The role of positive emotions in project failure and their impact on Corporate Entrepreneurs’ decision-making and motivation.
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Abstract

Key words: Emotions, entrepreneurial failure, project failure, causes of project failure, corporate entrepreneurs, positive emotions, emotions and decision-making, emotions and motivation.

Purpose: The purpose of this thesis is to identify the role of positive emotions in project failure and how these emotions affect corporate entrepreneurs’ decision-making and motivation.

Theoretical perspective: Entrepreneurial Failure, Emotions, Appraisal Theory, Attribution Theory, Psychological Ownership, Psychological Capital.

Empirical foundation: Seventeen respondents from 14 entrepreneurial companies were interviewed to identify the role of positive emotions in project failure and their impact on corporate entrepreneurs’ decision-making and motivation in subsequent projects. Interviews were conducted by phone (1), audio conference (2), videoconference (3) and face-to-face interviews (4).

Conclusion: We offer a model, which shows the three positive emotions that were found to be experienced in project failure, namely relief, confidence and challenge and their impact on corporate entrepreneurs’ decision-making and motivation in subsequent projects.
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1 Introduction

“Success is the ability to go from failure to failure without losing your enthusiasm.” — Winston Churchill

To be an entrepreneur means dealing with failure and its consequences. Failure is an accepted part of the entrepreneurial process and although in the literature its positive aspect, namely learning is stressed, this process still has its own costs that individual entrepreneurs must pay (Corbett, et al., 2013). Currently the academic research within the field of entrepreneurship has focused mainly on the entrepreneurial failure of individual entrepreneurs and the associated financial, social, and psychological costs that they have to bear as a consequence of losing their business (Ucbasaran, et al., 2013). However, there are also a few studies recognizing that entrepreneurial failure could occur in another setting within established organizations and that this kind of failure is rather different than the failure experienced by individual entrepreneurs (Shepherd & Cardon, 2009, Shepherd & Kuratko, 2009, Shepherd, et al., 2009b, Shepherd, et al., 2011, Shepherd, et al., 2013a). Given the fact that today’s organizations operate in an increasingly complex, dynamic, and highly competitive business environment characterized by rapid, substantial, and discontinuous change, failure in this corporate context is not something unusual (Hitt, 2000). Consequently, on one hand organizations must become more entrepreneurial in order to adapt and respond to the environmental changes (Hitt, 2000, Ireland and Hitt, 1999), but on the other hand this is achieved at a certain price that organizations practicing corporate entrepreneurship must pay. This “price” or the so-called “flip side” of corporate entrepreneurship is the inevitable failure of some entrepreneurial initiatives within established organizations and all the associated costs that come with this (Shepherd, et al., 2013a). Although, these costs are similar to the above mentioned costs of business failure that individual entrepreneurs must bear, some of these costs like the financial and social costs could be absorbed by organizations (Shepherd, et al., 2013a). But, what about the psychological costs? Apparently, the psychological costs that individual entrepreneurs must bear are also applicable to those individuals who are involved in the entrepreneurial processes within the corporate environment. Consequently, these individuals who act as corporate entrepreneurs within their organizations usually are more exposed to the psychological costs of failure. And as traditional, independent entrepreneurs can overcome psychological costs of failure by moving on to a new venture, corporate entrepreneurs are at the center of an interesting
paradox between the need for entrepreneurial initiatives, the inevitable high failure rates of these initiatives, and the negative psychological consequences for them after the failures (Corbett, et al., 2013). Therefore, the authors of this thesis have decided to shed more light on these individuals, who are directly involved in the development of entrepreneurial initiatives within the corporate context and how they are dealing with the inevitable psychological costs of failure.

Nowadays, almost every entrepreneurial initiative that is undertaken within an established organization is pursued through a project. The projects that aim for any type of innovation (e.g. product, process or market innovation) are called entrepreneurial projects (Shepherd, et al., 2009b). However, entrepreneurial projects are experiments with unknowable outcomes (McGrath, 1999). As such, occasional or even frequent entrepreneurial project failure is inevitable among firms that practice corporate entrepreneurship (Burgelman and Valikangas, 2005). Project failure occurs when a project's activities cease due to unsatisfactory or insufficient progress (Shepherd, et al., 2009b). Research shows that the failure rate for consumer product launches is as high as 95% (Clancy and Stone, 2005). Likewise, 40% of industrial project launches fail (Belassi, Kondra, and Tukel, 2007; Stevens and Burley, 2003), and almost 90% of corporate venturing projects fail to realize their founding goals (Block and MacMillan, 1993). While the successful outcomes of projects within organizations are crucial for their survival because projects are the arenas in which the development of sustainable competitive advantages occurs, project failure is a frequent event that could have negative impact on employees, and by extension on their company (Shepherd, et al., 2013a). Therefore, it is important for (upper-level) managers to understand the types of emotions that are experienced by employees who are involved in failed projects in order to prevent employee turnover and ensure subsequent successful projects (Shepherd, et al., 2013a).

1.1 Background of the Study

So far, the literature of entrepreneurial failure has suggested two interrelated psychological costs associated with business failure and by extension with project failure in established organizations: emotional and motivational (Ucbasaran, et al., 2013). A number of negative emotions have been associated with business failure, including pain, remorse, shame, humiliation, anger, guilt, and blame as well as the fear of the unknown (e.g., Cardon & McGrath, 1999; Cope, 2011; Harris & Sutton, 1986; Shepherd, 2003; Singh et al., 2007).
Common across these studies is the notion that business failure has parallels with the loss of something or someone important (Archer, 1999). Shepherd (2003) focused on grief as an umbrella term characterizing a number of negative emotions generated from losses associated with failure; grief is a negative emotional response to the loss of a business capable of triggering behavioral, experiential, and physiological symptoms (Shepherd, 2003). As a result, these emotional effects of business failure can adversely affect the individuals’ motivation to persist and try again (Ucbasaran, et al., 2013). Consequently, the emotional effects of failure are closely tied to the motivational effects of failure and understanding the former would provide more insights into the latter. This raises a question: How the positive emotions experienced in failure affect the individuals’ motivation to persevere in subsequent entrepreneurial initiatives?

In addition, psychological costs of failure are also moderated by a number of factors such as: previous entrepreneurial experience (Cope, 2011), ownership of more than one business (Ucbasaran, et al., 2010), developing emotional intelligence (Shepherd, 2009), learned optimism (Ucbasaran, et al., 2003), positive emotions (Hayward et al., 2010), psychological capital (Jenkins, et al., 2014), and self-serving attributions (Bradley, 1978). More specifically, three of these moderators could have a strong influence on the psychological costs of failure. For example, self-serving attributions determine whether entrepreneurs attribute the causes of failure to internal (to themselves) or external factors, which in turn influences their emotional responses to failure, their motivation and learning experience (Jenkins, 2012). Ucbasaran, et al., (2013) suggest that another interesting moderator of psychological costs could be positive emotions and their role for understanding personal growth from business failure. For instance, Fredrickson (1998, 2003) found that positive emotions can undo the impact that negative emotions have in narrowing attention and information processing and help build resources to deal with adversity. As such, do entrepreneurs with greater levels of dispositional optimism (e.g., see Hmieleski & Baron, 2009) and positive affect (e.g., see Baron, Tang, & Hmieleski, 2011) benefit more from failure experiences (e.g., recover more quickly, learn more effectively, experience personal growth, etc.)? Do entrepreneurs proactively use positive emotions to effectively deal with grief over business failure (Ucbasaran, et al., 2013)? And if so, how do they generate such emotions in the context of an important loss?
Furthermore, Ong et al. (2006) suggest that positive emotions may be the underlying mechanism by which highly resilient individuals are able to bounce back from stressful experiences. Consequently, positive emotions could play an important role in developing individuals’ resilience and by extension their psychological capital. Psychological capital might be also a moderator of the psychological costs of failure because it can act as a buffer in future failure experiences (Jenkins, et al., 2014). For example, entrepreneurs who have previously experienced failure and re-entered are also likely to experience lower psychological costs if they subsequently fail (Ucbasaran, et al., 2013). This leads to another interesting question: In which ways are the psychological costs of business failure different for a second failure than for the first?

Lastly, a common theme in the research on entrepreneurial failure is that failure can be an important source of learning for entrepreneurs (Cope, 2003; Corbett, Neck, & De Tienne, 2007; McGrath, 1999; Minniti & Bygrave, 2001; Shepherd, 2003). Lessons learned from past failures can be factored into future decision-making, improving the likelihood of success in subsequent entrepreneurial endeavors (Cope, 2011; Jovanovic, 1982; Minniti & Bygrave, 2001). In fact, failure can be a rich source of feedback information to entrepreneurs regarding the effectiveness of their decision-making (Minniti & Bygrave, 2001) even though people tend to rely on emotions when they meet hindrances in decision-making situations (Damasio, 1994; Dane and Pratt, 2007; Foo, 2011). Therefore, this leads to another interesting question: How the experienced emotions in failure could affect entrepreneurs’ decisions in subsequent entrepreneurial endeavors?

To summarize, as Shepherd, Wiklund and Haynie (2007) suggest, future research could explore multiple emotions, particularly negative such as a grief and positive such as passion throughout the entrepreneurial process including start-up, failure and re-start.

1.2 Problem Discussion

Employees who are involved in projects could develop an emotional bonding to these projects (Pierce, Kostova, and Kirks, 2001), which in turn may lead to different emotional reactions that are dependent on the projects’ outcomes. More specifically, these emotional reactions depend on the importance of the project and employees’ commitment to it (Shepherd, et al., 2013a). So far in the literature, research has focused on negative emotions that
are experienced in relation to project failure and how these emotions could facilitate or hinder learning from failure (Shepherd & Cardon, 2009, Shepherd & Kuratko, 2009, Shepherd, et al., 2009b, Shepherd, et al., 2011, Shepherd, et al., 2013a). However, usually in a corporate setting employees are involved in many projects which means that they could simultaneously experience project failures and project successes (Shepherd, et al., 2013a). As a result, while project failure generates negative emotional reactions in employees, project success generates positive emotions, which in turn can “function as efficient antidotes for the lingering effects of negative emotions” (Fredrickson, 2001, p.221). Furthermore, certain positive emotions could be experienced in project failure due to the fact that employees might know before the actual failure of a specific project that it would fail and when this failure occurs the positive effect of relief is possible to play a certain role in the recovery process (Jenkins, et al., 2010). This leads to an interesting question: While project failure usually generates negative emotional reactions as an output, is it also possible to generate positive emotional reactions which in turn could help corporate entrepreneurs to move on with the next project?

Therefore, in a counterintuitive way we argue in line with Cardon, et al., (2012) that it appears fruitful to study project failure as a means for corporate entrepreneurs to experience positive emotions and avoid negative emotions. In addition, positive emotions might influence the employees’ learning process after a project has failed through their interaction with negative emotions (Shepherd, et al., 2013a). This means that the experienced positive emotions in project failure could affect employees’ decision-making and motivation when they are involved in subsequent projects (Baron, 2008). Positive emotions could be also related to the development of employees’ psychological capital (Luthans, et al., 2004).

This thesis focuses on the different emotional reactions that are generated as an output of a particular entrepreneurial process within established organizations, namely entrepreneurial projects (Shepherd, et al., 2013a). In order to do that, we draw on appraisal theory which allow us to take the perspective of employees who have experienced these emotional reactions in project failure (Jenkins, 2012). In addition, while these emotional reactions and the effect they have on employees’ decision-making and motivation could be affected by the perceived causes of project failure we draw also on the attribution theory (Jenkins, 2012). The discussion above leads to the purpose and the research questions of this thesis in the following sections.
1.3 Purpose

The purpose of this thesis is to identify the role of positive emotions in project failure and how these emotions affect corporate entrepreneurs’ decision-making and motivation.

1.4 Research Questions

1. Are there positive emotions in project failure?
2. What is the role of positive emotions in project failure?
3. Are there different positive emotions experienced by corporate entrepreneurs based on their perception of internal and external causes of project failure?
4. How do positive emotions experienced by corporate entrepreneurs in relation to project failure affect their decision-making and motivation in subsequent projects?

1.5 Structure

In order to address the purpose this thesis next turns to the frame of reference (chapter 2) where the applicable terms and characteristics of the empirical study and the topic are defined to build a foundation for the research of this thesis. The research methodology is explained in “Research Method” (in chapter 3) in which the research design, the research method and format, the sample details as well as data collection method are included. Following that, the results of the empirical study are discussed in more detail by providing the analysis of the results (using appraisal and attribution theories) (chapters 4 and 5). Finally, the thesis finishes with the conclusion, limitations, challenges, and contributions of the study ( chapters 6 and 7).
2 Frame of reference

*This chapter aims to give an overview on the frame of reference such as relevant theories and definitions in order to fulfill the purpose of this thesis.*

The figure below (see figure 1) is a summary of the fundamental frameworks that are used for this study.

Within the frame of psychological ownership we focus on the emotional attachment of corporate entrepreneurs to the failed projects because this could have an impact on the type of experienced emotions in project failure.

We use attribution theory to examine how employees’ emotions experienced in project failure are affected by their perceptions of the causes of that failure and appraisal theory to examine how employees evaluate their emotional responses and recovery to project failure.

Within attributions of failure we focus on employees’ attributions of project failure and the perceived causes of failure that may be referred to as internal or external.

