The current research investigates the effectiveness of impression management strategies available to entrepreneurs to foster social legitimacy with stakeholders following venture failure. We use a conjoint experiment to examine how different attributions of causes of failure influence the general public’s legitimacy judgments. The most effective strategy proves to be the entrepreneurs distancing themselves from the failure, in that they attribute the failure to external factors that are not under the entrepreneurs’ volitional control, and brought about by circumstances that are unlikely to recur. Our analysis also considers how the audience members’ dispositional agreeableness and general self-efficacy influence judgment formation.

© 2017 The Authors. Published by Elsevier Inc. This is an open access article under the CC BY license (http://creativecommons.org/licenses/by/4.0/).
1. Introduction

Social stigmatization following venture failure can create substantial psychological, economic, and social costs for the entrepreneur (Cardon et al., 2011; Shepherd and Patzelt, 2015; Ucbasaran et al., 2013). Entrepreneurship scholars have increasingly investigated impression management strategies that enable entrepreneurs to create legitimate failure impressions as a means of mitigating the stigma of failure (Shepherd and Haynie, 2011; Singh et al., 2015). Impression management strategies reflect tactical self-presentations that aim to protect the individual’s current image or foster a new, desired image (Goffman, 1959; Kowalski and Leary, 1990; Sutton and Callahan, 1987). Successful impression management strategies create socially appropriate failure impressions that build a legitimate base for future career actions (Semadeni et al., 2008; Weisenfeld et al., 2008; Zimmerman and Zeitz, 2002), support emotional recovery (Byrne and Shepherd, 2015; Mantere et al., 2013), and facilitate learning from failure (Cope, 2011; Shepherd, 2003; Shepherd et al., 2011). The legitimacy gained and social stigma avoided through the successful application of impression management strategies can also boost the individual’s motivation and confidence to re-enter entrepreneurship (Simmons et al., 2014).

Goffman (1959) distinguishes between back-stage and front-stage impression management. Back-stage settings involve a limited target audience, such as are found in meetings with board members or employees (Elsbach, 2003; Gardner and Martinko, 1988), or when pitching business ideas to investors (Nagy et al., 2012; Parhankangas and Ehrlich, 2014). These settings offer entrepreneurs the opportunity to interact closely with their audience and to address how others evaluate venture failure (Bolino et al., 2008). In contrast, front-stage settings are characterized by a broad and diverse target audience including not only the failed venture’s stakeholders but also stakeholders with an important role in the entrepreneur’s future, such as potential employers, investors, and customers, who may as yet be unknown to the entrepreneur (Carter, 2006; Leary, 1994; Morrison and Bies, 1991). In such settings, opportunities for interaction are limited, and it is therefore important for entrepreneurs that the first public explanations of their venture failure create a favorable impression suitable for a diverse audience (Elsbach, 1994; Semadeni et al., 2008). Despite recent advances in impression management research in entrepreneurial contexts (e.g., Nagy et al., 2012; Parhankangas and Ehrlich, 2014; Shepherd and Haynie, 2011), we have limited knowledge of how entrepreneurs can present venture failure in a way that enhances their legitimacy with public audiences.

The present study addresses this gap by using a conjoint experiment to investigate how observers from among the general public judge the legitimacy of different impressions of entrepreneurial failure. Presenting a failure impression to the general public represents the challenge of garnering legitimacy judgments from a diverse population of stakeholders who are potentially important yet indefinable at the time. From an audience-centered perspective, evaluative legitimacy judgments of failure impressions represent a public sounding board to review the effectiveness of impression management (Elsbach, 1994; Lounsbury and Glynn, 2001; Morrison and Bies, 1991; Überbacher, 2014). The study was conducted with 601 participants from the German adult population. Following legitimacy judgment theory (Bitektine, 2011), the participants were asked to judge the social appropriateness of eight failure impression scenarios (Zimmerman and Zeitz, 2002), and two participant characteristics measured in a post-experiment survey were included as moderators of the conjoint experiment: agreeableness (interpersonal trait) (Graziano et al., 2007) and self-efficacy belief (personal trait) (Bandura, 2012). The failure impression scenarios varied in terms of three dominant attributions of failure derived from attribution theory (Heider, 1958; Weiner, 2000): whether the failure was caused by factors internal or external to the entrepreneur (the locus of causality); whether the factors leading to the failure were under the entrepreneur’s control or not (controllability); and whether the cause of failure could or could not happen again (stability).

Our work generates four contributions. First, we extend the legitimacy judgment theory (Bitektine, 2011; Bitektine and Haack, 2015) with attribution theory (Heider, 1958; Weiner, 2000) to not only explain how observers from the general public make evaluative legitimacy judgments but also what dominant attributions influence those judgments, be it positively or negatively. This framework allows us to explain the effectiveness of impression management strategies for the general public (Goffman, 1959; Morrison and Bies, 1991), by arguing which attributes of a failure impression lead to the evaluator judging a failure event “acceptable” or “normal” (Cardon et al., 2011: 80).
دریافت فوری متن کامل مقاله

امکان دانلود نسخه تمام متن مقالات انگلیسی
امکان دانلود نسخه ترجمه شده مقالات
پذیرش سفارش ترجمه تخصصی
امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
امکان دانلود رایگان ۲ صفحه اول هر مقاله
امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
دانلود فوری مقاله پس از پرداخت آنلاین
پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات