



Transitioning from Task-Oriented Decision-Making to Strategic Leadership: How Former Employees Can Succeed as Entrepreneurs

by

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Abstract

This study will investigate how employees will handle the transition into entrepreneurship with a focus on decision-making, the approaches, information gathering, their perception of risk-taking, adaptation, and transitional challenges.

This study will use a quantitative methodology with semi-structured interviews to collect data from five first-time entrepreneurs from diverse backgrounds and in different sectors. A thematic analysis will be used to extract themes from the data, and findings will be discussed and analysed, leading to learning outcomes and a chance to improve personal development.

Findings align with established theories in decision-making and entrepreneurship, which also helped facilitate learning outcomes.

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Chapter 1: Introduction

1.1 Background and Context

The transition from employee to entrepreneur is not an easy process, nor is it an easy decision to undertake. It's an environment that will be filled with unknowns and uncertainties. Individuals who undertake this process will most likely be traditional employees, working in operational departments, shielded from complex decision-making by policies and procedures. Moving into entrepreneurship will require a new set of skills and a new mindset in decision-making (Simon, 1947).

1.2 Research Problem

Despite the rising number of people starting enterprises, limited research still exists in specifically addressing how employees transition and adapt to strategic decision-making and risk management when undergoing the transition to business owner.

1.3 Research Questions

How does decision-making evolve when individuals transition from employment to entrepreneurship?

Chapter 2: Literature Review

2.1: Introduction & Scope of Study.

2.1.1 Introduction

The main topic of research for this literature review will be ‘decision making’. This is a critical skill that uses cognitive processes that sets the foundation for strategic management and ultimately a successful business. As decision-making is a very broad subject, the topics discussed will focus on aspects of decision-making that align with matters discussed in Chapter 1.

With that in mind, this review will be separated into two distinct categories that combine decision making with entrepreneurship.

1. The first section will examine relevant academic studies on **decision-making**. It will explore some foundational theories along with some academic studies that look at our understanding of how decisions are made. It will provide definitions and examine some theoretical and empirical frameworks. Classic and contemporary models, including rational choice theory, bounded rationality, behavioural decision theory, and dual-process theories, will be discussed to provide a comprehensive review.
2. The second discussion will look at the transition of employees as they **transition to entrepreneurs**. This section will narrow the focus to how decision-making shifts as an individual moves from employee to business owner. It will examine some of the challenges encountered during this transition, including strategic thinking, risk-taking, and leadership, while also considering the individual's personal and professional status that can potentially influence their decision-making.

These discussions aim to help understand how the decision-making process can help first-time entrepreneurs succeed in business and what new cognitive skills will be required to help them on this journey.

2.2 Decision-Making

2.2.1 Introduction

Decision-making is an integral part of daily life. It's a process that's made by every individual every day all around the globe. Most people make decisions instinctively, without even realising it. It comes as naturally to humans as walking or breathing. Just as putting one foot in front of the other without thought, the brain makes decisions for us automatically without us even knowing it (Kahneman, 2011). Typically, these decisions are rapid, made intuitively, and can be driven by personal experience, heuristics, and, as argued by Bargh and Chartrand (1999), made completely by unconscious processes. In business or management, decisions are made with just as much frequency as non-descript daily life, but with far more serious outcomes. Making a wrong decision can impact employees, customers, and company profitability. These more serious decisions use a slower, more deliberate approach to decision-making.

Understanding the fundamental mechanisms in the human decision-making processes has emerged as a critical area of research in many disciplines. The question of 'how' individuals process information to evaluate options along with 'why' they ultimately make a certain selection continues to challenge researchers and scientists alike.

The following sections will aim to present a comprehensive review of the theoretical and empirical frameworks that shape our current thinking of decision-making. By establishing this framework, the discussion aims to help our understanding of the complex factors that help entrepreneurs make decisions.

2.2.2 Definition of decision-making

Decision-making is one of the most basic human behavioural traits. It's a simple cognitive process that results in a selection from several viable options (Reason, 1990). It's a choice. Nearly all living animals possess the ability to make decisions, but this simple, almost unconscious trait is rooted in complexity, particularly when the decision outcome could have major consequences for a number of stakeholders.

Studies by many researchers have resulted in a variety of theoretical propositions, with each one emphasising a different aspect of the decision-making process.

The Nobel laureate and psychologist Daniel Kahneman focused his research on the mental aspects on the process of decision-making. He describes how bounded rationality, and underlying biases account for individual decisions (Kahneman, 2011). Other behavioural economists like Thaler and Sunstein (2008) explored how external environmental conditions and the presentation of options, known as choice architecture, can influence a decision maker's thinking and ultimately, their final choice.

When making decisions in the business and management world, a different set of criteria may apply when making a decision. Robbins and Judge (2019) stipulate that in management, decisions have a dual purpose. While identifying problems and challenges in an organisation and then rectifying those problems, the decision-making process served as both a problem-solving tool and an opportunity to add organisational value. This hypothesis was further supported by Daft (2021), who stated that organisational decisions will result in solutions that align with the goals and constraints of that organisation.

Early research has evolved to define decision-making as a dynamic process. March (1994), who collaborated and then interpreted decades of research from public administration cases, behavioural decision theory, political science and organisational theory, describes effective decision-making as something that is continuously adapted and must respond to change and environmental factors. He goes on to argue that decision-making is far more complex, messier and context-driven than the traditional 'rational choice' model. Effective decision-making can only be achieved through the evaluation and learning outcomes of previous experiences, and even then, he suggests, it may only seek good enough solutions rather than optimal decisions. This theory complements Kahneman's (2011) observations of how biases can affect decision-making. As discussed by Mintzberg et al (2009), biases in an organisation can have drastic effects on important decisions that senior management must make. As managers are 'information workers', they rely on their staff to compile data or reports for them to examine. If the reports have been prepared with an initial but perhaps unknown bias from a member of staff, this bias will travel up the ladder to the final decision-maker.

In organisations, decision-making can be complex. On many occasions, decisions are made from groups of people rather than one individual (Simon,1997). In the

organisational setting, three criteria exist that separate organisational decision-making from individual decision-making (Eisenhardt and Zbaracki, 1992)

1. Multiple decision makers: Each decision-maker may have their interests at heart.
2. Timeframes: Decision-makers may have short or long-term objectives.
3. Culture: Organisational structure may influence some decision-makers.

For the purposes of this research, decision-making is defined as a process by an individual or organisation that chooses a course of action from a number of options to achieve a desired outcome.

2.3 Theoretical Frameworks of Decision-Making

2.3.1 Introduction

The complexity of the brain and how it functions has long been a wonder to mankind. The study of decision-making is a relatively new field in the history of science and wonder and over the last 70 years or so, many scholars have produced theoretical insights and frameworks into the process of decision-making. Understanding these theories will help illuminate the mechanisms by which decisions differ for an employee to an entrepreneur.