Within the frame of emotions we primarily emphasize on employees’ positive emotions that are related with their experiences in project failure.

Within psychological capital we focus on the fact that the experienced positive emotions in project failure might be related to some of its elements.
2.1 Psychological Ownership

Pierce, Kostova & Dirks (2003) define psychological ownership as ‘that state where an individual feels as though the target of ownership (material or immaterial in nature) or a piece of that target is “theirs”’. Experiencing psychological ownership implies a feeling of possessiveness and being psychologically tied to the target of ownership (Pierce and Rodgers, 2004). According to Liu et al. (2012) ‘target’ refers to the object of attachment to the individual or group. This object of attachment may be as small as a set of tools for a technician, our offices, or something as big as the organization to which the individual experiences close connection or feels a sense of possessiveness (Liu et al.2012). Therefore, in this thesis, projects within organizations are considered as the ‘target’ referring to the object of attachment to employees who are involved in these projects. Since the state of psychological ownership implies that subjects feel for their ‘objects of attachment’ as something that belongs to them and is a part of them (Isaacs, 1933), these feelings of ownership might have important behavioral, emotional, and psychological consequences for corporate entrepreneurs who are involved in projects.
2.2 Entrepreneurial Projects

Entrepreneurial projects can be categorized according to the type of innovation that they pursue, such as: product innovation, market innovation, technological innovation, business model innovation, and strategic innovation (Shepherd, 2009). Consequently, by entrepreneurial projects we mean new ventures, new products, new services, entering new markets, and/or implementing new processes (Shepherd & Cardon, 2009). We consider entrepreneurial projects as the arenas in which the entrepreneurial process takes place in established organizations and distinguish between the different emotions that are generated as an output of this process. Thus this is the definition that has been used for this research.

2.3 Project Failure

“Only those who dare to fail greatly can ever achieve greatly.” – Robert Kennedy

Failure is just a temporary phase in an ongoing entrepreneurial process, which can be used as a valuable source of learning and improved self-awareness (Politis, and Gabrielsson, 2009). More specifically, project failure can be described as the termination of a project due to the realization of unacceptably low performance, as operationally defined by the key resource providers or the organizational goals (Shepherd, 2009). Project failure also refers to the termination of an initiative to create organizational value that has fallen short of its goals (Hoang & Rothaermel, 2005; McGrath, 1999; Shepherd, Covin & Kuratko, 2009). However, the authors of this thesis have acknowledged that the failure of a project could be perceived differently by different people due to the fact that usually a project could be terminated, delayed, changed or completely failed in terms of a budget, time and/or expectations (Dwivedi, et al., 2013). So, one can argue that a project has failed or has not failed in terms of these three criteria. However, whether a project is terminated because of poor performance in terms of these criteria or for other strategic reasons, both may generate a negative, respectively positive emotional reaction (Fisher, 2000; Huy, 2002; Kiefer, 2005). Therefore, considering the purpose of this thesis is to research the role of positive emotions in project failure and their effect on corporate entrepreneurs’ decision-making and motivation, the authors have decided only to take into consideration the failure of a project in the perception of the individuals who have experienced it.
2.4 Appraisal and Attribution Theories

Central to appraisal theory is the idea that people’s emotional reactions depend on their individual and subjective evaluation, or appraisal of an event, situation, or object (Lazarus, 1991; Smith & Lazarus, 1993). Appraisal theory is used to understand how individuals respond to stressful life events, for example job loss (Jacobson, 1987) illness, (Landreville & Vezina, 1994) and difficulties at work (Dewe, 1999). These events act as a stimulus for stress but are not sufficient for an individual to feel stress (Lazarus, 1999). It is the appraisal of the event – how significant the event is for personal well-being that makes an event stressful (Lazarus, 1999). When appraising a situation, an individual evaluates the relationship he or she has with the environment for his or her personal well-being (Lazarus, 1991; Smith and Lazarus, 1993) and this is usually done with a referent goal or standard in mind (Smith & Lazarus, 1993). Put simply, an appraisal is about asking, “How bad is it?” (Latack et al., 1995). Therefore, in this thesis we refer to project failure as a situation that could trigger various emotional reactions in corporate entrepreneurs based on their own evaluations of this event.

Furthermore, appraised emotions could be affected by corporate entrepreneurs’ perceived causes of project failure and by their self-serving bias (Bradley, 1978). In addition, we are also interested in emotional responses to project failure and how they are affected by corporate entrepreneurs’ perceptions of internal and external causes of failure. Hence, we draw on attribution theory to alleviate the limitations of appraisal theory and to identify if there are different emotional reactions based on the perceived causes of project failure. Weiner’s (1985; 1986) attribution theory focuses on the motivational and emotional consequences of perceived attributions for a specific experience. In our, case, this specific experience is the failure of a project.
2.5 Causes of Failure

The causes of failure refer to the reasons to which entrepreneurs’ attribute the failure. Heider (1958) defines the attribution as the people's explicit and implicit understandings of the causes of events and of responsibility for the outcomes of events, in other words, attributions are the mechanisms through which people explain their own behavior, the actions of others, and events in the world. Social psychological theory suggests that the attributions people make for events impact their cognitive, affective, and behavioral responses to those events (Dweck and Leggett, 1988).

Other authors propose two main categorical causes of entrepreneurial failures, misfortunes that include failures attributed to things outside of the control of entrepreneurs and mistakes that include failure events attributed to individual error (Cardon, Stevens, & Potter, 2011). Other authors suggest that the causes of failure can be labeled in Managerial and Planning Functions, Working Capital Management, Competitive Environment, Growth and Overexpansion (Gaskill, Van Auken, & Manning, 1993). But regardless of the cause of failure the research on attributions for success and failure show that, consistent with these assumptions, attributions for success are usually relatively internal and attribution for failure are usually relatively external (Kelley & Michela, 1980). This could be related to the reason that internal attributions, relative to external, heighten affective reactions such as pride for success and shame for failure (Weiner et al 1972).

According to Jenkins (2012 p. 34) and Cardon, Stevens, & Potter (2011 p. 81) the most common cause of failure is because of mistakes entrepreneurs’ make or skills they lack and these causes of failure can influence how entrepreneurs’ responds to failure and are therefore relevant for understanding the implications of failure for entrepreneurs such as the cognitive biases and human capital (Jenkins, 2012). In this thesis we refer to causes of failure as internal (individual) and external (environmental) factors that may contribute to project failure. In other words, internal causes refer to when corporate entrepreneurs blame themselves and external causes refer to when corporate entrepreneurs blame something that is not related with themselves under the context of project failure. For example, corporate entrepreneurs could attribute the failure of a project to lack of management skills such as wrong decision-making when they blame themselves or to poor market conditions, lack of
technical capabilities and change in the strategic direction of the company when they blame something that is not related to them.

2.6 Emotions

Emotions are subjective, conscious experiences characterized primarily by psychophysiological expressions, biological reactions, and mental states. They are often associated and considered reciprocally influential with mood, temperament, personality, disposition, and motivation. Therefore, emotions pervade a subjective psychological experience (Izard, 2009). An alternative definition of emotions is the positive or negative experiences that are associated with a particular pattern of physiological activity (Shachter, 2011). In fact, research on emotions has offered many definitions and variables for classifying them. For example, emotions can be classified as short-term emotions such as anger and surprise and long-term emotions such as confidence and distrust (Collins, 2004). Short-term emotions are defined as affective, dramatic, and interruptive while long-term emotions are defined as more stable over a longer period of time (Izard, 1977; Collins, 2004).

According to the social constructivist defined by Brundin (2002 p.51) emotions do not make sense if they are not related to the social context and as well to a cultural setting. In this case this social context or cultural settings is based in organizations, which are referred by Brundin as emotional arenas, where emotions are very much at the heart of organizational life (Brundin 2002 p.61). Fredrik (2001) states that “an emotion begins with an individual’s assessment of the personal meaning of some antecedent event. This appraisal process may be either conscious or unconscious, and it triggers a cascade of response tendencies manifest across loosely coupled component systems, such as subjective experience, facial expression, cognitive processing, and physiological changes”. Cornelius (1996) classifies emotions in separate entities such as feelings, expressive reactions, psychological reactions, instrumental and coping behaviors. Barbalet (1996) states that conventional and simplistic understandings treat emotions as high feelings related to subjective and individual behavior. Additionally Brundin (2002) points out that emotions work in a circular process and that not all the emotions are experienced in the same way because emotional experience depends on certain situations to generate certain kind of emotions.
Entrepreneurial emotion refers to the affect, emotions, moods, and/or feelings—of individuals or a collective—that are antecedent to, concurrent with, and/or a consequence of the entrepreneurial process, meaning the recognition/creation, evaluation, reformulation, and/or the exploitation of a possible opportunity” where the thinking and feeling making connections (Cardon et al. 2012). Therefore, we consider entrepreneurial emotions as a consequence of the entrepreneurial process, more specifically the failure of entrepreneurial projects.

For the purpose of our study we divide emotions into positive or negative, that according to the purpose they fulfill and the effect they have, could be perceived as either one (Brundin, 2002 p.81). Positive emotions serve as markers and producers of flourishing, or optimal well-being not simply within the present pleasant moment but over the long term as well. They typically generate high emotional energy (Brundin & Nordqvist, 2008). Positive emotions are worth cultivating, not just as end states in themselves but also as the means to achieve psychological growth and improved well-being over time (Fredrickson, 2001). Brundin and Gustafsson (2013) defined them as when the entrepreneur perceives the situation as favorable and has a good feeling in general and therefore aims higher, such as challenge, hope, and self-confidence. On the other side, an emotion is negative when the individual is not certain about his or her own capacity and is mentally blurred or blocked by the emotion (Dequech, 2000). Negative emotions usually generate low emotional energy (Brundin & Nordqvist, 2008). Brundin and Gustafsson (2013) grouped three negative emotions such as frustration, embarrassment and strain. Ekman (1999) labeled fear, anger, disgust, sadness, and contempt, as negative emotions whereas pride in achievement, satisfaction, relief, and contentment, as positive emotions.

2.6.1 Positive Emotions

In this thesis we refer to six positive emotions:

Challenge involves readiness to act and to find new solutions (Brundin & Gustafsson p.572). Brundin (2002) defines it as something new and exciting or difficult which individuals have the opportunity of doing and which requires great effort and determination if they are to succeed.
Hope is a feeling of desire and expectation that things will go well in the future, a feeling that there is a good chance that it will happen. The self experiences a feeling of expectation that something is going to happen and usually believes that is possible (Brundin, 2002).

Self-confidence is an emotion that refers to a belief in one self (Brundin & Gustafsson p.571) where confidence is not only the basis of but also a positive encouragement to action because it is associated with the willingness to act and is an emotion of self-protection (Barbalet, 1996). This author states “confidence brings the future in to the present by providing a sense of certainty to what is essentially unknowable so that assured action with regard to it may be engaged”. Brundin (2002) describes it as a personal belief that you can lead with situations successfully using your own abilities and qualities.

Relief is a “feeling of gladness that something unpleasant has not happened or is no longer happening, as well as a temporary pause in or the ending of an unpleasant feeling or experience for a particular person” (Brundin, 2002).

Satisfaction is the pleasure felt by people when they are doing or have done something that they wanted or needed to do (Brundin, 2002).

Pride is defined by Brundin (2002) as a good feeling of happiness and eagerness for praise, which people have when they or the people that they like have done something good, or when a person own something that they think is good.

2.7 Emotions and Motivation

Motivation refers to the determinants of the achievement of goal behaviour (Kaufman 1990). Emotion is often the driving force behind motivation, positive or negative (Gaulin et al.2003) where the emotional appraisal evaluates the events or objects as significantly affecting a person’s concerns, goals and/or values in a positive or negative way (Brewer & Hewstone 2004). These authors pointed out that most of the psychologists accept the assumption that people are motivated to maintain a positive evaluation of themselves, which they referred to as self-esteem.
In Theory of Human Motivation (1943) where Maslow asserts that human motives emerge in a sequential pattern according to hierarchical of five levels of need, self-esteem has been described, under the “estees needs”, as a desire that all the people in the society (excluding some pathological exceptions) have for a stable firmly based, high evaluation of themselves. As well he stated that the satisfaction of the self-esteem leads to feelings of self-confidence, worth strength, capability, and adequacy of being useful and necessary in the world. But according to Hall & Nougain (1968) this theory should be adequate in an organizational setting where Pallering & Coates (1957) states that the needs of each working person varies depending of the position of the person in the hierarchy level they occupy. They differentiate the aspirational needs between a supervisor and executives in a company, where supervisors may not display, either in their attitudes or behavior, characteristics which would lead their superiors to consider them eligible for promotion to a higher position than that of the supervisor. Conversely, executives at the commencement of their careers are likely to express attitudes and exhibit a behavior pattern, which lead them to climb to higher managerial positions and internalizes continually higher goals. Hall & Nougain (1968) suggest that according to the successful or less successful achievements done by managers their needs of satisfaction with achievements and esteem will vary in a different way.

In addition, memories for past emotional experiences allow people to navigate a world filled with almost endless choices where memories for specific emotional experiences are biased by people’s motivation (Lench & Levine, 2010).

