



**BRITISH ACADEMY
OF MANAGEMENT**

BAM
CONFERENCE

3RD-5TH SEPTEMBER

ASTON UNIVERSITY BIRMINGHAM UNITED KINGDOM

This paper is from the BAM2019 Conference Proceedings

About BAM

The British Academy of Management (BAM) is the leading authority on the academic field of management in the UK, supporting and representing the community of scholars and engaging with international peers.

<http://www.bam.ac.uk/>

Psychological Factors Influence SME Founders' Career and Life Satisfaction

Diep Nguyen

School of Business and Law, ECU, Australia

Email: diep.nguyen@ecu.edu.au

Stephen Teo

School of Business and Law, ECU, Australia

Email: s.teo@ecu.edu.au

Jenny Gibb

School of Management, Waikato University, New Zealand

Email: jennyg@waikato.ac.nz

Psychological Factors Influence SME Founders' Career and Life Satisfaction

Abstract

Well-being is of particular importance for business founders as they are known to suffer from stress associating with running their own businesses. Integrating self-determination theory and job crafting theory, this study contributes to the scant knowledge on hedonic well-being (such as career and life satisfaction) of small and medium-sized enterprise (SME) founders despite an increasing interest in examining antecedents of well-being in the area of entrepreneurship. Specifically, we provide new insights into the relationship between entrepreneurial passion on career and life satisfaction of SME founders through job crafting, work-life interference and work-life enhancement. Using structural equation modelling, the findings from the data of 404 SME founders in Vietnam show that those who exhibited a high level of entrepreneurial passion tended to be more satisfied with their career and lives. Passionate SME founders also exercised job crafting behaviours to reduce work-life interference and improve the balance between work and personal life. Job crafting behaviours assisted SME founders to be satisfied with their career and lives (i.e., hedonic well-being), while work-life interference led to reduce hedonic well-being.

Keywords: small and medium-sized enterprise, well-being, entrepreneurial passion, job crafting, work-life interference, work-life enhancement.

Psychological Factors Influence SME Founders' Career and Life Satisfaction

Introduction

There is increasing interest in understanding the determinants of entrepreneurial well-being, especially in small and medium-sized enterprises (SMEs) (e.g., Stephan 2018); and how these factors may lead to increased performance (e.g., Stephan & Roesler 2010). As a research sample, entrepreneurs (including business founders/owners) are an under-researched population in occupational health psychology (Stephan & Roesler 2010). Furthermore, more empirical studies examining this particular group are important to illuminate on the career outcomes of entrepreneurs.

There has been a recent call by prominent entrepreneurship scholars such as Wiklund and colleagues (2016) to understand entrepreneurial well-being. As highlighted in this call, most research on “well-being” has tended to be in psychological research (e.g., Deci & Ryan 2000) and has yet to receive much attention in entrepreneurship research. However, there is an upward trend in the number of published articles examining entrepreneurship and well-being (see Sánchez-García et al. 2018). Ryan and Deci (2001) distinguished well-being in terms of “eudaimonic” and “hedonic” well-being. Hedonic well-being, the focus of the present study, refers to the positive feelings of achieving pleasure and pain avoidance (Ryan & Deci 2001). Examples of hedonic well-being include career and life satisfaction (Ryan & Deci 2001).

Hedonic well-being is relevant to SMEs because business owners/founders tend to experience less well-being (or more stress) than paid employees (Cardon & Patel 2015; Patzelt & Shepherd 2011). It has been widely acknowledged that the business founders, as a group of individuals who have chosen the path of being “self-employed”, faced a lot of environmental uncertainty which could lead to high levels of stress and negative emotions, especially when their business are not performing (Patzelt & Shepherd 2011). Compare to managers, business founders and entrepreneurs also experienced higher job control and job demands and they tend to report greater subjective well-being (Stephan & Roesler 2010). More recently, there is a growing interest for scholars to focus on the well-being of SME founders (Holt & Powell 2015; Patzelt & Shepherd 2011) due to the prevalence of stress experienced by these business founders. Studies on the well-being of SME founders can therefore be examined using occupational psychology theories, such as the Job Demands-Resources (JD-R) theory (Demerouti et al. 2001) as entrepreneurship can be considered as an “occupation” (Gorgievski & Stephan 2016).

A challenge faced by entrepreneurs and SME founders is work-life balance (WLB). This has been widely acknowledged in the practitioner and academic literature (e.g., Shelton 2006; Murray 2018). SME founders have to spend time managing and growing their business as well as maintaining WLB in order to keep a positive state of hedonic well-being (i.e., career and life satisfaction). WLB is achieved when there are low levels of interference and high levels of enhancement (Fisher et al. 2009). Family to work conflict have previously been shown to negatively affect the career satisfaction (an example of hedonic well-being) of a group of entrepreneurs (Parasuraman et al. 1996).

