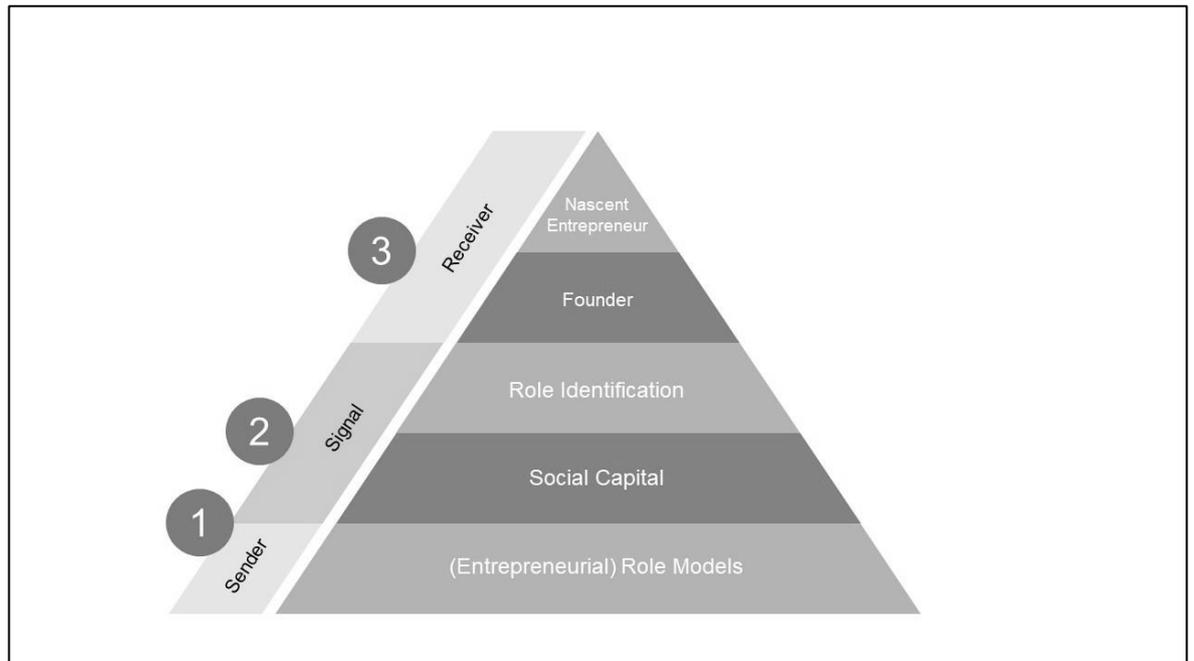
Figure 3. Simple translation of the prevalent concept of role modelling.

Role models' interactions with entrepreneurs can be described as sender– receiver interactions, capturing the learning mechanisms behind role modelling (Wyrwich et al., 2016). Thus, entrepreneurs can consciously and actively learn from role models. By contrast, founders can observe and process role models' behaviours in some way. This process on both sides is mostly a black box, and little is known about its essence. Especially what founders really expect from their role models and whether and how they can make use of role models in their already existing startups cannot be determined from the concepts so far prevalent in the literature.

Although some research counts not only access to knowledge but also access to financial resources into social capital, role models are understood as providing access to knowledge, without any monetary component (Spiegel et al., 2016). This understanding is in accordance with the social element of social capital. Additionally, mentoring is acknowledged as being of use for an entrepreneur's social capital (Brodie, Van Saane, & Osowska, 2017).

Moreover, much research exists regarding the influence of role models on starting a new venture, including baseline motivations, which are increased attractivity and reduced uncertainty (Wyrwich et al., 2016). However, simply engaging individuals to become entrepreneurs might not offer a deeper understanding of role models. Highlighting the relation between role models and founders and emphasising the impacts on existing ventures might be of greater interest for already-active entrepreneurs and offers a more comprehensive model on role models in entrepreneurship. Moreover, the question arises as to what makes role models, based on social capital theory, so special in contrast to experience, as does the question of whether they even be considered as substitutes for experience.

2.4.2.2 Experience

Whereas family-influenced entrepreneurs seek opportunities beyond their field of knowledge, entrepreneurs imprinted by prior work experience focus on their field of knowledge when it comes to opportunities (Mathias et al., 2015, p. 23). Moreover, entrepreneurs with prior work experience focus on growing and leading their primary startup instead of on creating new ventures.

With regards to prior work experience, it remains unclear what kind of work has an effect on entrepreneurs. Kessler and Frank (2009) offer, from a positivist research paradigm, a more detailed perspective on human capital and argue that business experience, if it contains intrapreneurial and leadership elements in the same industry, positively impacts the founding process.

Additionally, habitual entrepreneurs are predicted to have more founding success than do nascent entrepreneurs, which might be linked to survivor bias (Kessler & Frank, 2009). However, human capital includes not only work experience but also educational background and an individual's skills and abilities (Debrulle et al., 2013; Spiegel et al., 2016).

In this way, education in entrepreneurship might be capable of developing an entrepreneurial mindset in individuals towards an entrepreneurial intention and beyond (Brodie, Douglas, & Laing, 2008). Moreover, it is indicated that entrepreneurship education supports nascent entrepreneurs in starting up a business (Jones, Pickernell, Fisher, & Netana, 2017).

What distinguishes a habitual and nascent entrepreneur in the first place is first-hand entrepreneurial experience. Mueller (2006) concludes that entrepreneurially experienced individuals are better informed and more likely to have the necessary set of skills to become an entrepreneur, which consequently makes experience a stimulus for entrepreneurial action. Kim et al. (2006) support this view and describe a positive association of managerial leadership experience with a transition to entrepreneurship. However, they also conclude that previous experience of working in a startup has negative effects on one's prospects of becoming an entrepreneur. By contrast, habitual entrepreneurs are meant to have developed an entrepreneurial mindset and the capability to identify and exploit opportunities (Politis, 2008; Shane, 2000). This conclusion builds on entrepreneurial learning theory, where experience, one's human capital, is considered to be a key source of acquiring entrepreneurial knowledge.

Especially the dimensions of coping with liability of newness, effectual reasoning, and failure management have been shown, based on statistical analysis, to benefit from prior startup experience (Politis, 2008). Even if the results are convincing, the choice of learning outcomes for the statistical study seems randomly selected and may be biased.

Shane (2000) extends the knowledge on entrepreneurial context with an empirical field study about the impact of prior knowledge through experience, since prior knowledge impacts the discovery of opportunities. Therefore, individuals are not equally capable of discovering and exploiting opportunities due to their individual context. Based on that, Suddaby, Bruton, and Si (2015) suggest that reflexivity of specific prior experience can enable some individuals to create entrepreneurial opportunity more easily.

Nevertheless, it is unclear what specific experience the authors address; therefore, knowledge of the perceived quality or outcome of prior exposure remains limited. Although it becomes visible that entrepreneurial experience has some impact on entrepreneurs' intentions and that role models impact social interaction, little is known about the outcome of prior entrepreneurial exposure in terms of individual behaviour regarding the entrepreneurial process.

2.4.3 Entrepreneurial Process

2.4.3.1 Opportunity Recognition

Opportunity is a central element in the field of entrepreneurship. Research suggests a processual character of opportunity co-creation by entrepreneurs and their stakeholders in the entrepreneurial process (Sarasvathy & Venkataraman, 2011). Whether opportunities are created or discovered, Busenitz and Lau (1996) show that experience impacts which opportunities entrepreneurs consider. The emerging debate about the origin of an opportunity and its creation or discovery by entrepreneurs is closely linked to the ontological perspectives of the researchers.

Suddaby et al. (2015) argue theoretically that the perspectives on opportunity creation or discovery vary regarding the impact researchers attribute to imprinting and reflexivity. Therefore, cultural imprint enables some entrepreneurs to be more likely to discover an opportunity than are others; by contrast, reflexivity allows entrepreneurs to more effectively create opportunities (Suddaby et al., 2015). In addition, entrepreneurial opportunities emerge as a consequence of entrepreneurs' human and social capital. Previous research supports this argument, since entrepreneurs exploit opportunities on the basis of the information they already possess (Shane, 2000). The individuals who decide to exploit an opportunity are nascent entrepreneurs who potentially become founders of a new venture. Research suggests that prior experience influences the decision why some individuals become nascent entrepreneurs.

Moreover, a local entrepreneurial environment can make entrepreneurial activity more legitimate and thus increase the perception that becoming a founder of a new venture is a valuable opportunity (Mueller, 2006).

Research emphasises only the process around and after the initial opportunity recognition that leads to a new venture (Shane, 2000). However, during the lifecycle of a startup, more relevant opportunities may be recognised and co-created by founders and their teams. One crucial trait for any entrepreneur is to make the right decisions not only in terms of exploiting opportunities.

2.4.3.2 Decision Making

In contrast to traditional models that focus on rational economic thinking and causation in explaining behaviour, several emerging perspectives approach the explanation of reasoning and actions that underlie entrepreneurial behaviour (Fisher, 2012, p. 1019). The argument is based on decision-making theory which deals with decision making under conditions of uncertainty. Knight (1939) illustrates the difference between risk and uncertainty. On that account, rational decision models have emerged. Kamien (1994) observes a tolerance for ambiguity within entrepreneurs and therefore assumes their preference for the unknown.

There is consensus among the foremost scholars on this subject that entrepreneurs' decisions are not rational; rather, heuristic principles are used to lead decisions (Kahneman & Tversky, 1979). Depending on the problem in question, different principles are used. If the future seems to be predictable, information gathering is utilised through analysis, while in unpredictable circumstances, such as in entrepreneurship, information gathering is more experimental. A well-known scholar on this issue, Mintzberg (1994) confirms that strategic planning and forecasting are inaccurate in entrepreneurship. Because of that unpredictability, different models than causal decision making are required to understand how decisions are made by entrepreneurs.

March (1991) argues for a balance and allocation of resources in decision making between exploitation and exploration, since that approach might be most promising.

When it comes to exploration, new opportunities come into consideration. Weick (2000) opines that successful entrepreneurs make sense of opportunities retrospectively. Therefore, understanding prior exposure can help to gain new insights into the entrepreneurial process involving actual behaviour and decision making.

Sarasvathy (2001) introduces effectuation as a mode of expert entrepreneurial decision making with a given set of means in startups. In the theoretical study, effectuation is described as a process that lowers the risk of new ventures. In contrast to causation, effectuation models focus on the following (Sarasvathy, 2001, p. 252): affordable loss rather than expected returns; partnerships rather than competition; contingencies rather than knowledge; and control rather than prediction.

Translating effectuation into action means that entrepreneurs who use effectuation are more likely to start selling their most viable products very early, focusing on short-term results. Moreover, from a leadership perspective, entrepreneurs with effectual behaviour prefer participatory cultures and are more capable of managing failure (Sarasvathy, 2001). Again, the aspect of social interaction is also highlighted in effectuation theory.

Another theory, bricolage, contributes to the understanding of entrepreneurial behaviour by explaining entrepreneurship as a hands-on approach adopted by individuals and describing entrepreneurs as individuals that utilise resources in different ways than they were intended to be utilised (Baker & Nelson, 2005). Fisher (2012) translates decision-making theories into behaviours and concludes from a qualitative study of six ventures that bricolage and effectuation share common patterns. However, it remains unclear where the behavioural patterns come from and whether the author is biased towards categorising every observation into one of the developed behavioural patterns.

Both effectuation and bricolage rest upon the use of scarce, existing resources, active engagement with problems, open communication, and the development of strong social communities as drivers for growth (Fisher, 2012).

Within the usage of existing resources, the entrepreneurs' human, social, and financial capital are utilised, and the development of strong communities and problem engagement requires appropriate leadership development, which is not addressed further within these theories but might also be developed beyond the entrepreneurial process and be applicable as a manager (Sarasvathy & Venkataraman, 2011).

The question what makes entrepreneurs use effectuation is addressed by Laskovaia, Shirokova, and Morri (2017), who state that entrepreneurial reasoning is shaped by prior exposure. Moreover, surveys show that expert entrepreneurs with first-hand experience as founders use effectuation in early stages more often and balance causal and effectual approaches when helpful (Read & Sarasvathy, 2005). Even novice entrepreneurs can learn to use effectuation during the lifecycle of a startup or from role models, however. This insight supports the notion that entrepreneurship is more likely to be a domain of expertise than one of individual characteristics.

Additionally, imprinting theories show that entrepreneurs develop from experience and that experienced entrepreneurs are more capable of reason and of changing and adapting to new environments (Marquis & Tilcsik, 2013). What also helps in the process of coping with new environments is engaging in social interaction (Politis, 2008).

2.4.3.3 Social Interaction

As discussed, Cardon et al. (2009) differentiate entrepreneurial roles regarding stage of the business. Especially in order to grow the business, entrepreneurs evolve a developer identity, which is about nurturing and growing the venture (Cardon et al., 2009). This company growth also implies interaction with more and more stakeholders. Sarasvathy and Venkataraman (2011) argue that successful entrepreneurs put together stakeholder commitments, leading to a co-created vision. Therefore, successful entrepreneurs are visionaries who align various stakeholders with a compelling vision of the future and who provide a productive perception of failure (Read & Sarasvathy, 2005).

Entrepreneurship research offers no insights into how this social interaction with entrepreneurs and stakeholder should proceed, what methodology is promising, nor even how relationships evolve within this context. In contrast, shareholder relationships are broadly discussed within the key literature on venture capital (Gompers & Lerner, 2006). The social interaction between entrepreneurs and their partners, employees, customers, suppliers, and role models is often neglected (Sarasvathy & Venkataraman, 2011). Nevertheless, the importance of teams and social capital in entrepreneurship is widely accepted.

Research in this context often assumes that social networks are given and does not perceive them as a product of social interaction and thus is not outcome-orientated (cf. Ha & Antoncic, 2003). In sociology, social interaction describes an exchange between individuals which leads to the design of rules, foundation of culture, and creation of symbols, which then are used to align new members. Social interaction even occurs during ordinary activities in startups like chairing meetings; in supporting, criticising, or encouraging others; and in sharing ideas and expectations (Yu & Man, 2009).

Recent longitudinal, qualitative studies have reported that opportunity can be described as a product of the entrepreneur's attention paid to the composition of networking (Marion, Eddleston, Friar, & Deeds, 2015). The skills required for networking in this regard were acquired through reflecting prior experience with social interaction. The retrospective of social interaction might be covered with prior entrepreneurial exposure through role models, but for social interaction within startups, comprehensive theories are lacking. Since social relationships and social influence are becoming more and more important in the lifecycle of a startup with a growing number of employees, the understanding of social relationships has to be broadened (Macpherson & Holt, 2007). Although teams have been identified as important in entrepreneurship, their understanding, especially in startups, is limited (Cogliser & Brigham, 2004). Therefore, to broaden the understanding of social interaction as an element of the entrepreneurial process, it was worth investigating other fields of research in which the topic is covered, and in which overlaps with entrepreneurship theory existed.

Kempster and Cope (2010) offer insights into entrepreneurial leadership as a social process. Furthermore, it is argued that leadership development is essential for a venture's growth, since with growth, functions have to be delegated, and the number of stakeholders increases; therefore, entrepreneurs must adapt a leadership role to succeed (Vecchio, 2003). What comes with leadership, aside from delegation of tasks, is communication, teamwork, and the judgement of people (Phelps et al., 2007). All of these components are subjects of social interaction in the context of startups. Influencing others is already covered in leadership and interpersonal influence theory but might be specifically inflected in the particular context of entrepreneurship (Vecchio, 2003).

Entrepreneurs are social actors that rely on their social network of stakeholders as resources for information gathering, planning, and problem solving (Kempster & Cope, 2010). These activities require emotional intelligence, which refers to one's competence in understanding one's own feelings and those of others to build relationships. Research assumes that emotional intelligence is understood as a tool to challenge, inspire, and mentor stakeholders (Yitshaki, 2012). Such stakeholders could also be role models. Moreover, emotional intelligent entrepreneurs are more likely to delegate tasks and thus empower their employees to make decisions.

Yitshaki (2012) consequently sees, from a positivist research paradigm, the role of emotional intelligence in entrepreneurship as the ability to lead people through uncertainties and dynamic environments. This perception is convincing, since focusing and understanding the feelings of others also leads to an openness to their ideas, which might help recognising and creating new opportunities. In this way, emotional intelligence can be a driver of prosperous social interaction and seems to be relevant in leadership development. This role of emotional intelligence raises the question of how founders' emotional intelligence can be exposed in startups.

Some researchers describe emotional intelligence as an inherited personality trait, but more convincing studies understand it as a capability that can be learned and which is crucial for leadership development (Groves, McEnrue, & Shen, 2008).

Entrepreneurial leadership, then, which is discussed in detail in the next section, is acknowledged as being an important factor for the growth of a startup by maintaining company values that build relationships, provide an identity, and implement a growth strategy (Gupta, MacMillan, & Surie, 2004; Kempster & Cope, 2010; Zaech & Baldegger, 2017).

2.5 Entrepreneurial Leadership

2.5.1 Leadership in the Context of Growth

The importance of social interaction in entrepreneurship substantiates the need to investigate the role of leadership development in entrepreneurship as an avenue of research to more effectively understand success patterns and stimulus among entrepreneurs. What is special about leadership in this context is the unique focus on startups with the corresponding growth context, which might produce different social dynamics compared to the broader managerial perspective in general leadership research (Vecchio, 2003).

Without challenging the view of entrepreneurship and leadership as separate fields of research, the two share common elements. Similar to the discussion of entrepreneurship, that of leadership research discusses whether individual-level or context factors distinguish individuals and acknowledges that both factors eventually impact effective leadership development (Vecchio, 2003).

Individual-level factors in entrepreneurship like self-efficacy, risk-taking propensity, and the other discussed personality traits have also been identified as personality dimensions of leaders (Cogliser & Brigham, 2004; Kempster & Cope, 2010; Vecchio, 2003). Therefore, entrepreneurs and leaders share common characteristics. This interface is called 'entrepreneurial leadership' and leadership itself is understood as a social 'interaction between two or more members of [a] group', in which one member impacts the motivations or competencies of the others (Bass, 1990, p. 19).

Miner (1990) developed a framework that distinguishes entrepreneurs with high-growth orientation from managers, since both managers and entrepreneurs are concerned with leading teams. Miner's theory, describing role motivation, offers results based on a longitudinal score system.

Miner (1990) claims that managers are more likely motivated by a hierarchic system. Therefore, managers are attracted by authority figures, status, competition with peers, routine tasks, and extrinsic rewards (Miner, 1990). The hierarchic system is mostly applied and taught in the Western education system. In contrast, entrepreneurs striving for growth are attracted intrinsically by a task system. Task system motives include control of outcomes; desire for achievement and innovation; planning and goal setting; and getting feedback on achievements resulting from own efforts (Miner, 1990; Vecchio, 2003). When these motives are taught neither in school and nor in entrepreneurship programmes, the question arises of where the entrepreneur's preference for a task system comes from (Sarasvathy et al., 2013).

Miner's results, depending on assessment of locus of control, support the perspective that entrepreneurs need to become leaders in their context-specific field. Growth orientation, particularly, which is prevalent in startups, represents the context with which leadership elements should be aligned, but it is mostly neglected in theory. Consequently, the question of the specific elements of entrepreneurial leadership arises. Moreover, previous studies have not adopted a focus on either the context, characteristics, or actual behaviour of entrepreneurs and comprehensive approaches are rare (Sarasvathy & Venkataraman, 2011).

Integrating leadership into entrepreneurship and improving the understanding of how leadership development is shaped by prior entrepreneurial exposure could offer a comprehensive approach. However, giving an extensive overview of leadership theory is not within the scope of this study. Instead, the focus lies on research targeting the intersections of leadership development and the entrepreneurial process and the connection of both fields.

2.5.2 Connecting Leadership and Entrepreneurship

Cogliser and Brigham (2004) identify creating vision, influencing others, and planning and leading people as primary areas of theoretical overlap between leadership and entrepreneurship.

Vision stands out as an element already discussed in entrepreneurial trait and context research as well as being a central element of leadership. More precisely, the transformational leadership approach is based on vision as key driver to ignite people. In this manner, vision is understood as the means of communicating aims and goals inspirationally and taking action with respect to future opportunities and threats to make sense out of that future for followers (Cogliser & Brigham, 2004). Given the importance of networks and partnerships, resource constraints, and uncertainty, entrepreneurs need to assemble stakeholders and make them commit to their vision regarding the future. Effectuation theory and individual-level models, such as the need for achievement, support this perspective of influencing others towards common goals.

The understanding of vision in leadership and entrepreneurship illustrates that both theories focus on what individuals do rather than on whom they are. This understanding combines both individual-level and contextual factors as a way of examining the field. This combination implies that abilities and attributes are mostly evolving and not merely innate talents. Therefore, leadership capability might be perceived as one element of entrepreneurs that emerges through prior exposure. Leadership theory offers a similar processual understanding, where prior experience is understood as key to the development of individuals (Kempster & Cope, 2010). What impacts entrepreneurs' leadership development and corresponding behaviour remains to be revealed.

2.5.3 Entrepreneurial Leadership Behaviour

Leadership is a process of mutual social interaction to accomplish common tasks (cf. Groves et al., 2008; Yitshaki, 2012). To conceptualise leadership, several models could be consulted. However, a former six-factor model of leadership roles, condensed into a three-factor model, is widely supported and fits within the scope of the study, since it covers both practical and theoretical needs to interact in a goal-orientated way with different stakeholders (Avolio, Bass, & Jung, 1999). However, there are also alternate models of leadership behaviour discussed in leadership research and summarised in Table 1.

Table 1. *Alternate Leadership Models*

Model	Description
Authentic leadership	Authentic leaders are considered to engage followers more effectively with communicating their true belief of future potentials (Avolio & Gardner, 2005).
Autocratic leadership	De Cremer (2006) defines autocratic leaders in terms of their dominance and being in control of the decisions made.
Character-based leadership	Wright and Quick (2011) perceive selfless leaders to act morally and thereby transforming and inspiring the beliefs of followers.
Ethical leadership	De Hoogh and Den Hartog (2008) see ethical leaders guiding and directing their followers by promoting altruistic behaviour.
Servant leadership	This model focuses on serving and influencing followers through personal integrity of the leader (Liden, Wayne, Zhao, & Henderson, 2008).

Besides that the differentiation between these models is sometimes vague and that the behaviours might also be incorporated in the three-factor-model, their practical applicability can be challenged in entrepreneurship, since entrepreneurs interact with multiple stakeholders (Mumford & Fried, 2014). This is the reason why the study focuses on the three-factor model.

Regarding the leadership styles of the three-factor model, one can differentiate between the leadership styles of passive, transactional, and transformational leadership (Avolio et al., 1999). Passive or avoidant leadership is a leadership style describing individuals who react only after corrective action is needed (Avolio et al., 1999). Moreover, this leadership style implies avoiding decision making as far as possible and is therefore inapplicable to entrepreneurs, since they engage in decision making (Sarasvathy, 2001). Whereas transactional leadership describes relationships based on extrinsic rewards, transformational leadership covers intrinsic motivation (Yitshaki, 2012).

Transactional leadership follows a contingent reward structure by making clear what individuals will receive if they meet expectations (Avolio et al., 1999). With the absence of clear goals and with various uncertainties, this leadership style also does not fit properly into the domain of startups and might be more useful in later stages and preferred by managers based on the understanding of Miner (1990) and the hierarchic system motivation.

With transformational leadership, intrinsic motivation takes place through inspiration by the leader's vision. Transformational leaders follow a task system motivation. According to Avolio et al. (1999), this charismatic and inspirational leadership style provides potential followers with a clear purpose to identify with. Moreover, followers are encouraged by intellectual stimulation to question methods, improve them, and thus remain an ongoing openness for opportunities. Additionally, individualised consideration makes a transformational leader focus on individuals by understanding their needs to develop their full potential and a productive failure perception (Avolio et al., 1999, p. 444).

One driver of transformational leadership is emotional intelligence (Yitshaki, 2012). Yitshaki (2012) shows with a quantitative scoring model that leaders with a higher degree of emotional intelligence are more likely to create commitment with followers and have a higher ability to recognise emotions in themselves and in others. Several studies confirm a strong performance relationship between emotional intelligence and transformational leadership based on self-assessment reports (cf. Yitshaki, 2012). Emotional intelligence is one possible driver for transformational leadership, but also other drivers of leadership development are investigated in the literature (Groves et al., 2008).

2.5.4 Leadership Development

D'Intino, Goldsby, Houghton, and Neck (2007) name personality dimensions like locus of control, need for autonomy and self-monitoring as motivational factors for leadership development. Moreover, optimism, as described in self-efficacy, plays a role, as does flow, which is comparable to entrepreneurial passion.

Additionally, emotional intelligence contributes to leadership development, which finally offers strategies that entrepreneurs can learn to effectively manage failure and facilitate growth in their startups (D'Intino et al., 2007, p. 117).

Leadership development seems not so important at the very beginning of a new venture, when entrepreneurs are mostly on their own and setbacks occur (Cardon et al., 2009). Later, to allow growth, others must be aligned with the entrepreneur's idea. In a constantly changing environment, under limited resources and various uncertainties, stakeholders have to follow a vision that ignites them (Yitshaki, 2012). Thus, the growth of a startup requires at least some elements of transformational leadership. Therefore, adopting transformational leadership approaches in startups might allow one to draw conclusions about the entrepreneur's capability to grow the company.

Gupta et al. (2004) define five leadership roles for entrepreneurs in their process of leadership development: coping with uncertainty; framing the challenge; clearing the path; forging commitment; and acknowledging limits. All five roles can be addressed with behavioural patterns of transformational leadership.

For instance, intellectual stimulation is known to motivate stakeholders of the startup to constantly question and improve their methods (Zaech & Baldegger, 2017). Consequently, the methods used will be more mature over time, helping to raise awareness of upcoming challenges and uncertainties. Charismatic and inspirational leadership then provides a vision and goals to align with but at the same time sets boundaries (Leitch & Volery, 2017). Moreover, it gives everyone in the startup purpose that increases commitment. Individual consideration is meant to unlock potentials and improve everyone's capabilities, which is helpful in every dimension of the five leadership roles (Zaech & Baldegger, 2017). However, there might be not only one formula of being a great leader in startups, and a variety of approaches can lead to a positive outcome. Nevertheless, the behavioural patterns of transformational leadership are exposed in research to be, among other things, promising elements of encouraging entrepreneurial leadership behaviour impacting startup performance (Zaech & Baldegger, 2017).

According to previous research, charismatic and inspirational leadership behaviour can positively impact the growth of a startup (Yitshaki, 2012). This impact occurs with the establishment of a vision which creates stakeholder support and passion for the venture. However, behaviour showing intellectual stimulation and individualised consideration could not be directly associated with new venture growth in the research, since effects might happen on a more individual level, where understanding is very limited in positivist-shaped theory. Therefore, the goal should be to broaden the understanding of these leadership behaviours in entrepreneurship. Nevertheless, the driver behind charismatic and inspirational leadership behaviour, intellectual stimulation, and individualised consideration is the entrepreneur's emotional intelligence. Consequently, appropriate leadership behaviour might foster social interaction, which then could increase the probability of growth in a startup. To what extent emotional intelligence and leadership development are affected during the entrepreneurial journey remains unanswered. On that basis, research questions arise from the summary of the literature review.

2.6 Summary and Conclusions of the Literature Review

Reviewing prior literature on the entrepreneurial journey with focus on why individuals become entrepreneurs and particularly what makes them successful reveals several key themes and debates and provides several questions to be pursued through the study. For most parts, entrepreneurship research lacks a comprehensive understanding. Themes about the outcomes of prior entrepreneurial exposure, an entrepreneur's social capital, and social interaction interfacing with entrepreneurial leadership reveal research gaps.