The motivational effects of failure can be twofold (Ucbasaran, et al., 2013). First, experiencing failure can have adverse motivational effects by generating a sense of “helplessness,” thus diminishing individuals’ beliefs in their ability to undertake specific tasks successfully in the future and leading to rumination that hinders task performance (Bandura, 1991; Cardon & McGrath, 1999; Shepherd, 2003). Conversely, experiencing failure in a domain relevant to an individual’s self-definition has been found to heighten the motivation to compensate for self-definitional shortcomings and reassures the individual that he or she is capable of achieving the self-definitional goal (Brunstein & Gollwitzer, 1996). The only evidence of which we are aware on this issue is Cardon and McGrath’s (1999) study of
students who reported a “mastery reaction” to failure. This reaction involved attributing failure to a lack of effort (as opposed to ability) and, as a result, led them to redouble their efforts. In our case, corporate entrepreneurs who experience failure work in entrepreneurial projects which goal is to change the status quo; hence their self-definitional goal is to create change. In addition, corporate entrepreneurs’ self-definitional goal could be related to the need for achievement (N-Ach), which refers to an individual's desire for significant accomplishment, mastering of skills, control, or high standards (Murray, 1938). However, it is not clear how their motivation to achieve this self-definitional goal in future is affected when they experience failure.

In the case of this study the organizational setting will be the companies where corporate entrepreneurs shows the differences in their motivation, related with their memory for past emotional experiences (Lench & Levine, 2010) and based on their perception of internal and external causes of project failure. As well, the authors aim to investigate the role of these positive emotions in their motivation and recognize if there are differences in their motivation based on their perception of internal and external causes of project failure.

### 2.8 Emotions and Decision-Making

Brundin & Gustafsson (2013) together with Lench & Levine (2010) state that decision-making can be influenced by strong emotions that people rely on memories of past emotions to make decisions and that emotions do indeed play a role for entrepreneurs in decision-making. This statement was as well suggested by Podoynitsyna, Van Der Bij, Song (2012), they mention that entrepreneurs’ emotions play an important role in their judgments and decision-making.

Baron (2008) stated that positive emotions encourage the use of satisficing, which he label as a strategy in which the first acceptable alternative is chosen and this strategy permits the person using it to make decisions both quickly and efficiently in dynamic environments. But in contrast, he mentions that negative emotions seems to encourage adoption of a very different strategy, known as maximizing- a strategy involving exhaustive examination of all available alternatives in order to choose the best. Besides, Brundin and Gustafsson (2013) suggests in their study that emotional effects may themselves depend on the context
of the decision that – in our study will be the subsequent projects after project failure and the positive emotions’ role in corporate entrepreneurs’ decision-making.

Considering this context, corporate entrepreneurs have overcome and learned from their previous experiences, which contributes to determine the individual's future choices (Minniti and Bygrave 2001). These choices or decision-making will be based on the gained knowledge that previous failure has provided them as well as successes (Rerup, 2005; Minniti and Bygrave 2001). The entrepreneurial decisions will be the results of an entrepreneur's ability to process information (knowledge), and of random impulses (instinct or luck) (Minniti and Bygrave 2001), which in this study are referred as emotions.

Brundin and Gustafsson (2013) suggested for future research to investigate whether making emotion-based decisions could be considered an adequate decision behavior. As well they state that until now little attention has been paid to the emotional side of decisions making and the question on how positive and negative emotions affect decision-making, to a large extent is unresolved. For this reason in this research the authors of this study have decided to study the different types of positive emotions that corporate entrepreneurs experience based on their perception of internal and external causes of project failure and at the same time analyze their role in the decision-making process.

2.9 Psychological Capital

Psychological capital is defined as psychic resources that can be drawn from in order to meet the emotional challenges of the moment (Csikszentmihalyi, 2004). It is conceptualized, as a second-order construct comprised of the following elements: self-efficacy (Bandura, 1997), optimism (Carver & Sheier, 2003), hope (Snyder, Cheavens, & Sympson, 1997), and resiliency (Masten, 2001). Self-efficacy relates to the general belief in one’s ability to produce high levels of performance in tasks undertaken in life (Bandura, 1977). Optimism is defined as generalized positive outcome expectancy (Carver & Sheier, 2003). Snyder (Snyder et al., 1997; Snyder, 2000) defines hope as consisting of three interacting components: goals, agency, and pathways. For individuals to possess hope, they must have goals, short- and/or long-term, the motivation to achieve their goals, and the ability to imagine multiple routes through which their goals may be achieved. Resiliency is the extent
to which individuals are able to bounce back from negative experiences and adapt to changing and stressful life demands (Tugade & Fredrickson, 2004). Resilient individuals are able to thrive and learn in the face of adversity (Masten, 2001). Two types of judgments must be made before being able to classify an individual as resilient (Masten, 1999). First, the individual must have experienced some kind of adverse or threatening event(s). Second, it is the degree to which the individual was able to overcome and/or thrive under the hazards that he or she faced. For the purpose of this thesis project failure is considered as an emotional challenge, which could be addressed with the elements of psychological capital. More specifically, the development of resilience after experiencing multiple project failures and how positive emotions could contribute to this aspect of psychological capital is examined.

Based on the frame of reference above, the authors of this thesis have identified a gap regarding the role of positive emotions in project failure and how they affect corporate entrepreneurs’ decision-making and motivation in subsequent projects.

This leads us to the following Research Questions:

1. Are there positive emotions in project failure?
2. What is the role of positive emotions in project failure?
3. Are there different positive emotions experienced by corporate entrepreneurs based on their perception of internal and external causes of project failure?
4. How do positive emotions experienced by corporate entrepreneurs in relation to project failure affect their decision-making and motivation in subsequent projects?

Next the research method will be addressed.
3 Research Method

This part of the study is about the method used to gather empirical data with the aim of answering the four research questions that have been set. It includes definitions of the key terms and information regarding who have participated, as well is explained why, and how the data was collected on the field.

3.1 The Research Design

A qualitative research method is an encompassing naturalistic and interpretive type of research, which means studying the subject in a natural setting and then interpreting the results (Norman, 2002). This research focuses on using a qualitative study because this gives an opportunity to receive a more in-depth knowledge and provides more freedom in terms of data collection process (Kvale & Brinkmann, 2009), which could be useful to get relevant results. Therefore, using a qualitative research design allows the authors of this research to study the intangible variables such as emotions, motivation, and decision-making, which are hard to interpret with a quantitative research design due to the fact that in this field it is hard to get a valuable insights based only on questionnaires.

Due to the limited prior research in this field and the reduced knowledge available regarding this subject, this thesis is built around an exploratory research, which is a valuable means to gain more information and insights about the topic (Saunder, Lewis & Thornhill, 2009).

3.2 Data Collection: Interviews and Vignettes

The purpose of this thesis is to identify the role of positive emotions in project failure and their impact on corporate entrepreneurs’ decision-making and motivation, which represents the influence of emotions in subsequent projects. Therefore, semi-structured interviews and in-depth interviews together with the use of vignettes were chosen as the most appropriate technique for collecting qualitative data. A priority for the interviewers was that the interviews remain open and flexible so that they may probe individual participants’ stories in more detail (DiCicco-Bloom & Crabtree, 2006). Thus, the interviewers have asked all questions of each respondent but in some cases pursued in more depth particular areas that
have emerged from each interview (Hill, Thompson, & Williams, 1997) and also the sequence in which questions were asked varied. The in-depth interview was used as a complementary and stimulating mean to encourage interviewees to report more personal meaning of the emotions. The protocol in such semi-structured interviews serves as a guide, a foundation on which the interview is built but one that allows creativity and flexibility to ensure that each participant’s story is fully uncovered (Flick, 2002) (see appendix 1).

Exploratory research questions have been chosen to gain insights of the situation and questions such as which, what and how have been addressed as well. With these research questions it was possible to identify the attributions of failure, the different types of positive emotions that could be experienced in a project failure, and finally know how these corporate entrepreneurs’ positive emotions affect their decision-making and motivation in subsequent projects. It is important to note that, as it was mentioned before in the purpose, the failure of a project has been taken into consideration in the perception of the individuals who have experienced it.

The interviews commenced with the semi-structured and in-depth questions, where in the case when respondents have attributed the project failure to an external cause and not an internal, the authors have used vignettes. The purpose of these vignettes was to avoid the possible self-bias of corporate entrepreneurs and to receive more nuanced answers in a complex subject like emotions than when using only the "simpler" abstract questions more typical of opinion surveys (Alexander & Becker, 1978). This vignettes are a short descriptions of a person or a social situation which contain precise references to what are thought to be the most important factors in the decision-making or judgment-making processes of respondents (Alexander & Becker, 1978). They refer to a fictional situation and invite the respondents to comment on how it makes them feel, or what they might do in that situation (Spalding & Phillips 2007), which in this case we referred to an internal cause of project failure.

First the situation in which the corporate entrepreneurs were the cause of the project failure was described and afterwards followed-up questions were presented to inquire which positive emotions the interviewees have experienced regarding the internal causes of failure (See appendix 2).
3.3 Choice of Respondents

With a sample of seventeen corporate entrepreneurs working within international companies based in Sweden, Mexico, and Bulgaria, data was gathered to provide an insight and understanding about the role of positive emotions in project failure and their effect in corporate entrepreneur’s decision-making and motivation.

In this research, two types of sampling methods have been used: the snowballs sampling and the purposive sampling. The purposive or judgmental sampling enables to use judgment to select cases that allows to answer the research question(s) and to meet the objectives of this thesis. The snowballs sampling refers to where initial contacts identify further members of the companies (Saunders, et.al. 2009).

Due to the fact that the study was conducted in Sweden, nine of the respondents which have been selected for this study were located in this country. As well since it was convenient in terms of language and easy access for the researchers, four interviewees were chosen from Mexico and four more from Bulgaria. Furthermore, the respondents from these companies in Mexico and Bulgaria have built mutual trust in the past with the authors which allowed to get more insights from these interviews on the sensitive topic of this study.

The interviews were conducted in different manners such as: phone interview (1), audio conference (2), videoconference (3) and face-to-face interviews (4). Approximately they took 1 hour and 05 minutes. The longest interview took 2 hours and 28 minutes and the shortest interview took 36 minutes.

In addition, the researchers of this study have developed certain criteria and restrictions for selecting the companies and the specific candidates for the interviews. These criteria to select the 17 respondents were stipulated according to the previous literature review and the individuals who would be able to provide a constructive input to answer the research questions.

The criteria were as follow:

First, the interviewees to be employed by companies in which they have worked with entrepreneurial projects according to the definition given in the frame of reference.
Second, the interviewees to have prior to the interview at least three years of working experience and to have been involved in more than one project in the company where they are currently working. This assured that they have enough experience in the development of projects or in some cases have managed projects.

Lastly and foremost, the interviewees to have experienced more than one terminated/delayed/changed or completely failed project(s) (see section project failure) in the company where they are currently working.
Table 3.1. List of respondents that participated in this study with background information.