“Passion” has been advocated to be an important reason for individuals to establish their own SME business in the practitioner literature. Despite this, there has not been many empirical studies to examine the passion of SME founders. Most studies focus on entrepreneurial passion (EP) as a form of autonomous internalization that guides an individual about how to renew and replenish resources as well as allowing for the flexibility to meet their work and non-work requirements (see Cardon et al. 2013). EP represents business founders' love of their “work” as it

provides an intensely long-lasting positive feeling of full energy, dedication and enthusiasm (Cardon et al. 2012). EP reflects entrepreneurs' intrinsic motivation for attitudes and behaviours towards work and life (Cardon et al. 2013). Self-determination theory (SDT, Deci & Ryan 2000) can be used to explain EP.

According to Deci and Ryan, SDT is an approach to self-motivation and self-identity specifically posits that people are likely to engage in various activities to satisfy their psychological needs of having a sense of autonomy, competence and relatedness. To reach satisfaction with these basic needs, people have a natural tendency to internalise environment and activity features with a strong inclination toward activities that they value to progress towards personal identity (Deci & Ryan 2000; Vallerand 2010). Therefore, we expect EP as a motivational factor would allow business founders to better align work-life balance complexities in order to enhance their career and life satisfaction (or hedonic well-being).

Cardon and her colleagues conceptualised EP to reflect the positive feelings associated with meaningful activities relevant to an entrepreneur's identity (Cardon et al. 2012). In the present study, we argue that EP enhances the utilization of a set self-initiated change behaviours (known as job crafting) to allow business founders to align their work with their own preferences, motives and passion (Tims et al. 2012; Wrzesniewski & Dutton 2001). A recent study by Rastogi and Chaudhary (2018) has shown that job crafting could be used as to impact positively on enriching the work-life balance of employees. Therefore, we expect job crafting to have a negative association with work-life interference (WLI) and positive association with work-life enrichment (WLE) of SME founders.

In summary, this study contributes to the scant research on EP and entrepreneurs' hedonic well-being (Sánchez-García et al. 2018; Stephan 2018) and how EP, together with the adoption of job crafting in balancing work-family domains in order to attain hedonic well-being. We also contribute to the SDT theory on career literature through the expansion of the empirical understanding of SMEs by focusing on the motivational mechanisms and linking them with the conceptualization of business ownership as "work". Lastly, we contribute to job crafting theory by exploring the adoption of job crafting behaviours by SME founders as this is an under-research area in Vietnam, despite the contribution of SMEs towards business and economic growth (CPA Australia 2016). Drawing from SDT and job crafting literature, this study therefore focuses on testing the proposed model demonstrated in Figure 1.

Insert Figure 1 about here

Literature review and hypothesis development

Entrepreneurial passion and hedonic well-being of SME founders

Following Cardon, Sudek and Mitteness (2009, p. 517), EP is defined as the "consciously accessible intense positive feelings experienced by engagement in entrepreneurial activities associated with roles that are meaningful and salient to the self-identity of the entrepreneur". EP has been shown to positively associate with innovation and creativity as a passionate business founder is likely to fulfil with motivation to work harder and be persistent to pursue the venture-related goals (Brännback, Carsrud, Elfving, & Krueger 2006). Others (Cardon et al. 2009; Cardon & Kirk 2015) argued that EP results in a high level of firm performance. Hence, EP could be a key driver for SME founders to maintain positive emotions to overcome difficulties, challenges and reduction of stress, derived from running a business (Cardon et al. 2012). A passionate business owner is likely to engage in specific behaviours to acquire available

resources, skills and competencies to achieve the goals of his/her business venture. The type of motivation that people have for their activities hence influence their performance and well-being (Deci et al. 2017).

Job crafting and hedonic well-being of SME founders

Given Job Demands-Resources (JD-R) theory, job demands refer to specific aspects of the job requiring individuals' physical and/or psychological efforts. Job resources refer to specific aspects of the job that enable the employee to achieve work goals, reduce job demands and the associated costs and stimulate personal development (Demerouti et al. 2001). Under the JD-R theory, strain is developed as a result of high job demands and low job resources (Demerouti et al. 2001). As explained by Demerouti (2014), individuals are motivated at work when they have access to high level of job resources in order to address the challenges from job demands. Prolonged exposure to high demands in combination with low levels of job resources may lead to negative health consequences such as burnout (Bakker et al. 2005; Schaufeli et al. 2009). On the other hand, some job demands (such as time pressure or workload) are likely to be associated with positive outcomes such as work engagement (Bakker et al. 2006). Job characteristics can be used to influence the motivation and health of employees (Tims & Bakker 2010; Petrou et al. 2012). When job demands are high, the possession of adequate job resources is able to buffer the negative effects of job demands and may result in higher work engagement (Hakanen & Roodt 2010).