Based on the reviewed studies, the understanding of how an entrepreneur's emotional intelligence, a skill for social interaction, evolves, seems important in understanding how individuals can become entrepreneurial leaders. Since there is an increased understanding in research that skills and attributes are emergent among entrepreneurs, the process has to be emphasised to understand how entrepreneurial leaders might evolve (Cogliser & Brigham, 2004; Kempster & Cope, 2010; Sarasvathy & Venkataraman, 2011).

However, research lacks the presentation of a process perspective to broaden the understanding of entrepreneurial leadership as an element of the entrepreneurial process. Cogliser and Brigham (2004) argue that entrepreneurship research would benefit from such an investigation and emphasise that the 'only way to learn is through experience' (p. 790).

Additionally, which types of role models besides family might be that learning domain for entrepreneurial experience needs further investigation, especially in the German context, which provides entrepreneurial family role models. This explains the need to answer the first research question:

(1) Which role models turn out to be favourable based on founders' perceptions regarding entrepreneurial leadership?

The review indicates that skills, capabilities, and attributes might develop in entrepreneurs during the entrepreneurial process. Entrepreneurs tend to be distinguishable by personality traits not because they are born with specific characteristics, but rather they evolve in individual contexts based on human and social capital. The relevance of context raises the question of social impacts and their outcomes during the entrepreneurial process.

Kempster and Cope (2010) argue, in accordance with other literature, that becoming a leader is critical for entrepreneurs but requires deeper investigation. They suggest that social capital, including role models, is a key learning domain for entrepreneurs and highlight the entrepreneurial family as a major element of an entrepreneur's network for growth. Family members, among others, can serve as role models for entrepreneurial leaders. The entrepreneurial process perspective and the described impacts show that attributes and set of skills are not primarily innate talents but evolve specifically through prior entrepreneurial exposure.

Hence, role models such as family are crucial for entrepreneur's learning process and leadership behaviour when it comes to social interaction. However, the predominant perception of role models seems outdated or at least not satisfactory in detail to understand the essence of their perceived impacts on founders in the context of German startups.

Especially, how founders might make use of role models regarding their leadership development and entrepreneurial process as one of the key learning domains lacks deeper understanding. Therefore, the second research question must be addressed in order to fill this gap:

(2) How can founders apply role models' behaviours and make use of them in their startups?

In opportunity recognition or exploitation and decision making, among other processes, entrepreneurs utilise productive social interaction to obtain results (Sarasvathy & Venkataraman, 2011). Understanding in the domain of entrepreneurship how social interactions between entrepreneurs and stakeholders take place remains lacking. However, entrepreneurial leadership, comprising elements of transformational leadership, as an evolved field in leadership research, seems promising to understand social interactions in entrepreneurship. Entrepreneurs must rely on social interaction to run and grow their startups. Therefore, social interaction might be critical for the founder of a startup facing the challenge of growth.

In this context, it remains unanswered how founders are affected by role models regarding their leadership development and the entrepreneurial process as one of the key learning domains, which substantiates the need to address the third research question:

(3) What are the perceived key impacts of role models in the entrepreneurial process and on founders' leadership development?

Hence, people-related operations are very important for entrepreneurs, such as hiring, developing, or retaining talent and managing stakeholder relations. The elements of transformational leadership provide an established model for social interaction based on task system motivation. These elements stand out as meeting the needs of entrepreneurs with growth orientation and describe one promising approach to investigate the outcomes of leadership development in entrepreneurship.

One central driver behind transformational leadership is emotional intelligence. The outcomes of emotional intelligence are applied methods and principles of leadership development such as providing a sense of purpose, intellectual stimulation, or individualised consideration. It might also be social interaction with role models, addressed in the second research question, that can help entrepreneurs in their leadership development to inspire social interaction and sustain startup growth as an outcome. The fourth research question then serves the purpose of discerning the startup proximal outcomes of entrepreneurial leadership:

(4) What are outcomes of applied entrepreneurial leadership behaviour in startups regarding growth?

Finally, the theoretical framework in Figure 4 summarises the key themes throughout the entrepreneurial journey of entrepreneurs from prior literature that served as a basis for the research questions.
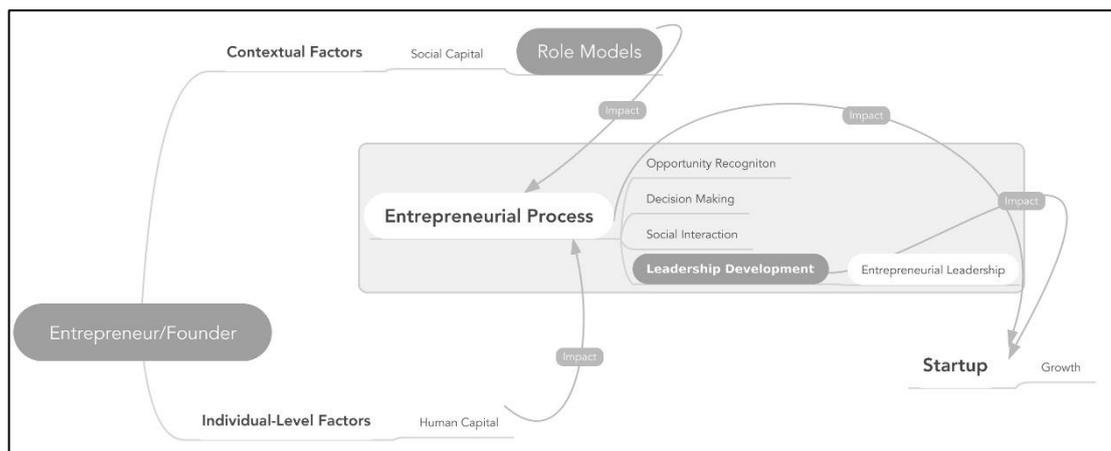
Figure 4. Theoretical framework of key themes on entrepreneurs from the literature on the entrepreneurial journey.

From prior literature, it is apparent that entrepreneurship is a journey. An entrepreneur, respectively, a founder of a startup in this narrow context, can draw on and develop from human and social capital. The element of financial capital is deliberately neglected here to maintain focus, and role models especially seem to be a valuable resource of social capital based on prior literature.

However, both individual-level factors and contextual factors impact the entrepreneurial process. Whereas research on individual-level factors is well advanced, the impacts of role models as a form of social capital and prior entrepreneurial exposure lack a comprehensive understanding. Especially the concept or role models requires further attention in the context of startups, since role models might not only impact the entrepreneurial process but also and particularly the leadership development of founders as an element thereof and beyond. However, it remains unclear how founders effectively make use of role models in practice and what the outcomes of role models' impacts are. Obviously, the optimal entrepreneurial process leads into launching and growing a startup. This process involves, among other aspects, opportunities, decision making, and social interaction. The latter, particularly, turns out to be crucial for startup growth. By implication, this importance emphasises also entrepreneurial leadership, intended to improve social interaction in the startup, as important driver for growth. Therefore, leadership development and the entrepreneurial process might be elements that help to further understand the impacts and quality of role models on founders regarding their outcomes.

Since entrepreneurial leadership is associated with the growth orientation of startups, in this context, it is critical for success to have an improved understanding of the outcomes of leadership development on social interaction based on role models' impacts. Understanding the essence of the perceived impacts of role models on the entrepreneurial process and leadership development can add to the very limited knowledge currently available about the outcomes and quality of prior entrepreneurial exposure with respect to role models. Next, the research methodology to approach the research questions in the field is outlined.

3 Research Methodology

3.1 Chapter Overview

This chapter outlines the strategy adopted for the conduct of the research in terms of the philosophical perspective, methods, and associated ethical issues, and it provides the rationale for the selection of the research strategy. The first section considers the aim and objectives of study, before ontology, epistemology and theoretical perspective are introduced. This leads to the questions of which methods can be used in accordance with the research philosophy and what methodologies govern these methods. The outlined research paradigm is then further explained and distinguished on the spectrum of other research paradigms and their methods, followed by insights about preparing the study. Additionally, the data collection reveals the process by which the sample is built and by which data is gathered. This revelation is followed by a description of how data is analysed. Further considerations regarding the proposed research in terms of ethical aspects and trustworthiness are then addressed. Finally, a summary concludes the chapter and leads to the findings, which have been gathered based on the described research methodology.

3.2 Aim of Study

Crotty (1998) suggests a study to typically start with a problem. The problem addressed in this study is that most startups in Germany must withdraw from business and eventually file for bankruptcy because of poor company growth. The theme of study—an investigation into the perceived impact of role models on founders' entrepreneurial process and leadership development in German startups—addresses the problem based on the conditions of entrepreneurs such as described in social capital theory, with an emphasis on role models (Clercq & Arenius, 2006; Krueger, 1993; Ramos-Rodríguez, Medina-Garrido, Lorenzo-Gómez, & Ruiz-Navarro, 2010).

The research aim is to investigate the perceived impact of role models on the entrepreneurial process and leadership development from the perspectives of founders.

Subsequently, the study aims to help entrepreneurs to more effectively cope with the challenges of growing a digital startup by offering a conceptual framework of perceptions of role modelling as a new way of thinking.

The underlying research questions following from literature and to achieve the aim are as follows:

(1) Which role models turn out to be favourable based on founders' perceptions regarding entrepreneurial leadership?

(2) How can founders apply role models' behaviours and make use of them in their startups?

(3) What are the perceived key impacts of role models in the entrepreneurial process and on founders' leadership development?

(4) What are outcomes of applied entrepreneurial leadership behaviour in startups regarding growth?

Aligned with the research aim, the research objectives frame the study. The four objectives are as follows:

- to critically examine individual-level and contextual factors related to entrepreneurs with possible impacts on entrepreneurs' leadership development and entrepreneurial process, building on and extending the research streams of entrepreneurship and leadership with an emphasis on role models;

- to determine the perceived impacts of role models on founders in the entrepreneurial process in order to offer a critical reflection on role models in the context of startups;

- to reveal success patterns in the leadership behaviour of founders as perceived outcomes of role models as a source of entrepreneurial exposure in the context of German startups, in order to understand whether role models may be particularly relevant for entrepreneurial leadership in digital startups;

- to develop, based on the literature review and empirical findings, a conceptual framework of perceptions of role modelling in the entrepreneurial context to guide current and future founders to turn to role models to inspire social interaction and sustain growth in the context of their startups.

In order to answer the research questions, a process to answer them must be established (Crotty, 1998). That process is tied to the research philosophy for the study.

3.3 Research Philosophy

3.3.1 Ontology

The initial ontological task is to determine on what assumptions about reality the above research questions are built. One common question when speaking of assumptions about reality is the nature of human beings. This question raises an ontological concern, since ontology, as philosophical branch, deals with the nature and existence of things (Williams, 2016). Ontology is basically about the nature of the world. Therefore, typical ontological questions deal with who people are, what is real, what is meaning or how people are best understood.

It is perceived, that meaning comes more likely from engagement with different realities (objects) in the world, but every engagement is subjective. Thus, the ontological position for this research stands to reason and recognises that people's realities of are causally significant (Elder-Vass, 2012, p. 10). This position connects both realism with one underlying reality and idealism with individual representations of the world, created by subjective minds (Williams, 2016, p. 155).

Therefore, reality might be neither entirely subjective nor entirely objective, but between the two ends of this spectrum. This complication means that not everything has an objective meaning, but rather a subjective meaning created by humans. Therefore, the understanding is that all people differ, and their identity is shaped by their circumstances.

Hence, it is assumed that the world exists as a portrayal of individual perceptions (Williams, 2016, p. 154). Whereas in constructivism, realities are created individualistically, social constructionism describes meaning as collectively generated in the process of social exchange (Schwandt, 1994, p. 127). This view underlines the uniqueness of each individual's experience, but since meaning is collectively generated, culture shapes and impacts the perception of these experiences (Crotty, 1998, p. 58).

This relativist approach leads to a convincing and valuable constructionism that allows an understanding and analysis of causal mechanisms within social constructions (Elder-Vass, 2012). The approach allows one to develop causal accounts of how social interaction with role models affects the individual beliefs and actions of founders. Hence, individuals are perceived as independent subjects with causal powers, on the one side, but also shaped and influenced by mechanisms of construction like culture or knowledge, on the other side (Elder-Vass, 2012). On that account, it will potentially be more plausible to explain entrepreneurial experience as a mechanism of construction that shapes individuals differently depending on their causal powers without seeing everything simply as constructed. Therefore, the research philosophy of social constructionism will contribute best to the concerns of the study.

However, a frequently emerging confusion about constructionism is the problem of realism and its antithesis (Stam, 2001, p. 295). Whether constructionism assumes realism or denies realism at all is a persistent concern. For both social constructionists and their critics, both discourse and culture, as the sources of social constructions, contrast with a realist world (Elder-Vass, 2012, p. 9).

The underlying constructionist paradigm is not to neglect all knowledge claims. Considerably more, constructionism is understood to acknowledge realism in the social world, because when it becomes clear that things are constructed socially, Hacking (2000) argues, things can be challenged and nudged to be constructed differently.

Both ontology and epistemology inform the theoretical perspective. Although they describe something different, and while ontology is necessary when talking about being and epistemology deals with what counts as knowledge, both have the tendency to emerge together and to justify each other (Crotty, 1998, p. 10). Therefore, the described ontology serves as justification for the research process, and the research process itself can be ascribed to the underlying assumptions about reality.

Considering this understanding of the research process, it becomes clear that revealing one's research philosophy involves not merely a chronological process, but rather a holistic, transparent, and defendable process, as shown in Figure 5 (Crotty, 1998).
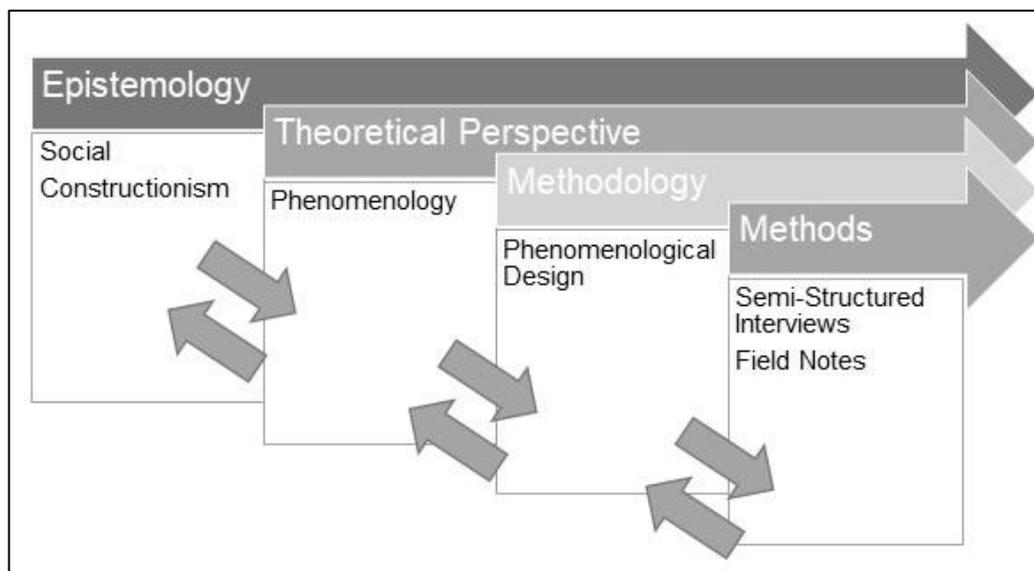
Figure 5. Elements of the applied research process.

3.3.2 Epistemology

Consequently, experience and its influence are largely based on social interaction and individual information processing. For instance, startups, networks, or families are distinct communities with specific cultural aspects, influences and perceptions of knowledge. Epistemology is concerned with the study of knowledge, defining what counts as knowledge and how humans develop knowledge about the world (Williams, 2016, p. 36).

From an epistemological standpoint, the philosophical underpinning of the study is not that there is an objective truth to be ascertained. Considerably more, it is about the way that humans construct meaning. The research process can be understood only 'through a similar process of meaning making' (Crotty, 1998, p. 9). Regarding epistemology, meaning making is subjective but not created out of nowhere. For instance, startups often share the same problems, but problem-solving approaches vary. Entrepreneurs react differently regarding their developed skill set, even when they have comparable backgrounds.

Since entrepreneurs create new ventures without having world-first ideas every time, the opportunities they see must be subjective and unique in their individual perceptions. More generally, finding meaning and happiness is a recurring goal in life. What supposedly creates meaning is service, or more specifically, being of use to other people. Therefore, meaning emerges from peoples' relationships with one another, and what brings happiness is when events meet expectations. In addition, both events and expectations are constructed socially. Social constructionists emphasise these thoughts about social interaction (Benton & Craib, 2001, p. 74). Epistemology, then, as the theory of knowledge, is 'embedded in the theoretical perspective and thereby in the methodology' (Crotty, 1998, p. 3).

3.3.3 Theoretical Perspective

The potential methods are employed in a phenomenological inquiry regarding the theoretical perspective. According to Crotty (1998), the theoretical perspective provides the context for the process and is informed by the epistemological position.

In the spirit of phenomenology, the methods are used to uncover meaning and to understand the perceptions of individuals in the context of startups (Crotty, 1998, p. 7). On that account, the researcher may understand and see from a participant's perspective and might be able to expose the essence and causes of this perspective. This describes the researcher's theoretical perspective of the social world, where such assumptions that impact researchers' actions are grounded (Crotty, 1998).

The application here is to understand human lived experience of social phenomena, not from a researcher's own experience, but from the perspective of the involved people (Gibrium & Holstein, 2000). The strategy to gain that understanding is closely linked to the applied methodology.

3.3.4 Methodology and Methods

The methodology, which is phenomenological design, serves as strategy and follows an interpretive tradition according to Heidegger (Crotty, 1998, p. 96). In this context the intention is to make sense and find the essence of the social phenomena that are already there. The interpretive or hermeneutic tradition of Heidegger builds on and adapts from the descriptive phenomenological approach linked to Husserl and both approaches are about highlighting individual experiences (Lopez & Willis, 2004). However, whereas the descriptive approach according to Husserl requires the researcher to separate from any pre-understanding and prior knowledge, Heidegger's interpretive approach perceives the researcher's pre-understanding and prior knowledge as meaningful (Heidegger, 1962; Husserl, 1970). Since it is perceived that one cannot switch out one's own belief system and the researcher's personal motivation for the topic initiated the research in the first place, a hermeneutic approach is adopted.

Additionally, making sense of the data is perceived as necessary to gather an understanding beyond what individuals consciously know. Therefore, bracketing, as a technique of descriptive phenomenologists to analyse data without interpreting it, is refused, since it is questionable if this is even feasible (Lopez & Willis, 2004). Consequently, the study is not only describing but interpreting founders' experiences, because the perspectives of these experiences matter for emphasising the meaning of the phenomenon (Lopez & Willis, 2004).

Besides phenomenological research, narrative research, grounded theory, ethnography and case studies are among the five traditions for qualitative inquiry (Creswell & Poth, 2018). Although, this research could possibly be approached from all five perspectives, which have several overlaps, mostly phenomenology and case studies stand out to address the research aim.

However, the decision for a phenomenological design comes from the assumption about an essence to the founders' experiences and perceptions of role modelling, which then defines a phenomenological study (Patton, 2015). In this manner, the focus lies on several individuals' perceptions and perspectives about their experience with role models and not on a single event or an organisation like in case studies (Creswell & Poth, 2018). Furthermore, the research aim focuses on the essence of founders' perceptions about role models and not about an analysis of cases from multiple sources like it would be in case study (Creswell & Poth, 2018).

Regarding the assumptions about human knowledge and reality unpacked for the study, the range of methods must be picked on condition that meaning and knowledge are social constructs and therefore subjective meaning is important. Crotty (1998) describes methods as the procedures or techniques to gather and analyse data referring to the research questions. The strategy behind the choice of methods that is linked to the use of methods is the described methodology (Crotty, 1998, p. 3). The research conducted in the outlined format opens a range of possible methods, but this range lies rather in qualitative methods than in quantitative methods.

Qualitative methods might include observations, interviews, case studies, focus groups, cognitive maps, and field notes, whereas quantitative methods typically include surveys and simulations (Creswell, 2009). A study can theoretically be completed using only one method, which would describe a mono-method approach, or it can be done using multiple methods, either solely qualitative or quantitative, or mixing both quantitative and qualitative approaches (Saunders, Lewis, & Thornhill, 2016).

Following from this general discussion, and to understand the phenomenon in its context, the main data collection technique intended for this study was semi-structured, in-depth interviews with founders of German startups complying with the requirements for the qualitative inquiry. This qualitative and relativistic approach was used to gain deeper insights and to understand perceived prior exposure with causal influence on personal entrepreneurial development.

Semi-structured interviews allowed in-depth investigation and observation of individual perceptions which could not be gathered from surveys (Schwandt, 1994). If data collection and analysis can be very resourceful and might be subjective, this data can be made transferable if a clear plan about how it was conducted is provided. The interviews allowed the researcher to feed results back to the participants and use the responses for collaborative co-construction during the interviews. The non-neutral researcher makes sense here, since in constructionism, the separation of researcher and participant is no longer assumed (Wolfram Cox, 1999, p. 6).

The general structure of the planned interviews contained an upfront, deductive decision about the set of topics to be covered in the interviews, corresponding with the themes from the literature. This structure is also important for the depth of information that can be gathered from the interviews, and it is possible for the participant to emphasise issues and weigh different experiences and their influences. A simulation would not allow these effects to find some essence. Additionally, experience and social interaction can be a sensitive issue, for example when it comes to family. Therefore, it is appropriate to talk about these topics in a one-on-one conversation ensuring confidentiality.

The necessity for confidentiality and privacy is also the reason why focus groups were rejected as a method, since it would be unlikely that founders would talk in detail about these sensitive issues in a group of potential competitors. Moreover, cognitive mapping was rejected, since the awareness of the perceptions in entrepreneurs was unknown before the study was conducted.

However, the way in which people appear to themselves can contrast who they may appear to be in a social construct like a startup or even an interview. Therefore, field notes as a secondary data collection technique served the purpose of better understand how participant actions are shaped within the construct and might differ from individual beliefs (Groenewald, 2004). It was assumed that this perspective enriches the study in its objective of extracting and interpreting meaning and in uncovering the multiple perceptions of founders regarding their role models within social constructs.

Observation was rejected as a potential method for this study, since role modelling is a process that often lies in the past; thus, observation over a period of time would not support the need to understand the essence of founders' experience.

Subjective data collected can give a definitive view of the partial world and therefore can give a nuanced perspective on individualistic understanding, which would be hard to gather with quantitative methods (Crotty, 1998, p. 58). The proposed data collection techniques are regularly employed in interpretive phenomenological research studies. These methods are used to draw depth of meaning and perceptions from the participants, and they emerge through mechanisms of construction like social interaction (Crotty, 1998, p. 7).

On that account, it was essential to understand from the participant's perspective and interpret that perspective in order to expose causal accounts beyond what is consciously known. Therefore, data is contextually relative and socially constructed. Hence, interpretive phenomenological design is appropriate to explore the social phenomena of role modelling in its context. This design is unlike that of quantitative methods, such as surveys, but also more interpretative methods, such as unstructured interviews or narratives, when they solely focus on an individualistic understanding. Those designs would not serve the needs of this study, because seeking an objective, generalisable interpretation of a subjective experience is incongruous with the researcher's philosophical position (Andrews, 2012). Having described the research paradigm for this study with corresponding methods, the research paradigm is now distinguished against other research philosophies and methods for further clarification and justification of the research paradigm and applied methods.

3.3.5 Rationale for the Research Paradigm

Having explored the various options in relation to the research approach and data collection techniques, the simplified spectrum of Figure 6 with its opposing positions provides an overview of the final research paradigm in contrast to other philosophical approaches (cf. Guba & Lincoln, 1989; Hay, 2002).
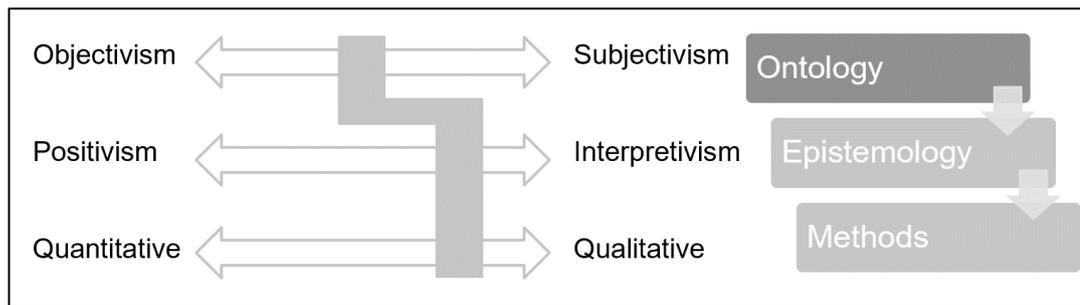
Figure 6. Classification of applied research paradigm on the spectrum of potential research paradigms.

Figure 6 shows that a position between realism and idealism is compatible with social constructionism, whereas objectivism would inevitably lead to positivism (Crotty, 1998, p. 12). Hence, this study understands meaning as neither simply objective nor simply subjective. However, this compromise does not mean that meaning is just there created out of nowhere; rather, the social constructionist position here, aligned with the phenomenological concept of intentionality, means that humans construct meaning consciously (Crotty, 1998). Therefore, subject and object cannot be separated, because there is intentionality between the interaction of subject and object, which means that neither can be understood without the other.

The social element in social constructionism should underline that knowledge and meaning are shaped by the cultural context in which they are produced (Benton & Craib, 2001, p. 73). Consequently, all meaningful reality is constructed in social exchange collectively, whereas constructivism has an individualistic understanding of meaning generation (Crotty, 1998, p. 58). This perception emphasises that different people generate different meaning. On this view, phenomena can be understood and interpreted only in context, so social constructionism is closer to interpretivism on the spectrum, even though there are distinctions regarding the objectivity of the subjective experiences, which is sought in pure interpretivism (Andrews, 2012).

Interpretivism is an epistemological position that underlines the importance of gathering subjective meaning to emphasise individual differences (Bell, Bryman, & Harley, 2018). This obviously impacts the choice of methods and interpretability of findings, as already described. The qualitative methods help, by listening to founders in their context, to explain the phenomenon of role models from their perspectives.

Gergen (2001) validates social constructionism in terms of how it enriches life and practice. This validation distinguishes social constructionism from an imperialistic constructionism where everything is simply seen as constructed. Even if contribution is valuable, generalisability is limited in a social constructionist study, and generating predictable outcomes about startup growth, which would contribute for everyone in practice, is not within the scope of social constructionism.

Feeling the need to find that one truth would mean that someone has an explicitly realist position. What typically comes with realism is an objectivistic ontology. Therefore, on this view, reality must be stable, knowable, and independent, or as Crotty (1998, p. 27) describes, 'accurate and certain'. From an epistemological standpoint, an objective truth about whether hypotheses are true must also exist (Crotty, 1998). This view characterises a positivist research paradigm. In its conclusions, positivist research aims to produce law-like statements (Williams, 2016, p. 163).

Benton and Craib (2001, p. 23) argue that as soon as true knowledge is established, it can be applied to control groups or individuals. Therefore, a positivist study sets out to generate predictable outcomes by using semi-objective, quantitative methods such as surveys to collect generalisable data. The goal is to make an impact. Consequently, conclusions should be more generalisable with a positivist paradigm than with a constructionist paradigm. However, Phillips and Burbules (2000, p. 15) suggest that positivist researchers are not reflective of fallibilism and their own values and backgrounds. In fact, this is a major critique of positivism, since observation decisions are, per se, value laden and influenced by prior experiences (Williams, 2016, p. 164).