<table>
<thead>
<tr>
<th>Respondent Name</th>
<th>Position</th>
<th>Work Experience</th>
<th>Total # involved projects</th>
<th>Company Name</th>
<th>Business Area</th>
<th>Number of Employees</th>
<th>Duration of Interview</th>
<th>Form of the Interview</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bulgaria</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Boris Petrov</td>
<td>Project Engineer</td>
<td>3 years</td>
<td>+20</td>
<td>Mondelez Bulgaria Ltd, part of Mondelez International, Inc.</td>
<td>Manufacturer of cocoa, chocolate and sugar confectionery</td>
<td>Large (more than 250)</td>
<td>1hr 05min</td>
<td>Skype (Audio Conference)</td>
<td>16/03/14</td>
</tr>
<tr>
<td>2. Daniel Popov</td>
<td>E-shop Manager</td>
<td>6 years</td>
<td>20</td>
<td>Velomania Ltd.</td>
<td>Manufacturer of bicycles and invalid carriages</td>
<td>Medium (up to 250)</td>
<td>1hr 40min</td>
<td>Skype (Video Conference)</td>
<td>06/04/14</td>
</tr>
<tr>
<td>3. Iliyan Nachev</td>
<td>Senior Software Architect</td>
<td>6 years</td>
<td>14</td>
<td>BroadSoft Bulgaria, Ltd, part of Broadsoft Inc.</td>
<td>Communication software and service provider</td>
<td>Large (more than 250)</td>
<td>1hr 07min</td>
<td>Skype (Video Conference)</td>
<td>23/03/14</td>
</tr>
<tr>
<td>4. Yovko Handzhiev</td>
<td>Construction Engineer</td>
<td>3 years</td>
<td>+ 20</td>
<td>BMS Production Ltd.</td>
<td>Manufacturer of professional audio equipment</td>
<td>Medium (up to 250)</td>
<td>59 min</td>
<td>Skype (Video Conference)</td>
<td>23/03/14</td>
</tr>
<tr>
<td><strong>Mexico</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Maria José Enriquez Icaza</td>
<td>SQA (Suppliers Quality Assurance)</td>
<td>6 years</td>
<td>30</td>
<td>Mars Inc.</td>
<td>Industry Food Processing.</td>
<td>Large (more than 250)</td>
<td>49 min</td>
<td>Face Time (Audio Conference)</td>
<td>30/03/14</td>
</tr>
<tr>
<td>6. Ricardo Guzman</td>
<td>Production Manager</td>
<td>3.5 years</td>
<td>6</td>
<td>Performed Line Products</td>
<td>Sector Technology, Industry Electronic Components</td>
<td>Large (more than 250)</td>
<td>1hr 34 min</td>
<td>Skype (Video Conference)</td>
<td>31/03/14</td>
</tr>
<tr>
<td>7. Monica Tella Najera</td>
<td>Project Manager</td>
<td>10 years</td>
<td>7</td>
<td>Anonymous</td>
<td>Financial Services</td>
<td>Large (more than 250)</td>
<td>1hr 13 min</td>
<td>Face Time (Audio Conference)</td>
<td>12/04/14</td>
</tr>
<tr>
<td>8. Pablo Ordóñez Aguileta</td>
<td>Focal point</td>
<td>6 years</td>
<td>5 (main) + subprojects</td>
<td>General Electric</td>
<td>Aviation</td>
<td>Large (more than 250)</td>
<td>49 min</td>
<td>Face-to-face</td>
<td>12/04/14</td>
</tr>
<tr>
<td><strong>Morocco</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Walid Rohaimi</td>
<td>CEO</td>
<td>3 years</td>
<td>20</td>
<td>Amundi Technologies HB</td>
<td>Engineering and Consultancy</td>
<td>Small (up to 50)</td>
<td>52min</td>
<td>Face-to-face</td>
<td>04/04/14</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Respondent Name</th>
<th>Position</th>
<th>Work Experience</th>
<th>Total # involved projects</th>
<th>Company Name</th>
<th>Business Area</th>
<th>Number of Employees</th>
<th>Duration of the Interview</th>
<th>Form of the interview</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Henrik Holmgren</td>
<td>Project Manager</td>
<td>12 years</td>
<td>5</td>
<td>Husqvarna AB</td>
<td>Manufacturer of outdoor power products including robotic mowers, garden tractors, chainsaws and trimmers.</td>
<td>Large (more than 250)</td>
<td>42 min</td>
<td>Face-to-face</td>
<td>21/03/14</td>
</tr>
<tr>
<td>2. Lars Carlsson</td>
<td>Project Manager</td>
<td>10 years</td>
<td>10</td>
<td>ITAB Shop Concept AB</td>
<td>Manufacturer of office and shop fittings</td>
<td>Large (more than 250)</td>
<td>1hr03min</td>
<td>Face-to-face</td>
<td>31/03/14</td>
</tr>
<tr>
<td>3. Magnus Törnvall</td>
<td>R&amp;D Manager</td>
<td>6 years</td>
<td>+100</td>
<td>ITAB Shop Concept AB</td>
<td>Manufacturer of office and shop fittings</td>
<td>Large (more than 250)</td>
<td>1hr02min</td>
<td>Face-to-face</td>
<td>09/04/14</td>
</tr>
<tr>
<td>4. Peter Geisler</td>
<td>CEO</td>
<td>41 years</td>
<td>200</td>
<td>Arbesko AB</td>
<td>Manufacturer and wholesaler of clothing and footwear</td>
<td>Medium (up to 250)</td>
<td>2hr28min</td>
<td>Face-to-face</td>
<td>28/03/14</td>
</tr>
<tr>
<td>5. Samuel Wikström</td>
<td>Business Unit Manager</td>
<td>5 years</td>
<td>+10</td>
<td>Veprox AB</td>
<td>Industrial engineer activities and related technical consultancy</td>
<td>Small (up to 50)</td>
<td>51min</td>
<td>Face-to-face</td>
<td>27/03/14</td>
</tr>
<tr>
<td>Respondent &quot;A&quot; (the respondent has chosen to be anonymous)</td>
<td>Professor</td>
<td>18 years</td>
<td>15</td>
<td>Internationella Handelshögskolan Jönköping AB</td>
<td>Tertiary education. Research, experimental development on social sciences and humanities</td>
<td>Medium (up to 250)</td>
<td>36 min</td>
<td>Face-to-face</td>
<td>07/04/14</td>
</tr>
<tr>
<td>7. Respondent &quot;B&quot; (the respondent has chosen to be anonymous)</td>
<td>Programmer Manager</td>
<td>13 years</td>
<td>10</td>
<td>Internationella Handelshögskolan Jönköping AB</td>
<td>Tertiary education. Research, experimental development on social sciences and humanities</td>
<td>Medium (up to 250)</td>
<td>46min</td>
<td>Face-to-face</td>
<td>15/04/14</td>
</tr>
<tr>
<td>8. Respondent &quot;C&quot; (the respondent has chosen to be anonymous)</td>
<td>Project Manager</td>
<td>5 years</td>
<td>8-10</td>
<td>Anonymous</td>
<td>Manufacturing</td>
<td>Large (more than 250)</td>
<td>38min</td>
<td>Phone</td>
<td>11/03/14</td>
</tr>
</tbody>
</table>

**Table 3.1. List of respondents that participated in this study with background information.**
3.4 The Research Approach

An abductive approach was chosen as the most appropriate for this kind of research using both deductive and inductive approaches, where it is possible to constantly move from the empirical to theoretical dimensions of analysis (Alrajeh, Fearfull, & Monk, 2012). This means that the authors of this research have simultaneously referred to the existing literature of entrepreneurial failure, emotions, motivation and decision-making while also looking to collect new empirical data. Therefore, this research has started with a literature review on the relevant existing theories in the fields of entrepreneurial failure, emotions, motivation and decision-making and afterwards the data was collected and analyzed.

3.5 Interpretative Approach

The emotions can be categorized in different manners, but many of them can thus work depending on the purpose and the context within which it is supposed to fulfill that purpose (Brundin, 2002 p.68). In this study the researchers have categorized the emotions in positive and negative to be able to ask questions especially related to a project failure, as well in the process of interpreting the results it became less complicated to analyze the results in this manner rather than based on mixed emotions.

The results were interpreted according to the context and based on the appraisal and attribution that the interviewees provided, as such the outcome was more profound. Based on the answers and observations from the interviews, the label of positive emotions and the patterns that were observed in the motivation and decision-making, the authors of this thesis connected the results with the theories from the “Frame of Reference”. Consequently, the results of this research were analyzed and interpreted using appraisal and attribution theories in order to draw analysis-based conclusions and limitations of the study.

For better interpretation of the research results, the data was summarized in a table where the three most observed positive emotions that were experienced and labeled by the interviewees according to their perception of internal and external causes of project failure were classified. This table gave to the researchers a clear picture of the results that later were able to provide the findings of the research. Also, according to the results that have been collected regarding the way in which interviewees make their decision and the way in which their
motivation was affected after a project failure, were summarized in text. Themes of the results were supported by quotes from the interviews.

For interpreting the empirical results, positive emotions were evaluated retrospectively according to the perception of corporate entrepreneurs’ internal and external causes of project failure and were ranked according to the frequency in which respondents experienced these certain emotions. Moreover, the positive emotions were evaluated in terms of different points in time when the project failure is realized. Due to this, the data was summarized in a table that allowed to see how many people have experienced a certain emotion “during”, to which we refer as the actual moment of failure, and “after” the project failure, as well in relation with the attribution of internal and external causes of failure. In addition, some of the respondents expressed that they have felt certain emotions before the actual moment of failure to which we referred as “before” where some exceptions of experienced emotions were discussed.

3.6 Trustworthiness

According to Eriksson and Kovalainen (2008) one of the challenges confronting qualitative researchers is how to assure the readers of their research about its scientific nature, its quality and trustworthiness. To be avoided issues regarding the low level of quality and trustworthiness, which are described as the ‘goodness’ criteria for research (Eriksson & Kovalainen, 2008), the 17 interviews that have been conducted in this research were recorded to assure that all the information that the interviewees have shared is not missed. This action was carried out with the previous authorization of the respondents at the beginning of each interview. Also, some notes were taken by the interviewers when they conducted the interviews. In addition, before the interviews were conducted each interviewee has been asked if he or she wants to remain anonymous and the high level of confidentiality of the interview has been promised. This should increase the level of confidence in the trustworthiness and reduce the possibility of interviewee or response bias (Saunders, et.al. 2009). In the case in which participants have chosen to be anonymous, the researchers have assigned key names.

Considering the fact that the aim of this research is to study the role of positive emotions in project failure, the authors have created an atmosphere of greater trust at the start of the interviews by introducing themselves, explaining the purpose of the research and asking first
the participants to describe their background, including general information and successful projects in which they were involved. Thus the respondents were more confident to talk about the feelings and emotions that they have experienced in their work and were able to provide more insight into the topic.

However, the interviewers were extra observant if the respondents were hesitant in some way or another to talk about their emotions, in these cases the issue was left for that moment and revisited later.

The interviews were conducted in English with Swedish speaking people, which is another factor that may have influenced the interviews, even though interviewers tried to be as clear as possible in their language and make sure as far as possible that interviewees did not misunderstand the questions. Before the start of each interview it was explained to the respondents that their confidentiality is guaranteed and they could remain anonymous in this study. In addition, the transcripts of the interviews were offered to be sent to the interviewees to ensure trustworthiness.

All face-to-face interviews were conducted in a meeting room at respondents’ organizations. The phone call interview and all other Skype interviews were conducted in a study room at Jönköping University.

The authors of this thesis have not sent the respondents their transcripts for review because they did not request for them even though it has been offered the possibility to be anonymous in the case they required it.

A pilot interview was conducted at the beginning of the data collection process in order to improve the quality of the questions and to get some own training for the “real” interviews. Adaptations were made after this pilot interview (see above vignettes). After each interview the authors have discussed between each other the conditions and their immediate impressions of how well or bad the interview went (e.g. was the participant reticent or hesitant, were there aspects in which the authors felt that they did not obtain answers in sufficient depth?) (Saunders, et.al. 2012).
4 Results

This chapter presents the empirical findings, meaning the data collected from the seventeen interviews, previously detailed in this paper. The results will be divided up according to the interviews into: positive emotions according to the external and internal causes of project failure and the effect that they have on the decision-making and motivation.

4.1 The Role of Positive Emotions in Project Failure

Regarding the level of frequency in which respondents mentioned certain positive emotions in project failure during the interviews, the authors of this research have classified three main positive emotions: relief, challenge, and self-confidence (see table 2). Some positive emotions that were mentioned in lower frequency have been classified as exceptions, which are: satisfaction, hope, and pride. But it is important to highlight that even though they were not mentioned with a high level of frequency, does not imply that they are not relevant.

According to their years of working experience and the type of projects, some of the interviewees were involved from 6 up to 200 projects, but regardless of the number of failures they have experienced in relation to this number of projects, the outcomes that were observed with respect to positive emotions in project failure were almost the same.
## Table 4.1 Positive Emotions in Project Failure

<table>
<thead>
<tr>
<th>Respondent</th>
<th>Internal Causes of Project Failure</th>
<th>External Causes of Project Failure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Relief</td>
<td>Challenge</td>
</tr>
<tr>
<td></td>
<td>During</td>
<td>After</td>
</tr>
<tr>
<td>1</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>3</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td>x</td>
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4.1.1 Positive Emotions in the Internal Causes of Project Failure

Relief
The positive emotion “relief” was the third most mentioned emotion experienced by corporate entrepreneurs with a total of 9 times of frequency in their answers. After a project failure, in 7 occasions the interviewees exposed this feeling. In general they said that they felt relief after the project failed because they have been exposed to long periods of pressure and stressful and now they can leave behind these moments. Some of them said:

“I felt relief because the project was very demanding.”

Only 2 of them expressed to feel relief during the moment of project failure.

Self-confidence
The positive emotion “self-confidence” was the second most mentioned emotion with a total of 10 times of frequency in interviewees’ answers and was experienced after the project has failed.

It is important to note that few of the interviewees were able to attribute directly the cause of failure as an internal factor. They said that people cannot blame others when they are managers or coordinators in their organizations. One of them mentioned the following:

“Normally all the projects have external factors to fail but it depends on the manager or coordinator to really make it fail or not.”

Challenge
Regarding the internal causes of project failure the most frequent positive emotion that has been mentioned from the interviewees was “challenge” with a sum of 12 times of frequency in their answers.

After some time has passed from project failure, eleven of the 17 interviewees expressed that they felt challenge when the causes of the failure were internal, as a result of having made wrong decisions. Some of their expressions mentioned in relation to this positive emotion were:

“When the failure depends on you, you can experience challenge.”
For example, one of the interviewees who has experienced challenge during the project failure said:

“If it is a good project, fight for it.”

4.1.2 Positive Emotions in the External Causes of Project Failure

Relief
Regarding to the external causes of project failure the most frequent positive emotion that has been mentioned from the interviewees was “relief” with a total of 21 times of frequency in their answers.

After some time has passed from project failure, 10 of the 17 interviewees expressed that they felt relief when the causes of the failure were external to them, this means that there were external factors such as poor market conditions, lack of technical capabilities and change in the strategic direction of the company. One respondent mentioned that people can experience this positive emotion if the project is not so important. According to the mentioned above, some respondents said the following:

“After the failed project I felt relief because a burden on my shoulders is removed.”
“I felt relief because from the beginning it was clear that this project would be hard to be finished successfully.”
“You could be relieved after a failed project in which there was a lot of stress and tension.”
“I felt relief because the project was very demanding.”