2.3.2 Rational Decision-Making Theory

An early model in the study of decision-making, the rational decision-making theory seems so obvious that it doesn't need to be examined. Defined by Simon (1955) as a 'systemic process' that involves identifying a problem, identifying alternatives, evaluating, and then making the best or most appropriate decision. It was refined further by March and Simon (1958) to include a weighted criterion, but in essence, this logical process seems almost too basic, and when applied to certain aspects of the real world, it is. This model assumes that the decision maker has all the available information or, at the very least, enough time to gather all the information. In organisations where a thorough analysis is needed, following this model can be quite beneficial (Nutt, 1993). For an entrepreneur who has limited time and information, this model has limitations. As shown by Tversky and Kahneman (1974) the human cognitive condition leads us not to

use rational decision-making but to fall back on biases and heuristic decision-making. Although shown to have limitations, the rational model can serve as a basic foundation for structured decision-making (Bazerman & Moore, 2017).

2.3.3 Bounded Rationality Theory

Understanding that his theory of rational decision-making had flaws, Simon (1956) accepted that decision-makers do not always, if ever, have all the information at hand when making decisions. They are confined by limited information and by how much information they can keep in their head. Instead, he suggested that individuals operate under satisfactory solutions rather than optimal results. Gigerenzer et al (2001) describe it as 'optimisation under constraints' and they refer to three classes of models that bounded rationality satisfies.

1. Simple search rules: This is the process of gathering information.
2. Simple stopping rules: This is the process of stopping the search.
3. Simple decision rule: After limited information has been acquired and the search has stopped, a decision is reached. This is usually an individual selecting something that they feel is the most important reason.

The original theory describes three blockers that limit a decision maker from making a fully rational choice. Limited cognitive acumen, incomplete information, and possibly most consequentially, limited time. This leads the decision maker to simplify their decision, via heuristics or a rule of thumb that leads to a decision, but ultimately one that may lead to suboptimal results.

Heuristics can play a big part in bounded rationality, and one in particular that fits this criterion is the availability heuristic. In the availability heuristic, people overestimate events that are easy or noteworthy to recall, such as a positive experience. This can lead to biased decisions based on incomplete information (Tversky and Kahneman, 1973).

2.3.4 Behavioural Decision Theory

While Rational Decision-Making Theory originated in economics, behavioural decision theory is grounded in psychology (Tversky & Kahneman, 1979). It doesn't assume that all humans are completely rational and will always make rational choices. Instead, it accounts for human behaviours, such as emotions and biases, when making decisions.

Kahneman and Tversky (1979) proposed a new theory, which they named 'Prospect Theory'. This theory would rally against more traditional thinking and directly contradict rational decision-making theory. In it, they explain how individuals make decisions when under pressure or stress. The main theme of the study is loss aversion. It found that people are risk-averse when it comes to gains, and risk-seeking when it comes to losses. This is completely at odds to rational decision-making, and thus, describes how people make decisions rather than how they should make decisions.

Other notable works in the field of behavioural decision-making include Tahler (1980), Tversky & Kahneman (1981), and Strack & Mussweiler (1997). Tahler introduces the 'Endowment Effect', where people value items they already own rather than things they don't. Tversky & Kahneman discuss 'Framing Effects', where consumers are influenced by option presentation, and Strack & Mussweiler discuss 'Anchoring Biases', where people value initial information over subsequent information.

Ultimately, behavioural decision theory challenged traditional thinking by building itself on human behaviour. It underscores the need to consider psychological behaviours when people make decisions, particularly when under stress or risk.

2.3.5 Intuitive Decision-Making Theory

While thinking rationally or irrationally, through behavioural traits or by using System 1 or System 2 to make decisions, a question remains: can decision-making be learned? Is it a skill, something a person can develop over time through lived experiences? Gary Klein (1998), hypostatizes that with experience, decision-makers can often recognise patterns to help them make the correct decision. Through his study, he found that while having experience is of great benefit to decision-making, sampling different types of situations is what makes the experience so valuable. Klein called this Recognition-Primed Decision

Model. An example he provides is firefighters fighting a fire. While a firefighter can be fully trained with many years of experience, encountering a fire of a certain type can render their experience meaningless.

On a similar theme, Dane and Pratt (2007) define intuition as "affectively charged judgments that arise through rapid, nonconscious, and holistic associations". They suggest that individuals rely on lived experiences that are stored in memory and, as such, can be accessed quickly without the need for rational or analytical processing. Such intuition, they claim, can be highly valuable to leaders in organisations where fast-paced decision-making is required. In an organisational setting, Khatri & Ng (2000) surveyed nearly 300 senior managers across 133 organisations and found that a great use of intuition had positively affected the organisational performance, particularly so in dynamic and uncertain environments.

While making decisions intuitively has been shown to be of great benefit to organisations, it must be stressed that this only comes when the decision maker has had ample opportunities to develop experiences through repeated exposure to similar situations (Kahneman and Klein, 2009).

However, the success of intuitive decision-making can depend on the individual's expertise and environmental stability. Kahneman and Klein (2009) argue that intuitive judgments are most reliable in "high-validity environments" where decision-makers have opportunities to develop pattern recognition through repeated exposure to similar situations with clear feedback on decision outcomes. Intuition, they agree, will fail where little or no feedback is given.

2.3.6 Dual-Process Theory

Studies of decision-making have started to agree that rational, analytical, and intuitive approaches are integrated. Kahneman (2011) in his book 'Thinking, fast and slow' describes how the two systems work in tandem to produce effective decision-making. System 1 is the fast, automatic, and intuitive system. It operates with little effort and without voluntary control. This is the process humans use the most. We use this system

for nearly all decisions we have to make. Kahneman describes it as ‘the hero of his book’ (p.23). System 2, meanwhile, is the slow, deliberate system. It uses far more energy than System 1. It is used only when meaningful decisions need to be made. Evans (2008) describes how System 1 can generate the initial response, which System 2 can then monitor and override if necessary, and if the decision-maker is engaged. People will often default to System 1 due to energy conservation or cognitive overload.

2.4 Transition from Employee to Entrepreneur

2.4.1 Introduction

For many Irish business owners, the journey to entrepreneurship starts with general employment. There are a myriad of reasons why including dissatisfaction in the workplace, autonomy, and the potential to have financial gain (Krzyzanowska, 2009). There are many aspects in the process of transition from employee to entrepreneur, with decision-making playing a significant role. This transition will require the individual to learn new skills, including a shift in decision-making from an employee context to a leadership context. These can differ significantly from things such as task-oriented to more strategic decision-making (Baron, 2008).