For this study, the human factor, which is important when it comes to experience and processes, could be a problem, as well as the matter that understanding can only happen from the perspective of the researched. Therefore, positivism seems inappropriate and unsuitable to interpret and understand the impacts of role models on founders, which eventually are multi-layered.

An alternative paradigm emphasising different layers is critical realism. Given Bhaskar's philosophical ontology, his approach should recognise not only the empirical level of observed events, but also the actual level of flows, and most remarkably the real level of mechanisms (Benton & Craib, 2001, p. 125-126). Therefore, a critical realist must look behind or below the surface, since reality is layered. Elder-Vass (2012, p. 9) describes critical realism as 'an explicitly realist ontology of the social world'. Realists see the natural world, which includes the social world, as driven by causal processes. All events are caused by causal powers which interact in multiple ways (Bhaskar, 1975).

Therefore, social science is concerned with explaining these causal powers and interactions that create social events, such as individuals and social structures (Elder-Vass, 2010). In contrast to positivist belief, multiple causal powers are emergent and do not always produce the same results. As such, Bhaskar's account would be quite compatible with a moderate form of social constructionism. However, social constructionism also addresses the limitations of a critical realist position because the simultaneous attempt both to produce knowledge and to nudge social change involves bias about what is good or bad about the described situations (Hammersley, 2009).

Moreover, critical realists struggle to justify alternative systems that generate a net improvement of social change and are feasible (Sayer, 1997). In social constructionism, it becomes clear that the research philosophy has the role of broadening understanding but not the capacity to make normative conclusions based on critical explanation. This position finally served as a basis to conduct the study.

3.4 Preparing and Piloting the Study

3.4.1 Interview Schedule

The semi-structured interviews themselves followed an interview schedule but allowed flexibility to keep natural flow and rich detail. Additionally, the wording of questions was carefully attended to, so that the questions were brief but allowed for long answers from the interviewees (Barbour & Schostak, 2005).

The field notes, in particular, helped to improve the researcher's interviewing skills and to ask more targeted questions and probes to reduce insignificant monologues for the purpose of the study.

Since a prefigured approach was used initially for the interview schedule, the prepared interview schedule is tied to the research questions, and all interviews followed that schedule; however, the focus could differ between interviewees. Aside from opening and closing questions, the interview schedule contained four major themes:

- types of role models,
- making use of role models,
- entrepreneurial exposure and key impacts of role models, and
- outcomes regarding growth.

However, the schedule also allowed unpredictable responses and probes which contributed information related to the research questions. This allowance helped the researcher to be more aware of and in control of his biases and to avoid misleading the interviewees.

Figure 7, an extract concerning two themes, indicates the prepared interview schedule, including potential probes. The complete interview schedule can be found in Appendix A.

Theme: Entrepreneurial exposure and key impacts of role models

- What was your first entrepreneurial experience? (Probe: How did that experience affect you?)
- Who impacted your development or changed the way you think? (Probe: Can you give me a concrete example of how this influenced your actions? Do you perceive that person as a role model?)
- ...

Theme: Making use of role models

- What do you do as a founder to make meaning for others in the company? (Probe: Adapted behaviour from role models? Does a vision and mission exist? If yes, how do you inform employees about that vision or mission?)
- Where have you been learning how to grow and manage a team? (Probe: What is your methodology? Where does the methodology come from?)
- ...

Figure 7. Extract from translated interview schedule for semi-structured interviews.

The themes were based on existing theoretical concepts and propositions from the literature. In the spirit of phenomenological study, the themes were used to uncover meaning and to understand the perceptions of individuals in the context of German startups (Crotty, 1998, p. 7). On that account, one can understand the issues around the themes and can extract the essence of participants' perspectives in order to answer the research questions.

3.4.2 Sampling for the Pilot

For the pilot, two interviewees out of a sampled group of 25 founders, who were not seen as key informants, were chosen. The selection of the interviewees was based on a purposive sampling strategy (Shadish, Cook, & Campbell, 2015). Within a set of specific boundaries (founders who lead a digital startup in Germany), the goal was to maximise variety within these boundaries (different role models, business models, number of employees, and previous work experience). To approach the interviewees, the personal ties of the researcher within the startup community were utilised. The semi-structured interviews took place as personal one-on-one interviews in the interviewee's first language to obtain the best possible data. Both interviews were recorded and transcribed verbatim.

3.4.3 Reflecting on the Pilot

The pilot study served to test whether the research questions were worth being answered and whether they could be answered with the proposed research design. Both data collection and data analysis were to be tested in the field. Despite that the pilot went well in general, that the research design contributed to answering the research questions, and that participants valued the worth of the study, certain implications for the main study emerged.

First, the whole process of data collection and analysis was underestimated in terms of timing. Especially scheduling, transcribing, and becoming familiar with only two interviews was time consuming and required much focus and patience. Therefore, for the main study, more time to process the interviews and field notes was allocated.

Furthermore, an interview should be transcribed shortly after being conducted, without letting time pass. This tactic helps to ensure the transcription accurately and to capture the nuances of the interview.

Second, and especially true for the first interview, participants were not given enough time to answer. The interviewee may have produced more data around a question or probe, but the interviewer moved to quickly to another topic. Conducting an in-depth semi-structured interview requires several learned skills, and from the pilot study it became obvious that more patience was required during interviews. The second interview went much better in that matter, which raised confidence that the semi-structured interview approach was an appropriate method of data collection, enhanced by field notes.

For data analysis, no tool was used for the pilot study, and codes were added manually as footnotes in the transcripts. This method was feasible for two interviews, which could produce only a limited number of common themes and contradictions, but for the main study, a computer software program was used, as recommended by Miles, Huberman, and Saldana (2014).

Additionally, it was helpful to summarise the interviews for data analysis in a framework matrix in Microsoft Excel, because this made interpretation easier and allowed the production of findings around the themes. For this purpose, framework analysis served the need of structured analysis of large amounts of data, which the main study produced through data collection.

3.5 Main Study Data Collection

3.5.1 Purposive Sampling Strategy

The data of the main study originated from 12 semi-structured interviews and field notes linked to the interviews, conducted from March through May 2019 in areas of Germany in and near Munich, Cologne, and Berlin. Therefore, the sample geographically included three of the five major startup hubs in Germany (Kollmann et al., 2018, p. 23). The selection criteria for founders asked to participate follows from the pilot study, where the established criteria appeared suitable for the means of the study aim.

Therefore, participants had to meet the following criteria:

- being a founder or co-founder in charge of a growing digital startup in Germany, which means
    - having a real or forecasted annual revenue growth of at least 100%,
    - counting more than 12 full time employees (including founders), and
    - generating more than €150,000 in annual revenue;
- making personal information accessible, like the curriculum vitae of participant, before conducting the interview;
- providing company information, accessible before conducting the interview;
- being the founder of a company younger than 10 years and older than two years (based on entry into the commercial register); and
- having had an occupation before the current startup.

In addition, at least one in 10 participants had to be female. These characteristics served as protocol to make data collection repeatable and valuable and to avoid redundant interviews. For the purpose of this study, entrepreneurs were narrowed to founders or co-founders in charge of digital startups, because these kinds of businesses are strongly tied to the entrepreneurial performance if founders can impact the company for several months (Sarasvathy et al., 2013).

The startup had to strive for significant growth in at least revenue but also in employees (Kollmann et al., 2018). The industry average of forecasted annual revenue growth lies between 60% to 120%, and digital startups, specifically, tend to project large growth rates (Kollmann et al., 2018). Therefore, annual revenue growth distinguishes entrepreneurs from small-business owners who are generating income streams just for themselves and makes results comparable between companies, since it can be expected that challenges in achieving such high growth rates are similar.

While Silicon Valley, in the United States of America, is the biggest hub for startups, family businesses account for the vast majority of businesses in Germany (Stadler, 2009). Family businesses are enterprises which are mostly influenced by family members being shareholders or managers. Around 90% of German enterprises are family influenced and contribute 46% to the gross domestic product and 56% to employment (Stadler, 2009). Moreover, Germany is one of the most popular European countries when it comes to startups (Gauthier et al., 2019). Therefore, entrepreneurial family impact may be more likely, interesting and informative among German founders; thus, Germany may provide a strong and relevant database for startups and at least entrepreneurial family role models. Having this database could then help in addressing the research questions.

Startups typically employ 12 people in Germany (Kollmann et al., 2018). This number is intended to grow during the growth stage. This is exactly the company stage at which entrepreneurial leadership matters and therefore served as second characteristic regarding the startup of the founder.

Since, on average, more than 45% of startups generate revenues above the range of €50,000–150,000 in the last fiscal year, a company revenue of at least €150,000 was the third requirement to be considered for an interview (Kollmann et al., 2018). Especially in terms of company stage and growth, minimum revenue and time of years in business were required to anticipate a serious business model and to relate growth rates.

The criteria do not emphasise the accepted definition of SMEs, where thresholds in headcount and annual turnover or annual balance sheet total are defined for specific types of enterprises (European Commission, 2015). The reason is that startups are associated with high growth rates, heterogeneity and business model adaption and therefore growth is emphasised for the study and not fixed thresholds, which could be overcome by startups within weeks (Graham, 2012; Spiegel et al., 2016). For instance the thresholds for revenue and headcount for a micro enterprise would be a headcount lower than 10 and annual turnover no more than €2,000,000 (European Commission, 2015).

There is a majority of startups in Germany having a multiple in that headcount but meet the threshold for annual turnover, whereas others exceed the annual turnover of a micro enterprise but meet the headcount (Kollmann et al., 2018). However, what they have in common are high growth rates and the further sampling criteria and for that reason these criteria have been emphasised for the study and not the SME definition or a specific category thereof in particular with the intention to not limit the study to criteria which might not be fully applicable in the context of German digital startups.

Typical business models for digital startups are software as a service, software development, other digital services, e-commerce, or online marketplaces. The business models of all candidates fit into one or more of these types of business models. Additionally, all startups are limited companies with the interviewed founder being the chief executive officer. Since, on average, 15% of startup founders are female, the goal was to have at least one female interviewee in 10 interviewees (Kollmann et al., 2018).

3.5.2 Collecting the Data

Following the above characteristics, a list of 42 founders could be identified through personal ties, research, and recommendations. They were ranked from key informants to good informants regarding their possible contributions to the research questions. Founders who participated in the pilot were not considered to avoid any bias for the semi-structured interviews.

The 42 founders were contacted by e-mail to participate in the study. The e-mail included a detailed information sheet, explaining the project, its importance and what is required of them, as shown in Appendix B.

Before the interviews, interviewees were given the opportunity to ask questions, seek clarification prior to signing a consent form, approved by a Research Integrity Committee, which can be found in Appendix C. Participants were also free to leave the study at any point in the process of the research.

The approach was to schedule as many interviews as possible, one after the other, never having more than three interviews scheduled in advance. After the seventh interview, a clear picture of themes emerged, which the following interviews supported. After the ninth interview, no new key information could be added to the themes, and after 12 interviews data saturation was finally reached. These results accord with phenomenological studies, where up to 10 participants are considered sufficient (Boyd, 2001; Creswell & Poth, 2018).

The 12 face-to-face interviews lasted about 50 minutes on average and were conducted in German to ensure that language is no barrier to data collection and that interviewees could use their mother-tongue. The interviews were recorded with an Olympus LS-P1 voice recorder and were safely stored. The German transcription of the audio-recorded interviews generated about 16 pages of verbatim transcript on average. For transcription, the computer software program F4transkript was used, since it allows fast and precise transcription and commenting on data. The tool offers the possibility to import the data into the developers' analysis computer software program F4analyse. Additionally, field notes, as a secondary data collection method, complemented the taped interviews, containing comments on impressions, context, the researcher's reflections on the interview, and nonverbal cues (Rubin & Rubin, 2016; Sutton & Austin, 2015).

The field notes or memos were dated and written subsequent to each interview, so that they could be correlated with the data from the interviews (Miles & Huberman, 1994). Informed by a phenomenological research approach, the field notes recorded observational information, theoretical notes with reflection, and methodological notes on the process (Groenewald, 2004). They also gave room for the off-the-record conversations with interviewees after the interviews, which lasted about additional 20 minutes on average.

Transcribing the data in German, the data analysis finally was conducted in English, meaning that the codes were English and that relevant excerpts from the interviews are translated word-for-word into English by the researcher. This method bears two advantages. First, the themes from the English literature must not be translated back and forth, and second, presenting the findings based on narrative from direct quotes will make it easier to follow the argument and to get familiar with the sample.

3.5.3 Introducing the Sample

Although it was no concern of the purposive sampling strategy, the sample provides an overall indication of digital German startups, and Table 2 shows the distribution of the sample.

Table 2. *Introducing the Sample of 12 German Startup Founders*

Pseudonym	Gender	Age group	Business model	Annual revenue growth rate	Number of employees	Previous work experience
Timo	Male	25–34	E-Commerce	2×	12 (incl. 1 founder)	Non-entrepreneurial
Armin	Male	35–44	E-Commerce	6×	16 (incl. 1 founder)	Serial entrepreneur
Felix	Male	25–34	E-Commerce	3×	15 (incl. 2 founders)	Non-entrepreneurial
Anton	Male	25–34	Online marketplace	2×	70 (incl. 2 founders)	Manager in a startup company
Paul	Male	25–34	Online marketplace	3×	14 (incl. 3 founders)	Manager in a startup company
Johannes	Male	25–34	Other digital services	2×	15 (incl. 2 founders)	Serial entrepreneur
Leopold	Male	25–34	Software development	2×	16 (incl. 1 founder)	Serial entrepreneur
Ines	Female	25–34	Other digital services	4×	40 (incl. 3 founders)	Manager in a startup company

Jonas	Male	35–44	E-Commerce	5×	25 (incl. 2 founders)	Manager in an enterprise
Maximilian	Male	25–34	Software as a service	3×	17 (incl. 2 founders)	Manager in a startup company
Kerstin	Female	25–34	E-Commerce	6×	61 (incl. 1 founder)	Non-entrepreneurial
Ferdinand	Male	35–44	Other digital services	3×	32 (incl. 5 founders)	Manager in an enterprise

Note. For instance, '2×' means that on average the revenue of the previous year multiplied by two equals the revenue of the current year.

For reasons of anonymisation, pseudonyms were assigned to the research participants that in some way resonated with them but protect their confidentiality (Saunders, Kitzinger, & Kitzinger, 2015). Another option would have been to avoid pseudonyms and use numbers, but this method would make it harder to connect the data and emphasise individual perceptions. To avoid any possibility of confusion, a separate list is maintained, where pseudonyms are matched with the numbers and dates appointed to each individual interview.

Another challenge in terms of anonymising the interview data was addressed insofar as that company names, names of attributable role models, locations, business models, years in business, or previous occupations of the founders were not described in detail, since this approach did not affect integrity of the data but ensured confidentiality. However, all startups in the sample were older than two years and no older than eight years regarding their official date of formation.

When the revenue growth rates were disclosed for different time periods than one year, they were converted into an annual average growth rate by the researcher to allow comparability between the startups. However, in some cases, no actual revenue was disclosed, but instead information from the company evaluation was mentioned. Since the company evaluation is in most cases derivative of the firm's revenue, the increase in value is anticipated in revenue growth as well.

In terms of revenue, it can be assumed, based on number of employees, evaluation or disclosed revenue, that all startups produced a multiple of the minimum annual revenue required for the sample in the last fiscal year. Furthermore, although these ranges were not planned, the age group of founders interviewed was either 24–34 years or 35–44 years. These ranges correspond to the distribution of these age groups among German founders. In total they represent 77% of German founders, with 29% for the age group 35–44 (Kollmann et al., 2018). Furthermore, all participants had a college education in business or economics and therefore had above-average human capital. After having introduced the sample, the approach of data analysis is described next.

3.6 Data Analysis

For the main study's data analysis, an approach was needed that allows the identification of differences and similarities between interviewees (Lewis & Ritchie, 2005). This identification might allow one to understand the perceived impacts of role models from the perspective of founders. Moreover, the process of framework analysis allows one to follow clear instructions and produces structured data which makes the iterative approach reproducible (Gale, Heath, Cameron, Rashid, & Redwood, 2013).

In framework analysis, arising themes can be interpreted and connected to the context and are both applicable for individual interviews and field notes; framework analysis therefore fitted the needs of this study. To conduct a framework analysis, five to seven stages to data analysis are commonly introduced (Gale et al., 2013; Miles et al., 2014).

The following stages were adapted for this analysis:

(1) *Transcribing and becoming familiar with the interviews:* During the transcription, familiarisation with the words began by reading the transcripts several times and making notes on relevant aspects. To have everything in one place, including the memos, a qualitative data analysis computer software program (F4analyse) which is easy to use and offers a hierarchical code system, was chosen.

(2) *Coding:* For the prefigured approach, data corresponding with themes (based on research questions from prior literature) guided the research, but data should not be forced to fit on one theme if it is not the case. Three elemental methods of coding were utilised in the first cycle: descriptive coding, in vivo coding, and process coding. In the process, marks, themes, and phrases were used to code the data, also inductively for new themes. Hence, both deductive and inductive approaches were utilised here. The computer software program allowed for differentiation of codes, distribution of frequencies, and commenting on codes for underlying meanings to finally generate initial themes. This coding was followed by a second cycle of coding applying pattern coding, axial coding, and theoretical coding (Saldana, 2016).

(3) *Analytical framework:* Based on the identified themes, a framework was developed where the data needed to be integrated as exemplified in Table 3.

(4) *Framework matrix:* Data summaries from transcripts were charted into the different frameworks.

(5) *Interpretation:* The framework matrices allowed identification and interpretation of differences and similarities between data which broadened the understanding of the investigated phenomenon in its context and allowed for interpretation, which contributed to answering the research questions and generated the findings as described later.

In Table 3, the excerpt from one of the framework matrices serves as summary that makes interpretation of the data more feasible. However, interpretation was also done with the original transcripts.

Table 3. *Extract from Framework Matrix Including Founders' Expectations of Role Models*

Expectations of role models				
	Sub-theme 1: Personal relevance	*Sub-theme 2: 'Acting against the prevailing opinion'*	*Sub-theme 3: Self-assertion*	*Sub-theme 4: Passionate execution*
Timo	Guided by the role models' values. Going through the same stages in life. Having parallels.	Perfect combination of doing one's own thing and being successful with it.	A good role model must be consistent. His values and actions are aligned.	The most important thing is passion.
Johannes	Connection and alignment of personal values must be given.	Doing things differently than everybody else.	Acting against better odds.	Must be exceptional in their field and excelling at any given stage.
Maximilian	High self-discipline. Link must be there but can differ from domain over business model to age.	Making hard decisions.	Someone who built sustaining businesses and consistently worked on them.	Not polymath but excellent in his domain. Unconditional investing of own resources into the business.

Ferdinand	Someone qualifies for a role model if there is a high congruence and maximal identification. Theoretical possibility of becoming 100% that role model. A person you would cross the Atlantic Ocean with. Great success but with a sense of moral values.	Entrepreneurial role models must have tried and successfully accomplished things someone else would never have tried or advised against doing so.	Hard working and starting something from scratch, going through adversity several times. Being transparent with failures instead of only talking about successes.	Must be world class expert in a domain, where one can relate and look up to.

Table 3 shows four commonly arising sub-themes around expectations on role models. Despite the fact, that expectations between the founders vary and that some founders did not have specific expectations, no contradiction was found within the sub-themes. In sum, the statements around the themes helped to compare data, increase understanding, and draw conclusions.

3.7 Ethical Considerations

Ethically, an important concern is whether a project is considered safe and will do no harm to the researcher or participants (Miles et al., 2014). As outlined, there is a clear purpose of research which constitutes a theoretical and practical need for the study. Therefore, reciprocity was given, since participants, who were free to take part in the study, could benefit from the results themselves, which the pilot indicated, and the main study substantiated.

Additionally, during a qualitative inquiry, no one involved in the study should get harmed (Rubin & Rubin, 2016). A conflict could have arisen from the duality of the practitioner–interviewer role. Therefore, the interviewer had to disclose himself as a researcher to put distance between his role and the situation and it had to be ensured that the researcher's professional position would not undermine the role as researcher. This assurance was important, since the researcher is a practitioner in the entrepreneurial ecosystem, what might have granted access to people who would otherwise not be willing to talk to another researcher. To avoid roles becoming blurred, it was necessary to clearly adapt the role of a researcher, implying that no entrepreneurs would be involved in the study for whom a dependency on the professional position of the researcher would exist, so that any prospective participant could participate voluntarily and would be free to refuse any requests.

Then, it must be guaranteed that informed consent is provided by the interviewees to process the sensitive interview data. This consent was ensured through providing participants with an information sheet and consent form to sign before the interviews. Additionally, the project and the consequences of participating in it were explained verbally during data collection.

Moreover, the privacy, confidentiality, and anonymity of the data gathered must be ensured, which happened through anonymising data and storing data in encrypted form so that only the researcher would have access to it. The interviews took place privately in the offices of the interviewees, so that they could talk openly in their first language. Finally, the study followed reasonable sets of approved standards from methodology to data collection and analysis and therefore provided a high level of research integrity, as shown next (Miles et al., 2014).

3.8 Evaluating Qualitative Research

The mentioned research integrity links to rigour, which is expected of qualitative studies addressing the quality of the research design in regard to contribution to the research questions (Cypress, 2017).

Rigour is also addressed by Lincoln and Guba (1985), who argue that qualitative research must be assessed on the basis of trustworthiness instead of reliability and validity, although reliability and validity have overlaps with the elements of assessing trustworthiness in qualitative research. The authors offer credibility, transferability, dependability, and confirmability in order to assess if the research process is conducted with rigour (Cypress, 2017; Lincoln & Guba, 1985).

Data is valuable only when credibility can be strengthened. Using multiple sources to explain a phenomenon makes that explanation more valid. Furthermore, emerging themes and categories were challenged with the search for data that cannot support these themes and categories (Maxwell, 2013). Only by unpacking all assumptions, clarifying them, and addressing the interpretability of the findings in constructionist research do results become valuable and can conclusions be drawn (Crotty, 1998, p. 17).

The purposive sampling strategy, along with data collection until data saturation was finally reached, helped in enhancing transferability within the data collection. Additionally, dependability was enhanced through variations in data collection techniques and with the transparency of the research process. Both semi-structured interviews and field notes share a conversational element with the same sample. However, through field notes, individual data can be enriched and, thus, the trustworthiness of findings strengthened (Lambert & Loiselle, 2008).

Lincoln and Guba (1985) counter the traditional meaning that objectivity exists when many people claim the same thing with the term 'confirmability' by emphasising the collected data rather than the capability of the data to be confirmed. Confirmability is addressed with a clear research design and a reflective researcher, however, the researcher remains the only one who conducted the interpretive phenomenological study (Cypress, 2017). In addition, since the study deals with individual perceptions and their interpretation, the risk arose of overemphasising these perceptions and observing causality where only contingency applies. Interview probes and field notes helped to assess these nexuses and to allow and reveal contradictions in the data.

3.9 Summary

Having explained where and how decisions were made regarding the chosen research design, Figure 8 summarises the research design applied for the study.
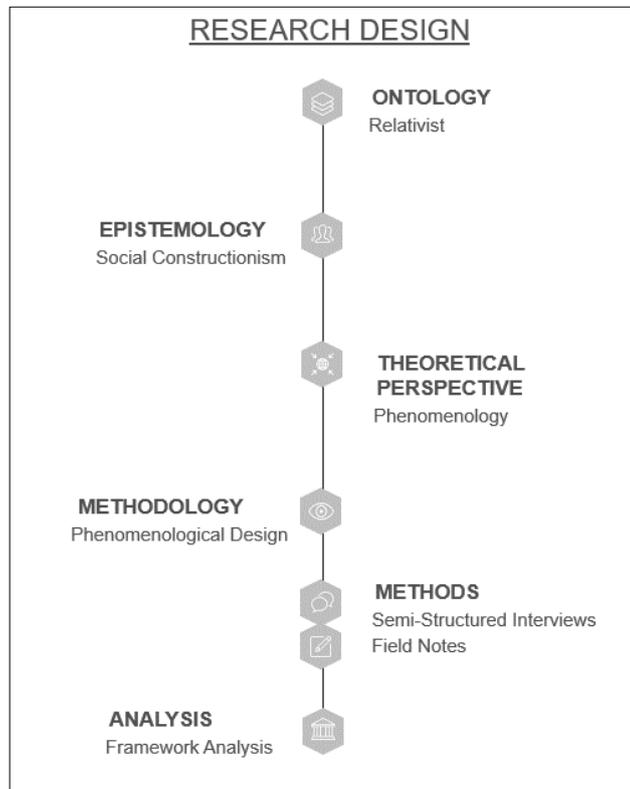
Figure 8. Summary of the research design for the study.

The research paradigm of social constructionism emphasises that different people generate different meanings and that therefore the same phenomenon can be interpreted differently. Thus, the phenomenon of role models' impacts on founders can be understood and interpreted only from the perception of these founders to gather subjective meaning to emphasise individual differences (Bell et al., 2018).

The chosen methods of semi-structured interviews and field notes, along with framework analysis, fulfil this objective and help to explain how founders interact with role models in the context of their startups to broaden the understanding of founders' realities in this respect. Consequently, the interpretation and findings of the produced qualitative data can offer useful and novel insight into the subject of study, but should not be considered as true for everyone (Crotty, 1998).

4 Findings

4.1 Chapter Overview

The collected data brings forward several insights about role models from the perceptions of the interviewed founders. This chapter summarises founders' responses and the themes evolving across and within the interviews serve as structure for the presentation of the findings. Before the presentation of the findings, some narrative on the role models of the sample is provided to more effectively understand the founders' perceptions of their role models. To show the findings, first, founders' expectations of role models are discussed. This discussion is followed by the different types of role models, their transitions, and their relationships with the individual founders, which seems important in understanding the interaction between founder and role model. Then, role models' impacts on founders, based on the founders' perceptions, are revealed on a founder proximal and organisation proximal level. Before a brief summary of the findings, including a conceptual framework built up section by section, startup proximal outcomes of the perceived impacts on founders are presented.

4.2 Founders' Perceptions of Role Models

Already having introduced the 12 founders from the sample, the relation towards their role models must be emphasised, since this will be of further relevance for the findings. It stands to reason that all founders have interactions with different role models in their entrepreneurial journey, as shown in Table 4.