During the moment when the project has failed, 11 of the respondents expressed to have felt relief and 2 of these interviewees said the following:

“But I think that if you are a professional you work through those emotions in a sense and then when you have made the decision you actually feel a bit at relief. Because it is always stressful before a difficult decision, you think about it pretty much all the time, weighing pros and cons and so on but then when you have made the decision your task is to communicate the decision in a clear manner and to me that is not hard.”
Self-confidence

According to the external causes of project failure this positive emotion, namely “self-confidence” has been experienced in the same frequency as challenge. Eleven of the interviewees have experienced this emotion after the failure of a project and none of them have experienced it during the project failure. Also, none of them have expressed to feel self-confidence before the project failure. Some expressions that showed self-confidence were:

“I felt more self-confident because of the experience I have gained.”
“I survived with this company and its projects in the last worldwide crises and that helps me feel more confident in future.”

Challenge

The second emotion that has been mentioned the most in the external causes of project failure was “challenge”. Eleven of the seventeen interviewees said that they felt challenge in a project failure, 8 of them have experienced this emotion after a project has failed. Expressions regarding this emotion were the following:

“Maybe we can restart some of the terminated projects at the company because I still believe some of them were based on really good ideas.”
“I feel challenged if I know that the project will continue in future.”

Three of the 11 interviewees experienced challenge during the project failure and none of them reported this emotion before the project failure.

4.1.3 Exceptions: Satisfaction, Hope and Pride

There were some exceptions about the emotions that were experienced by corporate entrepreneurs in relation with the internal and external causes of project failure. The researchers of this study have noticed that in some occasions corporate entrepreneurs have experienced satisfaction, hope and pride.

They have experienced satisfaction due to the large learning gained after project failure. For example, one of them mentioned:

“I felt satisfied because of the learning.”
On the other hand, they mentioned to feel pride in relation with the projects in which they have been involved due to the level of difficulty or expectations that others had for their projects. Besides they felt pride due to the fact that their projects arise the attention of their bosses and because they have developed positive outcomes for the company. For example, one respondent said:

“I felt proud because of the very good idea that was praised by the top management and because of the chance to see some positive contributions of the failed project to the organization.”

Finally they experienced hope because they thought that their projects were good enough and that they expected to work in future on them. Some of them attributed external factors such as changes in the policies of the company and physical limitations to develop or produce certain products and when the projects were stopped, they still believed that they have done a good job in these projects that might work later in the future or could be useful for other projects. For example, one of the corporate entrepreneurs said:

“I feel hope just to think if there is a possibility to restart this failed project.”

### 4.2 Emotions and Motivation

Based on the positive emotions experienced in relation with the attribution of internal and external causes of project failure, and their effect on the motivation that corporate entrepreneurs have experienced when they were involved in subsequent projects, a pattern has been observed in all the 17 interviews that were conducted in this research. This pattern refers to the positive emotion “challenge”. This positive emotion has led corporate entrepreneurs to be more motivated in subsequent projects. They had the need to prove that they were able to solve things. Moreover, they knew that they have gained skills and were willing to prove this, as well as they were willing to start something new. For example, one respondent mentioned this:

“I feel motivated to fix the mistakes, analyze what I have done well or bad and to apply my knowledge. I am willing to learn new things.”
Other respondents said this:

“I feel really motivated with a new challenge and a new plan.”

“I feel more motivated and challenged to continue develop innovations in this company.”

“I would like to develop as a person. For me a job is not a static place, I am here to achieve something. After all, it is people who achieve results.”

In other cases respondents said that they felt motivated to find new ambitious projects where they can try to create new innovations. Something that motivated them the most was to be able to have new projects rather than to think about the failure or success. For example, one of the respondents said this:

“Something that motivates me the most is to understand and to be involved in new projects but not necessary to fail or succeed.”

In the case where respondents attributed the causes of project failure to internal reasons, they experienced “challenge” which has led them to be more motivated in order to prove that they could do things much better, labelling this feeling as “revenge”. Some of these persons said the following:

“You want a second chance, you want a revenge.”

Another significant result according to this pattern is that in reference to the subsequent projects where they might be involved, their motivation could be affected in regard to the type of projects in which they were involved. Some respondents said that they were able to feel more motivated if they were involved in a more entrepreneurial subsequent projects where the required creativity was higher and they felt more attracted to it. For example, one of the respondents mentioned the following:

“If the next project is interesting my motivation will increase while if the next project is not so interesting my motivation will decrease even further after the failed project.”
4.2.1 Exceptions: Emotions and Motivation

There were some exceptions in which corporate entrepreneurs’ motivation was affected in a different manner. Their motivation to perform in a good way in subsequent projects was not affected but in their personal life and in their day-to-day tasks at work they mentioned that their incentives were affected. Hence, the respondents’ motivation was not necessarily changed in subsequent projects due to project failure but was affected in other areas of their lives. Such is the case of this person who said the following:

“After project failure I do not feel demotivated to work in other projects but this could have a negative effect on my motivation when performing other day-to-day tasks at work. After a time I feel more motivated to restart past failed projects.”

Another exception according to internal and external causes of failure is that two respondents said that failure was something normal in life. One of them stated that failure was needed due to the fact that it could motivate people.

Here are their comments:

“Everybody can fail, we are humans not robots.”
“I think I need some failures. You cannot have everything pink and nice. You need failures to wake up and to boost even more.”

Other exception was that one respondent expressed a feeling that if the project failure was due to internal cause he/she would not be motivated to restart the same project in future:

“If the failure is personal in the failed project I will not be willing to go back and work with the same project.”

Last exception was that one respondent mentioned that it was good for him/her not to start work with another project immediately after the failure of an important entrepreneurial project:
“You need to a little bit rebuild up an energy level. You are very enthusiastic when you start a new project, when you terminate a project of course you are not that enthusiastic. So, I think it was good for me not to start a project immediately afterwards.”

4.3 Emotions and Decision-Making

Based on the empirical data that was collected throughout the interviews and with the use of vignettes, the authors of this thesis have noticed a pattern in the positive emotions experienced by corporate entrepreneurs in project failure. In addition, a certain relation of this pattern with corporate entrepreneurs’ decision making was noticed. This means that even if they have attributed the failure to external or internal causes of project failure the pattern was quite similar. In general, these interviewees said that they have become more confident when taking decisions in subsequent projects due to the positive emotion “self-confidence” which was experienced after project failure.

Some of them expressed the following:

“You know what you should do and what you should not do.”
“I have learned to say "no" to some projects that I believe are not feasible.”
“I take decisions with greater confidence and much more strength.”
“When you fail and succeed your scenarios become more robust and then you are able to make better decisions.”

Corporate entrepreneurs also mentioned that failed projects did not affect in a negative way their decision-making and the reason, they pointed out, was that over the time as project managers or leaders they mature more and more. Also they mentioned that failed projects have showed them something to learn. For this reason they were able to look back and to see what they have done wrong in the past to prevent failing again or in other words to reach success. At the same time the self-confidence that they have experienced allowed them to become stricter with whom they work and more cautious when to make their decisions in subsequent projects, in other words they have their eyes more opened. For example, one interviewee said:

“Next time when you know the consequences from making a wrong decision, you could demand more things with more security.”
Another observation regarding the effect of self-confidence on the decision-making, is that some of the interviewees took new decisions based on the self-confidence gained with the patterns observed in the project failure. This has allowed them to conduct their decisions in a better manner and to avoid failure in subsequent projects. One of these persons said the following:

“I’m able to recognize the path and not to make the same failures.”

4.3.1 Exceptions: Emotions and Decision-Making

There were some exceptions in the patterns that were perceived by the interviewers regarding the effect of self-confidence in decision-making for subsequent projects and in relation with the internal causes of project failure. Three of the corporate entrepreneurs became more self-confident in future projects but not necessarily in the subsequent projects. This means that in the next projects in which they were involved, they mentioned that first they would feel a bit hesitant but after this they would feel more confident. Also, an exception was that, one respondent mentioned that overconfidence might have a negative effect on his/her decision-making in subsequent projects:

“Overconfidence could have a negative effect in future projects because it might cause complacency and lead to wrong decisions.”

Another exception mentioned by one respondent was that whether if he/she knew his/her mistakes, this could affect either in a positive or negative way how he/she would take decisions in the future. This is what the respondent mentioned:

“It could affect me in both ways depending on whether I have figured out my mistakes or not.”
4.4 Additional Findings

*Here are listed a few findings that came as an offspring from the main questions and topic which were investigated. Although not central to the research, they still add an interesting perspective and therefore are worth being mentioned.*

4.4.1 Sharing Emotions

During the data collection process the authors of this research have found as additional findings how corporate entrepreneurs shared their emotions, which were experienced in project failures. In this case, interviewees were asked if they were able to share their emotions and with whom they shared their emotions and in some occasions they gave some feedback on how they felt after sharing their emotions or if they were not able to share their emotions how this could affect or not their performance at work. For example, in the following case one interviewee has described how his/her subsequent decision-making could be affected by sharing his/her emotions:

“If there is a person to whom I can share my feelings and emotions it would be easier for me to analyze my mistakes and the problems in the projects in order to improve my decisions in them.”

It has been observed that, the most common people with whom corporate entrepreneurs shared their emotions were their team members, those involved in the failed projects and their direct bosses. In some occasions and regarding the different cultures such as Mexicans, they shared their emotions with their family members, while in the case of the German and Swedish culture they tried to leave things at work and not to take their emotions at home. But cultural was not the only factor that influenced the way in which corporate entrepreneurs share their emotions, it has been noticed that the culture of the company have had an influence in the way they share and to whom they share, such as the case of this person:

“I share my emotions with my team but within a certain level because I am their leader and I have to motivate them and with my boss as well in a certain level like reporting problems, but with my colleagues it is not easy due to the level of competition and rivalry that exists in the company.”
Contrary in other companies people were taught to fail and share, in this example with the director of the company:

“I shared my emotions with my family and the people that I appreciate, but also with the director of the company.”

In a few occasions they were able to share their emotions with other team members that were not involved in the failed projects, but commonly with the same team members. This could be due to the fact that internal attributions, relative to external, heighten affective reactions such as pride for success and shame for failure (Weiner et al 1972) and all the people in the society (excluding some pathological exceptions) have the need for a stable fully based, high evaluation of themselves (Theory of Human Motivation, 1943).

In some cases, corporate entrepreneurs, who were able to share their emotions with their direct bosses, have experienced a positive effect on their motivation, which is the case of this person:

“I share my emotions with other project managers from the group, they have the same problems and we can sit and talk in a way that you cannot do with your project group. Also, to share my emotions with my boss gives me the opportunity to correct things that are wrong and makes me feel motivated to change other things.”

4.4.2 Emotions and Culture

The relation between culture and emotions experienced by corporate entrepreneurs in this research has been noticed due to its sample. As it was previously stated in the method chapter, according to the convenience in terms of language and easy access for the researchers of this study, 4 companies were chosen from Mexico and four more from Bulgaria. This gave the opportunity to gain information regarding the cultural differences in the way that corporate entrepreneurs experienced their emotions or how they managed their emotions in project failures.

There was evidence that cultures differ in frequency and intensity of emotional experiences and expressions (Mesquita & Frijda, 1992), where culture significantly influenced the emo-
tion process (Fischbach, 2009). In this case it has been perceived that corporate entrepre-
neurs from Morocco, Mexico and Bulgaria behave in a very similar way. They were able
to express their emotions during the interviews and in their workplaces but some of them
also mentioned that in their companies they had to take courses of emotional intelligence
to be able to balance their emotions, to make better decisions and to behave more stable in
their jobs. Here is one case of a Mexican corporate entrepreneur that expressed the follow-
ing:

“In the cultural sense Mexicans involve more their feelings at work and I can compare it
with my colleagues from other countries.”

Some of them also suggested that the way in which people manage their emotions should
be taught by the time you are in primary school, because there are no other ways for people
to show others how to do it:

“Since you are in school, you should be taught how to manage your emotions, because
no one teaches you how to do it.”

On the contrary, corporate entrepreneurs from Sweden and Germany seemed to be more
stable in the way they have expressed their emotions during the interviews and at their
workplaces when experiencing project failures. For example, some of them said the fol-
lowing:

“You need distance from your feelings because you can look at them in an objective
way.”

According to the assumption that the culture significantly influences the emotion process
(Fischbach, 2009), and that the organizations in which people work affect their thoughts,
feelings and actions in the workplace (Brief and Weiss, 2002), we have noticed that ac-
cording to the context in which corporate entrepreneurs are involved, meaning that they
work in international companies such as GE and Mars to mention some of them, they have
been influenced in the way they have experienced positive emotions or how they have
behaved towards project failure and the way in which they have made their decisions. Such
is the case of an interviewee from Mexico working in an international company, where he/she has learned how to behave in a different way after working for a while in this new international cultural environment:

“When you make decisions, you must control your emotions because when you make a decision, when the emotion is negative (angry, frustration, tiredness) and you make a decision in a fast manner you fail 99%, you don’t want to risk and stay short in your objectives. In the opposite, when you are so excited you can see more than the project can give with very inflated objectives. The projects should think "cold", calm to really know until where you want to reach or you should reach. This makes you (to) be more realistic.”

Next, the empirical findings will be discussed.
5 Discussion

In the following sections the four research questions of this thesis are answered based on the analysis and interpretation of this empirical study’s results and in terms of the previously discussed theoretical framework in order to provide an overview of the topic.

5.1 Answer to the Research Question 1: Are there positive emotions in project failure?

Based on both the results of this thesis and on the observed patterns in the level of frequency in which they refer to a certain type of positive emotion, corporate entrepreneurs reported mainly three types of positive emotions that they have experienced in relation with project failure, namely relief, challenge, and confidence.