As an employee, most, if not all, decisions will occur within the boundaries of a structured framework. Organisations will structure their businesses with hierarchical tiers. These tiers create layers that aim to limit responsibility and accountability to the individuals at the top of the organisation chart (Mintzberg, 1979). As part of these structures, the organisation is creating what Simon (1997) called ‘premises of decision’. This is a deliberate strategy from the organisation as they want the employee to make decisions as part of organisational policies and standard procedures (March and Simon, 1958). This system serves two functions: it can ensure consistency across the organisation and maintain individual and departmental alignment with preset strategic objectives (Cyert & March, 1963). This rigidity, although quite effective, can also stifle innovation and creativity among employees.

2.4.2 Employee Decisions

2.4.2.1 Operational Decisions

As an employee, most decisions that will be made will encompass daily activities or task-related decisions. These will be part of a well-defined process and will be low-risk in nature (Anthony, 1965). These are operational decisions and are performed daily as part of a process or workflow.

Some of these decisions are as follows:

Time management: Identified by Covey (1989) as a critical skill, time management competes for demands of knowledgeable employees who must evaluate tasks based on importance. This can put pressure on experienced staff who face constant interruptions and risk reducing productivity.

Resource utilization: Employees must decide where to divide their time and effort. Each task will possibly need time, materials, and effort to reach targets or organisational goals. Heath and Gonzalez (1995) describe this as 'resource allocation under constraint',

Quality Control (QC): QC and process improvement are examples of how employees can contribute to process decisions in the organisation. As employees are on the frontline of the process, they possess unique insights into the inefficiencies of the operation and for potential improvements (Deming, 1986). Bessant et al (2001) showed how innovation driven by employees can significantly improve the performance of the organisation.

2.4.2.2 Tactical Decisions

A level above operational decisions are tactical decisions. These involve short to medium-term planning and are typically part of long-term projects. They require some operational awareness and can have a greater impact on the organisation than operational decisions (Anthony, 1965).

Project management represents an example of tactical choices that affect the organisational efficiency and require participants to be involved in resource

management, timeline management, risk assessment, setting objectives, and stakeholder coordination (Kerzner, 2017)

2.5 Strategic Participation

Although employees won't usually be part of high-level strategic decisions, they will participate indirectly via feedback sessions, suggestion forms, or employee reviews. Participation in these activities will help close the loop between individual operational decisions and high-level organisational decisions (Wooldridge & Floyd, 1990). Understandably, employee participation can vary greatly in different organisations, but Kim & Mauborgne (1998) argue that organisations should go through what they call 'a fair process', meaning employees, while not making the final decision, are engaged and their opinion is sought and acknowledged. This, in turn, has the side benefit of increasing trust with the staff and a likelihood of executing the strategy correctly.

2.6 Entrepreneurial Decisions

2.6.1 Opportunity Recognition and Evaluation

A key trait in entrepreneurs is the ability to identify and evaluate a potential business opportunity. This opportunity can be any venture that provides goods or services through the formation of a new entity (Shane and Venkataraman, 2000)

Many opportunities may exist in the market, and an entrepreneur must make decisions about where to focus their attention, and which opportunity represents the best chance for success. This is described by Kirzner (1973) as 'entrepreneurial alertness' with Ardichvili et al. (2003) suggesting that recognising opportunities requires complex decision-making combining both rational thinking and intuitive decision-making.

2.6.2 Resource Acquisition and Allocation

Resource management will represent some of the most crucial decisions an entrepreneur will make. As opposed to employees, who we've established work with preset boundaries, entrepreneurs must make decisions about resource acquisitions daily, most of the time while under heavy constraints, both operational and financial (Brush et al., 2001). Some of these choices are as follows:

Funding: Various financial options are available to entrepreneurs. Choices between debt or equity financing and loan terms and repayment options are just some of the decisions that must be considered (Gompers & Lerner, 2001). There are long-term ramifications for both options that must be considered.

Human Capital: Hiring staff will be crucial to any new business venture. The right number and composition of employees must be correct, as with limited financial resources and uncertain revenue streams, hiring the wrong people can have detrimental effects on the future of the business (Wasserman, 2012).

Location: Choosing a location will directly impact the performance and growth potential of a business. Certain considerations must be taken into account, such as proximity to customers and suppliers, access to skilled workforce, the quality of the infrastructure, and the cost of rent and amenities (Porter, 1998).

2.6.3 Strategic Direction and Growth

An entrepreneur's decision about the strategic growth of their company will likely be one of the most significant choices they will make in the early life cycle of the company. This decision will no doubt encompass a lot of risk and consume a lot of the available financial resources (Davidsson et al., 2010).

Some of the early decisions regarding strategy can be made before the creation of any business, including location, customer market, competition, distribution channels, and investment. These 'entry mode choices' (Agarwal and Ramaswami, 1992) may well be rational choices, as adequate data should be available to help entrepreneurs make their decision.

As the company moves through its life cycle, strategic objectives will need to be adjusted as the business grows and evolves. Scaling business operations, organisational structure, management systems, and organisational culture will be crucial decisions that an entrepreneur will need to make (Greiner, 1998). Making the decisions that move the company to the next chapter in its life cycle will involve some levels of uncertainty and risk.

2.6.4 Risk Management and Crisis Response

Risk management and crisis response decisions will be critical to entrepreneurs as they navigate their way through the different stages of their business. The businesses' very survival will depend on the capabilities of the individual to work in a dynamic and highly competitive environment. Unlike employees, whose risk-taking will be performed with a predefined procedure or framework, entrepreneurs will have to establish their own methods for evaluating and tackling risk (Miller, 1992).

Financial risk and cash flow management will be a balancing act for entrepreneurs as they go through cash reserves and potential uncertain revenue streams in their early life as a start-up (Bhide, 1992). Each decision made will need to embrace some type of risk in order for the business to grow.

Contingency planning in crisis situations will require developing worst-case scenario backup plans. Balancing decisions about staff, stock, equipment, or cash flow will require entrepreneurs to make decisions in one department that may affect how operations run in another department (Runyan, 2006).

2.7 Conclusion

This literature review has established a foundation for understanding the differences between employee and entrepreneurial decision-making. It demonstrates how different environmental structures lead to two distinct processes. Employees are provided structure and stability, a process in which decisions should be made quickly and easily based on experience and understanding, while entrepreneurs must be able to adapt, process quickly and take risks that may lead to success or failure of their enterprise.

Chapter 3: Research Question, Hypothesis & Objectives.

3.1 Introduction

Research, at its most basic level, involves an investigation that pertains to discovering new information or confirming known knowledge (Sekaran and Bougie, 2020). This chapter aims to set forth a research question based on the theoretical foundations discussed in the literature review from Chapter 2.