Adopting JD-R theory, the conceptualization of job crafting by Tims and Bakker (2010) states that better work outcomes could be attained by changing one's job demands and job resources. In their conceptualization, Tims and her colleagues argued that the motivation for workers to willingly wanting to change their work environment (Demerouti 2014). Job crafting can take four forms of job demands and job resources: (1) increasing structural job resources, such as autonomy, variety and learning opportunities; (2) increasing social job resources, like social support, supervisory coaching and feedback; (3) increasing challenging job demands, such as proactive involvement in new projects and (4) decreasing hindering job demands by decreasing the number of emotional interactions or cognitive tasks (Tims et al. 2012). These four components have been found to have positive direct and indirect effects on outcomes such as work engagement and well-being (see Tims et al. 2012; Tims et al. 2013).

In the context of entrepreneurship, business founders who have a strong EP will drive efforts in motivating them to persist in the face of difficulties and challenges (Chen et al. 2009). A strong EP is crucial for business founders because it affects and determines the relevant actions and behaviours that help them to adapt to and cope with environmental challenges. For instance, passionate founders are likely to know how to acquire social connections with others by strategically positioning themselves in business networks to discover and exploit profitable opportunities (Sullivan & Marvel 2011). In other words, passionate SME founders tend to develop proactively and autonomously their capacities and task mastery. EP can therefore motivate SME founders to leverage their networks to gain scarce resources and collect valuable information and chances that are usually hard to obtain (Ho & Pollack 2014). EP can also determine the ability of an entrepreneur to get access to business members/partners to find relevant feedback from mentors and counterparts to listen to and discuss the individual's business issues. Thus, we contend that EP will be positively related to job crafting behaviours.

Hypothesis 1: EP is positively associated with job crafting behaviours.

Literature on SDT and passion has shown that passion is related to determination, energy and dedication to long working hours, high level of creativity and tenacity in the face of

obstacles. Passionate individuals know how to schedule their time spent doing work, thinking about work and time on physical leisure activities (Caudroit et al. 2011). Passionate individuals also know how to internalise autonomously their work so that they could have less experience of burnout and psychological distress symptoms and increase a high level of psychological well-being (Donahue et al. 2012; Forest et al. 2011). Passionate entrepreneurs are likely to have a positive state of mind such as enjoyment, excitement and elation because they feel that their ventures are meaningful and salient to their self-identity (Cardon et al. 2013). These positive states allow SME founders to face difficult situations and recover negative feelings by utilizing relaxation and control strategies. EP can help entrepreneurs regulate their attention and motivation to find solutions to satisfy their basic needs for autonomy, competence and relatedness and enhance the feelings of satisfaction with their performance in work and personal life (Cardon et al. 2009). A high degree of well-being is necessary for high performance (Lyubomirsky et al. 2005). This has led researchers such as Stephan and Roesler (2010) to argue that entrepreneurs must possess a positive state of mind in order to attain career and life satisfaction. We therefore hypothesise that

Hypothesis 2: EP is positively associated with career and life satisfaction.

The Role of Work-Life Balance in Hedonic Well-being of SME Founders

Maintaining WLB is an issue for most self-employed individuals and business founders (e.g., Shelton 2006). WLB is defined as a degree of career and life satisfaction with minimum and acceptable levels of role conflicts between work and non-work demands (Clark 2000). Key determinants of WLB include the acquisition and management of resources including time, degree of control environmental contingencies and personal competences (Clark 2000; Greenblatt 2002). As SME founders spend more time on their business, this resulted in work-life imbalance; which will lead to less life and career dissatisfaction (Parasuraman et al. 1996).

Hayman (2005) operationalised WLB in terms of WLI and WLE. WLI is understood as the face of difficulties emerged in simultaneous fulfilment and/or competition of demands from numerous and prominent roles. WLI hence results in the exhaustion of one's limited time- and energy-related resources. The consequences of WLI involve a decrease of psychological well-being and a low quality of life due to the competing roles (Vieira et al. 2018). WLE, on the other hand, refers to the extent to which experiences in one life role improves the quality of performance and experiences in another life role. WLE results in better physical and mental health, a high degree of family satisfaction, organizational commitment, job satisfaction and personal growth (e.g., McNall et al. 2010).