Table 4. *Narrative on Role Models by the Startup Founders*

Pseudonym	Strong ties	Weak ties
Timo	*'I adapted several characteristics of my grandmother without even knowing it.'*	*'Working for free was the easiest way for me to learn from [distant role model].'*

Armin	*'There were so many themes addressed at home, but I never analysed it because it was just usual that we were talking about business at home.'*	*'The personal experience in biographies is a great gateway for me to access knowledge and to absorb that experience. [...] With a biography you can absorb 30 years of experience in 200 pages. [...] Peter Thiel's "Zero to One" is like a bible to me.'*
Felix	*'Somehow I imitated my father's journey without realising it.'*	*'[…] former CEO of […] who mastered the crisis well.'*
Anton	*'I simply used [a close role model's] system to enable constant growth.'*	*'Seeing the positive effects of listening instead of talking in [a distant role model] made me rethink my strategy.'*
Paul	*'I copied my father's need for an autonomous life without thinking about it.'*	*'I can find an inspiration in every successful founder with proper behaviour.'*
Johannes	*'[…] one thing I observed was very bad treatment of employees from [a close role model]. […] These negative examples are also important to recognise the good things in a role model and reverse the things perceived as bad.'*	*'I found a lot of enablers for growth in the biographies of Richard Branson, Steve Jobs and Bill Gates.'*
Leopold	*'What helps me is to project [a family role model's] thoughts and asking myself how they would decide here.'*	*'Knowing how Richard Branson or Jeff Bezos turned their failures into successes strengthened me.'*

Ines	*'How my mother treats her employees became the benchmark for me subconsciously.'*	*'[…] and I already contacted [a distant role model]. She stands for accommodating a number of things like family and business.'*
Jonas	*'[…] asking an investor for help because of problems with the team to learn from his experience.'*	*'I give you an example, which shows that you need role models at any given stage. [A distant role model] is a close friend now and sparring partner for my business.'*
Maximilian	*'Unintended I turned into the same career path as my father.'*	*'I adapted "idea meritocracy" from Ray Dalio, a democratic decision-making model, where not the CEO but the best idea makes decisions.'*
Kerstin	*'For sure my network of other founders, who are one step ahead of me, is great.'*	*'My [distant role model] acted as authority, where people just did what he said, because they had to. But we would never sacrifice anything for him. So, I reversed his leadership behaviour so that employees will go through fire and water for me hopefully.'*
Ferdinand	*'[…] my father who started from scratch and developed a street knowledge to become successful with perseverance.'*	*'[…] I need personal interaction to decode and reflect on role models to decide if adapting that behaviour helps me in my own context.'*

Along with these prior perceptions of the founders regarding their role models, the findings are presented next.

4.3 Presenting the Findings

4.3.1 Expectations of Role Models

Regarding their role models, founders have high expectations. Most remarkably, founders tend to need a role model to be personally relevant. For instance, Ferdinand states that someone can become a role model for him for the following reasons:

> *If there is a high congruence and maximal identification. I must see a theoretical possibility of becoming 100% that role model. A role model can only be a person who I would cross the Atlantic Ocean with. And of course, someone with great success but also with a sense of moral values.*

Additionally, Timo and Armin emphasise the need for a match with their present stage in life. Some others suggest that a role model must be someone they would work with or someone that must be an expert in their domain. Therefore, it is not surprising that most role models that are mentioned are entrepreneurial role models having a positive entrepreneurial experience. However, when seldomly non-entrepreneurial role models come to mind, they are also expected to have an impact in their domain as renowned experts, whether in sports, society, or politics. The personal relevance of and parallels with potential role models are the surest indicators of designating role models.

In addition, role models also should, at least in some way, act against prevailing opinion, because this trait comes with being entrepreneurial (Sarasvathy, 2001). Jonas reported that he expects a role model:

> *[…] to do something exceptionally new, where nobody thought about before. A role model does not let anybody butt in, because he is so convinced in doing the right things and has the courage to act.*

Not only must role models have broken new ground, but also founders expect them to act against common knowledge or advice, which means that role models are attributed self-confidence, self-assertion, naivety, or any combination of these qualities. Since most people do not act against the prevailing opinion, this filter excludes many potential role models.

Self-assertion, specifically, appears as an important condition of role models in founder's perception. One important element of this condition is going through adversity. However, perseverance and passion are necessary to overcome adversity. This transparency helps founders to gain a realistic picture of the challenges that come with being an entrepreneur. Furthermore, founders expect their role models to be consistent in their behaviour and to align their actions and values. This characteristic can be found in many potential role models. However, some might lack in self-assertion.

Passion is required not only to go through adversity, but also for role models to excel at any given stage, and it is therefore demanded by founders of their role models. Johannes perceives his role models as *'exception in their field'*, as is supported by Maximilian, who states that a role model must not be a *'polymath but excellent in his domain'.* Although passion is a requirement a broader range of people can fulfil, not everyone, even with positive entrepreneurial experience, must per se have enough passion to become a role model; from the founders' perceptions, they can turn to and make use of.

Therefore, based on their expectations, founders filter from a larger group of potential role models to end with a small number of designated role models, as demonstrated in Figure 9.
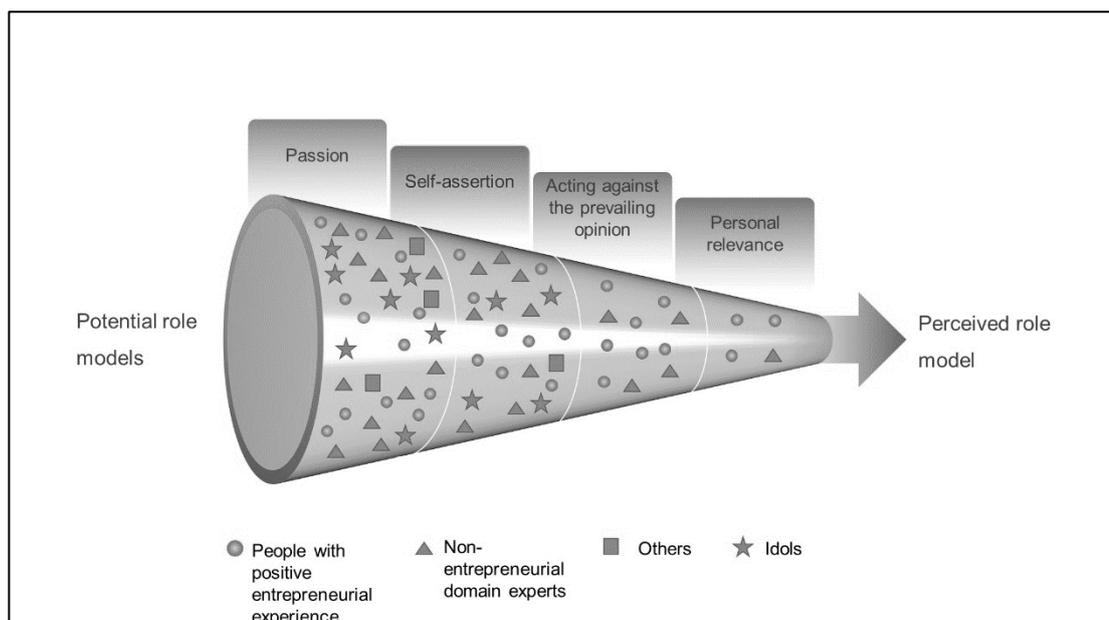
Figure 9. Funnel of the expectations of role models.

Having some individuals perceived as role models, founders can make use of them in different ways.

4.3.2 Making Use of Role Models

Before describing the different types of occurring role models, the understanding of how founders utilise their role models must be broadened. They might serve as important resources that founders can turn to when tackling new challenges. Therefore, the data suggests that role models can grant access to knowledge, can serve as examples to adapt their behaviour, can help triangulate founders' views and can act as deterrent. Figure 10 shows the different ways in which founders utilise their role models; the figure also marks the first step in building up a conceptual framework section by section, as one major output of this study.
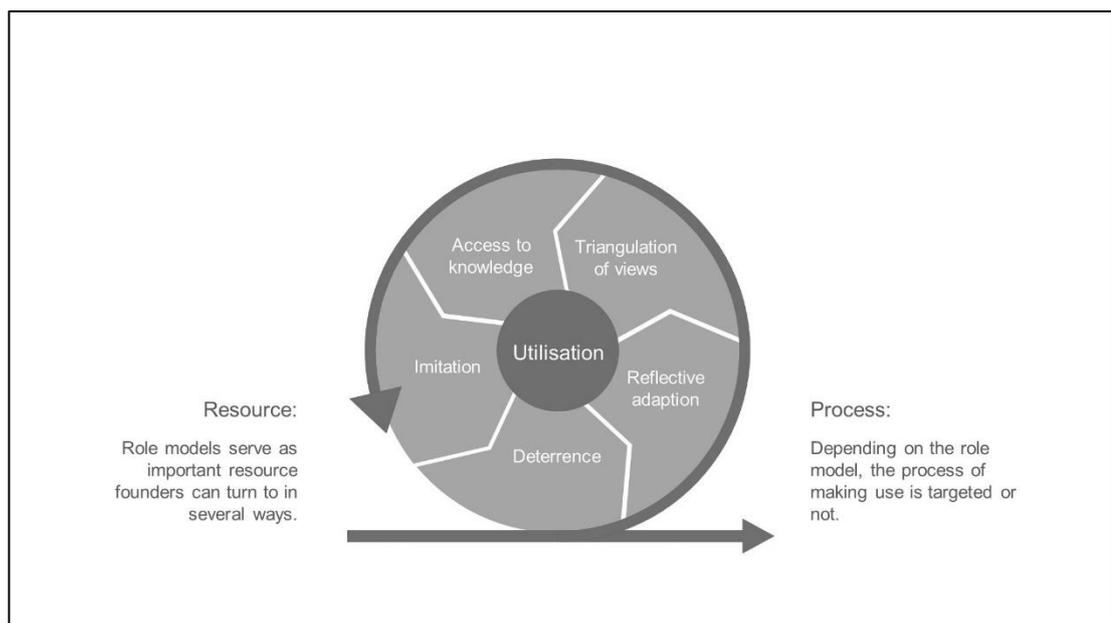
Figure 10. Process of the utilisation of role models.

As already seen, role models are in certain respects perceived as experts in their domain, which makes them a relevant source of knowledge for founders. This perception can go from taking lessons from role models' journeys to looking specifically for *'potential gold nuggets'*, as Maximilian claims. Absorbing information from a role model through conversation, observation, or reading a piece of writing from or about that role model is important for founders.

It seems that founders are, with the help of role models, *'putting different pieces of knowledge together like a recipe to become a great entrepreneur'*, as Ferdinand describes the process. Another infrequent way of making use of close role models is triangulation of views. Some founders have already institutionalised that process, such as Armin:

> *I make use of role models by actively building task-specific networks to challenge decision making. It is a kind of circle of competence with role models who consult and lead me through challenges. And I ask the role models how they solved issues about team, financing, or technology. It is a permanent exchange of opinions, which also helps to identify my own strengths and weaknesses.*

For others, they use their close role models as guidance for what to focus on for the next few months or for asking *'how they would decide'* and mirroring their own thoughts, as Leopold explains it. In some more frequent cases, it is about feedback on specific topics what founders request from their role models. However, the interviewed founders have a great interest in their peers and are constantly looking for inspiration, which becomes explicit from the off-the-record conversations, where all founders asked how their peers interact with role models and which role models other founders have. This interest in others substantiates the need for founders to understand the process of interacting with role models.

Whereas triangulation of views requires the role model to be close, adapting a role model's behaviour can also be done with distant role models. In some cases, this adaption is not merely a process of simply imitating distant role models' behaviours, but a reflective adaption of behaviour in one's own context after filtering and evaluating that behaviour by the entrepreneurs asking what it means to them. Therefore, Armin is *'testing strategies that work with role models if they fit in the own context'* and Ferdinand likes to *'decode and reflect on role models to decide if adapting that behaviour helps […] in […] [his] own context'*. However, when it comes to family role models, the process becomes more subconscious or non-observable. Felix describes that he *'somehow imitat[ed] [his] father's journey without realising it'*, and Ines subconsciously imitates a family role model in her attitude towards employees.

Another way the founders utilise role models is by projecting role models' thoughts on their decisions by asking themselves how they would decide. However, some founders seem not to have a repeatable process in place for understanding role models, especially when it comes to family role models, since their impact is subconscious by tendency.

An important aspect already mentioned is that role models can also act as a deterrent for founders. This deterrent can be of use for founders, however, since Johannes describes that *'negative examples are also important to recognise the good things in a role model and reverse the things perceived as bad'*. Leadership elements like abuse of power, ruthlessness, and poor treatment of people are mentioned with founders' intentions to do better in their own context. Moreover, sometimes founders are dazzled by famous success stories. Ferdinand explains this phenomenon accordingly:

> *Role models often simply act as success role models and leave no room for adversity. You must always look at the next layer to understand how this person works and whether this will work for you. And I recognised that ruthlessness might lead to success in the short-term, but it does not fit into my personality and my leadership style long-term. So, I stopped imitating the paternalist leadership behaviour of [a close role model].*

Therefore, founders might be inspired by only a few success stories, even though failure is much more common along the way, but they would prefer to know upfront what they are getting into. This understanding basically arose from the conversations after the interviews, according to the field notes. The perceptions mentioned also underline that a great businessperson is not automatically a great leader of people, who can serve as role model for leadership behaviour. Given this understanding of how founders use role models and that they expect multiple qualities in role models, it becomes visible that founders might interact with multiple types of role models during their entrepreneurial journey and utilisation may happen both consciously and subconsciously, depending on the proximity towards a role model.

4.3.3 Types of Role Models
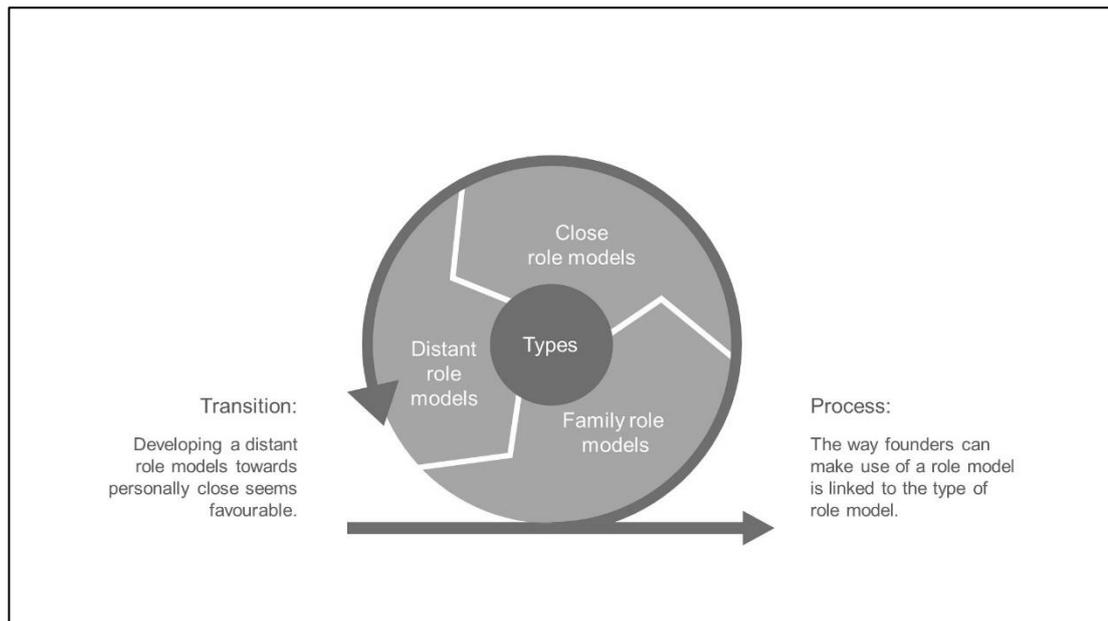
Figure 11. Processing different types of role models.

Figure 11 shows that founders tend to have different role models. Based on the interviews and field notes, the participants usually have a singular family role model, a small number of close role models, and multiple distant role models. This multiplicity in role models is closely linked to the funnel of Figure 9, where potential role models are filtered based on founders' expectations. Generally, there are more potentially close role models available than family and even more distant role models, simply for geographical reasons. Family role models are relatives up to a specific degree of kinship. Most commonly, this is the father of a founder, but also grandparents, siblings, and uncles are mentioned as role models. Close role models are role models that are first personally known, and second, that have a close proximity that allows for frequent personal exchange, for instance once a week. As such, the personal network of the founder comes into consideration with friends, co-founders, mentors, other entrepreneurs, and even with investors.

Distant role models, then, are role models either personally known or unknown but with infrequent or no personal exchange at all. For most founders, their distant role models are personally unknown and famous, successful entrepreneurs in Germany or the United States of America.

Very popular distant role models among the male founders are Frank Thelen and Oliver Samwer in Germany or Richard Branson or Elon Musk in the United States of America. Additionally, books and biographies like *Zero to One* by Peter Thiel are used as a blueprint. Both female founders mentioned Lea-Sophie Cramer, who is presently one of the most popular German female startup entrepreneurs.

Some permeability allows distant role models to become close role models; some role models become more important at a specific stage or become irrelevant in founders' perceptions. Most common is the transition from a distant role model to a close model, by approaching that formerly personally unknown distant role model, if possible. This happened in the cases of Frank Thelen, Oliver Samwer, and Lea-Sophie Cramer with some of the founders from the sample. This is also the reason that distant role models might not be personally unknown per definition, since the relation is not static.

Armin puts it straight when he explains that *'as life is oscillating, role models are'*. Leopold explains this transition as a more conscious process by describing that it is *'important to have different role models you can turn to at any given stage'*. Maximilian emphasises the transition of role models:

> *I think role models change extremely, since reinventing yourself through different stages requires different role models who become relevant. And as an entrepreneur, you go through different stages. That is the way it is. At the beginning of the lifecycle, when we were five people and had some cash in the bank, role models who are experts with products were more relevant to me, since I was seeking product–market fit. At growth to 15 people and still burning cash, the need for a growth-oriented role model was higher.*

Moreover, the role models of Ines changed, depending on her own perception. For instance, when she was focusing on her career, she emphasised role models excelling in their careers. Now, though, thinking about balancing career and family, Ines seeks a role model who has already managed that challenge. Having only access to distant role models in this context, Ines tries to contact and engage with her formerly personally unknown and distant role model to develop her towards becoming a close role model.

Not only the person perceived as a role model can change, but also the founder's relation towards that person. Jonas describes the transition of an important role model from an idolised former boss to close role model, which allows for more and detailed interaction and encryption of this specific role model, which then provided greater value. Felix pictures a similar transition with his former boss. This perception is also supported by Ferdinand, Anton, and Timo, who report comparable stories with their former bosses or investors. Therefore, it might make sense to engage closely with role models to have someone to turn to when tackling a new challenge in scaling a business, whether the founder's role models are close or distant. Developing a distant role model into a close role model when needed seems favourable for founders. For instance, Timo and Anton offered to work as unpaid interns for their role models, just to come nearer to that role model. Therefore, founders actively took action to change the proximity towards a role model.

Another observation made, following from the demand for personal relevance, is that female founders basically have female role models, while male founders mentioned only male role models. This is true with only one exception, in Timo, who mentioned his entrepreneurial grandmother as role model, since she was the only entrepreneur in this family.

Emerging from the field notes is also that a common understanding of role models evolved only during the interviews and, therefore, in most cases after the interviews, further role models were mentioned by the interviewed founders and added to the field notes. Whereas family role models tend to have an early impact enabling an entrepreneurial mindset, more distant role models seem to be more relevant for founders to address specific challenges during company growth.

Although this observation might be closely linked to having eight founders with entrepreneurial family role models in the sample, the data indicates that the general impact of role models increases with the intensity of interacting with that role models, what Leopold and Ferdinand supported explicitly. The findings already suggest that these different and alternating role models have an impact based on founders' perceptions.

4.3.4 Key Impacts of Role Models on Founders

The key impacts of role models mentioned by the founders can be generally divided into impact on founders' entrepreneurial process and into impact on founders' leadership development; these impacts are summarised in Figure 12. Understanding stakeholders' needs and leading by example can merely be attributed to leadership development and the other impacts focus on the entrepreneurial process.
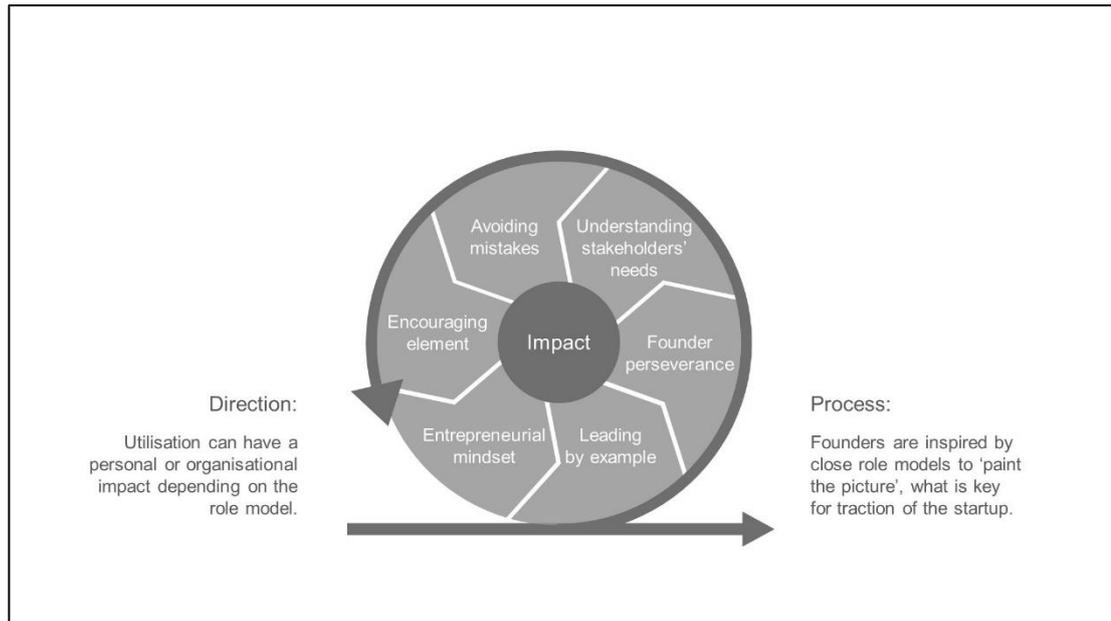
Figure 12. Perceived key impacts of role models on founders.

A central element of role models' impact is an encouraging element towards starting a new venture. Johannes was *'reinforced by role models regarding the feasibility of one's business model'*, and Ines considered *'entrepreneurship as career path, because [her] parents are successful in this domain'*. Therefore, founders understand and see from role models that starting an entrepreneurial venture can lead to success.

Additionally, some role models implanted an entrepreneurial mindset into the founders, whereas founders like Armin, Kerstin, and Ferdinand believe that they are born entrepreneurs and that there was already fertile ground for the entrepreneurial mindset to implant by role models. Felix *'learned from [a close role model] that if not failing, one is not pushing the limits'*; others saw how rewarding it can be to run one's own business, to challenge the status quo, to take risks, and to have freedom of choice.

For others, role models were enablers; for instance, Leopold's parents allowed him to build his first entrepreneurial venture in the garage. But what comes with entrepreneurship is failure. In accordance with other founders, Leopold claims that he could have *'avert[ed] headache and heartache'* if he would have paid more attention to his role models' stories, especially in terms of domain expertise and that *'entrepreneurship is not a sprint but a marathon'*, according to Ferdinand. Therefore, it helped Paul greatly to learn early that he is responsible for his mistakes and that one must go through trying times before becoming successful or that it is better to learn from success than from failure. In contrast, founders like Kerstin, Armin, Jonas, and Ferdinand claim that, against one's better judgment, founders also must make their own mistakes, recognise them, and iterate their processes. Jonas describes this advice in detail:

> *I got the advice from [a close role model] that the time to recognise failures, come back smarter, and iterate on process must be short. And I always felt the need to show my role models my own capability to create things. That I am also able to domesticate uncertainty, instead of avoiding it.*

What is described in Table 3 as excelling at any given stage means that founders learned from their role models that, first, in every successful business, the startup is tied to the founder's personality and that, second, passion for the product is necessary to excel and scale; otherwise, founders would run out of breath sooner or later. Another impact emphasised by Anton and Ferdinand is that their entrepreneurial role models have co-founders, since co-founders might reduce the probability of failing because commitment and the available set of skills with complementary founders increases.

However, Ferdinand suggests founding with less than five founders, because with more than four people involved, decision making becomes difficult, and an imbalance of contribution can arise. When it comes to leadership development, founders could acquire and adapt an increased understanding of their stakeholders through emotional intelligence from role models.

Johannes describes his approach as follows:

> *I imitated the behaviour of [a close role model] asking about peoples' agenda first because everyone is different, and people only follow when they feel understood.*

Furthermore, in growing their teams, it seems crucial for founders to acknowledge the people in their teams and to find the unique skills in someone to improve. Anton and Jonas were promoted in this way by their former bosses and role models and thereby improved their individual performance. Hence, they implemented this behaviour in their own startups.

Ines, Kerstin, and Ferdinand developed a strong customer-driven mindset, because they recognised that *'people buy from whom they feel understood not from someone they understand'*, as Ines describes it. Founders both expect their role models to be assertive and set perseverance also as a standard for themselves, knowing that in the end, it will pay off and that no success happens without effort. The understanding that founding a startup requires discipline and consistency, especially, helps the founders to contribute these elements and stick with it.

Another approach the founders developed, impacted by role models, is to lead by example. Hence, the alignment of values and action is perceived as key to getting traction. Kerstin describes the effects of this alignment:

> *Showing people that the founder sacrifices for them motivates them. I can earn their trust this way. Therefore, I must lead by example. Every single time I take responsibility for my actions, and I am always looking for solutions instead of blaming my team. And the effect is that this fosters the same behaviour in my team.*

Leading by example also requires the founders to make decisions, and Jonas *'adapted from [a close role model] that you just have to make three to five right decisions per year and that will impact what is going to happen with the company'*. Finally, close role models inspired certain founders like Paul and Kerstin to focus on *'paint[ing] the picture'* for their startups. Thus, founders must maintain a focus on what is relevant.

Additionally, the close role models of Johannes always share their vision with others and are the keepers of that vision against constraints, which he tries to copy. Additionally, delegating tasks and showing the path for the next 12 months with defined boundaries along that way seems promising for growth, based on role models' experiences.

Since founders described what they expect from role models, what types of role models they have, how they make use of them in their own context, and what role models' perceived impacts are upon them, there remain open questions about the outcomes of this interaction in the digital startups of the sample.

4.3.5 Startup Proximal Outcomes

Founders perceive and describe the outcomes of role models in their context in a manner that they helped in shaping a culture towards scaling the business and in developing a leadership methodology regarding growth, what is recognisable by role models' impact on founders operating mentality. Figure 13 shows these outcomes. In several ways, closer role models could subconsciously implant a belief system in founders that they must lead from the front to inspire others.
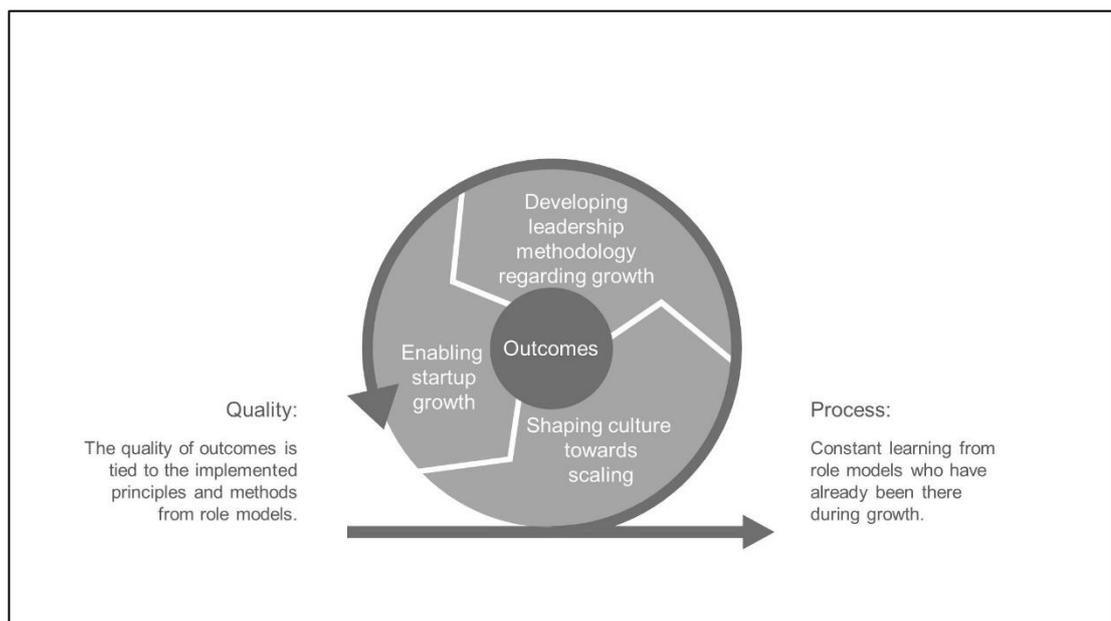

Figure 13. Outcomes of role modelling regarding startup growth.