3.2 Research Question & Hypothesis

Following on from the discussion in Chapter 2, which explores how decision-making processes can vary between employees and entrepreneurs, this research will aim to conduct an empirical study that covers a 'knowledge gap' (Saunders et al., 2019). The writer proposes the following question:

"How does decision-making evolve when individuals transition from employment to entrepreneurship in Ireland?"

3.2 Research Hypothesis

As individuals move from general employment into entrepreneurship, they will encounter a shift in their decision-making process. This evolution is the bedrock of this research, and it aims to answer the following hypotheses and objectives:

Hypothesis 1: Entrepreneurs with a background in management will exhibit better decision-making capabilities and have greater confidence in their high-risk decision-making.

Hypothesis 2: An entrepreneur will rely on intuitive decision-making over analytical decision-making.

These hypotheses are designed to help the qualitative research that will be undertaken and help identify patterns in how decisions are made.

3.3 Research Objectives:

- To examine how decision-making processes change from employment to entrepreneurship.
- Discover if prior work experience or education can help entrepreneurial decision-making.
- To find if intuition or rational decision-making is used more in entrepreneurial decision-making.

Conclusion: This chapter outlines the research question, hypothesis, and objectives that this research attempts to answer.

Chapter 4: Methodology

4.1 Introduction

This chapter represents the methodology employed to try and answer the research question presented in Chapter 3. Methodology refers to the framework used by researchers to help them form a logical argument from the collected and analysed data (Creswell and Creswell, 2018). This foundation helps their work to be valid and reliable and align with their stated objectives. According to Saunders et al (2019), a robust methodological approach is necessary to keep ‘transparency, repeatability, and academic rigour’. As discussed, this chapter will explain the research philosophy, strategy, and design chosen by the researcher to elicit the best results for the research topic. This chapter will also define the rationale for selecting semi-structured interviews along with sampling and data collection techniques and address the analytical procedure and highlight any ethical considerations.

4.2 Research Philosophy – Pragmatic.

The research will adopt a pragmatic, almost philosophical-like approach, with the understanding that decision-making is complex and best understood through multiple perspectives (Creswell and Clark, 2017). The pragmatic approach is appropriate for this study as it allows for objective behavioural decision-making while at the same time, allows for a subjective interpretation of decisions made through experiences (Saunders et al., 2019). Johnson and Onwuegbuzie,(2004) describe a pragmatic approach as something that involves a ‘measurable cognitive process’ that can interpret the actions that are generated through lived experience. The transition from employee to entrepreneur will be meaningful to the individuals involved and will represent their personal experiences, and as such, the pragmatic approach will be able to capture the systemic differences identified in the literature.

4.3 Research Approach – Inductive.

It is important to identify the correct research approach for this study, and it could be argued that either an inductive or deductive method would be best (Lee and Lings, 2008). For this study, which examines the transition from employee to entrepreneur, this section

will demonstrate the rationale behind the chosen approach and will demonstrate how it supports the study's objectives.

This research study will use an inductive style of reasoning, which builds theories from the ground up using observations from collected data and builds towards conclusions. Its opposite, deduction, tests pre-existing hypotheses, but by choosing induction, it allows patterns and insights to emerge directly from the interviewees (Bell et al, 2022; Thomas, 2006). As this empirical study will ask questions of participants who have made the transition from employee to entrepreneur, inductive reasoning will allow the researcher to remain flexible in case any of the answers don't align with the theory discussed in Chapter 2 (Saunders et al., 2019), which, in turn, will allow the researcher to probe deeper via follow on questions into the real world experiences provided by the interviewee (Ketokivi and Mantere, 2010).

4.4 Research Method

The research method refers to the plan for collecting, analysing and interpreting data (Saunders et al., 2019). This method will provide the framework that guides the research and helps keep the research consistent in order to help answer the proposed research question. Qualitative research, which aligns more with exploration and depth (Creswell and Poth, 2018), will be appropriate for the chosen topic as a study about personal choice by individuals are subjective and can't be fully understood via quantitative measures (Creswell and Poth, 2018; Denzin and Lincoln, 2011).

Semi-structured interviews, which are flexible and help facilitate conversations into open-ended dialogue (Saunders et al, 2019), will be used to collect data. The core topics, decision-making processes, strategic thinking and risk perception will be discussed with all participants, but the format allows the interviewee to stray off the main topic and provide insight into lived experiences, which may benefit the study (Kallio et al., 2016). This will help the researcher analyse the unique perspectives and experiences of the interviewees and also help identify patterns.

Interviews will be audio recorded with the consent of all participants which will be attained prior to the scheduling of the interview. It will be transcribed verbatim and then analysed using thematic analysis (Braun and Clarke, 2006). This will help the researcher analyse the unique perspectives and experiences of the interviewees and also help identify patterns.

4.5 Sample Selection

The sampling for this research study will use a technique known as purposeful sampling, which is quite commonly used to select participants for qualitative research and should be quite purposeful as it focuses on content and information (Etikan, Musa and Alkassim, 2016). The diverse backgrounds and experiences of each individual will be relevant in providing valuable insights into the transition to entrepreneurship (Patton, 2014).

As the research is exploring the difference in decision-making between employment and owning a business, it was essential to select individuals who have firsthand experience in both categories. For the selection of participants, see Table 1, the researcher selected each individual based on the criteria mentioned above. These participants reflect various industries, all of which have much competition and allow for a deep discussion in decision-making and risk. The participants are all male and aged between 38 and 72. Some participants also had secondary employment to supplement their income as their enterprises are still in their early life cycle.

Although the sample size is small, it is still appropriate for qualitative research as the objective is to gain an understanding of lived experiences (Creswell and Poth, 2018) and personal decision-making processes. The interviews are designed to be narrative, with the outcome potentially revealing common themes, patterns and perspectives (Ghauri et al, 2020). The smaller size also allows for more engagement with each individual with the intention of building a rapport with the researcher.

Name	Business	Industry
Participant 1	Meet Me In The Morning	Food & Services
Participant 2	Equieire	Clothing
Participant 3	Santana	Food & Services
Participant 4	Purcell Gas Services	Gas Installation
Participant 5	N/A	Farmer

Table 1: Research study participants.

4.6 Time Horizon

The time horizon is the framework in which the study is conducted and will influence the depth and scope of the data collected (Saunders et al., 2019). Two main types of time horizon are considered: cross-sectional and longitudinal. The cross-sectional study examines a certain point in time with a longitudinal study collecting data over a period of time and observing any changes (Bell et al, 2022). This study selected a cross-sectional approach due to time constraints and because the information can be captured in one interview without needing to repeatedly interview the participants. While a longitudinal design might have some benefit, it was not practical due to the limited time allowed to complete the dissertation.