Hypothesis 3: EP is negatively associated with WLI.

Hypothesis 4: EP is positively associated with WLE.

In accordance with the JD-R theory, an important consequence of job design is work-life interaction as one's personal life can be influenced negatively and positively by work (Bakker & Geurts 2004). Studies (Bakker & Geurts 2004; Hakanen et al. 2011) found that job resources have been shown to have a positive influence on WLE as the availability of resources allow employees to enrich their WLB. On the other hand, job demands have a positive association with WLI via exhaustion (Bakker & Geurts 2004). This means when a person experiences too few job resources while facing too many job demands, s/he cannot have sufficient resources to cope with demands derived from their home circumstances (Bakker et al. 2008). These previous results suggest that the possession of adequate job resources could minimise WLI while it can increase WLE. Accordingly, job crafting behaviours at the work context, allow individuals with adequate structural and social resources to maximise benefits from challenges in their work (Rastogi &

Chaudhary 2018). It is likely to lead to an improvement in their WLB. As WLB is achieved, individuals are likely to increase a degree of satisfaction with career and life as an outcome of well-being.

As such, we hypothesise that job crafting behaviours can lessen WLI and improve WLE. Ultimately, job crafting behaviours play an important role in helping individuals to acquire and master sufficient knowledge and important skills to satisfy their basic needs as the performance of job crafting has been found to increase work engagement that is associated with the degree of career and life satisfaction (Tims et al. 2012). We argue:

Hypothesis 5: Job crafting behaviours are negatively associated with WLI.

Hypothesis 6: Job crafting behaviours are positively associated with WLE.

Hypothesis 7: Job crafting behaviours are positively associated with satisfaction with career and life.

Hypothesis 8: WLI is negatively associated with satisfaction with career and life.

Hypothesis 9: WLE is positively associated with satisfaction with career and life.

Method

Sampling and data collection

CINT, a specialised marketing research, administered the questionnaires to assure anonymity and confidentiality. These questionnaires were distributed to 3,570 Vietnamese respondents who had registered with CINT, where they had agreed to participate in this project. We excluded irrelevant responses (65.13%) as these participants were not running their own businesses in Vietnam and/or they were founders or co-founders of large organisations (i.e., having more than 300 full-time employees). Next, we also removed incomplete responses (6.34%) although they were SME owners in Vietnam. Finally, 404 SME owners who were operating their small and medium-sized enterprises in Vietnam completed the survey in November 2017 (response rate of 93.66%).

The majority (69.60%) were male. More than three quarters (76.49%) aged from 26-40 years old and 68.60% had been doing business in at least 2-5 years. Of the respondents, 66.60% had managed less than 50 employees and a small percentage (4.70%) were medium-size enterprises (200-300 employees). More than two thirds (68.60%) had been running their businesses from 2-5 years. The majority (92.80%) had completed undergraduate and postgraduate degrees. Sixty-six percent of respondents had managed less than 49 employees in their companies while the other founders had managed medium-sized enterprises having 49-300 full-time employees. Fifty-one percent of participants were running knowledge-intensity businesses while the remaining participants had businesses in high technology industry.

Measures

All scales used in this research have been published and validated in previous studies. Vietnamese is the main language; thus, we applied the back-translation suggested by Brislin (1970) to ensure the content and face validity of the questionnaire. This process used the bilingual native Vietnamese and English expertise of one of the authors as well as an independent management practitioner from Vietnam. We also undertook a pre-test of the translated survey with the participation of 50 part-time postgraduate students at business schools in Ho Chi Minh City, Vietnam.

The respondents were asked to share the degree of their EP on a five-point Likert scale from '1' = strongly disagree to '5' = strongly agree. The frequency of performing job crafting behaviours was measured on a five-point Likert scale from '1' = never to '5' = very often. Business founders were asked to indicate their perceptions of work-life interference and

enhancement as well as career and life satisfaction on a seven-point Likert scale from '1' = strongly disagree and '7' = strongly agree. Using different scale endpoints could help prevent common method variance (Chang et al. 2010; Podsakoff et al. 2012).

We followed the two-step approach suggested by Anderson and Gerbing (1988) to evaluate the convergent and discriminant validity of the scales, the measurement model fit and the hypothesis testing. The data analysis was undertaken in IBM SPSS and IBM AMOS version 25. Table 1 presents the descriptive statistics of the scales (including mean, standard deviation [SD], composite coefficient reliability [CR] and average variance extracted [AVE] value). CR values of the five constructs ranged from 0.78 to 0.95, indicating scale reliability. The AVE values of the five measures ranged from 0.52 to 0.68, indicating convergent validity (Byrne, 2016). Table 1 also shows the values of AVE were higher than Maximum Shared Variance (MSV). Additionally, the square root of the AVE value for each construct was much larger than its correlation with any other construct (Fornell & Larcker 1981). These results provided us with confidence to conclude that all the constructs had discriminant validity.