The interviewed founders shape their culture insofar as they emphasise collective intelligence and foster open-mindedness as well as transparency in their startups. Maximilian describes his perception of collective intelligence:

I adapted 'idea meritocracy' from Ray Dalio, a democratic decision-making model, where not the CEO but the best idea makes decisions. The key is to enable people, meaning giving them the resources they need to scale personally in order to scale the business. […] and I always support individuals on their journey. Some people need close management and others freedom of action. When you give them what they need individually and pay attention to their needs, they overperform dramatically.

This subject is important because of the *'importance of utilising existing resources because of scarcity of resources in startups'*, as Jonas describes it. Additionally, observing imperfection in role models led founders to *'be more tolerant towards mistakes because perfectionism is a barrier to growth'*, says Johannes. Moreover, two concrete examples are described: in one case, an elderly salesperson who is great in sales had difficulties with digitalisation and automatization and was decelerating the firm's processes. Consequently, Armin introduced and motivated him to adapt the modern tools successfully.

In the other case, a manager and domain expert, had problems with leadership, so Ines gave him leadership development training, which made it possible for him to grow the finance department, which then enabled the scaling of the organisation. Hence, the founders tended to share knowledge with their team. Furthermore, many principles and methods observed in role models are implemented to foster social interaction. Anton follows the principle that *'if you do not ask, you cannot lead'*, others institutionalised social interaction with regular all-hands meetings and personal feedback loops. Jonas established the following routine:

[Do not] be afraid to make decisions and remain focused on what is relevant at that specific time and to have the courage to disregard minor projects. I learned from [a close role model] to keep the main thing that is going to move the dial at that stage.

> *We also adapted a 'Winning Friday' from him, where founders and the team critically reflect on the week and celebrate achievements. […] and until the business becomes profitable, I must work against time to burn as little money as possible until we reach profitability, and this is my goal; and I must make it everyone's goal.*

The common thread here is consistent and proactive communication with stakeholders and shareholders. Especially regular one-on-ones with employees turn out to be a good indicator to founders about the current atmosphere. An element copied from role models here is to ask employees about the things they are most and least happy about. Founders also describe that these elements of communication are not primary to inform people about what is going on, but more importantly to create a common identity or, as Anton describes, *'weekly all-hands meetings […] generate the feeling of being in the same boat'*. For flow of information, weekly recap and outlook correspondence were exposed to be efficient by role models and thus are adapted widely by founders. Therefore, the participants often copied their role models' behaviours when interacting with their team.

Another element already five founders of the sample successfully introduced is an employee stock ownership plan (ESOP), which, along with other methods, *'gives people constraints and objectives to optimise against, so they also can make decisions by themselves'*, and is therefore a great enabler for growth, in Felix's perception. The goal of ESOP is to let employees participate in the success of the business and to reward them for excellent work and for taking action, *'which fosters excellence and growth to the next level'*, underlines Ferdinand. Additionally, ESOP represents a *'great tool to hire great talent, since financial resources are scarce'*, as Felix continues and demands:

> *[Founders] should hire only people better than [them] in that job. This is how you start to scale, by hiring experts that hire the founder out of these jobs. […] We hired a more senior head of marketing, who is a growth hacker, and his salary mostly is his ESOP.*

This perception also emerges in other founders' statements. Some have observed that hiring experts and giving them the right tasks can be a big lever for growth.

However, Felix warns that founders must find a *'balance of hiring too fast and reaching the tipping point of adding too much complexity and burning too much money and not scaling at all through overload'*. Apparently, founders turn directly to their close role models when they have organisational scaling problems and need relevant advice, as is exposed in the example of introducing ESOPs into their startups.

Another method frequently copied from role models are objectives and key results (OKRs). Anton adapted OKRs because they are *'widely and successfully used in [his] network'* and because they emerged as a gamechanger for growth for his company, giving people constraints and objectives to optimise against. Moreover, creating momentum is perceived as an outcome of role modelling in founders' perceptions on internalising traction. In this context, the *'key is to create a momentum for growth through results, since the best motivation for growth is to create growth'*, explains Paul. Therefore, founders must show the team that the goals are achievable by celebrating successes and spotlight people, which *'create[s] momentum for future growth'*, urges Anton.

Similar to the introduction of ESOPs, the process for implementing OKRs with the help of close role models is conscious. Founders like Armin and Jonas understood the benefits of OKRs in the role models' companies and made the decision to implement them. In order to do so, they consciously sought advice from their role models during preparation, implementation and exploitation of OKRs in their startups.

As described, all founders managed to scale their companies on a constant basis, some faster and some more constantly over time, attributing their success at least partly to role models. Armin summarises this perception:

> *Through proactively communicating with partners, we scaled '3×' in the last six months to a post money valuation of €15 million, what would not have been possible without cultural adjustments and constant communication as seen by [a close role model]. Because from one to 15 employees everything is easy, from 15–50, hierarchies need to be developed, and [exceeding] 50, you do not know the names of the people in the hall anymore.*

Even when the growth stage is managed, new challenges arise, and therefore Ines says that constant scaling is *'hard to accomplish internally and impossible without role models, that have already been in this situation and you can turn to when tackling these challenges'*. Kerstin emphasises this difficulty, when she explains that for constant learning through the different stages of a company, *'seeking advice from more experienced founders is key'*.

4.4 Summary

The findings suggest that from a broad range of potential role models, founders filter, based on their individual expectations, a set of role models they perceive as such. It seems that a role model must have parallels and thus a personal relevance for founders. Moreover, a positive entrepreneurial experience, self-assertion, passion, and acting against the prevailing opinion are expectations founders have on their role models. Largely not intentional, founders create a work plan or process of cycles, which can be described as conceptual framework in Figure 14, beginning with the chosen types of roles models.
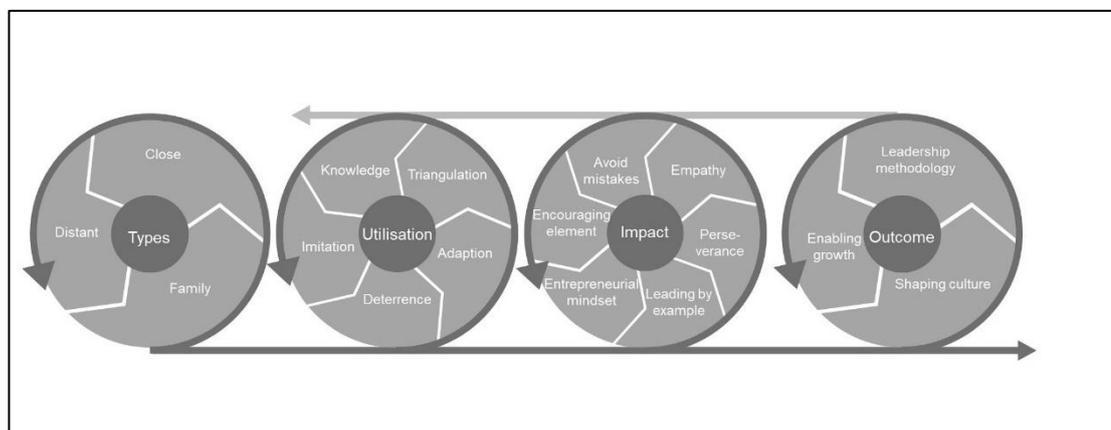
Figure 14. Conceptual framework on role models' impact from founders' perceptions.

The types of role models then impact how founders can utilise them. The impact of this utilisation by founders can either be personal or organisational, based on the type of role model and form of utilisation. Especially close and family role models tend to inspire founders subconsciously in painting the picture for their startup, which lets them implement promising principles and methods also from their distant role models.

Whereas family role models and close role models tend to have more subconscious impact on the personal development of the founder, it is observable that both close role models and distant role models become more relevant in consciously providing task-based support on organisational scaling problems for the founder's startup. Additionally, entrepreneurs also utilise distant role models consciously on a personal level.

Aside from other elements of proactive and consistent communication associated by the founders with tremendous favourable outcomes regarding growth, two methods are the implementation of OKRs and setting up ESOPs. Based on the quality of these principles and methods, outcomes vary and might enable growth in the startup. However, the conceptual framework cannot serve as playbook for growth, but rather shows entrepreneurs that they can learn from people who have done it before. It describes role models as important resource in the entrepreneurial process, to whom founders can turn when tackling a new challenge.

Whenever the outcomes of role modelling are favourable regarding growth and reaching a new stage, role models do not become obsolete, per se, but constant learning from role models who have tackled these new challenges before becomes necessary in the entrepreneurial process of the founder. The conceptual framework demonstrates the cyclicality of this process. This means that during personal and startup growth, role models can shift. This transition of role models happens analogical to founders' demand on an organisational or personal level. The introduced conceptual framework will form the basis of the next chapter, where the findings are discussed and mapped against existing research and practical applicability.

5 Discussion

5.1 Chapter Overview

This chapter contextualises the findings with the literature and demonstrates the application of the outcomes to both theory and practice. It further details the conceptual framework and will help in answering the research questions. Moreover, the discussion serves as a summary of the findings in relation to the research aim in order to show how the findings add to the understanding of role models' impact and quality from founders' perceptions. The discussion then turns to the findings' relevance in practice and addresses why entrepreneurs should care about the findings. To follow that idea, the chapter begins with a statement of the purpose of the research. This statement, according to the sequence of how the findings were presented, is followed by emphasising founders, their human and social capital, and the way in which they utilise role models. Role models are then discussed and mapped against existing theories, based on their types, transition, and impact. This discussion is followed by an explanation of the developed conceptual framework, after which this chapter is summarised.

5.2 Purpose of the Discussion

In order to have a purposeful discussion, the research aim must be called to mind: to investigate the perceived impact of role models on the entrepreneurial process and leadership development from the perspectives of founders. Subsequently, the study aims to help entrepreneurs to better cope with the challenges of growing a digital startup. Gauthier et al. (2019) describe from practice that often the inner dimension is scaled up too quickly in respect to outer-dimension traction, which ends in premature scaling and an excessive burn rate.

The discussion wants to answer the research questions and increase the understanding if role models can have an impact on founders regarding them growing their startups sustainably. The discussion is guided by the theoretical framework of Figure 4 to critically enrich it with findings from the German context.

The framework comprises the impact of founders' human and social capital on the entrepreneurial process and leadership development, ideally resulting in startup growth

5.3 Founders

5.3.1 Human and Social Capital

Entrepreneurs often rely on their human and social capital to accomplish the involved challenges in starting and growing a startup. It becomes clear that startups under scarce resources are strongly tied to the entrepreneurial performance of the founder (Sarasvathy, Menon, & Kuechle, 2013). Exploiting the limited resources might even be perceived as a key ability of entrepreneurs (Jones et al., 2017). Thus, startup's performance can be linked to the founder's human and social capital, especially in the early stages. Whereas human capital comprises the development of skills and abilities through work experience or education, social capital describes a learning mechanism through social exchange (Debrulle et al., 2013; Spiegel et al., 2016). According to social capital theory, individuals benefit from their trusted social structures through social learning and accumulation of knowledge (Debrulle et al., 2013). In contrast to human capital, which is addressed from various perspectives, there are fewer discussions about social capital in this context. Moreover, the discussions taking place with an emphasis on role models or with using the concept of role modelling happens to an even lesser extent in Germany.

Since it was a requirement for the sample, all founders had prior work experience before becoming founders of their current ventures. Since all founders interviewed were either between 24–34 years or 35–44 years, with a business or economic education, it might also be assumed that they are exploiting their available human capital to a large extent at this stage in life. No significant differences between the availability of founders' human capital could be found in the sample. Additionally, the college education of founders is of interest here, since graduate entrepreneurs are more likely to utilise advice from external resources like family or friends than are non-graduates, and their businesses tend to have high growth potential (Pickernell, Packham, Jones, Miller, & Thomas, 2011).

Of course, entrepreneurs can learn from their own successes and failures, and the collected data suggests that the interviewed founders do so, but in order to do so, these experiences must be made in the future and cannot help for the moment. However, it seems that there is still hidden potential in social capital with respect to role models, waiting to be exploited. This hidden potential is revealed by founders who could have averted difficulties if they had paid more attention to their role models. In support of this point, Johannes became angry with himself retrospectively, because he struggled with sales, and this is exactly what role models told him in advance that he would struggle with.

Moreover, the balance between inner and outer dimensions is an issue, where role models could provide help if utilised earlier. For instance, Jonas describes that it would have been a game changer for him not to postpone inner topics in favour of outer traction, despite better knowledge of role models. To give another example, Anton made the same mistakes as his role model in hiring too unexperienced, mediocre employees instead of hiring fewer in quantity but more experienced people, which caused an imbalance, since the team grew internally, but external traction did not scale proportionately.

Another element underestimated in regard of social capital is the need for constant learning. Especially a variety in role models can provide a basis for constant learning to prevent stagnation and cope with the emerging roles required by a founder during the lifecycle of a startup. The required role identities and the distinct characteristics of these roles were already introduced and positively related to venture outcome (Cardon et al., 2009).

The founder Ferdinand goes even further when he argues that role models can inspire founders to leave their comfort zones to constantly develop and grow as entrepreneurs. This argument is almost an exhortation not only to rely on one's human capital but to emphasise the social capital with special attention to role models. However, it is partially argued in research that human capital can be a substitute for role models (Bosma et al., 2012, p. 6).

In contrast, the findings suggest that it is quite the opposite and that more reflective and educated founders benefit even more from role models. This observation happens in accordance with entrepreneurs' absorptive capacity, which describes that founders with high human capital, similar to the sampled founders, are more able to make use of role models (Cohen & Levinthal, 1990).

Although the discussion of human and social capital shows that entrepreneurs develop and emerge through the entrepreneurial process, certain individual-level factors matter in founders' perceptions. Founders like Ferdinand and Kerstin believe that they have innate talents and that they were naturally receptive to the relevant social impacts. In Ferdinand's case, by contrast, this perceived innate talent did not devalue the importance of role models, but other founders, such as Kerstin and Armin, struggled to attribute their success to anyone other than themselves. However, in order to benefit from the relationship with role models through social interaction, founders must find a process to make use of role models for themselves. In question of how founders can apply role models' behaviours and make use of them in their startups, an answer to this research question based on the findings and the literature review is offered next.

5.3.2 Utilisation of Role Models

Generally, role modelling in research is understood as sender–receiver interaction. In this understanding, both sender and receiver must take an active part in the process. The role model as sender must be active in doing or saying something, which means sending the signal, which the receiver then processes. The functions of role models then can be summarised into four categories based on existing theories (Bosma et al., 2012; Holienka et al., 2013): guideline (serving as example for action); support (giving advice as a mentor); motivation (inspiring by example to take action); and feasibility (increasing self-efficacy by showing that something is achievable).

Support describes the social learning mechanism that role models actively speak to entrepreneurs and teach them somehow from their experience. Thus, the role model acts as mentor, and the founder becomes the mentee (Bosma et al., 2012). When role models serve as a behavioural guideline, their behaviour must be observed and interpreted by founders. This is similar to motivation and feasibility, where founders can benefit from simply observing role models.

However, this process does not fit into the sender–receiver model, since the signals could still be the same without the role model knowing about being observed. By contrast, the data suggests that it is also possible for founders to subconsciously receive guidelines from role models. The findings concerning how founders make use of role models support the four categories and suggest adding another function to the model, namely 'deterrence'.

Role models acting as a deterrent can be perceived from two sides, based on founders' perceptions. First, founders perceive an observed behaviour as unfavourable and reverse the trends they perceived as bad in a role model. Johannes underlines that observing negative examples is also important, since these examples help in recognising the good things, and Maximilian believes that role models can at least teach how things do not work. Second, founders are inspired and dazzled by role models' success, but when they see behind the curtain, they feel disillusioned, which diminishes the possibility of making use of that role model even though the role models might be valuable in other ways. This disillusionment could be avoided if role models are transparent in dealing with adversity. The transparency is especially about the difference between identity and image, or in other words how they act on the inner and outer dimension. Additionally, the findings suggest that the process is not merely active and one-dimensional, but can also be vice versa and subconscious, as shown in Figure 15.
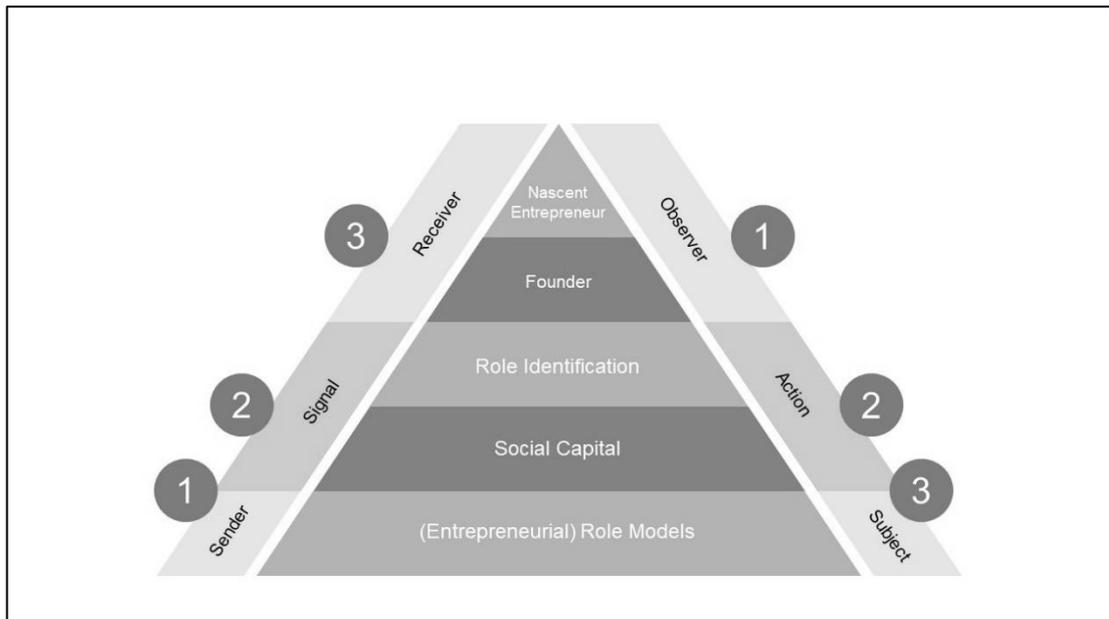
Figure 15. Comprehensive concept of role modelling.

To the left of Figure 15, the typical sender–receiver model (conscious) is described, which eventually does not reproduce the process of role modelling sufficiently. The right part of the figure describes that founders can observe and process role models' behaviours in some way without the role models' knowledge and also that role models can impact founders without the founders knowing it (subconscious). The perception of role modelling as a multi-dimensional, cyclical process, which can take place consciously and subconsciously from both sides, differentiates role models clearly from miscellaneous advisers, mentors, or coaches. Nevertheless, role models can execute the functions of advisers, mentors, or coaches. These insights add to the understanding of role modelling as a concept in entrepreneurship. Which functions role models provide are closely tied to the types of role models founders usually have.

5.4 Role Models

5.4.1 Types

With an increased understanding of how founders utilise role models, the research question about which role models turn out to be favourable based on founders' perceptions regarding entrepreneurial leadership must be answered next.

Krueger (1993) argues that both entrepreneurial role models and non-entrepreneurial role models serve as sources of entrepreneurial exposure for entrepreneurs. Based on existing theories, the relationship between entrepreneur and role model is usually differentiated by strong ties, which include close friends and family, and weak ties, comprising any other role model (Bosma et al., 2012). This differentiation is important insofar as different functions are attributed to role models with strong ties than to those with weak ties. However, the offered differentiation is self-fulfilling, since it is assumed that role models with strong ties emphasise mentoring, whereas role models with weak ties are eager to grant access to new information from distance (Granovetter, 1983). Moreover, the findings suggest that the differentiation is too simple to provide a deeper understanding of the relationship between role models and entrepreneurs.

The findings reveal a more nuanced perspective on the relationship and argue for a differentiation between family role models, close role models, and distant role models. Towards both family and close role models, strong ties exist, whereas distant role models would fall into the category of weak ties.

Distant role models are perceived as role models either personally known or unknown, but with infrequent or no personal exchange at all. In contrast to previous research, distant role models exposed through media are also considered role models for the founders of the sample. Well-known individuals in the domain of entrepreneurship, like Frank Thelen, Oliver Samwer, Lea-Sophie Cramer, Richard Branson, or Elon Musk, as well as books and biographies about these people, are perceived as important role models for the founders. Figure 16 takes into consideration the three categories of role models that emerged from the findings.
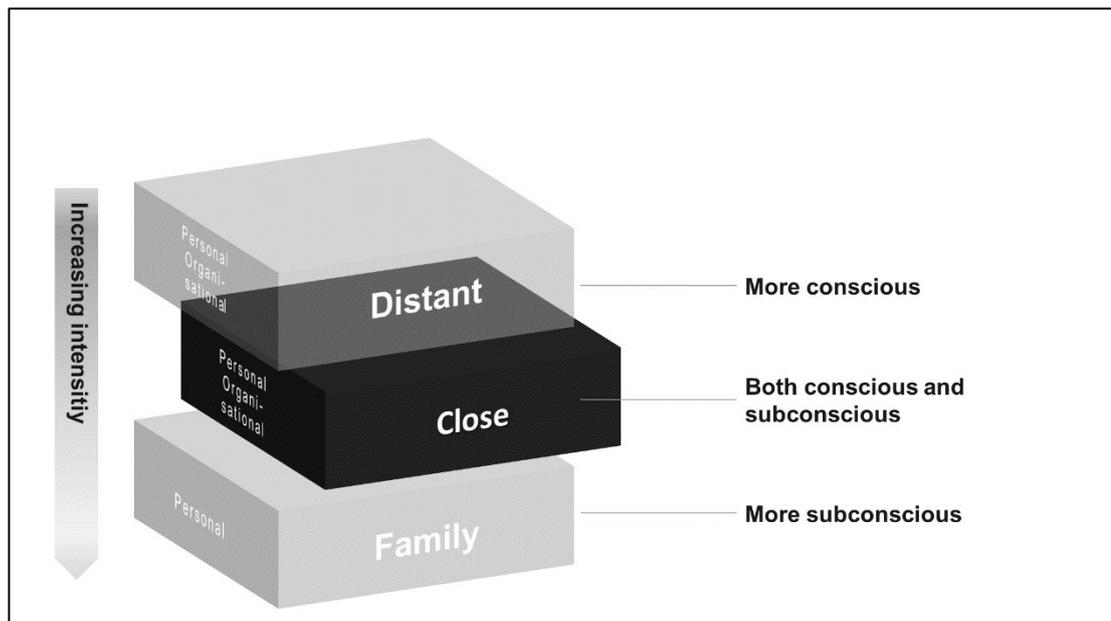
Figure 16. Distinction between the different types of role models.

The distinction between family role models and close role models becomes relevant on the spectrum, since the data indicates that the general impact and functions of role models increase and change with the intensity of the interaction with role models. Hence, an increasing intensity is meant to add additional value to the relationship over time (Brodie et al., 2017).

Whereas family role models tend to have an early, intensive and subconscious personal impact enabling an entrepreneurial mindset, more distant role models seem to be also relevant on an organisational level for founders to address specific challenges during company growth. This pattern of looking for help on specific challenges goes along with the entrepreneurial learning behaviour of acquiring knowledge with purpose on selected domains (Brodie et al., 2017). Regarding family role models, the findings support previous findings that growing up in an entrepreneurial family eventually impacts individuals at an early age and thus increases the likelihood of beginning an entrepreneurial journey later (Tarling et al., 2016).

Especially close and family role models tend to inspire founders subconsciously in painting the picture for their startup, which also lets them implement promising principles and methods from their distant role models on a conscious level.

113

Therefore, conscious impact merely comes from close and distant role models in providing task-based support on organisational scaling problems for the founder's startup. However, distant role models can also have a personal impact on founders on a conscious basis, for instance by inspiring entrepreneurs like Anton, Armin, Leopold, or Ferdinand with their success stories.

Independent of consciously and subconsciously interacting with role models, founders perceive themselves to have a filter of requirements in place that lets them finally end with a small number of designated role models. This filter goes in accordance with existing theories about role identification and social learning. In this manner, role models must be either so successful or so experienced that entrepreneurs can learn from them or look up to them and should find similarities between themselves and the role model (Bosma et al., 2012). This explains why female founders basically use female role models, while male founders focus on male role models. Regardless of gender, most founders demand a positive entrepreneurial experience in their role models. Exceptions are made only for the non-entrepreneurial domain experts with huge societal impact. Moreover, founders eventually need to find personal relevance in role models.

However, the findings indicate that this is not only tied to personal characteristics, but considerably more to the current stage in life of founders and their value propositions. According to the findings, role models must also show passion and self-assertion, as well as acting against the prevailing opinion. With these expectations, it is more complex for an individual to be perceived as a role model than existing theories suggest.

Founders also want to see that their role models went through adversity in their careers and not only admire their successes. This phenomenon is closely linked to the finding that the role models act as a deterrent and complements the picture of role models that founders want to see: a true picture of what is expected of them as entrepreneurs. The observation would have differed with a sample of nascent entrepreneurs, since founders probably have a more realistic impression of what it means to be an entrepreneur of a startup, with its different stages and challenges.

5.4.2 Transition

The above findings lead to another emergent theme, namely that there is a transition of role models, which underlines the cyclicality of role modelling. In founders' perceptions, the explanation is that reinventing oneself through the different stages in the entrepreneurial process requires different role models who become relevant. Thus, whenever the founder, the startup, or both reach a new milestone, new role models might become relevant based on founders' expectations of role models. This understanding adds to the largely underemphasised process perspective of role models.

The transition of role models can take place in two ways. First, the individual remains the same, but the relationship towards that individual changes, and second, some individuals are replaced by newly chosen role models. Consequently, a variability of role models was observed in the sample. The transition from distant role models to close models is striking, once more underlining the need to consider at least three types of role models, since a distant role model is unlikely to become family. In this conscious process, founders actively approach distant role models to build deeper relationships. Thus, it is important for founders to have different role models to turn to at any given stage, since one never knows when a role model might be needed. A distant role model could be approached through reactivating the weak ties of the network. Another way would be to work voluntarily for that role model. Additionally, the process can take place automatically, for instance when the former boss becomes a role model for a founder.

The second way of replacing role models can happen both consciously and subconsciously. Role models mostly relevant at the beginning of an entrepreneurial journey might not be so important for a founder during the growth stage, requiring more specific organisational and less personal advice. This process might happen through all stages of the lifecycle of the startup and the entrepreneurial journey. Additionally, some role models might be overestimated at the beginning, or entrepreneurs may have been dazzled only by their successes, while reconsideration revealed that they did not meet founders' expectations and were replaced by proper role models, which could then have the intended impact.

5.4.3 Certain Types of Impacts on Founders

5.4.3.1 Entrepreneurial Process

The studies on impact of role models in entrepreneurship are closely linked to the four functions of role models, but further understanding is quite limited. Therefore, the research question on the perceived key impacts of role models on the entrepreneurial process and on founders' leadership development is addressed. However, analysing the four functions makes clear that role models have an impact on the entrepreneurial process and that they can serve as a substitute for entrepreneurial experience (Bosma et al., 2012).