4.7 Data Collection and Analysis

Data collection is the core of the research process as it provides all the evidence to help answer the research question (Creswell and Poth, 2018). For qualitative research, the emphasis should be placed on collecting meaningful data that captures lived experiences and insights from the participants (Saunders et al., 2019). For this research, primary data was collected via semi-structured interviews with five individuals who have made the transition to entrepreneurship. The semi-structured style allowed the researcher to follow a pre-defined set of questions while also having the flexibility to explore certain answers in more depth if needed (Bell et al, 2022).

The interviews were conducted in one-on-one settings, either in person or via Microsoft Teams. Permission was sought and granted before the interview with each participant, and each participant was made aware that their name would be kept confidential and a full transcript would be recorded and securely stored for five years. At the initial point of the meeting, participants were made aware of the discussion that would take place, that the interview would be on decision-making and the processes that lead up to a decision, and not the outcome of the decision. The main portion of the interviews lasted between 25 and 45 minutes, not including introductions or pleasantries. The interviews were recorded and transcribed using an audio recording app called 'Otter'. The interviews,

while stored on the Otter app, have also been stored on a secure, portable, password-protected USB. Any and all personal data, transcripts, and recordings will be fully destroyed after 5 years under guidance from the NCI quality handbook.

4.8 Thematic Analysis

Thematic analysis (TA) was the primary technique used for this qualitative study. TA is a widely known and used method that can help the researcher identify and analyse patterns from collected data (Braun and Clarke, 2006). It was chosen as it is a flexible technique and allows the researcher to interact and interpret the data and examine recurring themes within the data, while also drawing upon the unique experiences and viewpoint of each individual.

Braun and Clarke (2006, p35) propose a simple 6-point framework to conduct TA, which is as follows:

1. Review and get familiar with the data – Transcribe data and review until familiar.
2. Generate initial codes – Code data with a systematic purpose. Collate data into the relevant code.
3. Search for themes – Collate codes into themes.
4. Reviewing themes – Check Themes in relation to the coded data set.
5. Defining and naming themes – Define and label each theme.
6. Producing the report – The final stage to analyse. Produce a report of the analysis.

This method is ideal for this research as it doesn't rely on pre-existing ideals and allows the data to drive the research. Nowell et al (2017) also recommend TA for smaller sample sizes as it can offer depth in the answer rather than breath.

4.9 Reliability and Validity

The reliability and validity of a research study are crucial in qualitative research as they give the author and their work credibility and trustworthiness. Reliability and validity applications for qualitative and quantitative research can differ, but the principles are similar and are upheld by transparency (Golafshani, 2003).

Reliability refers to the consistency and stability of the research process. This study used a clear and systematic approach to collect the data and analysis of said data. The interviews all followed the same structure, which ensured consistency with all the participants. TA adhered to the 6-point process, which added transparency (Braun and Clarke, 2006).

Validity in qualitative research is described as credibility and trustworthiness. To reinforce the validity of the project, four aspects are taken into consideration: Confirmability, dependability, transferability, and credibility (Lincoln and Guba, 1985). All four aspects were considered by the researcher for this report.

4.10 Ethical considerations

Ethical integrity is at the heart of the credibility and trustworthiness of this research study. The research adhered to the NCI guidelines on ethical research. An ethics form was completed for the research proposal in January 2025 and again completed for this dissertation.

Informed consent was required and attained prior to scheduling an interview. Participants were provided with clear instructions of the project and its intent, and the voluntary nature of their participation. Written consent was obtained from each individual and each participant understood their rights and responsibilities and the option to withdraw from the process at any time.

Protecting participants' identities was made a priority, and individuals will be known as Participant 1, Participant 2, etc. All data, including recordings, transcripts, and audio, are securely stored on password-protected devices, accessible only to the researcher. All requirements to satisfy the General Data Protection Regulation (GDPR) were applied.

No physical or psychological harm was involved in the undertaking of this research, and the interview environment was made as comfortable as possible, which allowed the participants to feel relaxed and open during the discussion.

4.11 Conclusion

This chapter has outlined the methodology used for this research study and has provided a clear rationale for all sections, ensuring that the research question was answered effectively. A qualitative research design with semi-structured interviews was selected to explore the decision-making process for the transition from employee to entrepreneurship.

Sampling involved the selection of five entrepreneurs with experience working as employees. Details of the time horizon, data collection, and analytical methods are provided, with TA used to help identify patterns and themes. Measures were made to ensure reliability, validity, and trustworthiness.

Ethical considerations and GDPR were considered, and consent was received from participants prior to interviews. Safeguards are in place for all data, and participants were made comfortable and aware of the remit of the research study.

Chapter 5: Analysis and Findings.

5.1 Introduction

This chapter will introduce the analysis and findings of research into the transition from employee to entrepreneurship, with the primary aim of focusing on the shift in decision-making from operational, task-oriented decision-making to strategic, high-level decision-making. A secondary focus on risk and how comfortable participants are in exercising and engaging in risk was also of interest.

The data for this study was collected through semi-structured interviews with five individuals who have already made the jump to entrepreneurship. As discussed in Chapter Four of this dissertation, thematic analysis was used as outlined by Braun and Clarke (2006) to identify and report patterns garnered from the data. This method was best suited to the qualitative research adopted for this study, as it can extract meaningful data from the narrative of the participants.

The findings discussed in this chapter are represented by themes extracted from the data during the analysis phase. Each theme will be discussed with evidence from the participants. The themes will highlight some of the motivations for becoming entrepreneurs as well as some of the challenges they faced when they had to adapt to strategic decision-making, how they approached risk-taking, and how they developed the skills they needed to become entrepreneurs.

This chapter will begin with a brief overview of the participants to give some background and context to the themes that are presented. The chapter will then conclude with a summary of the findings, which will be interpreted in Chapter Six.

5.2 Overview of participants

The participants comprised of five entrepreneurs from a diverse range of industrial sectors, with each having moved from employment to business ownership. The diversity allowed the study to incorporate decision-making across multiple sectors, which captured challenges that were both industry-specific and common to entrepreneurial transition. The wide range of experience helped strengthen the findings and offered a more complete understanding of the decision-making process.

All participants have, or had owned their enterprises for at least one year, offering insight into the initial transition phase and then the expansion of their businesses. Their previous roles have included technical and operational roles to strategic-level positions, which allowed a complete analysis of how different backgrounds can potentially influence complex decision-making.

5.3 Thematic Analysis Process

The thematic analysis, as stated before, follows the six-point framework introduced by Braun and Clarke (2006). The aim of this section is to identify the themes from the analysis of the transcribed interviews. Initially, the transcripts were reviewed multiple times to get familiar with the answers to each question from each participant. These generated codes, which in turn lead to the themes that will be discussed in the next section. These themes were then reviewed for relevance to the research objectives and to determine if they aligned with the existing literature. The themes were then named to match their concepts before adding supporting evidence in the body of the text.

The below five themes cover a wide range of aspects, including different aspects of decision-making, risk, and challenges in transition.