Relief

Corporate entrepreneurs mentioned that they felt relief when the actual failure of a project has occurred (Brundin, 2002), which is in line with the findings by Jenkins, Brundin and Wiklund (2010) and shows that this emotion could also be responsible for the emotional recovery of corporate entrepreneurs after project failure, not only for entrepreneurs after business failure (Jenkins, et al., 2010). Although according to Jenkins, et al., (2010) relief is not the flipside of the negative emotion grief, which is usually felt in project failure (Shepherd, et al., 2009b). This means that relief could play a rather different role in the recovery process after project failure.

Usually, two main reasons were mentioned for experiencing relief. Firstly, corporate entrepreneurs knew from the beginning of the project that it would fail because its goal was to develop a completely novel technology, process or product and the risk for failure was higher, so they have already experienced anticipatory grief (Shepherd, et al., 2009a). For example, one of them said:

“We (the project team) knew that we could not do better in this project because the technology was so new that the expectations were not so high.”
Secondly, some corporate entrepreneurs experienced relief after a project failure because they did not consider themselves emotionally tied to the project (Pierce and Rodgers, 2004) and it did not satisfy their needs for competence, relatedness and autonomy (Shepherd & Cardon, 2009). For example, one of them admitted that some projects are not so attractive:

“There are some boring projects.”

This is in line with Shepherd and Kuratko (2009), who state that not all project failures generate grief and this depends on the sustained emotional “investments” (Jacobs, Mazure, & Prigerson, 2000) made by individuals in the failed projects. However, we found that these failed projects for which corporate entrepreneurs have not made substantial emotional “investments” could generate relief. In addition, corporate entrepreneurs also reported that when they think about the failure of their projects now, which means after the actual failure has occurred due to the fact that we studied their emotions retrospectively, they still feel relieved about these failed projects. This means that relief might have a role also after project failure.

Self-confidence

Corporate entrepreneurs in our study also reported that they felt more self-confident after project failure which is in line with Hayward, et al., (2010) who argue that feelings of confidence after failure could reduce the extent to which entrepreneurs are likely to perceive the failure as stressful experience. Moreover, confidence is a long-term cognitive emotion (Brundin & Nordqvist, 2008) that could be triggered after a stressful event like project failure and is based on the reflexive evaluation of this event by corporate entrepreneurs (Lazarus, 1991). Therefore, project failure could have a positive long-term effect on corporate entrepreneurs because it makes them to believe in themselves after the failure (Brundin, 2002).

Challenge

Interestingly, corporate entrepreneurs who reported that they felt more self-confident after project failure also stated that they felt this failure as a challenge. As defined in the frame of reference challenge implies readiness to act (Brundin & Gustafsson, 2013) and a desire
for doing something difficult (Brundin 2002). For example, challenge was expressed by one of the corporate entrepreneurs in this way:

“You want a second chance.”

The tendency that challenge was appraised by the same people who said that they felt more self-confident after project failure is in line with Skinner and Brewer, (2002) who argue that challenge indicates confidence to overcome hardship by making considerable amounts of effort. On the other hand, corporate entrepreneurs who did not mention that they felt more self-confident due to project failure were also not showing that they felt challenged by these failures.

In addition, the appraised challenge by corporate entrepreneurs after project failure provides evidence for the assertion made by Jenkins, et al., (2014) that challenge appraisals might be relevant after failure. We also have to point out that challenge was appraised also as an emotion which was experienced during the actual failure of a project due to the fact that some corporate entrepreneurs felt challenged either by other interesting for them projects in which they could be involved (Shepherd, et al., 2013b) or by the failed projects themselves.

5.1.1 Exceptions

Furthermore, some of the respondents reported three other positive emotions that they have experienced in project failure, namely satisfaction, hope and pride. Each of these emotions were reported by one respondent, hence we perceived them as exceptions because they could be experienced due to project-specific circumstances or a particular reason.

However, it is interesting to be noted that these positive emotions could be an output of a particular entrepreneurial process, namely entrepreneurial project because they might be used by corporate entrepreneurs as ‘amplifiers’ to start new entrepreneurial initiatives within the organization in future (Hayward, et al., 2010).

Another exception that we found quite interesting is that one respondent pointed out that the completion of some successful entrepreneurial projects could generate negative emotions such as depression and sadness due to the fact that working in such projects could be very beneficial for the individual in terms of competence, relatedness and autonomy (Shepherd & Cardon, 2009). The respondent said:
“Since a project has a clear ending and if it has been very positive and fun to work in that project you can actually get a little bit depressed when it is over.”

On the other hand, the same respondent noted that failed projects could generate both negative and positive emotional reactions at the same time:

“You can be both sad and happy with unsuccessful projects as well.”

This shows that project failure could generate both negative and positive emotional reactions simultaneously which is in line with a recent study by Shepherd, et al., (2013b) but contradicts with other studies (for example Shepherd & Cardon, 2009, Shepherd & Kuratko, 2009, Shepherd, et al., 2009b, Shepherd, et al., 2011) that recognize only negative emotions as a possible outcome of project failure.

5.2 Answer to the Research Question 2: What is the role of positive emotions in project failure?

Relief

Corporate entrepreneurs who mentioned that they felt relieved about failed projects in the past argued that the reason for this positive feeling that they had was because they had learned from failure and being relieved had helped them to do that. This shows that not only the experienced grief after failure could have an impact on learning (Shepherd, 2003) but also relief could play a certain role in this process. For example, one of the respondents said:

“That is the good thing by doing things and doing mistakes. If you don’t do anything, you would not learn anything because then you don’t do mistakes and I think you can learn a lot from the mistakes you are doing. You need distance from your feelings because you can look at them in an objective way.”

This means that after the failure of a project, relief could facilitate learning for corporate entrepreneurs because it allows them to look at their mistakes in a more objective way and to analyze this information more clearly (consistent with Fredrickson, 2001). This is also in line with Shepherd, et al., (2011) who propose that time after project failure has a determining role for learning from this event because the level of experienced relief after a certain time has passed could have also a role in learning from failure. In addition, learning
from failure could make corporate entrepreneurs to feel more self-confident in subsequent projects, which might indicate that relief has an indirect effect on confidence.

Confidence

As discussed in the section above, project failure could have a positive long-term effect in enhancing corporate entrepreneurs’ confidence and in turn this positive emotion might be an underlying mechanism by which they are able to bounce back from project failure (Ong et al., 2006). For example, one respondent said:

“Even though, this was not an entire successful project, I would say that I actually feel more self-confident because I have valuable experience and we were actually very close to do something unique.”

This means that the higher self-confidence which corporate entrepreneurs reported after project failure could also enhance their resilience and by extension their psychological capital (Luthans et al., 2006). This is also in line with Hayward, Shepherd, & Griffin, (2006) who state that confidence may decrease the emotional costs of failure even if it increases the likelihood of failure in future. In fact, the reported higher confidence after project failure could also lead to increased willingness to act more entrepreneurially (Brundin, et al., 2008) and to heightened perceptions of future success in subsequent projects (George, 2000). In fact, experienced confidence due to project failure indicates that failure could generate higher emotional energy and in turn this could help corporate entrepreneurs in other projects and develop them as leaders (Brundin & Nordqvist, 2008). For example, one of them explained it:

“Obviously, you mature more as a manager and leader.”

In addition, the reported self-confidence by corporate entrepreneurs as mentioned in the section above could be a mechanism, which produces other positive emotions (Hayward, et al., 2010) after project failure like for example challenge that was also reported by the same respondents who felt more self-confident. Therefore, confidence that is generated due to project failure might play a very important role in producing other positive emotions
after the failure. Besides, experienced confidence in project failure is also a positive emotion that could be used as an emotional reserve by corporate entrepreneurs when another project fails (Fredrickson, 2001). Moreover, based on our empirical findings we found that actually project failure generates confidence, which indicates optimistic expectations for the future success of other entrepreneurial projects or even for the same failed projects. These finding are in line with Fredrickson (2001) who argues that positive emotions like confidence have a certain role to make individuals persevere with a course of action.

However, confidence has also a flipside because it could lead to overconfidence and this might hinder learning from project failure (Luthans, Vogelgesang, & Lester, 2006). In fact, this could be more likely in project failure because we found that corporate entrepreneurs tend to attribute more the failure of a project to external factors that are related to overconfidence.

**Challenge**

Challenge as an experienced emotion by corporate entrepreneurs was reported mainly because of two reasons:

First, the failed projects were very interesting and provided opportunity for corporate entrepreneurs to work with novel technologies, products or processes and this has triggered the feeling of challenge either when the failure occurred or after that. This also means that corporate entrepreneurs became emotionally attached to these projects (Pierce and Rodgers, 2004) which offered them the opportunity to work with new innovations and they felt the failure of the project as personal failure (Jenkins, et al., 2014), although usually this was not the case. As one respondent noted:

“You get a little bit emotionally attached to a project.”

This emotional bonding to the failed project or the innovation behind it might be so strong that it could lead to the emotion of challenge as corporate entrepreneurs feel that they can transform failure of a project into future success. This is in line with Ucbasaran, Wright, Westhead, and Busenitz (2003) who suggest that failure could make entrepreneurs and by extension corporate entrepreneurs to display learned optimism (Seligman, 2006) and to see
the cause of a problem as being transitory and narrow in its effects. Consequently, optimistic individuals are more likely to treat adversity as a challenge, transform problems into opportunities and persist (Seligman, 2006). As one respondent pointed out:

“Not because you have failed in a project does not mean that there is no solution in the future.”

This is in line with Jenkins, et al., (2014) who argue that challenge appraisals are anticipatory in nature and concerned with the potential for perceived possible gain in future (also consistent with Henry, 2004; Lazarus, 1991). In addition, our empirical findings showed that the same individuals who reported to feel more challenged due to project failure at the same time felt more confident which underlines the importance of confidence as a moderator of other positive emotions that could be used for achieving desirable success in future. Therefore, the role of challenge in project failure could be that it makes individuals more ambitious to pursue their goals which in turn might help them to develop their optimism and by extension their psychological capital.

Second, some of the corporate entrepreneurs who reported to feel challenged either when the project failed or after that also mentioned that they felt this particular emotion due to the fact that they could learn from the failure. As one respondent stated:

“Let’s try to find a solution, try to learn from your failures.”

This is also in line with Jenkins, et al., (2014) who discuss that challenge appraisals could be related to a mastery learning goal orientation and for identifying individuals who view failure as a possibility to learn. Therefore, the second role of challenge could be that it facilitates learning from failure.

5.2.1 Exceptions

Additionally, some of the respondents reported other three positive emotions, which they have experienced either before or after project failure. These positive emotions were hope, satisfaction and proud.
Hope

Hope is an emotion that could be linked to psychological capital as one of its elements (Luthans, et al., 2004). Respondents reported that they felt hope either before or after the failure of a project. Experienced hope before the failure of a project could be explained with the fact that corporate entrepreneurs might feel strong emotional attachment to the failing project and they still have hopes to change the eventual outcome of the project (Shepherd, et al., 2009a; Brundin, 2002). This also means that they have developed their psychological capital before this failure in other failures which they have experienced (Jenkins, et al., 2014). They might also experience this emotion before project failure due to the fact that it could mitigate the emotional costs of the failure (Shepherd, et al., 2009a). Experienced hope after the failure of a project could be explained also with the fact that corporate entrepreneurs have developed their psychological capital in other situations when they have experienced the re-start of a failed project. As one respondent reported:

“I feel a little bit positive if there is a possibility to restart the failed project.”

Therefore, experiencing hope shows that corporate entrepreneurs have developed their psychological capital and they could bounce back from adversity (Luthans et al., 2006).

Satisfaction

Satisfaction was reported by one corporate entrepreneur who was satisfied with what he or she has learned from the failed project (Brundin, 2002). This respondent said:

“Actually, I feel satisfied with what I have learned from this failed project.”

The role of this particular emotion after project failure could be that it generates higher emotional energy (Brundin & Nordqvist, 2008), triggers positive mood that in turn could enhance creativity (Isen et al., 1987) and facilitate decision-making in subsequent projects (Brundin & Nordqvist, 2008). Therefore, the role of satisfaction after project failure could be to facilitate the performance of corporate entrepreneurs in subsequent projects (Fredrickson, 2001).
Pride

Pride was reported by one respondent who was involved in a project, which was intended to produce a groundbreaking innovation that could change the status quo and even though it did not succeed the participation in such a project made the corporate entrepreneur to feel pride (Brundin, 2002). The respondent described this feeling as pride:

“And that feeling is of course a very good feeling because you almost have changed the status quo.”

Perhaps the role of this experienced emotion after project failure could be to heighten the motivation and to broaden corporate entrepreneurs’ thought-action repertoire in subsequent projects (Fredrickson and Branigan, 2005).

5.3 Answer to the Research Question 3: Are there different positive emotions experienced by corporate entrepreneurs based on their perceptions of internal and external causes of project failure?