Aside from delivering additional knowledge and experience, only an increased self-efficacy in individuals could be attributed to role models from research so far (Wyrwich et al., 2016). As is understood, individuals who believe in their capability to act entrepreneurially will more likely engage in entrepreneurial activities, so role models have an impact on entrepreneurial action (Vecchio, 2003). The increased self-efficacy can come either from a decreased fear of entrepreneurial failure or from an increased self-confidence from observing successful role models that show feasibility in their entrepreneurial journeys (Wyrwich et al., 2016).

However, it could also be argued that decreased self-efficacy might be favourable in some cases as a cue to turn to role models for help instead of hubris. The findings of the study support this encouraging element of role models on founders from their view. Role models can show entrepreneurs, especially important for those without prior entrepreneurial work experience, that entrepreneurship offers a prosperous and realistic career path. Moreover, the component of compensation impacts entrepreneurs, with them first seeing how rewarding it can be to grow a team from the social perspective and second hoping for the same financial success as their role models.

Not only can self-efficacy be increased through role models, however, but also locus of control, need for autonomy, risk-taking propensity, tolerance of ambiguity, mindset, and even passion might be impacted by role models. Some founders were encouraged by their family role models to take matters in hand very early in their entrepreneurial process, which contributes to raising locus of control.

Moreover, seeing in distant role models how it is to gain financial freedom prompted other founders in their own need for autonomy. In some respect, founders even stated that their close role models prompted them to take risks. Additionally, the warning of entrepreneurs that an entrepreneurial journey would include much uncertainty and adversity hardened a few founders, in their own perceptions. The described effects on individual-level factors of entrepreneurs is understood to favourably impact not only the entrepreneurial process but also the leadership development of entrepreneurs (D'Intino et al., 2007; Vecchio, 2003).

Another key impact perceived by entrepreneurs is the development of an entrepreneurial mindset. Since the entrepreneurial mindset is a vague construct, the elements of effectuation are consulted to define what an entrepreneurial mindset encompasses. According to Sarasvathy (2001), these elements are affordable losses, partnerships, accepting contingency, and control.

When it comes to affordable losses, failure is a common theme seen in role models. Especially the behaviour of role models who consistently failed but kept the space between failures small to finally succeed is perceived as determining factor of success. Additionally, founders see that they might be more successful while being consistently reliable, creating win–win situations with stakeholders and compromising no relationships or opportunities. Thus, if partnerships are observed favourable among role models, the founders might be more likely to invest in them.

The findings also suggest that at least some founders learned to domesticate uncertainty, rather than avoiding it, which fits with the element of accepting contingency (Kamien, 1994). In addition, not building on prediction but on control could be perceived as an element of an entrepreneurial mindset (Read & Sarasvathy, 2005). This mindset is linked to what is revealed in the findings, when Felix and Maximilian described how good it felt to do something against resistance and to challenge the status quo, which they learned from their role models.

In terms of entrepreneurial passion, it becomes clear that especially distant role models showed entrepreneurs how every successful business is tied to the founder's personality. Additionally, founders eventually observe in role models that without enjoying what they are doing, none of the role models would have been successful or able to overcome adversity. Therefore, all founders created their business models around their own passion.

Moreover, the findings support theory insofar as role models can be substitutes for entrepreneurial experience, since they can help to avert difficulties in the founders' perceptions, for instance with domain-specific insights. Consequently, the findings indicate that role models positively impact the favourable individual-level factors of entrepreneurs and help in developing an entrepreneurial mindset. As seen from the literature review, this can be considered as positive effects on the entrepreneurial process (Vecchio, 2003).

Role models are also perceived as influencers regarding turning one's passion into a business model. Therefore, role models are capable of much more than increasing self-efficacy and providing knowledge in the entrepreneurial process. Having this understanding about the side effects adds to the scarce research on role models' importance not only for nascent but also for active entrepreneurs. Additionally, the insights expand the four established functions of role models with the newly developed function, deterrence, with more detail regarding their impacts. Since we have seen that these individual-level factors of entrepreneurs are also positively related with leadership, role models impacts on leadership development should be discussed next (Vecchio, 2003).

5.4.3.2 Leadership Development

Although not comprehensively researched, the behavioural patterns of transformational leadership are exposed in the literature to be, among the elements of other leadership styles, promising elements of encouraging entrepreneurial leadership behaviour impacting startup performance regarding growth (Zaech & Baldegger, 2017).

Entrepreneurs with transformational leadership behaviour follow a task system motivation and motivate their stakeholders through providing a clear vision and purpose, which then motivates the team to progress constantly. Moreover, the team is eventually encouraged by intellectual stimulation to question and improve methods, thus retaining an ongoing openness to opportunities. Additionally, individualised consideration lets founders focus on individuals by understanding their needs to develop their full potential, as well as establishing a productive perception of failure (Avolio et al., 1999).

Theory is very limited on how active entrepreneurs can learn about entrepreneurial leadership. However, it is emphasised that entrepreneurs need to be shaped, educated and developed to become entrepreneurial leaders and find their own unique methodology, which might include elements of transformational leadership (Ansari, Bell, Iyer, & Schlesinger, 2014). Therefore, leadership development in entrepreneurship can be mapped against favourable components from previous research, such as task system motivation, individualised consideration, inspirational motivation, intellectual stimulation, and idealised influence (Bass & Riggio, 2006; Miner, 1990).

Typical task system motives are to be in control of outcomes, to have a desire for achievement and innovation, and to emphasise planning and goal setting (Miner, 1990; Vecchio, 2003). That the founders from the sample have these motives in common is clear, but the findings do not indicate that a task system motivation can be linked to role models, except from implementing OKRs with respect to goal setting. However, founders clearly state that they also observe these motives in role models.

A perceived and notable impact of role models on founders is that they inspire founders to paint the picture for their startups: first, by allowing founders to observe that setting a vision, mission, and goals gives a team a purpose to work harder, which finally creates value; second, by teaching them that a founder must set a vision and a small number of goals for the next 12 months. Subsequently, role models can ignite the element of inspirational motivation in founders.

What comes with intellectual stimulation is the capability to push the team. Hence, many founders can adapt different approaches of their role models to create an environment in which employees can bring themselves to the next level. Founders learn and see that people perform best if they can do things with passion and ownership.

Another method that might help people to perform more effectively is individualised consideration. Understanding stakeholders' needs, then, is a key impact identified by several founders. A key challenge encountered is to understand and manage different personalities. Founders imitated their family and close role models in asking about peoples' agendas first, since they gained an understanding from these role models that people follow only when they feel understood. This theme emerged across nearly the entire sample. As such, it is impossible to say that role models taught founders emotional intelligence, but they might have served as stimulus for their emotional intelligence. However, role models were be able to create a specific awareness of other peoples' needs among entrepreneurs with the effect of fostering social interaction (Yitshaki, 2012).

Additionally, leading by example is an element encountered in many founders. In particular, the observation that nothing can be expected from others if one does not set an example of it inspired founders to be idealised influencers. Taking responsibility for actions and looking for solutions instead of blaming others also fosters this behaviour in others.

The findings show that role models impact the leadership development of founders during the entrepreneurial journey in many ways. This insight contributes to the rarely understood transition of entrepreneurs becoming leaders and shows that not only prior work experience, but also role models contribute to that process (Kempster & Cope, 2010).

Most significant here is the awareness created for the demand of developing entrepreneurial leadership behaviour, while the capabilities might already be well-marked in founders' human capital. The described impacts in terms of quality and outcomes on startup growth are now discussed.

5.5 Quality of Role Models' Impacts

5.5.1 Application

In order to understand the quality of role models' impacts, it is investigated to what extent founders could apply this impact, what answers the research question about outcomes of applied entrepreneurial leadership behaviour in startups regarding growth. This investigation expands the static designs on role models in research, which neglect a focus on the applicability and effects of role models' functions in startups.

From the findings, two application approaches could be identified and linked to role models, which are shaping the culture towards scaling the business and developing a leadership methodology regarding growth. The sub-themes emerging within a culture towards scale are collective intelligence, open-mindedness, employee ownership, and hiring. All sub-themes mainly address the inner dimension of a startup, how it scales internally, and are elements of the entrepreneurial process as the theoretical framework in Figure 4 shows.

Founders foster collective intelligence, by listening instead of talking, as a piece of advice from role models. This does not only affect opportunity recognition but also impacts decision making as shown in the literature review (Cardon et al., 2009). Additionally, some founders observed that a nice workplace makes people work longer and harder hours. Another insight gained and applied from role models is that the founders are tolerant towards mistakes because of the perception that perfectionism is a barrier to growth. This perception is linked to the requirement of enabling people, meaning giving them the resources they need to scale personally in order to scale the business.

Another way of applying collective intelligence is by asking people whether company values need improvement, so that they feel responsible to act in the spirit of these values, since they are then more tied to these values. This step can be imitated from close role models as well as feedback questionnaires for self- and external assessment, which are frequently and constantly used in the founders' startups and addresses the element of social interaction during the entrepreneurial process (Debrulle et al., 2013).

Open-mindedness is considered a common understanding between stakeholders. Armin successfully adapted close role model's behaviour of over-communicating things to ensure a common understanding, because people are sometimes afraid to ask. Other founders learned to communicate proactively, so that transparency exists not only in good times but also in bad times, what is an element of entrepreneurial leadership, achieved through leadership development (Kempster & Cope, 2010).

Moreover, regular all-hands meetings are taking place in the startups to generate the feeling of being in the same boat and to foster social interaction. One founder simply copied a 'Winning Friday', where every week the team sits together for two hours and celebrates the wins and reflects on the losses of the previous week.

To foster employee ownership, more than half of the sample applied or thinks about applying ESOPs. An ESOP is considered to incentivise people to do everything to scale the business and reduces the risk of scaling too quickly internally, because if no growth happens in the outer dimension, the option devalues or becomes worthless altogether. The advantages of ESOPs are either imposed by role models, or founders identified a need themselves and then asked experienced role models about implementation. Another element of employee ownership is that founders learned from role models how important it is to acknowledge individual performance regarding future results. The reason lies in giving people the freedom and resources to do things on their own, which bears risk, but ultimately fosters a culture in which issues can be discussed, which can be crucial for company growth.

Moreover, hiring is probably one of the most important aspects of internal scale. Some role models suggest that who a founder hires and fires is the biggest lever for shaping the culture. In hiring, it turns out that ESOP is a tool to hire great talent, since financial resources are scarce. Moreover, experience teaches the founders that a company can scale only by hiring experts that hire the founder out of these jobs, meaning to relieve the founders in some tasks. This lesson might emerge from their own mistakes or as an effect of paying attention to role models' advice, which in many cases is to hire more senior people who have done the job in a scaling environment before.

Adding the missing pieces for the puzzle by hiring people who can cover the weak spots of the existing team is another insight founders attribute to role models. Hiring is about giving the right people the right tasks, which is perceived as one of the biggest levers for growth, as seen in many role models' examples. This also means the decision during the entrepreneurial process of not scaling too quickly internally and hiring only on demand, rather than as an end in itself.

The other form of application is the development of a leadership methodology regarding growth, which covers basically the building of a methodology to foster traction in the outer dimension, meaning growth in number of users, customers, and revenues. The theme is organised around OKRs, internalising traction, and growth issues.

What is perceived as most helpful by many founders are OKRs. They are currently widely and successfully used, observed in founders' networks, and regarded as gamechangers for growth, since they give people constraints and objectives to optimise against. Founders would even go so far as to say that OKRs are hyped by their role models, since they work for them. The advantage of OKRs is that they support all the elements of leadership development and make the achievement of objectives visible for the team, which can create momentum (D'Intino et al., 2007). Additionally, OKRs support the founder in ambitious goal setting, decision making and in taking action. The goal setting is important insofar as since most interviewed entrepreneurs believe that one can achieve only what is measured. Freeman and Siegried (2015) also perceive goal setting as an element of entrepreneurial leadership, crucial for growth.

Achieving is closely linked to internalising traction, which is mostly about creating the processes and momentum that allow the company to grow. Additionally, to find the balance of hiring too quickly and reaching a tipping point of adding too much complexity, spending too much money, and not scaling at all because of work overload, role models serve as an example. Another role model's advice is to trust entrepreneurial intuition to make decisions more quickly instead of overthinking each decision.

Founders could adapt from their distant role models that it is key to create a momentum for growth through results, since the best motivation for growth is to make growth visible by setting and achieving goals. Positive momentum enables traction, since when something surprisingly works, employees tend to have more confidence to take action on the next project; therefore, celebrating and highlighting success stories is key for growth (D'Intino et al., 2007).

From a product perspective, constant product iteration, using the net promoter score, starting automatization and always prioritising the newest customer base experience were methods adapted or advised from role models based on their experience. Internalising traction is all about setting processes in place. The challenge is to internalise traction by iterating processes and reinventing the founder, company, and team through different stages in parallel.

What comes with outer traction is startup growth, however, which creates much pressure and responsibilities for a founder. Ines even states that growth would be impossible without role models who have already been in this situation and to whom the founder can turn when tackling these challenges. Typically, it becomes important for founders to keep supply in proportion to demand and to reinvent oneself through these different stages. Even more important is to address startups' restlessness, which emerges when one department does not know anymore what the other department is doing. Therefore, cultural adjustments and constant communication, as seen by role models, must be maintained. The outcome of these two application approaches linked to role models is, ideally, balanced startup growth.

5.5.2 Outcome

Different outcomes of shaping the culture towards scaling the business were described by the founders, but every founder mentions at least one specific outcome. For instance, there are some positive outcomes in hiring. One founder hired a more senior head of marketing, who became a growth hacker. The salary of this person is covered through ESOP. Johannes neglected sales for too long but could, with the right hires based on reflecting on role models, catch up.

Moreover, Maximilian successfully acted on a close role model's advice by hiring only with a scope of 12 months, because it is impossible to know what roles are required in two years. This tactic enabled balance.

Moreover, outcomes based on the existing resources are observable. In one example, an elderly salesperson was introduced to digitalisation and automatization by Armin to become more effective, which led to huge scaling effects for that individual and for the company. In another startup, the head of finance, an expert in his domain, lacked people skills. Leadership development training by the founder helped him to improve and finally to scale the department.

Further examples include having developed an employee from a warehouse worker into a manager, which generated massive traction but occurred only by investing and encouraging him in this process. An outcome of ESOP described frequently is that it enabled the founders in terms of employee retention. This outcome seems important, because who is hired and fired is perceived as an important aspect for shaping the culture.

Another effect of shaping the culture is to create a sense of belonging which then leads to an obligation in employees to grow for the team (Koryak et al., 2015). Furthermore, the involvement of the stakeholders in the process makes them feel responsible to act in the spirit of the process. This individual consideration in many cases led to individuals dramatically overperforming in accordance with the literature on transformational leadership (Bass & Riggio, 2006). The reason for this overperformance lies in the provision of the resources they need to scale personally in order to scale the business. This tactic is linked to the need to reward the team for extraordinary results. Another unconventional method successfully adapted in one startup is that in the company no one can be fired for bad performance, which lets people take risks towards growth.

The outcomes of developing a leadership methodology regarding growth take place both internally and externally. For instance, rigorous interaction with customers with the intention to generate win–win solutions for customers serves as an early indicator of growth.

In one startup, constant product iteration towards explaining the application of the product to customers was a major gamechanger. It is plausible that role models influenced the understanding in founders that customers need to feel that a company is responding to their needs so that these customers buy from that company.

What comes with success is that mediocre people overperform as an effect of momentum. Thanks to OKRs, creative employees can grow because their success can be quantified, and they finally know how to combine their creativity with the financial interests of the company. Many founders realised that OKRs positively impacted atmosphere, performance, and results and thus believe that OKRs are an enabler for growth and serve as basis for incentives.

What all these effects have in common is that they directly or indirectly contribute as enablers for growth as an outcome for the startup in the entrepreneurial process. Since all sampled startups exhibited growth at the time of data collection, this outcome is self-fulfilling, but understanding the enabling elements behind that growth increases the understanding of outcomes of role models for practicing entrepreneurs also in regard of their leadership development for that specific type of organisation 'startup', which has largely been neglected, especially in the German context (Zapkau et al., 2017). The increased understanding adds more detail to the theoretical framework of Figure 4 from the literature review.

Moreover, it should be emphasised that consistent and not only temporary startup growth was achieved while maintaining a balance between outer growth and internal scale by the founders. Perceiving the maintenance of balance during growth as an influence of role models could help in practice to address one key challenge in consistently growing a startup. Therefore, role models can practically help founders in creating the awareness for both an internal perspective and external perspective to scale the company properly, whereas merely theoretical concepts about scaling a business exist in research (Overall & Wise, 2015).

After discussing these effects as perceived outcomes of role models' impacts, the question arises of the extent to which the outcomes must be attributed to role models.

From the underlying understanding of knowledge and from indications in the findings, it becomes clearer that founders are neither fully self-made nor fully influenceable by social impact. However, in the founders' perceptions, role models propped them up in their entrepreneurial process and leadership development with positive effects on growth. However, these effects might be only the perception of the sample and not the effect of consistent role modelling in entrepreneurship generally. Regardless, the findings allowed the development of a conceptual framework of perceptions of role modelling for founders.

5.6 Discussing the Conceptual Framework

For founders, who want to benefit from the enabling outcomes and stimulus of role models, a process or work plan of role modelling might be established. The developed conceptual framework of cycles in Figure 17 presents such a process for founders or nascent entrepreneurs to turn to and use when they need to exploit their social capital.
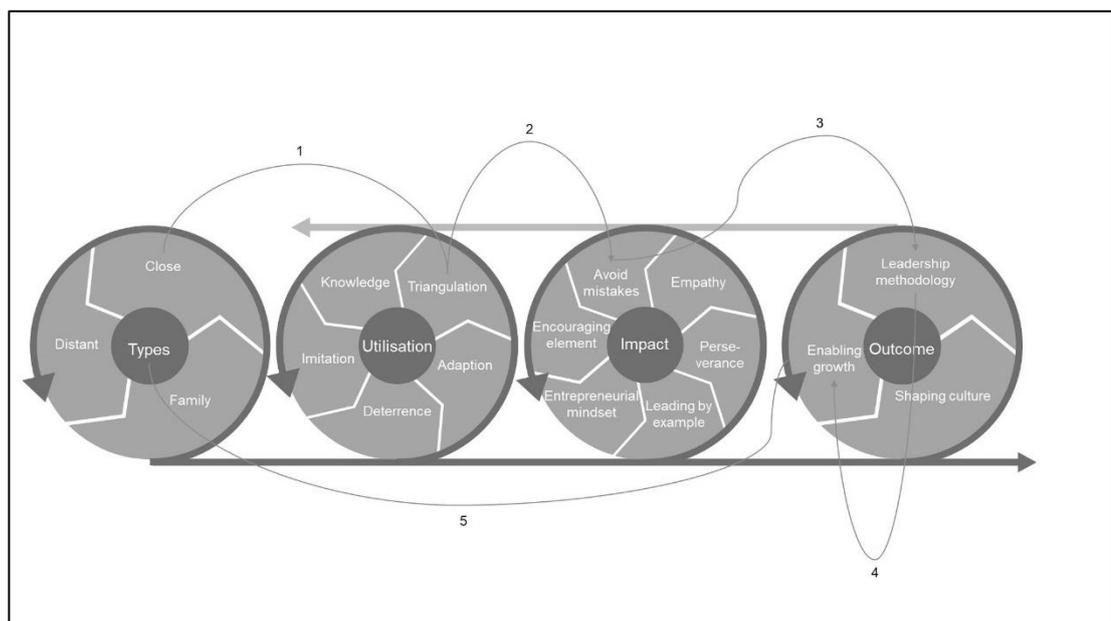

Figure 17. Applied conceptual framework on role models' impact from the perception of a founder.

Figure 17 outlines one possible process of how to use the model. Any interaction with a role model eventually creates a new cycle. A close role model might be utilised by an entrepreneur for triangulation in decision making with the effect of avoiding mistakes made in leadership that hinder company growth, which the role model might have made before. The favourable outcome then would be a leadership methodology regarding growth, which finally sustains startup growth. During growth, the entrepreneur's expectations of role models can change, which makes it necessary for the entrepreneur to look for new types of role models or different forms of utilisation, which is linked to the type of role model, impact, and outcome. This impact is the indicated proposition of the conceptual framework in both practice and theory: the input (types of role models and expectations on them) impacts the process (utilisation and impact) as well as the outcome.

In this way, the conceptual framework can eventually help to programme the mindset of entrepreneurs to find their individual way to productive role modelling in order to create the conditions for sustainable growth. Although the patterns (cycles) are similar and recurrent, they do not have to repeat in the same way every time. Consequently, they are modelled in rotation.

Based on the expectations on their role models, the conceptual framework indicates that different types of role models excel as favourable sources of social capital in the founders' perceptions. Whereas previous research has identified family and close role models as favourable sources, the study indicates, in contrast to previous research, that also famous distant role models can have an impact on founders. This discovery answers the first research question. Additionally, the revealed expectations give more information on role models in entrepreneurship and can serve as a filter for entrepreneurs to pick and utilise role models that accordingly yield the best possible outcomes for the founders' social capital.

The examples of how founders utilise their role models are aligned with the four-function concept from prior literature. However, the findings suggest adding a fifth function of role models, namely deterrence.

Role models can act as a deterrent in their behaviour by showing how things do not work or by disillusioning others, if they merely show their successes and leave no room for adversity. In order to obtain the best possible picture of their role models, founders should possibly apply and compare different role models and alternate forms of making use of them. This finding provides an answer to the second research question. Hence, the cycles might lead to a favourable impact, according to founders' perceptions.

Linked to types and utilisation, the impacts are also dynamic, offering a new perspective of role models in contrast to static concepts. For instance, family role models might more likely subconsciously impact the development of an entrepreneurial mindset through imitation. By contrast, close role models mainly provide knowledge through conscious interaction, which then can help founders to avoid mistakes.

This detailed understanding of role models' impacts expands a merely static understanding and clearly indicates that role models impact founders throughout their entrepreneurial process (Bosma et al., 2012; Wyrwich et al., 2016). Having this understanding then might show nascent and practicing entrepreneurs that they can substitute missing experience with role models, to some degree, to avoid mistakes or develop an entrepreneurial mindset. The exhibition of these perceived impacts addresses the third research question. Having role models to whom to turn when tackling a new challenge can help during the entrepreneurial process, especially in recognising the importance of entrepreneurial leadership during this process and in gaining entrepreneurial expertise (Read & Sarasvathy, 2005).

Finally, the possibility of different impacts leaves room for interpretability and accountability on the outcomes in the founders' startups. However, the founders from the sample were able to apply their entrepreneurial leadership behaviour by shaping the culture towards scaling the business in the inner dimension and by developing a leadership methodology regarding growth in the outer dimension. Thus, an effect of this application is that founders enabled growth in the startups with role models as stimulus, what answers the fourth research question.

This finding adds to the very limited understanding of quality and outcome of social capital, since the dynamic perspective allows one to investigate perceived outcomes of role modelling. This perception presents an invitation for nascent and active entrepreneurs to achieve the outlined outcomes by constantly learning from role models.

The conceptual framework emphasises a process of constant learning from role models who have before tackled the challenges awaiting the entrepreneurs. Especially in practice during the lifecycle of a startup, founders must reinvent themselves several times. Alternating role models can help in this process and can contribute to favourable outcomes for the founders' startups, which finally is the essence of the phenomenon, based on founders' perceptions.

5.7 Summary

The discussion shows the limited and static understanding of role models in entrepreneurship. The findings indicate that not only do entrepreneurs develop through the entrepreneurial process, but also their role models shift with them. To possibly benefit from the relationship with role models through social interaction, founders must find a process to make use of role models for themselves. Therefore, they must open their mindset and find their individual way to role modelling.

The perception of role modelling as a multi-dimensional process, which can take place consciously and subconsciously from both sides, differentiates role models clearly from miscellaneous advisers, mentors, or coaches. During this process, role models can exercise five functions. Four of them could be supported from previous research, and the suggestion is to add a fifth function, deterrence.

Regarding the choice of role models, founders seem to have a filter of expectations in place that lets them finally end with a small number of designated, individually relevant role models. These role models can be family, close, or distant. Famous distant role models, specifically, are mostly neglected in previous research, which cannot be supported by the findings.

The personal relevance as an expectation of role models becomes a challenge particularly for female entrepreneurs, since the availability of female role models is limited in this domain. Additionally, the dynamic perspective of role models shows a permeability among them. The transition from distant role models to close models is striking, which underlines the need for at least three types of role models.

The impact of role models on founders can be either personal or organisational, based on the type of role model, the founders' needs, and the form of subconscious or conscious utilisation. On a personal level, the findings indicate that role models positively impact favourable individual-level factors of entrepreneurs and might help in developing an entrepreneurial mindset.

Additionally, role models can present a substitute for entrepreneurial experience and not vice versa. Moreover, role models are perceived as influencers regarding turning one's passion into a business model. Therefore, role models are capable of more than providing knowledge for entrepreneurs and increasing their self-efficacy, as described in previous research. This understanding of the side effects adds to the scarce research on role models' importance not only for nascent but also for active entrepreneurs and adds more detail to the four established functions of role models, plus the newly developed function of deterrence.

At an organisational level, the findings show that role models play a role in the leadership development of founders. This demonstration contributes to the rarely understood transition of entrepreneurs becoming leaders and shows that role models contribute and mediate in the entrepreneurial process, by creating an awareness of the demand to develop entrepreneurial leadership behaviour among founders. This entrepreneurial leadership behaviour can then be applied by shaping the culture towards scaling the business and developing a leadership methodology regarding growth.

Two concrete methods within these themes adapted from role models by the founders, besides other elements of proactive and consistent communication, are the implementation OKRs and setting up ESOPs in the startups. Both methods contribute as enablers for growth as an outcome of the startup.

The growth rates in the startups are achieved while maintaining a balance between outer growth and internal scale by the founders. At least to some degree, founders attribute the insight of maintaining that balance to their role models. Therefore, the balance between the inner and outer dimension addresses one key challenge in consistently growing a startup for practice, and role models can be a source to which founders can turn to when tackling this challenge. These tangible insights are also discussed in the following conclusion.

6 Conclusion

6.1 Chapter Overview

The conclusion critically summarises the chapters in relation to the research aim and objectives and concludes by stating the possible implications of the research. This summary takes place under reflecting the transparency and the consistency of the work. Therefore, the achievement of the research aim is revealed before the contribution to knowledge and practice is stated. Then, the limitations of the study are discussed, followed by recommendations for future research and practice. Finally, the summary provides an overview of the conclusion.

6.2 Achievement of the Research Aim

The research aim is to investigate the perceived impact of role models on the entrepreneurial process and leadership development from the perspectives of founders. This research aim addresses two of the key questions in the domain of entrepreneurship, why individuals become entrepreneurs and particularly what makes them successful (Baron, 2004; Sarasvathy et al., 2013). These questions are addressed based on the conditions of entrepreneurs such as described in social capital theory, with an emphasis on role models and in the context of German startups. Subsequently, the study aims to help entrepreneurs to more effectively cope with the challenges of sustainably growing a startup by offering a conceptual framework of perceptions of role modelling in entrepreneurship. The conceptual framework is based on the literature review and empirical findings building on and extending entrepreneurship and leadership research regarding role models as a new way of thinking about role modelling in this context.

The understanding of the perceived impact is enriched by providing a dynamic process perspective as a form of critical reflection on role models in entrepreneurship. This perspective comprises a transition of role models during the entrepreneurial process. Regarding the choice of role models, founders perceive having a filter of expectations in place that lets them finally end with a small number of designated, individually relevant role models.