1. Decision-Making Approaches: Rational vs. Intuitive Processes
2. Information Gathering and Evaluation Strategies
3. Risk Perception and Management
4. Adaptation and Learning
5. Challenges in Transition

5.4 Themes

5.4.1 Theme 1: Decision-Making Approaches: Rational vs. Intuitive Processes.

5.4.1.1 Rational

All participants had a preference for data-driven, rational decision-making processes, particularly when it came to important or complex decisions like financial or strategic decisions. This challenges some literature that says entrepreneurs rely on intuition, although this may still be the case for quick and easy decisions.

Participant 2 explained his approach as follows: *"It was very mathematically based... it came to a decision based on that collected data... depending on the decision that needs to be made. But on that, it's simple, because it's just purely down to figures. It's quantitative."*

Participant 3 also has a rational decision-making process when there's a financial interest: *"I'm a bargain hunter... I went looking for this by googling... I asked quite a few experts in the matter about this machine, this other machine, what will do the best job?"*

Participant 5 was very systematic in his process which also made him comfortable with the decisions he makes: *"I am a fervent reader of the farmers journal... if you know, if you know, you have the information, you have the possibility of step forward and more or less in a secure way."*

5.4.1.2 Intuitive

Although rational decision-making was a constant theme in the interviews, intuition also emerged as a consideration, particularly when there was a partnership involved.

While rational analysis dominated, intuition emerged as an important secondary consideration, particularly in partnership dynamics and when time pressure existed.

Participant 2 mentioned the tension that existed between his rational approach and his partner's more intuitive style: *"There wasn't any intuition used involved at all... (She) would say, but she'd prefer to not just have the money, just in case... she'll use more of her intuition, whereas I'll just use database logic."*

Participant 3 acknowledged using his intuition in his market research: *"Coffee is a simple business. It's everywhere. It's huge... This was a simple business."*

When reflecting on an intuitive decision that didn't work out as hoped, Participant 2 noted if he was under the same constraints, he wouldn't change his process: *"We had a good feeling... but we had a gut feeling... if I got back into that single spot, I just go to intuition."*

5.4.2 Theme 2: Information Gathering and Evaluation Strategies

5.4.2.1 Systematic Information Collection

All participants were deliberate in their approach by using a systemic structured approach to gather information before making a business decision. This follows Simon

(1977) model of decision-making in which he explains that following a systematic identification approach will lead to an evaluation of all the alternatives.

Participants used a number of ways to gather information, trying to ground themselves in as much fact as possible before making the decision. Some common strategies emerged.

- Financial Analysis – Projecting and analysing cash flow. Cost benefit assessment and return on investment were all discussed.
- Market research – Customer feedback, watching competitors, and consulting industry literature were techniques used to understand the market.
- Expert Feedback – Seeking advice from experts in the field of choice led to trusted information to apply in decision-making.

Participant 4 explained his reasoning on the value of direct marketing in a proactive approach to networking and attracting business, *“I literally just put a suit on, knocked on the... went down to the estate agents in the area, asked to meet the person involved... and literally sat down with them, had a brief conversation.”*

Participant 5 gathered information via the accumulation of information and knowledge. He did this via articles and asking questions to the experts, *“I’ve been doing courses and getting information and knowledge about how to get the fields more fertile... I asked quite a few experts in the matter”*

Despite the structured process that was mostly used, some participants admitted that some decisions are made without complete information. They used pragmatism when faced with uncertainty about the full data.

Participant 3, *“I would prefer to waste one sandwich than not have one sandwich for one person... There is a slow there is a bit of methodology behind it.”* This process shows that Participant 3 calculated a small tolerance for inefficiency if it meant customer satisfaction.

Overall, participants showed that they will sacrifice time and effort to gain information that will help their decision-making process.

5.4.3 Theme 3: Risk Perception and Management

Risk emerged as a leading factor for most participants, reflecting that with starting a business for the first time, there comes inherent risk. However, the participants differed in their strategies in how to deal with risk-taking. This is consistent with Miller (1992), who highlighted that risk is part of a spectrum, and each person will deal with this based on their previous experience and personal disposition.

Participant 2 showed no fear or hesitation on tackling risk, *"You either do something with all the information you have available, and you can pass, or you can you can succeed or fail, or you can just do nothing and you've no chance passing."*

Participant 3 showed that he was a calculated risk-taker but it wasn't going to stop him making a decision, *"I'm a risk taker. Yeah, I went to Northern Ireland two and a half hours away to buy a van I'd never seen."*

Participant 4 identified himself as *"risk-averse"* but noted that some risks were unavoidable to grow the business. Working in an industry that usually pays directly after the work is complete he stated, *"You could be waiting weeks to get paid... you're trusting them with your wages basically"*.

Participant 5 was the only participant who thought the risk was low. This was due to his circumstances but as he was at retirement age, losing everything now might have significant consequences as he won't have time to build up a next egg again, *"I'm retired... if it all stopped tomorrow, I'd be fine. So it's not the same pressure as someone relying on it for their living."*

Although he did find risk in spending money, he wasn't afraid to confront risk when he was well-informed on the subject: *"I wouldn't spend thirty thousand without checking every single thing... subsidies, grants, second-hand options, you name it"*.

Collectively, these participants illustrate a spectrum of risk-seeking behaviour in a variety of ways, proactive, cautious assessment, research-led process. These findings support the view that entrepreneurs must accept some risk and that they consider context and data before accepting risk (Sitkin and Pablo, 1992).

5.4.4 Theme 4: Adaptation and Learning

The transition from employment to entrepreneurship will require individuals to develop new skills and adapt to uncertain situations. Cope (2015) suggests that entrepreneurs undergo continuous learning as they progress through their careers. Most of this learning will be by learning on the job and through lived experiences.

Participant 2 shared his thoughts on entrepreneurial adaptation and how he's continued to develop on his journey: *"I suppose that's like when you, when you look at it, sort of like the different tools in your box. And one of the tools that I would have always used in my primary profession would have been data analysis and looking at facts. But as you become entrepreneurial, you start seeing and using the other tools. So emotional intelligence, intuition, gut feelings, listening to others, yeah, getting to different opinions, thinking outside the box. You just get, it's like a muscle you start, you start using it more."*

Participant 3 on how he learned to adapt through lived experiences and the ongoing continuous learning of an entrepreneur and the continued learning of his environment, *"we're still learning. We're still like, it's still early days, still earning like, I remember when we first started here, we just brought four sandwiches. Yeah, you know now we have to make at least 15-20 a day to make sure everybody's happy. But then we also, we sit here, we think we need soup for winter. We need a panini press. How can we expand a little bit more in our offering?"*

Below are some of the quotes from the participants and their learning outcomes:

Learning through experience:

Participant 2: *"100% and you can't let the negatives, I suppose, at the start you start, letting you start, you can get a shock on the negative, on negative outcomes to your decisions, whereas you start to learn that's part of the process".*

Learning from customer feedback:

Participant 3: *"you learn by seeing people come around saying, Oh, do you have any hot food? No, I don't. Okay, well, I'll come back, you know, another day. So you're kind of learning that way."*

Unconscious learning:

Participant 2: *"It becomes much easier to just start you. They're like, unconsciously using different tools, yeah. So that experience again each time you make it. And even unconsciously learn from it."*

Learning from Failure:

Participant 4: *"if it failed, you're, I am, I suppose, like I said, if a fairly, you just, I would have constantly just been more traditional"*.