Based on the results, we found that corporate entrepreneurs tended to attribute more the causes of failure to reasons, which are external to them. This is in line with Bradley, (1978) and Kelley and Michela, (1980) who state that individuals generally attribute success to internal factors (internal attribution) as they like to take personal credit for their successes and attribute failures to external factors (external attribution) in an attempt to save face or in other words due to self-serving bias. However, this finding shows that corporate entrepreneurs in comparison with entrepreneurs, who tend to attribute the causes of failure to internal to them reasons (Gaskill et al., 1993; Zacharakis, Meyer, & DeCastro, 1999; Rogoff, Lee, & Suh, 2004), are different when attributing the causes of project failure. In fact, two of the respondents were entrepreneurs and they attributed the causes of project failure due to their own mistakes. For example one of them commented:

“The moment you start blame people, the moment you will lose them.”

We studied the experienced positive emotions in project failure when the causes of this failure were either internal or external due to the fact that the perceived causes of failure could have an influence on emotions (Jenkins, 2012). Moreover, project failure could occur due to both internal and external causes. We found that self-confidence and challenge were
experienced in almost the same frequency in both causes of project failure and only relief was experienced more when the causes of project failure were external.

**Relief**

As mentioned above the only positive emotion which was experienced differently based on the perceived causes of project failure by corporate entrepreneurs was relief. Relief was mentioned more frequently when the causes of project failure were perceived by corporate entrepreneurs as external. As one respondent noted:

“I didn’t feel sad because it was not a strong feeling, it was personal feeling. In the working level you learn how to manage and mature in the situations, as well it was an external reason, so I just have to accept it.”

This is in line with Bradley, (1978), Kelley and Michela, (1980) who state that individuals generally attribute success to internal factors (internal attribution) as they like to take personal credit for their successes and attribute failures to external factors (external attribution) in an attempt to save face and obviously relief plays an important role in this. However, this feeling of relief when experienced due to external causes of failure might lead to less learning from project failure. Corporate entrepreneurs reported also that after certain time has passed from the project failure they still felt relief which could also play a certain role in changing their attribution of the causes of failure from external to internal and eventually in learning from it.

On the other hand, corporate entrepreneurs reported to feel relief less frequently when the causes of project failure were perceived as internal which was due to the fact mentioned above that corporate entrepreneurs tended to attribute project failure more to external factors. In addition, corporate entrepreneurs reported to feel more personally responsible for the failure of the project when the cause was perceived as internal and in turn this might lead to experiencing more negative emotions, which have prevailed than the positive. However, relief was reported to be experienced more frequently after some time has passed from the failure of a project when the causes were perceived as internal which means that it could play an important role in making sense of the failure.
**Self-Confidence**

Our results also showed that there was almost no difference between the frequency of experienced confidence in both internal and external causes of failure. The only explanation is that corporate entrepreneurs reported to be more confident because they have developed resilience in the multiple project failures which they have experienced (Jenkins, et al., 2014).

**Challenge**

The experience of self-confidence and challenge in both causes of project failure is not surprising because as mentioned above these two emotions are interrelated and could be experienced simultaneously. On the other hand, it is surprising that challenge is experienced in almost the same frequency by corporate entrepreneurs in both internal and external causes of project failure because a project that is perceived to have failed only due to internal reasons could lead to experiencing a stronger feeling of challenge. This feeling of challenge could be stronger as corporate entrepreneurs might perceive the project failure as personal because it has led to a loss of self-esteem (Jenkins, et al., 2014). In addition, this sense of personal failure could be enhanced by the emotional attachment (Pierce and Rodgers, 2004) of corporate entrepreneurs to the failed project. As one respondent described it in a lively manner:

“This is my baby. I have to take care of it.”

In fact, we found that the experienced challenge is not only based on whether the cause of project failure is perceived as internal or external by corporate entrepreneurs and the level of their confidence but is also rather dependent on the new technology, process or product that is behind the failed project or behind other projects which is in line with recent study by Shepherd, et al., (2013b). As one respondent described it:

“*More innovative projects for creating something new and that require more creativity are more attractive for me.*”

Therefore, the experienced challenge by corporate entrepreneurs in project failure is not only based on the perceived causes of failure whether they are internal or external but also on other factors. In a sense, this means that these other factors could be also determining for experiencing challenge in project failure rather than only the perceptions of emotional attachment and personal failure.
However, one respondent stated that he or she felt more challenged to work with subsequent projects after project failure but at the same time if there was an opportunity to be involved in a failed project in which the failure was personal he or she would not do it:

“If the failure is personal in the failed project I will not be willing to go back and work with the same project.”

Experiencing both challenge to work with other projects and reluctance to work with failed projects in which the failure is personal might be due to the fact that the level of lost self-esteem in the failure is too high.

5.4 Answer to the Research Question 4: How do positive emotions experienced by corporate entrepreneurs in relation to project failure affect their decision-making and motivation in subsequent projects?

5.4.1 Positive Emotions and Motivation
Based on the results of this thesis and the patterns observed regarding the positive emotions after project failure, it has been confirmed that indeed positive emotions play a role in the motivation and decision-making of corporate entrepreneurs in subsequent projects.

“Challenge” is the positive emotion that affected the most corporate entrepreneurs’ motivation in subsequent projects after project failure. This confirms what Gaulin et al. (2003) state about the emotions and that they are often a positive or a negative driving force behind motivation, which in this case is in a positive way. Even that answers were given regarding to the attribution of external and internal causes of project failure, the researchers of this study could observe a pattern on how the motivation was affected by this specific positive emotion. Nevertheless, it was noticed that when corporate entrepreneurs attributed project failure to internal causes, where vignettes were used as a supporting tool because interviewees attributed most of the cases to external causes of failure (Kelley & Michela, 1980), the most common answers regarding the “challenge” as a positive emotion were higher than when the project failure was attributed to an external cause. This means that corporate entrepreneurs experienced more challenge when their self-esteem was triggered by the situation, because failure could challenge their identity, leading to a loss of self-esteem, feelings of grief, and reduced well-being (Shepherd & Haynie, 2011; Singh et al., 2007). Besides, people are motivated to maintain a positive evaluation of themselves (Brewer &
Hewstone, 2004). Corporate Entrepreneurs experienced the need to prove that they were capable to solve things in a better way and that they were able to do things much better than in past projects, as they described this situation in some cases as “revenge”. Thus, in this case corporate entrepreneurs’ motivation was more affected in a positive way in subsequent projects.

Even when the causes of failure were external this need to maintain a positive evaluation of themselves (Brewer & Hewstone, 2004) was still present because they knew that they had gained skills. As well they were willing to start a new project and to prove what they have learned. In some cases, they felt motivated to find new ambitious projects where they could try to create new innovations and to explore new areas.

Hall & Nougain (1968) suggest that according to the successful or less successful achievements done by managers, their needs of satisfaction and esteem would perform in a different ways, and the authors of this thesis agree with that fact. Therefore, it should be considered that the context in which corporate entrepreneurs’ needs of satisfaction and self-esteem were achieved in this study was project failure.

Corporate entrepreneurs’ motivation could be affected also by feeling the positive emotion “challenge” based on their involvement in subsequent projects, because besides that they were willing to prove that they were capable to do things in a better manner, as it was mentioned before, the type of projects where they could be involved in future could change their level of motivation. Since they have the need to fulfill “esteem need” (Maslow, 1943) and their need for achievement (Murray, 1938), it is logical then to recognize the fact that their motivation might increase more if they are involved in more entrepreneurial projects where their creativity could be required in a higher level and where they could feel more attracted to the projects. An interviewee confirmed this fact by saying that:

“If the next project is interesting, my motivation will increase while if the next project is not so interesting, my motivation will decrease even further after the failed project.”
5.4.2 Exceptions: Positive Emotions and Motivation

Regarding to the exceptions that we have found in relation with the effect of positive emotions on the motivation of corporate entrepreneurs according to internal and external causes of failure, the researchers have found that motivation allows them to perform in a good way in subsequent projects but in their personal life and in their day-to-day tasks at work they could feel affected. This means that their motivation is still determinant of the achievement of goal behaviour (Kaufman 1990.), but at the same time we assume that some emotions after failure could act as a negative driving force behind their motivation (Gaulin et al.2003) in their personal lives and day-to-day tasks at work. In addition to this exception we found another exception in which one person expressed that he/she was not motivated if he/she was involved in a subsequent project, because it was better to wait until he/she felt recovered. The last exception referred in the way in which they appreciated the failure, that in this case was expressed as a normal part of life and that actually it was needed to “boost” people's motivation. Other exception was that one respondent expressed a lack of motivation to restart the same project in the future, which was very contradictory with what we found in other respondents where they felt challenge to “fight” for their projects.

5.4.3 Positive Emotions and Decision-Making

On the other hand, it has been observed that the positive emotion “self-confidence” could affect corporate entrepreneurs’ decision making in subsequent projects. They mentioned that failed projects did not affect in a negative way their decision-making. For example, one corporate entrepreneur said:

“I take decisions with greater confidence and much more strength.”

They noticed that over the time, as project managers or leaders, they mature more and more. They were able to look back and to see what they have done wrong in the past to prevent failing again or in other words to reach success. They mentioned as well that they became stricter with whom they work and when to take their decisions. For example one corporate entrepreneur mentioned:

“Next time when you know the consequences to take wrong decision you can demand more things with more security.”
Another observation regarding the effect of self-confidence in corporate entrepreneurs’ decision-making was that they were able to make better decisions based on the patterns that they recognized in project failure. These positive effects in their decision-making were experienced after project failure due to the fact that corporate entrepreneurs had overcome and learned from their previous experiences, which contributed to determine future choices (Minniti and Bygrave 2001). This is what an interviewee mentioned:

“When you fail and succeed your scenarios become more robust and then you are able to take better decisions. I feel more experienced, confident and persistent after the failed projects when taking decisions in other projects.”

Consequently, it is considered an adequate behaviour to base decisions on this positive emotion that could be experienced after project failure in subsequent projects (Brundin & Gustafsson, 2013).

5.4.4 Exceptions: Positive Emotions and Decision-Making

Some exceptions that were perceived by the interviewers regarding the effect of self-confidence in decision-making for subsequent projects and in relation with the internal causes of project failure were that corporate entrepreneurs could take better decisions in future projects but not in subsequent projects. We assume that this refers to the restoration orientation when it is less emotionally taxing but involves suppression that can adversely affect long-term recovery from the failure (Ucbasaran, et al., 2013). Another exception was that one of the respondents shared an experience that his/her overconfidence might cause complacency and could lead to wrong decisions in future (Fredrickson, et. al., 2010). The last exception referred to the positive or negative impact on decision-making, which might be dependent on the level of knowledge that a person could have from the mistakes that he/she has done in the failed project.
6  Conclusion

The interpretation of the empirical data in this thesis contributes to the existing field of knowledge by providing some findings for corporate entrepreneurs to consider the role of positive emotions that they might experience in a project failure and the effect that these positive emotions have on their motivation and decision-making in subsequent project involvement.

6.1 Positive emotions in project failure and their impact on corporate entrepreneurs’ decision-making and motivation.

The study evolved around corporate entrepreneurs who were involved in entrepreneurial projects in multinational companies, which operate in a complex, dynamic, and highly competitive business environment, as this implies that project failure is something common in such a setting. Moreover, within this type of companies corporate entrepreneurs were able to be involved in the development of different entrepreneurial projects. According to their working experience and the type of projects, some of these corporate entrepreneurs were involved in 6-200 projects, but regardless of the number of project failures experienced by them, the outcomes that were observed in relation with the experienced positive emotions in project failure were almost the same. This means that, no matter how many times corporate entrepreneurs were involved in failed projects, the positive emotions experienced under that context were basically the same. As this study showed, the most experienced positive emotions labeled by the corporate entrepreneurs were relief, challenge and self-confidence and some other positive emotions that were classified as exceptions such as satisfaction, hope and pride. These positive emotions were classified in this way due to the patterns observed regarding the attributions of internal and external causes of project failure. This means that even if they were attributed to internal or external causes, their frequency was quite similar. However, these emotions in project failure varied in a certain way based on the time (before, during and after the failure), in which they were experienced.

As it was expected and according to the attribution theory, project failure was usually attributed by corporate entrepreneurs to relatively external causes and success was usually attributed to relatively internal causes which is in line with Kelley & Michela, (1980) and
this pattern was observed during the empirical data collection, where most of the interviewees attributed in first place the project failure to external factors such as poor market conditions, lack of technical capabilities and change in the strategic directions of their companies. This finding indicated also the important role of relief in project failure when the causes of that failure were attributed to external factors. However, there were some interviewees that were able to attribute the causes of failure in the first place to internal causes such as wrong decision-making in the failed projects. Nevertheless, it is relevant to be highlighted that it is not a coincidence that some of the interviewees are involved in companies that have a culture towards failure, which has affected in some ways their perceptions of failure. During the interviews these corporate entrepreneurs were confident to talk about their mistakes and the wrong decisions that they have taken in the failed projects, which was very different than the assertion made by Weiner et al. (1972) that the heightened affective reaction for failure is shame.

In addition, based on the empirical data it was observed that the most common positive emotion which could affect corporate entrepreneurs’ decision-making was “self-confidence” and this emotion was experienced due to the fact that learning from project failure has occurred. In turn, the findings also showed that learning from failure could be facilitated by another positive emotion, which was felt by corporate entrepreneurs due to project failure, namely relief. In general, corporate entrepreneurs said that feeling more self-confident has allowed them to take better decisions in subsequent projects and this pattern was quite similar even if it was attributed to external or internal causes of project failure. Being more self-confident allowed them to become stricter with whom they work and how to take their decisions in subsequent projects, in other words they have their eyes more opened. This means that they could make better decisions in subsequent projects because they felt more confident in recognizing patterns of failure based on the failed projects in which they were involved, thus they were able to prevent failure in the future.