In addition, different types of role models and their corresponding functions are identified according to a phenomenological research approach. The qualitative methods allowed the investigation of several perceived impacts of role models on founders on both a personal and organisational level. Summarising these impacts, it can be suggested that role models contribute in the entrepreneurial process and by creating an awareness of the demand to develop entrepreneurial leadership behaviour among founders. The founders demonstrate the ability to apply this entrepreneurial leadership behaviour as an enabler of growth. Consequently, this ability is a positive outcome for the startup, if founders can maintain a balance between outer growth and internal scale. Therefore, one success pattern in entrepreneurship lies in entrepreneurial leadership, and role models can present a key impact for entrepreneurs, since they facilitate leadership development in entrepreneurs.

This increased understanding of the perceived impact of role models on founders' entrepreneurial process and leadership development based on the outlined investigation, given existing literature and empirical findings, leads to the conclusion that the research aim is achieved within the specific scope of the study.

6.3 Contribution to Knowledge

From reviewing prior literature, it seems that entrepreneurship research lacks in a comprehensive understanding. Research gaps around the impacts and outcomes of prior entrepreneurial exposure, entrepreneur's social capital, and social interaction interfacing with entrepreneurial leadership crystallise out of the literature review. Comprehensiveness is lacking, since in the actual context of entrepreneurship research, the type of entrepreneurial venture is often ignored, and predominantly positivist research generally struggles in providing a deeper understanding of the phenomenon.

Applying an interpretive phenomenological research design for this study to explore the social phenomena of role models as a form of social capital with the objective of providing a deeper understanding in the very specific context of German startups provides that comprehensiveness in a specific context.

Additionally, developing a characteristic of startups in primarily one dimension, growth, adds to the understanding of these specific types of entrepreneurial ventures that become more and more popular and relevant. Arising from the findings, the understanding increases that a dynamic process perspective is required in the cyclical, constantly changing, and heterogenous domain of entrepreneurship, while static models are minimally helpful. From this processual perspective, it becomes clearer that role models are an important form of social capital throughout the entrepreneurial journey. Hence, role models might not only inspire an entrepreneurial intention, but also serve as a substitute for missing entrepreneurial experience, based on the findings which showed that entrepreneurs benefit from role models' domain expertise. Having role models to turn to when tackling a new challenge might help entrepreneurs during the entrepreneurial process, especially in recognising the importance of entrepreneurial leadership during this process. On that basis, the study contributes by offering a contemporary and profound understanding of role models in entrepreneurship through a conceptual framework.

Whereas previous research already identifies family and close role models as favourable sources, the study indicates also that famous distant role models can have an impact on founders (Krueger, 1993; Wyrwich et al., 2016). Additionally, it can be deduced from the findings that the overall impact and functions of role models increase and change in relation to the intensity of social interaction with a role model. This deduction provides a more nuanced perspective on the favourability of specific types of role models.

Whereas family role models tend to have an early and subconscious personal impact, enabling an entrepreneurial mindset, distant role models seem to be more relevant on an organisational level for founders to address specific challenges during company growth. Whilst closer role models eventually inspire founders in painting the picture for their startup, related and promising principles and methods are also adapted from distant role models on a conscious basis. Therefore, conscious impact merely comes from close and distant role models providing task-based support on organisational scaling problems for the founder's startup. However, distant role models can also have a personal impact on founders on a conscious basis.

Furthermore, the discussion exhibits that role models are finally chosen from entrepreneurs based on expectations such as having a positive entrepreneurial experience, acting against the prevailing opinion, and having personal relevance to the entrepreneur. The quality of role models can then be linked to that choice and to the way that founders make use of it.

Hence, the perception of role modelling as a multi-dimensional process, which can take place consciously and subconsciously from both sides, emerges. Consequently, this understanding expands the perception of role models and differentiates them from miscellaneous advisers, mentors, coaches, or idols. Additionally, the cyclical and dynamic perspective of role models, in contrast to static research in the field, shows permeability among them (Bosma et al., 2012). The transition from distant role models to close role models is significant here and indicates that not only entrepreneurs change through the entrepreneurial process, but also their role models change with them.

The study supports the four defined functions of role models in entrepreneurship of guiding, supporting, motivating and increasing self-efficacy in entrepreneurs (Bosma et al., 2012; Holienka et al., 2013). However, it is suggested to keep a possible fifth function in mind, since role models can also act as a deterrent and therefore have a mediating factor on founders: first, in their behaviour, by showing how things do not work; or second, by disillusioning others, if they only show their successes and leave no room for adversity. Despite also acting as a deterrent, the perception of role models being positively associated with the transition to entrepreneurship can be supported and expanded (Baron, 2004; Krueger, 1993).

Regarding the impact of role models, their impact might be personal or organisational, based on the type of role model, entrepreneurs' needs and the form of subconscious or conscious utilisation. On a personal level, the findings indicate that role models positively impact favourable individual-level factors of entrepreneurs and might help in developing an entrepreneurial mindset as indicated in the findings. Moreover, role models are perceived as influencers regarding turning one's passion into a business model. This understanding of the side effects adds to the scarce research on role models' importance not only for nascent but also for active entrepreneurs.

On an organisational level, the findings show that role models facilitate the leadership development of founders. This finding contributes to the little-understood transition of entrepreneurs becoming leaders and shows that role models contribute in the entrepreneurial process, especially by creating an awareness for the demand of developing entrepreneurial leadership behaviour among founders (Zaech & Baldegger, 2017). Although the findings do not indicate that a task system motivation is influenced solely by role models, role models eventually ignite founders to develop their own leadership methodology, which encompasses transformational leadership elements (Ansari, Bell, Iyer, & Schlesinger, 2014).

This entrepreneurial leadership behaviour can then be applied by using methods and principles for shaping the culture towards scaling the business and developing a leadership methodology regarding growth. These methods and principles have common themes: proactive communication and consistency. Therefore, role models, affecting this application, contribute as enablers of growth. Consequently, role models could be presented in this study as a source to whom entrepreneurs can turn to when tackling the challenge of growth in their ventures. This revelation contributes to the research around the outcomes of prior entrepreneurial exposure.

The developed conceptual framework serves as a new way of theoretically thinking about role modelling in entrepreneurship and underlines the originality of the study in the context of German startups. It emphasises a process of constant, cyclical learning from role models. The increased understanding of the outcomes of favourable role modelling then contributes one piece to the question of why some entrepreneurs succeed, which is obviously of relevance also for entrepreneurial practice.

6.4 Contribution to Practice

From the German perspective, the study provides some solutions for practice. The conceptual framework of perceptions of role modelling also should help entrepreneurs to more effectively cope with the challenges of growing a digital startup.

This framework model is of specific interest for the domain, since overcoming the failure rate of over 90% is a major priority in entrepreneurship (Gauthier et al., 2019; Sarasvathy et al., 2013).

A startup typically fails when it runs out of cash. Gauthier et al. (2019) describe from practice that often the inner dimension is scaled up too fast in respect to outer-dimension traction which ends in premature scaling and an excessive burn rate. Therefore, a startup must find a balance between getting traction and scaling internally. This study offers actionable tips and content for entrepreneurs to facilitate growth and foster that balance.

As such, the sharpened definition of a startup as a research context might create growing awareness and recognition of this specific type of growth company, in contrast to the perception of defining 'start-up' as simply the act of starting a new venture. A startup means companies designed to scale fast in revenue and employees (Graham, 2012; Kollmann et al., 2018). Startups in this understanding appear as purely entrepreneurial, and their numbers are increasing, although the overall numbers in launching companies and becoming self-employed are decreasing in Germany.

Struggling with contingency and various constraints during the lifecycle of a startup, entrepreneurs know that they must play several roles. Especially, first-time founders, like some founders in the sample, might be able to substitute entrepreneurial experience with role models. The interviewed founders expressed that role models can contribute to favourable outcomes for the founders' startups. The conceptual framework then offers entrepreneurs a tangible work tool, showing them how their peers effectively utilise role models and benefit from social interaction in this way. This form of exploitation of entrepreneur's social capital might help in practice by increasing the understanding that entrepreneurs must not only rely on their human capital. Especially for entrepreneurs interested in or in need of constant learning, role models can be a favourable source of knowledge and inspiration.

Showing the benefits and effects of role models and indicating entrepreneurs to find their own way to role modelling, then, eventually enables entrepreneurs to substitute missing entrepreneurial experience with role models.

Reproducing the understanding of founders facing the challenge of growth might lead to favourable outcomes for other entrepreneurs as well with role models turning out as being enablers for growth. Particularly, entrepreneurial leadership behaviour is applied productively by shaping the culture towards scaling the business and developing a leadership methodology regarding growth.

Two concrete methods within these themes affected by role models and applied by the founders, besides other elements of proactive and consistent communication, are the implementation OKRs and setting up ESOPs in the startups. These methods not only facilitate leadership and hiring, but also contribute as growth enablers in the observed startups. Furthermore, the founders achieved their high growth rates—often they are tripled or more—while maintaining a balance between outer growth and internal scale. At least to some degree, founders attribute the insight of maintaining that balance to their role models. Therefore, the balance between inner and outer dimension addresses one key challenge in consistently growing a startup for practice, and role models might be a source to which founders can turn when tackling this challenge. The conceptual framework serves as work tool, example, and inspiration with respect to how to best exploit that resource.

The consequences of not adopting the process might be more difficulties for founders in growing their businesses, adversity, and uncertainty that could have been addressed proactively. Being an entrepreneur involves enough challenges; where some of these challenges can be addressed by simply paying attention to role models as indicated, this study offers its contribution to entrepreneurial practice.

6.5 Limitations of the Study

The study delivers enriched knowledge about the lived experience of founders in their startups from their individual perceptions. On that basis, this study's contributions are made, but it does not provide a universal understanding of the phenomenon of role models in entrepreneurship.

Since not only data collection but also the study itself are shaped by social constructionism, the insights are more suggestive and cannot pretend to apply for every entrepreneur. All results and conclusions drawn from the subjective data collected are defensive about the truthfulness of the research (Lewis, 2009). However, various methods are applied to ensure truthfulness and trustworthiness in this qualitative research (Denzin & Lincoln, 1998).

Trustworthiness, according to Lincoln and Guba (1985), is enhanced and considered within the elements of the research design. In addition, even though the qualitative methods of semi-structured interviews and field notes allow one to triangulate the data, the findings rest upon subjective observations and interpretation, to some degree. Therefore, the applied methodology will not allow the generalisation of the results but reveals transferable aspects of lived experience.

Since the data is gathered in the very narrow field of German founders of digital startups, the gained knowledge and understanding is obviously contextually relative and translates only these founders' perceptions. Founders' perceptions might be biased, reflect their subjective truth about the phenomenon, and eventually weigh experience with role models disproportionally.

It might be possible that a different, larger or less homogenous sample might have produced different results in the same context, since individual perceptions are closely linked to the individuals' experiences. Furthermore, entrepreneurial ventures that are not startups might assign only little value to the developed conceptual framework.

Additionally, in other countries, where, for instance, exposure to available entrepreneurial family or famous entrepreneurs is lower, close role models from a network might be emphasised even more. The availability of role models would impact the functions these role models can execute and possibly limit the observed outcomes of role modelling. Since the sample comprises only successful entrepreneurs, meaning that they managed to maintain growth in their startups, unsuccessful entrepreneurs in this regard might have a different perception of role modelling and the impacts and outcomes thereof.

Alternating perceptions might also emerge if one would ask the co-founders, team, or other stakeholders of the interviewed founders to gain another perspective, which this study does not offer. Additionally, the study of the impact of role models is investigated only on the element of social interaction on social capital.

Nevertheless, the study offers various insights into role models, entrepreneurs and startups to the reflective reader. Having an increased understanding of role models and their outcomes might encourage future research in entrepreneurship to further investigate the topic.

6.6 Recommendations for Future Research

The conceptual framework can serve as a new way of thinking, not only in practice but also in theory. For this purpose, further research might go into the introduced concept of role modelling, and the conceptual framework might also be carried out with a different methodology. First, and since the study comprises only German founders with a high amount of potential role models from entrepreneurial family, it would be of interest to see how the conceptual framework works and how the perceptions vary in other national contexts.

Second, future research could also benefit from broader variety among entrepreneurs, for instance by emphasising a greater variety in characteristics or including nascent and unsuccessful entrepreneurs in the sample. Moreover, adding the perceptions of founders' environment such as co-founders, employees, partners, and family, would enrich the model and thus might offer new perspectives on role modelling and could challenge or complement the conceptual framework. In addition, a longitudinal study observing how the participating founders and their perceptions towards role models develop during the entrepreneurial journey could also add to the understanding of role modelling and offer an additional perspective on the entrepreneurial process.

Furthermore, the theme of the perspective of impact might be reversed for a more comprehensive understanding of role modelling. What are the impacts for the role models themselves?

It would be of great interest to see why they feel the need to provide their service as role models and what role models' outcomes are from role modelling. Having this understanding could inspire more entrepreneurs to become role models for others, which could then, based on the findings of this study, facilitate startup entrepreneurship.

Finally, the impact of role models is investigated in the dimension of social capital by raising the subject of human capital. It might be of further interest for theory and practice to investigate the impact of role models in terms of financial capital in startups, since the study suggests that role models must have a positive entrepreneurial experience. Hence, they might provide further functions in terms of network and financial resources, which may be even more important for startup success than the described effects of social interaction. However, these impacts already allow recommendations for practice.

6.7 Recommendations for Practice

6.7.1 Entrepreneurs

From the gained insights and the details from the 12 founders regarding their perceptions of role models in their startups, five major recommendations can be derived for both nascent and active entrepreneurs:

(1) Use multiple role models as learning point in the entrepreneurial process.
(2) Develop a learning process to address failure.
(3) Implement a system to set and measure goals for the startup.
(4) Maintain balance during startup growth.
(5) Align values and actions.

The study shows that the utilisation of role models not only impacts the founders in a favourable way, but also has positive effects on the development of the startup regarding growth. Entrepreneurial role models eventually become a key learning domain for entrepreneurs on a personal and organisational level, and role models might help entrepreneurs in developing their full potential. Therefore, it is recommended to utilise family, close, and distant role models in parallel for the best possible outcome.

Furthermore, not only do role models represent a learning point for entrepreneurs, but they also can eventually substitute entrepreneurial experience which then contributes during the different stages in the lifecycle of a startup.

Even though it might be important for one to make one's own mistakes, it also seems helpful in one's entrepreneurial process to develop a learning process to constantly learn from the mistakes of people who have succeeded. One lesson might be that it is better to let others make the mistakes and recognise that the lessons can also be learned elsewhere, namely from role models. This addresses the general stereotype in entrepreneurship that failures are good. Averting possible adversity for the startup, if feasible, seems more reasonable, and role models offer that possibility to anticipate some difficulties in advance.

Absolutely crucial for growth is to implement a system for constant scaling that allows one to set and measure goals for entrepreneurs and the team, because such a system sets the conditions for potential growth. A common sentiment expressed during the interviews was that one gets what one measures. A startup needs constraints and objectives to optimise against to internalise traction. Consequently, these constraints and objectives allow the team to reflect on the losses, but also to celebrate the successes. In order to do so, entrepreneurs must define what is considered success. When a goal is reached, it creates momentum, which facilitates further success.

Additionally, setting goals and using key performance indicators helps founders struggling with different challenges and uncertainty to keep the focus in view. This dedication also allows for a form of favourable imperfection, since during growth, not everything can be perfect. One method recommended by the founders and becoming more and more popular in the domain is OKRs. They seem to be a good method to set and measure goals, and many role models already exist who have implemented them successfully in their companies. Having that in place also helps to align the values of the entrepreneurs and their teams towards a common goal, which is perceived favourable in entrepreneurship (Sarasvathy & Venkataraman, 2011). However, growth also has drawbacks.

During the study, it became more visible that entrepreneurs need to maintain balance during growth. Often, startups have organisational scaling problems when they begin to get traction, and the problem reverses during the growth stage. The founders coincide in their recommendation to hire one experienced employee instead of five inexperienced ones.

They argue in that way because they have made the mistake themselves or observed it in others, leading to imbalance. The goal must be to have the best possible team working cooperatively together, not the largest. Hiring more slowly but with more experienced employees raises the feasibility of maintaining inner and outer balance. A great method for facilitating entrepreneurs to maintain that balance are ESOPs. They are suitable to maintain that balance, since internal scale in terms of wages is linked to outer traction in terms of growth. If the company does not grow, the option becomes worthless, and if the company grows, good employees get compensated accordingly. Therefore, balance will be easier maintained, and ESOPs offer also the possibility of hiring talent normally out of reach under scarce resources. Furthermore, ESOP ties employees even more closely to the goals of the startup.

Finally, the last recommendation for entrepreneurs is more general, but not less important. For the founders, consistency is key to fulfilling their roles as leaders of their companies. This key virtue implies an alignment of values and actions, consistent communication and passion for the business model to go through adversity and allow for perseverance, since entrepreneurship is not a sprint. Even though role models might represent a key learning domain, entrepreneurs will still encounter adversity in their entrepreneurial journey and will have to find ways to overcome that adversity. What Anton and Ferdinand from the sample considered as helpful in this regard was to add one to three complementary co-founders to the business, since such addition spreads the responsibilities, can serve as reflection point, and challenges entrepreneur's leadership development. Moreover, co-founders might act as governance for providing vision, focus, and consistent behaviour and thus contribute in the founder's entrepreneurial process and increase the likelihood of following and executing the proposed recommendations.

6.7.2 Policymakers

Additionally, overcoming adversity leads to one recommendation for policymakers. Normally, policymakers tend to focus on entrepreneurial success stories to inspire individuals to become entrepreneurs. However, it might also be considered to show the adversities that successful entrepreneurs have overcome and what adversity might wait for prospective founders if they choose to become entrepreneurs. This demonstration of the challenges could deter individuals who do not have the passion to go through adversity and might save at least some individuals the trouble of having to deal with a company going out of business. Since the high failure rate bears consequences not only for the entrepreneurs themselves, but also for investors and society, reducing the failure rate would have societal impact.

By contrast, showing the real entrepreneurial experience with role models, be it in education or media, might harden entrepreneurs and assist them to prepare for adversity, which could increase success rates in entrepreneurship. Moreover, role models, as a key learning domain, must be given a platform to transfer their knowledge to entrepreneurs. Emphasising role models in this way then could inspire individuals to become entrepreneurs for more favourable reasons.

Assuming the importance of role models as a form of social capital, policymakers should incentivise individuals with positive entrepreneurial experience to become role models, especially for entrepreneurs who cannot draw on a large pool of potential role models. This incentive might be especially important for female entrepreneurs, since few female entrepreneurial role models exist. Moreover, entrepreneurs having no entrepreneurial family could benefit from such a policy. The conceptual framework can then be used as inspiration to make use of the perceived role models, if enough potential role models can be provided.

These recommendations address primarily German policymakers; however, policymakers around the world with the intention to improve the situation in their local startup community could benefit from these recommendations.

In particular, countries having no famous entrepreneurial role models should try to find some, since they might be the easiest and fastest way to make an impact in nascent and active entrepreneurs.

6.8 Summary

On the basis of a rigorous, repeatable, and transparent research process, the study accomplishes its purpose to meet its objectives and achieve the research aim. The literature review on the individual-level and contextual factors of entrepreneurs builds on the entrepreneurial process and possible impacts on founders' leadership development. Emphasising role models as form of social capital in this context extends the two research streams.

Investigating and describing the perceived impacts of role models on founders helps in contemplating role models in the context and offers a critical reflection on role modelling. The study offers a more nuanced perspective on role models, describes which role models are favourable, and shows how founders can make use of their role models for their startups. Then, the revelation of specific entrepreneurial leadership behaviour as a success pattern for growth in German startups as a perceived outcome of role models indicates the importance of role models for entrepreneurs.

Based on the literature review and the empirical findings, a conceptual framework of perceptions of role modelling has been developed. The conceptual framework might help entrepreneurs to reflect on and make use of role models and finally effectuate growth in their startups as an outcome of the process while maintaining balance. Additionally, the conceptual framework opens a new sphere for further investigation into the concept for future research.

The interpretive phenomenological study unfolds the underlying research paradigm of the study and shows awareness of the limitations coming with the research paradigm of social constructionism. Data collection and analysis are described in detail, so that other researchers can follow the rigorous process to extend the findings of this study.

Finally, the recommendations for practice and policymakers demonstrate the practicality of the study. This need for practical contribution is where this study began, since its intent was based on a practical observation about favourable forms of prior entrepreneurial exposure for entrepreneurs to become more successful with their startups. In this regard, the study represents a move towards explaining why some individuals are more successful than others in entrepreneurship. It shows that sustained startup growth can eventually be induced by entrepreneurs through leadership. The entrepreneurs themselves are then eventually impacted by role models to start a new venture in the first place and influenced to maintain the required balance during the company's growth through the principles of entrepreneurial leadership and concrete methods like OKRs and ESOPs.

Therefore, one success pattern in entrepreneurship eventually lies in entrepreneurs' leadership development, and role models stand out as being a key impact and resource for entrepreneurs developing the necessary entrepreneurial leadership behaviour during the entrepreneurial process with positive effects on startup growth.

References

Achleitner, A.-K., Braun, R., & Kohn, K. (2011). New venture financing in Germany: Effects of firm and owner characteristics. *Zeitschrift Für Betriebswirtschaft*, *81*(3), 263–294. https://doi.org/10.1007/s11573-011-0441-3

Andrews, T. (2012). What is social constructionism? *Grounded Theory Review*, *11*(1), 39–46.

Ansari, S., Bell, J., Iyer, B., & Schlesinger, P. (2014). Educating entrepreneurial leaders. *Journal of Entrepreneurship Education*, *17*(2), 31–51.

Aven, F., DeVries, P., Williams, D. G., & Smith, C. (2002). Intolerance of ambiguity in entrepreneurs of micro-enterprises. *Journal of Business and Entrepreneurship*, *14*(2), 49–56.

Avolio, B. J., Bass, B. M., & Jung, D. I. (1999). Re-examining the components of transformational and transactional leadership using the multifactor leadership questionnaire. *Journal of Occupational and Organizational Psychology*, *72*, 441–462.

Avolio, B. J., & Gardner, W. L. (2005). Authentic leadership development: Getting to the root of positive forms of leadership. *The Leadership Quarterly*, *16*(3), 315–338. https://doi.org/10.1016/j.leaqua.2005.03.001

Baker, T., & Nelson, R. E. (2005). Creating something from nothing: Resource construction through entrepreneurial bricolage. *Administrative Science Quarterly Administrative Science Quarterly*, *50*(3), 329–366.

Barbour, R., & Schostak, J. F. (2005). Interviewing and focus groups. In B. Somekh & C. Lewin (Eds.), *Research methods in the social sciences* (pp. 41–48). London: Sage Publications.

Baron, R. A. (2004). The cognitive perspective: a valuable tool for answering entrepreneurship's basic "why" questions. *Journal of Business Venturing*, *19*(2), 221–239.

Bass, B. M. (1990). *Bass and Stogdill's handbook of leadership: Theory, research, and managerial applications*. New York: Free Press.

Bass, B. M., & Riggio, R. E. (2006). *Transformational leadership*. Mahwah: Lawrence Erlbaum Associates.

Bell, E., Bryman, A., & Harley, B. (2018). *Business research methods*. New York: Oxford University Press.

Benton, T., & Craib, I. (2001). *Philosophy of social science: The philosophical foundations of social thought*. New York: Palgrave.

Bhaskar, R. (1975). *A realist theory of science*. Leeds: Leeds Books.

Bosma, N., Hessels, J., Schutjens, V., Praag, M. Van, & Verheul, I. (2012). Entrepreneurship and role models. *Journal of Economic Psychology*. https://doi.org/10.1016/j.joep.2011.03.004

Boyd, C. O. (2001). Phenomenology: the method. In P. L. Munhall (Ed.), *Nursing research: a qualitative perspective* (pp. 93–122). Sudbury: Jones and Bartlett.

Brockhaus, R. H. (1980). Risk taking propensity of entrepreneurs. *Academy of Management Journal*, *23*(3), 509–520.

Brodie, J., Douglas, T., & Laing, S. (2008). Students as consultants - adding value to the small to medium enterprise. In *ICSB World Conference Proceedings* (pp. 1–15). Washington.

Brodie, J., Van Saane, S. H., & Osowska, R. (2017). Help wanted: Exploring the value of entrepreneurial mentoring at start-up. *Industry and Higher Education*, *31*(2), 122–131. https://doi.org/10.1177/0950422217691666

Brown, M. E., & Treviño, L. K. (2014). Do role models matter? An investigation of role modeling as an antecedent of perceived ethical leadership. *Journal of Business Ethics*, *122*(4), 587–598. https://doi.org/10.1007/s10551-013-1769-0

Busenitz, L. W., & Lau, C.-M. (1996). A cross-cultural cognitive model of new venture creation. *Entrepreneurship Theory and Practice*, *20*(4), 25–40.

Cacciotti, G., Hayton, J. C., Mitchell, J. R., & Giazitzoglu, A. (2016). A reconceptualization of fear of failure in entrepreneurship. *Journal of Business Venturing, 31*(3), 302–325. https://doi.org/10.1016/j.jbusvent.2016.02.002

Cardon, M. S., Wincent, J., Singh, J., & Drnovsek, M. (2009). The nature and experience of entrepreneurial passion. *The Academy of Management Review, 34*(3), 511–532.

Chen, C. C., Greene, P. G., & Crick, A. (1998). Does entrepreneurial self-efficacy distinguish entrepreneurs from managers? *Journal of Business Venturing, 13*(4), 295–316.

Clercq, D. De, & Arenius, P. (2006). The role of knowledge in business start-up activity. *International Small Business Journal, 24*(4), 339–358. https://doi.org/10.1177/0266242606065507

Cogliser, C. C., & Brigham, K. H. (2004). The intersection of leadership and entrepreneurship: Mutual lessons to be learned. *Leadership Quarterly, 15*(6), 771–799.

Cohen, W. M., & Levinthal, D. A. (1990). Absorptive capacity: a new perspective on learning and innovation. *Administrative Science Quarterly, 35*(1), 128–152. https://doi.org/10.2307/2393553

Creswell, J. W. (2009). *Research design: Qualitative, quantitative, and mixed methods approaches.* Thousand Oaks: Sage Publications.

Creswell, J. W., & Poth, C. N. (2018). *Qualitative inquiry & research design: choosing among five approaches.* Los Angeles: Sage Publications.

Crotty, M. (1998). *The foundations of social research: Meaning and perspective in the research process.* London: Sage Publications.

Cypress, B. (2017). Rigor, reliability and validity in qualitative research: perspectives, strategies, re-conceptualization and recommendations. *Dimensions of Critical Care Nursing, 36*(4), 253–263. https://doi.org/10.1097/DCC.0000000000000253

D'Intino, R. S., Goldsby, M. G., Houghton, J. D., & Neck, C. P. (2007). Self-leadership: a process for entrepreneurial success. *Journal of Leadership & Organizational Studies*, *13*(4), 105–120.

De Cremer, D. (2006). Affective and motivational consequences of leader self-sacrifice: The moderating effect of autocratic leadership. *The Leadership Quarterly*, *17*(1), 79–93. https://doi.org/10.1016/j.leaqua.2005.10.005

De Hoogh, A. H. B., & Den Hartog, D. N. (2008). Ethical and despotic leadership, relationships with leader's social responsibility, top management team effectiveness and subordinates' optimism: a multi-method study. *The Leadership Quarterly*, *19*(3), 297–311. https://doi.org/10.1016/j.leaqua.2008.03.002

Debrulle, J., Maes, J., & Sels, L. (2013). Start-up absorptive capacity: Does the owner's human and social capital matter? *International Small Business Journal*, *32*(7), 777–801. https://doi.org/10.1177/0266242612475103

Denzin, N. K., & Lincoln, Y. S. (1998). *Collecting and interpreting qualitative materials*. Thousand Oaks: Sage Publications.