Taken altogether, these accounts suggest that adaptation will involve growing an individual's decision-making tool kit through many interactions, lived experiences, and feedback from customers. Learning can happen both consciously and unconsciously.

5.4.5 Theme 5: Challenges in Transition

Moving from employment to owning your own business can bring a lot of different challenges, most of which the individual won't have faced before. This is consistent with prior research that notes that entrepreneurs often face a period of instability while they learn to adapt to new responsibilities, strategic decision-making, and the safety net of an organisational safety net (Rae, 2000). Below are the findings of the challenges that the participants faced.

5.4.5.1 Financial and Cash flow pressures.

Participant 2 on their understanding of cashflow pressures and how to handle cashflow: *"cash flow is the big thing that'll close your business so and then just reaffirming that each decision will have return on investment", "whether to pay off a loan to save interest, but then risk having less cash flow to put in to fill orders. Yeah, because then you're relying on having sales, guaranteed sales."*

Participant 3 on the possibility of having no work and no cash coming into the business: *"I lost a whole week, maybe week and a half, business and trade here. So for me, it was a strategic thing to think, How can I have business continuity? This is, you know, what am I got? There was a panic stage where I'm like, our customers are going to forget about us."*

Participant 4 on payment uncertainty: *"So you're doing a job and you're in like you're you have to kind of rely on there's a lot of uncertainty, and when the cash is coming in from those type of jobs".*

Participant 4 on pressures of not being able to access money owed: *"the where I was getting a lot of work from one letting agents that kind of dried up a little bit. I think that company got into a bit of financial trouble themselves, so they owed me a bit of money that I had a feeling I wasn't going to guess."*

Participant on pressures of not being able to access money owed: "There's a lot of paperwork... if you want subsidies, you've got to keep on top of it."

5.4.5.2 Operational and Strategic Pressures

Participant 2 on the time pressures on procurement: *"There would be all of that. Yeah, so, so, so, like, like that, we have an opportunity now... but procurement, garage procurement, want that very quick."*

Participant 3 on if they can't make money: *"If I can't get away and I can't go make money, how am I going to fix you know, this is the this is the more pressures of an entrepreneur."*

Participant 4 on the challenges of selling himself to potential clients: *"You don't realise how hard it is to sell yourself until you're the one having to do it."*

These accounts demonstrate just some of the challenges that aspiring entrepreneurs will have to face when deciding to make a start-up. Things like emotional stress, financial pressure, and acquiring new clients are just some of the challenges that are faced when transitioning to a business owner.

5.4.6 Conclusion

This chapter presented the findings observed when reviewing the data collected from five interviews via a thematic analysis. The themes discussed above represent the complexity and range of experiences that new entrepreneurs will face. The data indicates that the journey to success will not be linear and will involve a dynamic process that will allow the individual to learn on the job and gain valuable experiences to help with that journey.

Chapter 6: Discussion.

6.1 Introduction

The aim of this chapter is to interpret the findings presented in Chapter 5 and relate them to the literature review from Chapter 2. By linking empirical data with the theoretical framework, the discussion will aim to highlight areas where the findings relate, align, and contribute to the knowledge already discussed. This chapter will be structured the same as in Chapter 5, following the order of the themes, and each section will summarise key findings, connect them to the literature review already presented in Chapter 2, and highlight their theoretical and practical implications.

Chapter 5 revealed five themes:

1. Decision-Making Approaches: Rational vs. Intuitive Processes
2. Information Gathering and Evaluation Strategies
3. Risk Perception and Management
4. Adaptation and Learning
5. Challenges in Transition

While these themes are individual, they may overlap in certain places. This just reflects the nature of complexity involved in decision-making and entrepreneurship, and the following sections of this chapter will discuss each theme individually and link them to the frameworks discussed in Chapter 2.

6.2 Theme 1: Decision-Making Approaches: Rational vs. Intuitive Processes

6.2.1 Summary of Findings

Reviewing the study revealed that the participants' decision-making processes ranged from very rational, heavily data-driven processes to some intuition-based judgements. On some occasions, with some form of constraints (time, financial), a blend was used.

Participants 1, 2, and 5 leaned heavily on a deliberate, structured, data-driven decision that could be supported by evidence or through research. Participant 4 often used a

combination of cost/reward systems to base his reasoning and make a final decision. Participant 3 initially only thought in the short term, but eventually settled into making strategic decisions that were rational, mixed with some intuition when the decisions weren't complex.

6.2.2 Link to Literature

These findings associate themselves most closely with Kahneman's (2011) dual system and bounded rationality. Participant 2's reliance on data and understanding all the options lends itself to both System 2 thinking and bounded rationality. Participant 5's research-heavy style also lends itself to System 2 thinking, while Participant 3 & 4's early tendencies trended towards System 1 thinking. Mixing between these two modes supports the assertion that entrepreneurs use quick thinking for small decisions and System 2 for more thorough, complex decisions.

Khatri and Ng (2000) emphasised the point that intuition plays a key role in decision-making when there's uncertainty, and that 'gut feel' or 'instinct' is used when a quick decision is necessary.

Participant 3 showed aspects of growth as he gained experience, lending itself to System 2 after some learning on the job.

6.2.3 Area of Divergence

Participant 5 shows that in certain sectors, in this case farming, although it's foreign to the participant, he didn't show any signs of intuitive decision-making. His slow and deliberate choices challenge the rationale that rapid instinctive decision-making is always advantageous to entrepreneurship.

6.2.4 Implications

The findings show that decision-making for entrepreneurs is adaptable and usually shaped by experience and personality. While it seems common that for complex, important decisions, a lot of thought will be put into them to reach the correct outcome, it's not as common for individuals to have the skills to develop decision-making without starting a business. Training and support programmes for budding business owners would help to gain experience and teach students about decision-making and the

processes behind it that they can then use in the real world. Kahneman's book 'Thinking, Fast and Slow (2011) would be very beneficial to any startup entrepreneur.

6.3 Theme 2: Information Gathering and Evaluation Strategies

6.3.1 Summary of Findings

Similar to Theme 1, participants used structure and methodological approaches when gathering and evaluating data before making a decision. Methods included: financial analysis via cash flow projections and return on investment calculations, market research via customer feedback, competitor analysis and industry magazines.