Therefore, corporate entrepreneurs’ decision-making was based on the gained knowledge that previous failures provided them as well as successes (Rerup, 2005; Minniti and Bygrave 2001) and the self-confidence that they have gained was due to a learning process in the failed project that enabled them to take better decisions. Hence, as it was observed by Brundin & Gustafsson (2013), emotions indeed play a role for corporate entrepreneurs in decision-making.
Based on our results, we also observed a pattern that showed a possible relation between confidence and challenge because the same corporate entrepreneurs who reported to feel more self-confident after project failure also expressed to be challenged to restart the failed projects in which they were involved. It was also observed that “challenge” is the most common positive emotion, which affects corporate entrepreneurs’ motivation in subsequent projects.

Furthermore, when the causes of failure were attributed to internal reasons, corporate entrepreneurs had a higher need to prove that they were capable to solve things in a better way and that they were able to do things much better than in the past projects which was described by them as a feeling of “revenge”. However, when the causes of failure were external, this need to maintain a positive evaluation of themselves (Brewer & Hewstone 2004) was still present in them because they knew that they had gained skills, were willing to prove that and were motivated to find new ambitious projects where they can try to create new innovations that could be perceived as more attractive for them. Therefore, the experienced challenge by corporate entrepreneurs in project failure is not only based on the perceived causes of failure whether they are internal or external but also on other factors.

Based on the conclusions above, we offer a model (as shown below), which shows the three positive emotions that were found to be experienced in project failure, namely relief, confidence and challenge and their impact on corporate entrepreneurs’ decision-making and motivation in subsequent projects.
Model 6.1 Role of positive emotions in project failure and their effect on corporate entrepreneurs’ decision-making and motivation.

6.2 Contributions

This part highlights how the findings summarized above contribute on one hand to the existing theory and literature in this field of study, and on the other hand in a broader, more practical perspective.

6.2.1 To the Theory and Literature

Based on our empirical results and analyses we have made several contributions to the existing theory of entrepreneurship and entrepreneurial failure.
First, we contribute to the existing theory of entrepreneurship by founding that various positive emotions could be generated as an output from a particular phase of the entrepreneurial process namely, project failure, which is based on a suggestion for future research by Shepherd, Wiklund and Haynie (2007).

Second, we contribute to the existing theory of entrepreneurial failure by confirming the possibility that challenge could be an experienced emotion after project failure, which is based on a suggestion by Jenkins, et al., (2014).

Third, we suggest that corporate entrepreneurs could experience positive emotions after multiple project failures because we have studied individuals who have experienced more than one failure (consistent with Ucbasaran, et al., 2013).

As a fourth contribution we confirm that confidence as a positive emotion experienced after project failure could affect corporate entrepreneurs’ decision-making in a way in which they take better decisions in subsequent projects (consistent with Brundin and Gustafson’s 2013).

Fifth, we contribute by suggesting that challenge as a positive emotion experienced in project failure could have an effect on corporate entrepreneurs´ motivation in subsequent projects due to the fact that it fulfills their own need for achievement (consistent with Murray, 1938).

Sixth, we confirm that challenge as an experienced positive emotion by corporate entrepreneurs could be dependent on their perceptions of how attractive are the innovations behind a project for them (Shepherd, et al., 2013b).

Seventh contribution we made is by suggesting that corporate entrepreneurs tend to attribute the causes of project failure to external factors (consistent with Kelley & Michela, 1980) which is contradictory with entrepreneurs’ who tend to attribute the causes of failure to internal factors (consistent with Gaskill et al., 1993; Zacharakis, Meyer, & DeCastro, 1999; Rogoff, Lee, & Suh, 2004).
6.2.2 To Practice and Non-academic World

Based on our research we recommend practitioners to consider the fact that project failure within the corporate environment could generate as an output not only negative but also positive emotions, which in turn can be used by managers to improve the decision-making and the motivation of their employees, who are involved in entrepreneurial projects.
7 Challenges, Limitations and Future research

7.1 Challenges

Emotions are a complex topic to study and as we have seen from this thesis it can bring a number of challenges. One of the challenges we faced while conducting the research on emotions for this thesis was that there were a few cases in which people found difficult to accept that they were able to fail because of their ego and even with the use of vignettes it was difficult to put them in a situation in which the failure has occurred due to their own mistakes. Another challenge was that it was difficult to talk with people about their emotions and to evaluate after the interviews exactly what emotions they have experienced. In addition, we tried to evaluate the type of emotions that they have experienced based not only on their answers in the interviews but also on their body language which itself was a challenge for us because different interviewees reacted differently to the asked questions and showed various gestures. However, interpreting corporate entrepreneurs’ body gestures provided us with the opportunity to understand whether employees really felt comfortable to talk about this and even whether their non-verbal reactions contradicted or confirmed what they said which in turn helped us with the interpretation of the results from the recorded interviews.

In some other cases people were so talkative in the way they expressed their emotions and it was difficult to follow the structure of the interview, as well they turned the situation around which means that there was always a need to be flexible and adaptable. On the other hand, there were some cases in which people were not so talkative and we had to encourage them to share more information with us, but this does not mean that we forced them to say something they did not want to say. It was also quite challenging for us to talk about emotions with different people, because we had to find the best ways to adapt to each individual personality and mentality.

It was also a challenge for us that some interviewees refused to participate in the research because of the sensitivity of the topic and some others did not complied with the criteria that have been described in the method section. For this reason it was a challenge to find interviewees for our study. In addition, due to the fact that we have conducted some interviews in English which is different from our and interviewees’ mother tongue, it was a
challenge for us to avoid possible misunderstandings that have occurred during the inter-
views.

7.2 Limitations

This study acknowledges certain limitations that must be considered when interpreting the results. First, this research was done using self-reporting interviews (Kvale & Brinkmann, 2009), which implies possible biases and gives only a single perspective on the experienced emotions by corporate entrepreneurs (e.g. Jenkins, et al., 2010, Brundin, et al., 2008, Jenkins, et al., 2014). For example, while we tried to avoid possible self-serving bias by using vignettes this bias might still have occurred due to the fact that we studied individuals’ emotional responses in a stressful situation like project failure (Lazarus and Smith, 1988). Therefore, overstatement of the experienced positive emotions by corporate entrepreneurs might be possible due to self-protective ego (Bradley, 1978, Weiner, 1986, Zacharakis and Meyer, 1998). Also, a possible limitation is that we studied the experienced positive emotions by corporate entrepreneurs in project failure retrospectively which might lead to retrospective bias (Fiske and Taylor, 1991). In addition, the fact that we used vignettes could lead to a limitation because asking respondents how they would feel in a specific situation is likely to elicit intellectual responses based on abstract knowledge rather than on the personal meaning of the experience (Lazarus and Smith, 1988).

Another limitation is that we did not consider the effect of the experienced negative emotions by corporate entrepreneurs in project failure. Moreover, we studied the effect of only three positive emotions in project failure in a corporate context, however other positive emotions could have also an effect in this or another setting. A limitation is also time since we were not able to interview more corporate entrepreneurs for a longer period. In addition, our respondents were from only 14 companies, which mean that our results cannot be generalized to all organizations because the organizational culture might have also an impact on the experienced emotions in project failure.

Furthermore, we conducted 8 interviews through phone, video and audio conferences, which could be considered as a limitation when studying emotions due to the fact that it is more difficult to capture the facial expressions and body gesture of the respondents. Lastly,
using self-reporting interviews and vignettes’ questions could lead to possible interpretation issues since it is hard to interpret words, feelings, reactions and emotions of other people in a precisely the same way as they are brought forth by them.

7.3 Future research

As the results of this thesis showed, emotions can play an important role in the entrepreneurial process and more specifically positive emotions that might be experienced by corporate entrepreneurs in project failure could have an impact on their decision-making and motivation in subsequent projects. Therefore, we suggest future research to study the effect of mixed emotions after project failure and their impact on the decision-making and motivation of corporate entrepreneurs in subsequent projects.

With some information compiled in the additional findings, we suggest future research to evaluate the performance of corporate entrepreneurs after sharing the emotions experienced by them in a critical context such as project failure, to observe the positive emotions experienced from this process and the way in which they affect their working performance. In addition, future research could study how arenas for sharing emotions can be created inside organizations.

As it was previously observed in the additional findings, the culture significantly influences the emotional process (Fischbach, 2009), as well as the organizational environment in which people work affect their thoughts, feelings and actions in the workplace (Brief and Weiss, 2002). Therefore, we suggest for future research to investigated how do corporate entrepreneurs adapt their own culture to new international organizational cultures when they have experienced a critical situation such as project failure and how does the organizational culture and the mix of different national cultures contribute to their perceptions of project failure.

Furthermore, as Cardon, et al., (2012) suggest entrepreneurial emotion is a hot topic and we believe that it would be interesting if future research studies what is the role of positive emotions in failure experienced by individual entrepreneurs.
Lastly, we would like to finish our thesis with one quotation from one of the interviews which we believe captures the essence of our study and shows the important role that emotions play in people’s lives and in their entrepreneurial journey:

“The emotions I have experienced all my life have made me do what I do today.”
References


Appendices

Appendix 1: Interview Questions

- **General questions:**
  - Could you please briefly tell us about yourself?
  - For how long have you been working in the company?
  - Tell us more about your experience working there (e.g. previous positions)?
  - What is your current role, position, and responsibilities in the company?

- **Attributions of failure:**
  - In how many projects have you been involved?
  - In general, what is your experience with these project(s)?
  - How many of these projects were completed successfully (your perception that they were successful)?
  - How did you feel when a project was successfully completed?
  - Have you been involved in project(s) that were not successful/terminated?
  - How many?
  - Could you please tell us more about this/these project(s)?
  - What was your position or involvement in this/these project(s)?
  - For how long did you work on this/these project(s)?
  - At which stage was/were the project(s) terminated?
  - Can you give us some reasons why this project(s) was/were terminated/unsuccessful?
  - What was your reaction when you realized that the project(s) was/were unsuccessful/terminated?
  - How passionate were you for the project(s) to succeed? (e.g. devoted to the project)

- **Emotions-Positive/Negative Emotions**
  - How did you understand that the project would be terminated?
  - How did you feel (in terms of emotions) when you realized that the project(s) would be terminated? Can you please label your emotions? (if emotions are not mentioned, we give examples)
  - Can you describe how did you feel (in terms of emotions) when the project(s) was actually terminated?
  - How much time has passed from the termination of the project(s) until now?
- If you think about this/these terminated project(s) now, how do you feel (in terms of emotions) about it/them? Can you please label your emotions (if emotions are not mentioned, we give examples)
- If you think about this/these terminated project(s) now, do you feel something positive about it/them (in terms of emotions e.g. relief, self-confidence, challenge and what have you learned from that)?
  - If no: Why not?
  - How have these emotions that you label, affected your work in other, new project(s)? (try to specify how positive respectively negative emotions have had an effect) Give us an example?
- Did you share with someone else your feelings/emotions about this/these terminated/unsuccessful project(s)?
  - With whom (e.g. your boss, your colleagues, your friends, your family)?
- New projects – Emotions, Decision-making and Motivation
- Are you currently involved in some projects?
  - If yes: What is your current position in this/these project(s)?
    - To what extent you feel committed to the current project(s) in which you are involved?
      - If no: Why not?
- Do you think that your emotions have affected the way you take decisions in the current project(s) in which you are involved?
  - If yes: In what ways? In what specific areas? Did these emotions make you more afraid/hesitant or more confident/hopeful? Give us an example?
    - If no: Why not?
- Do you think that your previous emotions in projects that were terminated/unsuccessful have affected your motivation in the current project(s) in which you are involved?
  - If yes: In what sense? Give us an example? (try to specify how positive respectively negative emotions have had an effect)
    - If no: Why not?
- Are there any comments that you would like to add?
Appendix 2: Vignettes

**Vignette 1:** You are part of a team in your company that has been working for some time on a new project. Suddenly, your boss tells you that the project will be terminated soon without explaining why. You have the feeling that the reason for the termination is due to your own mistakes during the development of the project.

- How would you feel when your boss tells you that the project will be terminated?
- Can you label your emotions (e.g. grief, frustration, sadness, stress, relief, disappointment etc.)?

**Vignette 2:** Already the next day the project is officially terminated and you stop to work further with this project.

- How would you feel?
- Can you label your emotions (e.g. grief, frustration, sadness, stress, relief, disappointment etc.)?

**Vignette 3:** Since the termination of this project you have been involved in other projects. You still have not received feedback from your boss about the termination of the project that was terminated and you still think it was because of your mistakes. When you now and then think about this project.

- How would you feel?
- Can you label your emotions (e.g. grief, frustration, sadness, stress, relief, disappointment, etc.)?
- Do you consider having any positive emotions? (Challenged, motivated, self-confident, relief)
- How do you think your emotions would affect your work in other projects? Please try to specify how positive respectively negative emotions would have an effect?
- How would these emotions affect your decision-making?
- Do you think that these emotions would make you more afraid/hesitant or more confident/hopeful?
- How would these emotions affect your willingness to work in other projects? What impact would these emotions have on your performance?