Entrepreneurial passion was measured by using a 13-item scale developed by Cardon et al. (2012). The confirmatory factor analysis (CFA) showed that the one-dimension scale met the cut-off values of model fit to the data ($\chi^2(8) = 15.70$, CFI = 0.99, TLI = 0.94, RMSEA = 0.05, SRMR = 0.02) (Byrne, 2016). Sample items included "I am motivated to figure out how to make existing products/services better".

Job crafting behaviours were measured by using a 15-item scale developed by Tims and her colleagues (2012). The confirmatory factor analysis (CFA) showed that this scale had three dimensions and fit indices of this scale were satisfactory ($\chi^2(48) = 93.46$, CFI = 0.98, TLI = 0.97, RMSEA = 0.05, SRMR = 0.04) (Byrne, 2016). The three dimensions included increasing structural job resources (4 items, sample items included "I try to develop my capabilities", $\alpha = 0.84$); increasing social job resources (4 items, sample items included "I ask others for feedback on my performance", $\alpha = 0.82$) and increasing challenging job demands (4 items, sample items included "I regularly take on extra tasks even though I do not receive extra salary for them", $\alpha = 0.75$).

Work-life interference and *work-life enhancement* were measured by using 15 items from Hayman (2005). The CFA test showed that the scales of work-life interference and work-life enhancement were discriminant ($\chi^2(53) = 110.98$, CFI = 0.99, TLI = 0.98, RMSEA = 0.05, SRMR = 0.03) (Byrne, 2016). We removed two items of work-life interference scale due to their cross loadings over the other variable. Work-life interference scale included 9 items, such as "I put my personal life on hold for my business" ($\alpha = 0.96$). Work-life enhancement included 4 items, such as "I have a better mood at work because of my personal life" ($\alpha = 0.89$).

Career and life satisfaction were measured through 10 items from Diener et al. (1985). We removed an item because its factor loading was below 0.70. CFA test showed that the nine-item scale had satisfactory fit indices ($\chi^2(19) = 43.73$, CFI = 0.99, TLI = 0.98, RMSEA = 0.06, SRMR = 0.02) (Byrne, 2016). Sample items included "If I could live my life over, I would change almost nothing".

Control variables. We controlled for gender, age ranges, experience in doing business, educational levels and industry by using dummy variables. Independent-Samples T-Test and ANOVA analyses showed that there was no difference between males and females, age groups and education levels in relation to all the constructs. An ANOVA test also showed that the levels of entrepreneurial passion were different between participants who had less than a year in running business and those with 6-10 years of experience (Mean difference = -0.73, $p < 0.05$)

and more than 10 years of experience (Mean difference = -0.86, $p < 0.05$). an Independent-Samples T-Test showed that there were differences between business founders in high technology industry and knowledge intensity industry regarding their perceptions of work-life interference (Mean difference = -0.32, $t = -2.52$, $p < 0.05$) and satisfaction with career and life (Mean difference = 0.22, $t = 2.19$, $p < 0.05$).

Common method variance (CMV)

This research followed different remedies suggested by Chang et al. (2010) and Podsakoff et al. (2012) to minimise the possibility of CMV prior and after data collection. The present research then utilised Harman's single factor test that showed one factor emerged with eigenvalues of greater than 1.0, accounting for 26.08% of the variance in the exogenous and endogenous constructs. The CFA of a single-factor model also showed that it was highly unsatisfactory ($\chi^2/df = 6.79$, CFI = 0.67, TLI = 0.63, RMSEA = 0.12, SRMR = 0.16). Finally, the difference of correlations of the five constructs before and after, including 'social desirability' as the marker variable, was 0.04, indicating the marker variable did not account for the correlations between exogenous constructs and the endogenous variables (Lindell & Whitney 2001). Altogether, these tests provided us with assurance that CMV was not a major issue.

Results

Following Anderson and Gerbing (1988), the measurement and structural models were tested by using IBM AMOS version 25. The measurement model test showed that the measurement model fitted to the data ($\lambda^2(589) = 1,074.56$, CFI = 0.95, TLI = 0.95, RMSEA = 0.05, SRMR = 0.06). The composite measures were then created by imputing the parameter estimates from the measurement model of five constructs. The path analysis for testing hypotheses showed that the model fit indices were satisfactory ($\lambda^2(16) = 14.84$, CFI = 0.99, TLI = 0.99, RMSEA = 0.00, SRMR = 0.03).

