

An emerging challenge: the development of entrepreneurial resilience for independent self-employment

Victoria Evans and Tony Wall

Chester Business School
University of Chester
Chester UK

Research suggests that 9-13% (up to 71 million individuals) of the working age population in the United States and the EU-15 rely on independent work for their primary income (Manyika et al., 2016). Even more significantly, this appears to be a growing trend. In the UK, for example, the number of solo businesses with no employees increased by 77% between 2000 and 2016 (Deane, 2016). Moreover, this growth in the proportion of people who are self-employed in this way appears to be a long-term and continuing trend, rather than a cyclical phenomenon, driven by a number of factors including the emergence of online marketplaces and expectations of higher levels of autonomy in the experience of work (Manyika et al., 2016). However, these solo businesses often operate precariously, more vulnerable to changes in their environment than larger businesses. Furthermore, the self-employed independent operates in a distinctive context which presents inherent challenges: the need to fulfil diverse roles to serve a number of clients concurrently; the responsibility for all the decisions about the strategy and operation of the business; finding enough customers or work; and isolation due to a lack of work colleagues (Deane, 2016).

This begs the question: how do those who choose independent self-employment develop the resilience to manage its challenges? Entrepreneurship literature highlights the importance of entrepreneurial resilience but has not addressed the context of the self-employed independent. Moreover, this literature often employs a trait-based rather than process approach in the study of resilience and as a result, does not offer many resources to support the understanding of how to develop entrepreneurial resilience (Evans & Wall, 2019 forthcoming). Initial findings suggest the need to recognise that the cumulative development of entrepreneurial resilience is not a simple by-product of experience. It seems that resilience needs to be consciously developed by the individual themselves, involving the development of a capacity for resilient sense-making in relation to their personal ability to enact entrepreneurial processes and to respond resiliently to adverse circumstances.

This QIC therefore explores three questions: (1) How exactly do self-employed independents deploy their capacity for resilience in conditions of adversity? (2) how do they turn passing experiences into learning and resources so that the process of resilience encompasses the evolution of an individual's capacity for resilience over time? and (3) how can business schools prime the learning of entrepreneurial resilience processes to equip their learners for a future that is increasingly likely to include independent self-employment?

Reference List

- Deane, J. (2016). Self-Employment Review An independent report Self-Employment Review: An independent report. Retrieved from https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/529702/ind-16-2-self-employment-review.pdf
- Evans, V., & Wall, T. (2019 forthcoming) *Entrepreneurial resilience*, in Leal Filho, W. (ed) Encyclopaedia of the UN Sustainable Development Goals – Good Health & Wellbeing, Springer, Cham.
- Kossek, E. E., & Perrigino, M. B. (2016). Resilience: A Review Using a Grounded Integrated Occupational Approach. *Academy of Management Annals*, (April), 1–69.
- Manyika, J., Lund, S., Bughin, J., Robinson, K., Mischke, J. & Mahajan, D. (2016). *Independent work: choice, necessity and the gig economy*. McKinsey Global Institute.

Ungar, M. (2011). The social ecology of resilience: Addressing contextual and cultural ambiguity of a nascent construct. *American Journal of Orthopsychiatry*, 81(1), 1–17.