Drnovsek, M., Wincent, J., & Cardon, M. S. (2010). Entrepreneurial self-efficacy and business start-up: developing a multi-dimensional definition. *International Journal of Entrepreneurial Behaviour & Research*, *16*(4), 329–348. https://doi.org/http://dx.doi.org/10.1108/13552551011054516

Elder-Vass, D. (2010). *The causal power of social structures*. Cambridge: Cambridge University Press.

Elder-Vass, D. (2012). Towards a realist social constructionism. *Sociologia, Problemas e Praticas*, *70*, 9–24. https://doi.org/10.7458/SPP2012701208

Engle, D. E., Mah, J. J., & Sadri, G. (1997). An empirical comparison of entrepreneurs and employees: Implications for innovation. *Creativity Research Journal*, *10*(1), 45–49. https://doi.org/10.1207/s15326934crj1001_5

European Commission. (2015). *User guide to the SME definition*. Luxembourg: Publications Office.

Fisher, G. (2012). Effectuation, causation, and bricolage: A behavioral comparison of emerging theories in entrepreneurship research. *Entrepreneurship Theory and Practice*, *36*(5), 1019–1051.

Freeman, D., & Siegried, R. L. (2015). Entrepreneurial leadership in the context of company start-up and growth. *Journal of Leadership Studies*, *8*(4), 35–39. https://doi.org/10.1002/jls.21351

Gale, N. K., Heath, G., Cameron, E., Rashid, S., & Redwood, S. (2013). Using the framework method for the analysis of qualitative data in multi-disciplinary health research. *BMC Medical Research Methodology*, *13*(1), 1–8.

Gartner, W. B. (1985). A conceptual framework for describing the phenomenon of new venture creation. *The Academy of Management Review*, *10*(4), 696–706.

Gauthier, J., Stangler, D., Penzel, M., Morelix, A., & Arora, L. (2019). *Global startup ecosystem report 2019*. San Francisco: Startup Genome.

Gerber, M. E. (1995). *The E-myth revisited: Why most small businesses don't work and what to do about it*. New York: CollinsBusiness.

Gergen, K. J. (2001). *Social construction in context*. London: Sage Publications.

Gibrium, J. F., & Holstein, J. A. (2000). Analyzing interpretive practice. In N. K. Denzin & Y. S. Lincoln (Eds.), *Handbook of qualitative research research* (pp. 487–508).

Gompers, P. A., & Lerner, J. (2006). *The venture capital cycle*. Cambridge: The MIT Press.

Graham, P. (2012). Startup equals growth. Retrieved from http://www.paulgraham.com/growth.html

Granovetter, M. (1983). The strength of weak ties: A network theory revisited. *Sociological Theory*, *1*, 201–233. https://doi.org/10.2307/202051

Groenewald, T. (2004). A phenomenological research design illustrated. *International Journal of Qualitative Methods*, *3*(1), 42–55. https://doi.org/10.1177/160940690400300104

Groves, K. S., McEnrue, M. P., & Shen, W. (2008). Developing and measuring the emotional intelligence of leaders. *The Journal of Management Development*, *27*(2), 225–250. https://doi.org/http://dx.doi.org/10.1108/02621710810849353

Guba, E. G., & Lincoln, Y. S. (1989). *Fourth generation evaluation*. Newbury Park: Sage Publications.

Gupta, V., MacMillan, I. C., & Surie, G. (2004). Entrepreneurial leadership: developing and measuring a cross-cultural construct. *Journal of Business Venturing*, *19*(2), 241–260.

Ha, H., & Antoncic, B. (2003). Network-based research in entrepreneurship: A critical review. *Journal of Business Venturing*, *18*(2), 165–187.

Hacking, I. (2000). *The social construction of what?* Cambridge: Harvard University Press.

Hammersley, M. (2009). Why critical realism fails to justify critical social research. *Methodological Innovations Online*, *4*(2), 1–11.

Hay, C. (2002). *Political analysis: a critical introduction*. Basingstoke: Palgrave.

Heidegger, M. (1962). *Being and time (J. Macquarrie & E. Robinson, Trans.)*. New York: Harper & Row.

Hisrich, R., Peters, M. P., & Shepherd, D. A. (2004). *Entrepreneurship*. New York: McGraw-Hill.

Hmieleski, K. M., & Ensley, M. D. (2007). A contextual examination of new venture performance: Entrepreneur leadership behavior, top management team heterogeneity, and environmental dynamism. *Journal of Organizational Behavior*, *28*(7), 865–889.

Holienka, M., Mrva, M., & Marcin, P. (2013). Role of family entrepreneurial role models in determining students' preferences towards entrepreneurship. In *6th International Conference of Education, Research and Innovation* (pp. 3722–3730). Seville.

Husserl, E. (1970). *The crisis of european sciences and transcendental phenomenology (D. Carr, Trans.)*. Evanston: Northwestern University Press.

Johnson, P. S., Parker, S. C., & Wijbenga, F. (2006). Nascent entrepreneurship research: achievements and opportunities. *Small Business Economics: An Entrepreneurship Journal*, *27*(1), 1–4.

Jones, P., Pickernell, D., Fisher, R., & Netana, C. (2017). A tale of two universities: graduates perceived value of entrepreneurship education. *Education + Training*, *59*(7/8), 689–705. https://doi.org/10.1108/ET-06-2017-0079

Kahneman, D., & Tversky, A. (1979). Prospect theory: An analysis of decision under risk. *Econometrica*, *47*(2), 263–291. https://doi.org/10.2307/1914185

Kamien, M. I. (1994). Entrepreneurship: what is it? *Business Week Executive Briefing Service*, *7*, 1–24.

Kempster, S., & Cope, J. (2010). Learning to lead in the entrepreneurial context. *International Journal of Entrepreneurial Behavior & Research*, *16*(1), 5–34. https://doi.org/10.1108/13552551011020054

Kessler, A., & Frank, H. (2009). Nascent entrepreneurship in a longitudinal perspective: The impact of person, environment, resources and the founding process on the decision to start business activities. *International Small Business Journal*, *27*(6), 720–742. https://doi.org/10.1177/0266242609344363

Kim, P. H., Aldrich, H. E., & Keister, L. A. (2006). Access (not) denied: The impact of financial, human, and cultural capital on entrepreneurial entryin the United States. *Small Business Economics*, *27*(1), 5–22. https://doi.org/10.1007/s11187-006-0007-x

Knight, F. H. (1939). *Risk, uncertainty and profit.* Boston: Houghton Mifflin.

Kollmann, T., Hensellek, S., Jung, P. B., & Kleine-Stegemann, L. (2018). *Deutscher Startup Monitor 2018 [German startup report 2018]*. Berlin: Bundesverband Deutsche Startups.

Koryak, O., Mole, K. F., Lockett, A., Hayton, J. C., Ucbasaran, D., & Hodgkinson, G. P. (2015). Entrepreneurial leadership, capabilities and firm growth. *International Small Business Journal*, *33*(1), 89–105. https://doi.org/10.1177/0266242614558315

Kroeck, K. G., Bullough, A. M., & Reynolds, P. D. (2010). Entrepreneurship and differences in locus of control. *Journal of Applied Management and Entrepreneurship*, *15*(1), 21–49.

Krueger, N. (1993). The impact of prior entrepreneurial exposure on perceptions of new venture feasibility and desirability. *Entrepreneurship Theory and Practice*, *18*(1), 5–21.

Laskovaia, A., Shirokova, G., & Morris, M. H. (2017). National culture, effectuation, and new venture performance: global evidence from student entrepreneurs. *Small Business Economics*, *49*(3), 687–709.

Leitch, C. M., & Volery, T. (2017). Entrepreneurial leadership: Insights and directions. *International Small Business Journal*, *35*(2), 147–156. https://doi.org/http://dx.doi.org/10.1177/0266242616681397

Leutner, F., Ahmetoglu, G., Akhtar, R., & Chamorro-Premuzic, T. (2014). The relationship between the entrepreneurial personality and the Big Five personality traits. *Personality and Individual Differences*, *63*, 58–63. https://doi.org/10.1016/j.paid.2014.01.042

Lewis, J. (2009). Redefining qualitative methods: believability in the fifth moment. *International Journal of Qualitative Methods*, *8*(2), 1–14.

Lewis, J., & Ritchie, J. (2005). *Qualitative research practice: a guide for social science students and researchers*. London: Sage Publications.

Liden, R. C., Wayne, S. J., Zhao, H., & Henderson, D. (2008). Servant leadership: Development of a multidimensional measure and multi-level assessment. *The Leadership Quarterly*, *19*(2), 161–177. https://doi.org/10.1016/j.leaqua.2008.01.006

Lincoln, Y. S., & Guba, E. G. (1985). *Naturalistic inquiry*. Beverly Hills: Sage Publications.

Lopez, K. A., & Willis, D. G. (2004). Descriptive versus interpretive phenomenology: their contributions to nursing knowledge. *Qualitative Health Research*, *14*(5), 726–735. https://doi.org/10.1177/1049732304263638

Lundstrom, A., Vikstrom, P., Fink, M., Meuleman, M., Godek, P., Storey, D., & Kroksgard, A. (2014). Measuring the costs and coverage of SME and entrepreneurship policy: a pioneering study. *Entrepreneurship Theory and Practice*, *38*(4), 941–957. https://doi.org/http://dx.doi.org/10.1111/etap.12037

Macpherson, A., & Holt, R. (2007). Knowledge, learning and small firm growth: A systematic review of the evidence. *Research Policy*, *36*(2), 172–192.

March, J. G. (1991). Exploration and exploitation in organizational learning. *Organization Science Organization Science*, *2*(1), 71–87.

Marion, T. J., Eddleston, K. A., Friar, J. H., & Deeds, D. (2015). The evolution of interorganizational relationships in emerging ventures: An ethnographic study within the new product development process. *Journal of Business Venturing*, *30*(1), 167–184.

Marquis, C., & Tilcsik, A. (2013). Imprinting: toward a multilevel theory. *The Academy of Management Annals*, *7*(1), 195–245.

Mathias, B. D., Williams, D. W., & Smith, A. R. (2015). Entrepreneurial inception: The role of imprinting in entrepreneurial action. *Journal of Business Venturing*, *30*(1), 11–28. https://doi.org/10.1016/j.jbusvent.2014.07.004

Maxwell, J. A. (2013). *Qualitative research design: an interactive approach*. Thousand Oaks: Sage Publications.

McBride, R., & Wuebker, R. (2014). Is entrepreneurial opportunity objective? Implications from the ontology and epistemology of social institutions. *SSRN Electronic Journal*, 1–40. https://doi.org/http://dx.doi.org/10.2139/ssrn.2427142

McClelland, D. C. (1987). Characteristics of successful entrepreneurs. *The Journal of Creative Behavior*, *21*(3), 219–233. https://doi.org/10.1002/j.2162-6057.1987.tb00479.x

McClelland, D. C., & Winter, D. G. (1969). *Motivating economic achievement*. New York: Free Press.

McKelvie, A., Brattström, A., & Wennberg, K. (2017). How young firms achieve growth: reconciling the roles of growth motivation and innovative activities. *Small Business Economics: An Entrepreneurship Journal*, *49*(2), 273–293.

Miles, M. B., & Huberman, A. M. (1994). *Qualitative data analysis: an expanded sourcebook*. Thousand Oaks: Sage Publications.

Miles, M. B., Huberman, A. M., & Saldana, J. (2014). *Qualitative data analysis: a methods sourcebook*. Thousand Oaks: Sage Publications.

Miner, J. B. (1990). Entrepreneurs, high growth entrepreneurs, and managers: Contrasting and overlapping motivational patterns. *Journal of Business Venturing*, *5*(4), 221–234.

Mintzberg, H. (1994). *The rise and fall of strategic planning: reconceiving roles for planning, plans, planners*. Toronto: Maxwell Macmillan.

Mueller, P. (2006). Entrepreneurship in the region: Breeding ground for nascent entrepreneurs? *Small Business Economics*, *27*(1), 41–58. https://doi.org/10.1007/s11187-006-6951-7

Mumford, M. D., & Fried, Y. (2014). Give them what they want or give them what they need? Ideology in the study of leadership. *Journal of Organizational Behavior*, *35*(5), 622–634. https://doi.org/10.1002/job.1921

Nahapiet, J., & Ghoshal, S. (1998). Social capital, intellectual capital, and the organizational advantage. *Academy of Management Review*, *23*(2), 242–266. https://doi.org/10.2307/259373

Obschonka, M., Hakkarainen, K., Lonka, K., & Salmela-Aro, K. (2017). Entrepreneurship as a twenty-first century skill: Entrepreneurial alertness and intention in the transition to adulthood. *Small Business Economics*, *48*(1), 487–501.

Overall, J., & Wise, S. (2015). An S-curve model of the start-up life cycle through the lens of customer development. *The Journal of Private Equity*, *18*(2), 23–34. https://doi.org/10.3905/jpe.2015.18.2.023

Patterson, M. E., & Williams, D. R. (1998). Paradigms and problems: The practice of social science in natural resource management. *Society & Natural Resources*, *11*(3), 279–295. https://doi.org/10.1080/08941929809381080

Patton, M. Q. (2015). *Qualitative research & evaluation methods: integrating theory and practice*. Thousand Oaks: Sage Publications.

Phelps, R., Adams, R., & Bessant, J. (2007). Life cycles of growing organizations: a review with implications for knowledge and learning. *International Journal of Management Reviews*, *9*(1), 1–30. https://doi.org/http://dx.doi.org/10.1111/j.1468-2370.2007.00200.x

Phillips, D. C., & Burbules, N. C. (2000). *Postpositivism and educational research*. Lanham: Rowman & Littlefield Publishers.

Pickernell, D., Packham, G., Jones, P., Miller, C., & Thomas, B. (2011). Graduate entrepreneurs are different: they access more resources? *International Journal of Entrepreneurial Behaviour & Research*, *17*(2), 183–202. https://doi.org/10.1108/13552551111114932

Politis, D. (2008). Does prior start-up experience matter for entrepreneurs'
learning? A comparison between novice and habitual entrepreneurs.
Journal of Small Business and Enterprise Development, *15*(3), 472–489.
https://doi.org/10.1108/14626000810892292

Ramos-Rodríguez, A.-R., Medina-Garrido, J.-A., Lorenzo-Gómez, J.-D., &
Ruiz-Navarro, J. (2010). What you know or who you know? The role of
intellectual and social capital in opportunity recognition. *International
Small Business Journal*, *28*(6), 566–582.
https://doi.org/10.1177/0266242610369753

Read, S., & Sarasvathy, S. D. (2005). Knowing what to do and doing what
you know: Effectuation as a form of entrepreneurial expertise. *The
Journal of Private Equity*, *9*(1), 45–62.

Ries, E. (2011). *The lean startup: How today's entrepreneurs use continuous
innovation to create radically successful businesses*. New York: Crown
Business.

Rosa, P. (2013). Recent trends in leading entrepreneurship research: the
challenge for European researchers. *Entrepreneurship Research
Journal*, *3*(1), 35–43. https://doi.org/10.1515/erj-2012-0031

Rubin, H. J., & Rubin, I. S. (2016). *Qualitative interviewing: The art of hearing
data*. Los Angeles: Sage Publications.

Saldana, J. (2016). *The coding manual for qualitative researchers*. Los
Angeles: Sage Publications.

Sarasvathy, S. D. (2001). Causation and effectuation: Toward a theoretical
shift from economic enevitability to entrepreneurial contingency. *The
Academy of Management Review*, *26*(2), 243–263.

Sarasvathy, S. D., Menon, A., & Kuechle, G. (2013). Failing firms and
successful entrepreneurs: Serial entrepreneurship as a temporal
portfolio. *Small Business Economics: An Entrepreneurship Journal*,
40(2), 417–434.

Sarasvathy, S. D., & Venkataraman, S. (2011). Entrepreneurship as method: open questions for an entrepreneurial future. *Entrepreneurship Theory and Practice*, *35*(1), 113–135. https://doi.org/10.1111/j.1540-6520.2010.00425.x

Saunders, B., Kitzinger, J., & Kitzinger, C. (2015). Anonymising interview data: challenges and compromise in practice. *Qualitative Research*, *15*(5), 616–632. https://doi.org/10.1177/1468794114550439

Saunders, M., Lewis, P., & Thornhill, A. (2016). *Research methods for business students*. Harlow: Pearson Education Limited.

Sayer, A. (1997). Critical realism and the limits to critical social science. *Journal for the Theory of Social Behaviour*, *27*(4), 473–488.

Schmude, J., Welter, F., & Heumann, S. (2008). Entrepreneurship research in Germany. *Entrepreneurship Theory and Practice*, *32*(2), 289–311. https://doi.org/10.1111/j.1540-6520.2007.00227.x

Schumpeter, J. A. (1934). *The theory of economic development: An inquiry into profits, capital, credit, interest, and the business cycle (R. Opie, Trans.)*. Cambridge: Harvard University Press.

Schwandt, T. A. (1994). Constructivist, interpretivist approaches to human inquiry. In N. K. Denzin & Y. S. Lincoln (Eds.), *Handbook of qualitative research* (pp. 118–137). Thousand Oaks: Sage Publications.

Shadish, W. R., Cook, T. D., & Campbell, D. T. (2015). *Experimental and quasi-experimental designs for generalized causal inference*. Belmont: Wadsworth Cengage Learning.

Shane, S. (2000). Prior knowledge and the discovery of entrepreneurial opportunities. *Organization Science*, *11*(4), 448–469.

Shane, S. (2009). Why encouraging more people to become entrepreneurs is bad public policy. *Small Business Economics*, *33*(2), 141–149. https://doi.org/10.1007/s11187-009-9215-5

Shane, S. (2012). Reflections on the 2010 AMR decade award: Delivering on the promise of entrepreneurship as a field of research. *Academy of Management Review*, *37*(1), 10–20.

Shane, S., & Venkataraman, S. (2000). The promise of entrepreneurship as a field of research. *Academy of Management Review*, *25*(1), 217–226.

Shapiro, E., Haseltine, F., & Rowe, M. (1978). Moving up: Role models, mentors, and the "patron system." *Sloan Management Review*, *19*(3), 51–58.

Shaver, K. G. (1995). The entrepreneurial personality myth. *Business and Economic Review*, *41*(3), 20–23.

Singh, S., Corner, P. D., & Pavlovich, K. (2015). Failed, not finished: A narrative approach to understanding venture failure stigmatization. *Journal of Business Venturing*, *30*(1), 150–166.

Spiegel, O., Abbassi, P., Zylka, M. P., Schlagwein, D., Fischbach, K., & Schoder, D. (2016). Business model development, founders' social capital and the success of early stage internet start-ups: a mixed-method study. *Information Systems Journal*, *26*(5), 421–449. https://doi.org/10.1111/isj.12073

Stadler, C. (2009). Die Freude am Unternehmertum in kleinen und mittleren Unternehmen [The pleasure of entrepreneurship in small and mid-sized companies]. Wiesbaden: Gabler.

Stam, H. J. (2001). Introduction: Social constructionism and its critics. *Theory & Psychology*, *11*(3), 291–296. https://doi.org/10.1177/0959354301113001

Suddaby, R., Bruton, G. D., & Si, S. X. (2015). Entrepreneurship through a qualitative lens: Insights on the construction and/or discovery of entrepreneurial opportunity. *Journal of Business Venturing*, *30*(1), 1–10. https://doi.org/10.1016/j.jbusvent.2014.09.003

Sutton, J., & Austin, Z. (2015). Qualitative research: Data collection, analysis, and management. *The Canadian Journal of Hospital Pharmacy*, *68*(3), 226–231.

Tarling, C., Jones, P., & Murphy, L. (2016). Influence of early exposure to family business experience on developing entrepreneurs. *Education & Training, 58*(7), 733–750.

Taylor, S. J., Bogdan, R., & DeVault, M. L. (2016). *Introduction to qualitative research methods: a guidebook and resource*. Hoboken: Wiley.

Thiel, P. A., & Masters, B. (2014). *Zero to one: Notes on startups, or how to build the future*. New York: Crown Business.

Vecchio, R. P. (2003). Entrepreneurship and leadership: common trends and common threads. *Human Resource Management Review, 13*(2), 303–327.

Vesper, K. H. (1983). *Entrepreneurship and national policy*. Chicago: Walter E. Heller International Corporation Institute for Small Business.

Weick, K. E. (2000). *Sensemaking in organizations*. Thousand Oaks: Sage Publications.

Williams, M. (2016). *Key concepts in the philosophy of social research*. London: Sage Publications.

Wolfram Cox, J. R. (1999). *Triangulation in post-positivist research: a review*. Caulfield East: Monash University Paper Series.

Wright, T. A., & Quick, J. C. (2011). The role of character in ethical leadership research. *The Leadership Quarterly, 22*(5), 975–978. https://doi.org/10.1016/j.leaqua.2011.07.015

Wyrwich, M., Stuetzer, M., & Sternberg, R. (2016). Entrepreneurial role models, fear of failure, and institutional approval of entrepreneurship: a tale of two regions. *Small Business Economics, 46*(3), 467–492. https://doi.org/10.1007/s11187-015-9695-4

Yitshaki, R. (2012). How do entrepreneurs' emotional intelligence and transformational leadership orientation impact new ventures' growth? *Journal of Small Business and Entrepreneurship, 25*(3), 357–374.

Yu, C. W. M., & Man, T. W. Y. (2009). Social interaction and the formation of entrepreneurial characteristics. *Journal of Workplace Learning*, *21*(8), 595–613. https://doi.org/http://dx.doi.org/10.1108/13665620910996160

Zaech, S., & Baldegger, U. (2017). Leadership in start-ups. *International Small Business Journal*, *35*(2), 157–177. https://doi.org/10.1177/0266242616676883

Zapkau, F. B., Schwens, C., & Kabst, R. (2017). The role of prior entrepreneurial exposure in the entrepreneurial process: a review and future research implications. *Journal of Small Business Management*, *55*(1), 56–86. https://doi.org/http://dx.doi.org/10.1111/jsbm.12232

Appendix A: Interview Schedule for Semi-Structured Interviews

Theme	Prepared questions around theme
Opening and background questions	- What is your elevator pitch? - Can you describe your personal journey? - What are the current challenges your startup is facing and what is your role at this?
Entrepreneurial exposure and key impacts of role models	- How did you become that person sitting here? - Who impacted your development the most? - What was your first entrepreneurial experience? - Is there a moment that served as an inflection point and maybe changed the way you think about entrepreneurship?
Types of role models	- How would you describe a role model? - Who are your most important role models, and in what way did they impact you? - Do your role models change over time? - What is your expectation on role models?
Making use of role models	- Could you describe your interaction with your role models in more detail? - What was your biggest lesson learned from a role model? - Do you have negative experiences with role models? - How and why did you make use of role models in your own context? - What was the outcome thereof in your startup? - Do you perceive yourself as a leader? - What do you do as a founder to make meaning for others in the company? - Where have you been learning how to grow and manage a team? - What is your methodology to empower or inspire employees?
Outcomes regarding growth	- What would you like to advise someone founding for the first time and being challenged with leadership? - What methods do you use to align stakeholders to the goals and values of the company? - Why are you the type of leader that can build a fast-growing business? - Describe situations where you impacted stakeholders of your company?

	• Are there any examples of employees who grew personally thanks to you? • Do you think there is an outcome the company could not have reached without you? • What are the observed effects of your leadership behaviour on stakeholders? • Do you perceive yourself as a role model? • How does the company benefit from social interaction?
Closing questions	• What would you most likely change about your leadership behaviour? • What do you know today you wished you knew when you started the company? • Was there no role model teaching you that? • Are there any questions about the topic you would like to ask me or like to be asked?

Appendix B: Information Sheet for Potential Participants

Information Sheet for Potential Participants

Investigation of the Perceived Impact of Role Models on Founder's Entrepreneurial Process and Leadership Development in German Startups

My name is Philipp Jauch and I am a postgraduate student from the Business School at Edinburgh Napier University. As part of my Doctor of Business Administration, I am undertaking a research study for my dissertation. The title of my project is: Investigation of the Perceived Impact of Role Models on Founder's Entrepreneurial Process and Leadership Development in German Startups.

This study will investigate the perceived impact of role models on the entrepreneurial process from the view founders. Hereby, the study takes into account that one success pattern in entrepreneurship possibly lies in entrepreneurial leadership and thus entrepreneurial leadership might be as important as the context for startup growth.

Subsequently, the study aims to help entrepreneurs to better cope with the challenges of growing a digital startup by offering a conceptual model about role models as a new way of thinking. This is of specific interest for the domain, since the failure rate of over 90% is one of the holy grails in entrepreneurship

I am looking for volunteers to participate in the study. There are no demographic criteria (e.g. gender, age, or health) for being included or excluded. However, a potential interviewee must be founder or co-founder running a high growth digital startup in Germany.

If you agree to participate in the study, you will be asked to conduct an interview. There is a risk that you will be asked personal questions. The whole procedure should take no longer than 60 minutes. You will be free to withdraw from the study at any stage, you would not have to give a reason. This project will also mean that I will have to read through accessible company information.

All data will be anonymised within 24 hours after the inverview as much as possible, but you may be identifiable from tape recordings of your voice. Your name will be replaced with a participant number or a pseudonym, and it will not be possible for you to be identified in any reporting of the data gathered. All data collected will be kept in a secure place (encrypted hard drive) to which only Philipp Jauch has access. These will be kept till the end of the examination process, following which all data that could identify you will be destroyed.

The results may be published in a journal or presented at a conference.

If you would like to contact an independent person, who knows about this project but is not involved in it, you are welcome to contact ▇▇▇▇▇▇▇▇▇▇▇▇▇▇▇▇▇.
If you have read and understood this information sheet, any questions you had have been answered, and you would like to be a participant in the study, please now see the consent form.

Appendix C: Research Consent Form

Edinburgh Napier University Research Consent Form

Investigation of the Perceived Impact of Role Models on Founder's Entrepreneurial Process and Leadership Development in German Startups

Edinburgh Napier University requires that all persons who participate in research studies give their written consent to do so. Please read the following and sign it if you agree with what it says.

1. I freely and voluntarily consent to be a participant in the research project on the topic of the perceived impact of role models on founder's entrepreneurial process and leadership development to be conducted by Philipp Jauch, who is a postgraduate student at Edinburgh Napier University.

2. The broad goal of this research study is to explore the impact of role models and success patterns in entrepreneurial leadership. Specifically, I have been asked to conduct an interview. I might also be invited to a subsequent discussion. The interview should take no longer than sixty minutes to complete.

3. I have been told that my responses will be anonymised. My name will not be linked with the research materials, and I will not be identified or identifiable in any report subsequently produced by the researcher.

4. I also understand that if at any time during the interview I feel unable or unwilling to continue, I am free to leave. That is, my participation in this study is completely voluntary, and I may withdraw from it without negative consequences. However, after data has been anonymised or after publication of results it will not be possible for my data to be removed as it would be untraceable at this point.

5. In addition, should I not wish to answer any particular question or questions, I am free to decline.

6. I have been given the opportunity to ask questions regarding the procedure and my questions have been answered to my satisfaction.

7. I have read and understand the above and consent to participate in this study. My signature is not a waiver of any legal rights. Furthermore, I understand that I will be able to keep a copy of the informed consent form for my records.

_____   _____

Participant's Signature   Date

I have explained and defined in detail the research procedure in which the respondent has consented to participate. Furthermore, I will retain one copy of the informed consent form for my records.

_____   _____

Researcher's Signature   Date