Insert Table 1 about here

Table 1 reports descriptive statistics, scale validity results and correlations between latent variables. As shown in the Table 1, there was an above level of EP reported (M = 4.08, SD = 0.65). Job crafting was rated at the mid-point of the five-point Likert scales while WLI was rated below the mid-point of the seven-point Likert scale (M = 3.31, SD = 1.29). On the other hand, WLE (M = 4.28, SD = 0.98) and career and life satisfaction (M = 4.83, SD = 1.00) were both rated above the mid-point. Three control variables, namely, age, education and industry, had statistical significant associations with the independent and dependent variables. Older founders had more experience in operating their own business, more EP, more job crafting behaviours and WLE. Founders who were more educated reported higher level of WLE. Founders from knowledge intensive service firms reported more WLI.

Control variables were also incorporated into the path analysis using IBM AMOS version 25. Accordingly, the experience of SME founders had a positive association with EP ($\beta = 0.13$, $p < 0.01$). There was a negative relationship between age and WLE ($\beta = 0.10$, $p < 0.05$). Education had a positive relationship with WLE ($\beta = 0.10$, $p < 0.01$). Figure 2 reports the results of path analyses. As shown in Figure 2, EP was significantly associated with job crafting behaviours ($\beta = 0.69$, $p < 0.001$), WLE ($\beta = 0.50$, $p < 0.001$) and career and life satisfaction ($\beta = 0.11$, $p < 0.05$). These findings supported Hypotheses 1, 2 and 4. Job crafting behaviours had a negative relationship with WLI ($\beta = -0.10$, $p < 0.05$); supporting Hypotheses 5. Job crafting behaviours also had a positive association with career and life satisfaction career and life satisfaction ($\beta =$

0.40, $p < 0.001$). Hypotheses 7 was supported. WLI was found to have a negative association with career and life satisfaction ($\beta = -0.14$, $p < 0.001$). Hypothesis 8 was supported. Finally, as expected, WLE had a positive association with career and life satisfaction ($\beta = 0.34$, $p < 0.001$); thus, supporting Hypothesis 9.

Insert Figure 2 about here

Post-hoc Mediation Analyses

Further investigation of the supported hypothesised relationships, we noticed there could be three potential mediating relationships: (1) EP \rightarrow Job Crafting \rightarrow WLI \rightarrow Career and Life Satisfaction; (2) EP \rightarrow WLE \rightarrow Career and Life Satisfaction and (3) EP \rightarrow Job Crafting \rightarrow Career and Life Satisfaction. We decided to test for these mediation relationships within IBM AMOS, with 10,000 Bootstrapping samples and 95% confidence interval. Both of the mediation analyses were supported. There were two serial mediators of the relationship from EP to career and life satisfaction. These were job crafting and WLI (EP \rightarrow Job Craft \rightarrow WLI \rightarrow Career and Life Satisfaction [effect = 0.04, bootstrapping SE = 0.02, 95% CI = 0.001, 0.10]). The second mediation relationship (i.e., EP \rightarrow Job Crafting \rightarrow Career and Life Satisfaction) indicated that the direct relationship between EP and career and life satisfaction was partially mediated by job crafting behaviours (effect = 0.40, bootstrapping SE = 0.06; CI: 0.29, 0.53). The last mediation relationship (i.e., EP \rightarrow WLE \rightarrow Career and Life Satisfaction) indicated that WLE was a partial mediator of the relationship from EP to career and life satisfaction (effect = 0.30, boot SE = 0.06, CI = 0.20, 0.42).

Discussion

This research aimed to investigate the impact of motivational mechanisms for entrepreneurs' hedonic well-being, an area that require more empirical and theoretical development, as suggested by Cardon et al. (2017) and Stephan (2018). There was a positive, direct relationship from EP to founders' satisfaction with career and life (hedonic well-being), which supported the expected finding in the literature. This finding is consistent with the SDT foundation in conceptualising EP. Consistent with the literature (e.g., Cardon et al. 2013), passionate founders tend to exhibit positive mindset and emotions, such as enjoyment, excitement and elation as they value their roles as SME founders in making them feel that their ventures are meaningful and salient to their identity. These positive states of mind allow SME founders to exhibit better hedonic well-being (Cardon et al. 2012; Deci et al. 2017).