All participants were aware that they may be making decisions based on incomplete data, accepting that decisions for new businesses often had to be made without complete data.

6.3.2 Link to Literature

The findings suggest that the concept of bounded rationality was heavily used by the participants. They demonstrated an approach that reached a satisfactory level and then proceeded to make a choice based on what was available.

Choo (1998) emphasises the importance of both passive and active research as exemplified by Participant 6 and their reading of the Farmers Journal (passive research) and his participation in courses (active research). Participant 4 targeted clients to visit to be active and seek information.

Sometimes in entrepreneurship, over-analysis of information can lead to indecision, while acting with too little information can sometimes risk exposure. Participants understood the trade-off between these two extremes and matched the information gathering process with the importance of the decision to be made.

6.3.3 Areas of Divergence

While market research is of useful benefit and performed by many companies, the participants in this study usually relied on informal or relationship-based knowledge, suggesting that small-scale enterprises rely on personal networks or informal

conversation to gather data. This was especially so in the early life cycle of some businesses.

6.3.4 Implications

The findings show how important it is to develop alternative methods of information gathering. Any conversation with a client or other businessperson can have knowledge attached to it, which may be beneficial in the future.

Entrepreneurial training programmes with techniques focused on networking would complement the more formal analytical tools of research.

6.4 Theme 3: Risk Perception and Management

6.4.1 Summary of Findings

Participants all understood that risk is inevitable when starting their own business, but they all managed it differently. Participants 2 & 3 had a high risk-tolerance level, while participant 6 didn't seem phased by it at all; instead, he was happy that he lived within his means and that his land had value and could serve as his retirement fund.

All employees used calculated risk-taking techniques while relying on the data and their experience to guide their decisions. Participant 4 was the most risk-averse, but even he took on risk when the opportunity arose.

6.4.2 Link to Literature

These findings sit within the framework of Sitkin and Pablo's (1992), which sees risk as a function of situational and personal factors. This was observed in Participants 2 & 4, who used prior work experience to lower their aversion to risk and enable faster action. Participant 3's shift towards strategic decision-making aligns with the understanding that entrepreneurs risk-taking is helped if they have prior knowledge and a belief in the outcome (McMullen and Shepherd, 2006).

6.4.3 Area of Divergence

Most literature will celebrate risk-taking and will calculate that risk-taking is a trait. This study shows that risk-aversion can also be a trait. Participants 4 & 5 showed that some other tactics can also work in business. Participant 5 showed that securing subsidies was a viable way to offset risk, and participant 4 showed that to mitigate risk, he diversified his client base.

6.4.4 Implications

These results suggest that risk management is driven by context and can be adaptable. Training opportunities should be made available to account for these variations.

6.5 Theme 4: Adaptation and Learning

6.5.1 Summary of Findings

All participants described adaptation and learning as part of their process in skill development and a change in mindset. Participant 3 learned by doing, while participant 2 emphasised his growth of emotional intelligence to go alongside his analytical mind. Participant 4 sought marketing learning techniques through innovation and adaptability.

6.5.2 Link to Literature

These findings line up with Kolb (1984), which describes learning as a cyclical process that involves experience along with reflection. All participants, excluding Participant 6, had somewhat of a trial-and-error approach, and as they reflected on their experiences, they learned and grew.

Cope (2005) also discusses how adaptation goes beyond technical skill and can include personal development. Participants 2 and 6 both enjoyed learning emotional intelligence while continuing to improve their technical skills.

6.5.3 Areas of Divergence

Much of the literature pushes proactive learning to sustain a business, but this study found that reactive decisions are just as important to yield positive results. A combination of both proactive and reactive learning suggests that there's some flexibility in learning styles.

6.5.4 Implications

Encouraging entrepreneurs to combine their experiences with learning skill development can help individuals grow at a faster rate. Emphasis should also be placed on learning the human side of entrepreneurship as well as the business side.

6.6 Theme 5: Challenges in Transition

6.6.1 Summary of Findings

Participants went through a wide range of challenges in their transition to entrepreneurship, and they featured both decision-making and emotional transitions.

Participant 2 described how he feels pressured without the security of his full-time job. Participant 3 talked about his fatigue in the early stages of the business. Participant 4 struggled to manage the workload of family life with being a business owner, while participant 5 didn't feel any financial pressure, but did have to find his way around some bureaucratic processes.

6.7 Conclusion

This chapter looked at five themes that was extracted from the data during the interviews for the employee to entrepreneurship. It looked at decision-making, information gathering, risk, adaptation, and transitional changes. Findings revealed a balance between the dual system, bounded rationality and intuitive decision-making.

Chapter 7: Conclusion and recommendations

7.1 Conclusion

This study examined the transition from an ordinary worker to an entrepreneurial business owner, highlighting five themes from a series of interviews with first-time business owners. The study centred on decision-making and how decision-making is processed and balanced against risk. The findings confirm that to be successful, entrepreneurs will rely on rational and intuitive thinking in certain situations, all the while continuing to gather information that can help them learn and continue their adaptation through continuous personal development.

7.2 Recommendations

It is recommended that a longer study with more participants, who have more years as business owners, be conducted for a similar project. As they are more polished businesspeople, it would add value to the study to see if their decision-making have adapted even further.

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Appendix 1: Interview Questions

Section A: Background and Context

1. Can you tell me about your current professional situation?
2. How long have you been/were you in this role/running this business?
3. What does a typical decision-making day look like for you?
4. What kinds of decisions do you have the authority to make independently?
5. Who are the key people you need to consider when making important decisions?
6. How would you describe the environment you make decisions in?

Section B: Decision-Making Process

7. Can you think of a significant decision you made in the last 3-6 months?
8. Walk me through how you approached this decision from start to finish.
9. What, if any, information did you gather before making this decision?
10. How did you evaluate the different options available to you?
11. What factors ultimately influenced your final choice?
12. How did you implement this decision?
13. Looking back, how do you feel about how you handled this decision?
14. When you have a complex decision to make, what's your typical approach?
15. How do you typically handle decisions when you don't have complete information?
16. Tell me about a time when you had to make a quick decision under pressure.
17. How do you involve others in your decision-making process?

Section C: Risk and Uncertainty Management

18. How would you describe your comfort level with taking risks?
19. Tell me about a decision where you had to weigh significant risks.
20. How do you typically prepare for potential negative outcomes?
21. Can you think of a time when a decision didn't turn out as expected?
22. How comfortable are you making decisions when you can't predict the outcomes?
23. What do you do when facing a decision with high uncertainty?

Section D: Career Aspirations and Future Orientation

24. What motivated you to start your own business rather than remain an employee?
25. How has your decision-making approach changed since becoming an entrepreneur?