Adopting a JD-R perspective to understand entrepreneurship work (Demerouti et al. 2001; Dijkhuizen et al. 2016), this research found a significant association between EP and job crafting behaviours, which is consistent with the literature (e.g., Chen et al. 2009). This finding suggests that EP can directly influence the motivations of SME founders to explore and exploit available resources to overcome difficulties and challenges and utilisation of resources in growing and developing their SME business.

SME founders reported that WLI could be reduced by adopting job crafting, which subsequently led to an improvement in career and life satisfaction. On the other hand, EP had a direct association with WLE which implies that the dual dimensions of WLB, namely WLI and WLE had different influence on career and life satisfaction. This finding is consistent with recent research by Vieira et al. (2018). WLE tend to lead to an improvement in hedonic well-being while WLI is seen as an interference between and work and family, which then, creates stress for SME founders (or less satisfaction with their career and life). This finding is consistent with the

research by Parasuraman et al. (1996) as SME founders tend to spend more time on their business, it is expected that there is a work-life imbalance. Furthermore, passionate individuals were able to manage the demands for achieving work and non-work activities (Caudroit et al. 2011).

This study contributes to the emerging interest in knowledge of EP and their well-being that has been under-developed (e.g., Stephan 2018). This study also broadens SDT and job crafting theory that have been widely applied to understand employees' behaviours and well-being in a work context in Vietnam, an under-represented population in the entrepreneurship and work psychology literatures. Specifically, this study provides empirical evidence of the important motivational antecedents for well-being of SME founders in Vietnam. This means they will internalise their business because it is a meaningful and developmental part of their identity, career and personal life.

In this study, we found EP or SME founders' love of the business becomes a motivational impetus for their behaviours and well-being that was measured by minimizing WLI and enhancing WLE (see Rastogi & Chaudhary 2018), in order to experience higher level of hedonic well-being. Our finding is consistent with previous studies in terms of EP and job crafting behaviours as vital motivational sources in order to reduce challenging demands and increase positive states of mind towards work (Deci et al. 2017). Specifically, this study indicates that SME founders who possess high level of EP are more likely to adopt job crafting behaviours to acquire resources to minimise WLI.

This finding is consistent with the literature which states that WLI results in less satisfaction with career and life (e.g., Sánchez-García et al. 2018) while WLE results in better satisfaction with life (e.g., McNall et al. 2010). Attempting to strike a balance between these two opposing pressures of work and life can result in the enhancement of a balance between the two (Sieber 1974). This often arises through the acquisition of beneficial resources. Without job crafting, higher level of WLI would deplete SME founder's well-being as this was associated with interference of work with time spent on family. SME founders have to actively seek enabling resources associated with job crafting (such as social and structural resources for instance) to minimise WLI. EP on job task design (as entrepreneurs and small business founders) in order to achieve a balance between work and non-work. The proactive behaviours of SME founders to acquire resources, may act to generate energy to meet the demands required for life satisfaction (Greenhaus & Powell 2006).

Practical implications

The findings indicate that there are three pathways to enhance career and life satisfaction of SME founders. First, SME owners need to sustain their EP to drive their positive emotions to directly improve their satisfaction with career and life. Second, SME founders need to frequently maximise the benefits of the available support and resources to lessen conflict (in particular, with work and non-work domain) and improve quality of interpersonal relationships, in order to maintain a psychologically health career and life. SME founders' EP plays a critical role in strengthening WLE as it has the potential to leading to a greater satisfaction with career and life. Finally, we suggest that the accumulation of support provided by family, business partners and colleagues at work provides an important social resource to help SME founders overcome challenges, difficulties and pressure emerged from entrepreneurship.

Additionally, we found founders' experience in running a business influences the level of EP. Age and educational levels were also important as they were positively associated with WLE. These findings provide practical implications to educational and training perspectives, as

SMEs play an important role in the business growth of emerging economies. Being a successful business founder requires a strong passion for entrepreneurship and capabilities to utilise available structural and social job resources. This means that young and less experienced entrepreneurs and business founders should find meaning and identity in their role as entrepreneurs. They could be educated to improve knowledge and skills to acquire and maximise the benefits of available resources to overcome difficulties and challenges emerged in their entrepreneurial journeys.

As job crafting behaviours may reduce WLI, we suggest that joining entrepreneurial and business associations is an effective way for start-ups and entrepreneurs to develop their networks to learn failure and successful lessons and get useful advice from other SME founders. Finally, being proactive ensures SME founders to balance the conflicts between their career and personal lives, as they are motivated intrinsically by their strong passion for entrepreneurship and extrinsically by their business networks.

Limitations and future studies

We followed several suggestions (Chang et al. 2010, Podsakoff et al. 2012) to minimise CMV, such as the use of different scale endpoints, random order of constructs in questionnaire and post-hoc tests for CMV. These tests provided us with confidence that CMV was not an issue in this research. However, we still acknowledge that a single source of respondents at one point of time could produce the potential of CMV. Future studies could collect data from multiple sources of respondents such as perceptions of SME founders' spouses or partners about how they perceive the level of satisfaction with career and life of SME founders. In addition, researchers could also collect data across multiple occasions to prevent CMV and to enhance the casual explanation of the complicated model. Finally, this model could be used in another context to further validate our findings and to enhance the possibility of generalisation of this study.

Conclusion

This study aimed to investigate the influence of EP on behavioural outcomes of SME founders in Vietnam. Results show that there are different ways in which EP could increase the degree of satisfaction with career and life. We also found that EP plays an important role in leading job crafting behaviours that help reduce the interference between conflicting demands of business work and personal life. EP is also an important determinant of work-life enhancement of SME founders, as those having strong EP will know how to pursue their goals persistently and apply business experience to improve the quality of their personal lives.

References

- Anderson, J. C., & Gerbing, D. W. (1988). Structural equation modeling in practice: A review and recommended two-step approach. *Psychological Bulletin*, 103(3), 411-423.
- Bakker, A. B., & Geurts, S. A. (2004). Toward a dual-process model of work-home interference. *Work and Occupations*, 31(3), 345-366.
- Bakker, A. B., Demerouti, E., & Dollard, M. F. (2008). How job demands affect partners' experience of exhaustion: Integrating work-family conflict and crossover theory. *Journal of Applied Psychology*, 93(4), 901-911.
- Bakker, A. B., Demerouti, E., & Euwema, M. C. (2005). Job resources buffer the impact of job demands on burnout. *Journal of Occupational Health Psychology*, 10(2), 170-180.
- Bakker, A. B., Emmerik, H. V., & Euwema, M. C. (2006). Crossover of burnout and engagement in work teams. *Work and Occupations*, 33(4), 464-489.
- Brännback, M., Carsrud, A., Elfving, J., Kickul, J., & Krueger, N. (2006). *Why replicate entrepreneurial intentionality studies? Prospects, perils and academic reality*. SMU Edge Conference. Singapore.
- Brislin, R. W. (1970). Back-translation for cross-cultural research. *Journal of cross-cultural psychology*, 1(3), 185-216.
- Byrne, B. M. (2016). *Structural equation modeling with AMOS: Basic concepts, applications, and programming*. New York: Routledge.
- Cardon, M. S., & Kirk, C. P. (2015). Entrepreneurial passion as mediator of the self-efficacy to persistence relationship. *Entrepreneurship Theory and Practice*, 39(5), 1027-1050.
- Cardon, M. S., & Patel, P. C. (2015). Is stress worth it? Stress-related health and wealth trade-offs for entrepreneurs. *Applied Psychology*, 64(2), 379-420.
- Cardon, M. S., Foo, M. D., Shepherd, D., & Wiklund, J. (2012). Exploring the heart: Entrepreneurial emotion is a hot topic. *Entrepreneurship Theory and Practice*, 36(1), 1-10.
- Cardon, M. S., Glauser, M., & Murnieks, C. Y. (2017). Passion for what? Expanding the domains of entrepreneurial passion. *Journal of Business Venturing Insights*, 8, 24-32.
- Cardon, M.S., Sudek, R., & Mitteness, C. (2009). The impact of perceived entrepreneurial passion on angel investing. In A.L. Zacharakis (Ed.), *Frontiers of Entrepreneurship Research: Proceedings of the Babson College Entrepreneurship Research Conference*: vol. 29, article 1. Wellesley, MA: Babson College.
- Cardon, M. S., Gregoire, D. A., Stevens, C. E., & Patel, P. C. (2013). Measuring entrepreneurial passion: Conceptual foundations and scale validation. *Journal of Business Venturing*, 28(3), 373-396.
- Cardon, M. S., Wincent, J., Singh, J., & Drnovsek, M. (2009). The nature and experience of entrepreneurial passion. *Academy of Management Review*, 34(3), 511-532.
- Caudroit, J., Boiche, J., Stephan, Y., Le Scanff, C., & Trouilloud, D. (2011). Predictors of work/family interference and leisure-time physical activity among teachers: The role of passion towards work. *European Journal of Work and Organizational Psychology*, 20(3), 326-344.
- Chang, S. J., Van Witteloostuijn, A., & Eden, L. (2010). From the editors: Common method variance in international business research. *Journal of International Business Studies*, 41(2), 178-184.

- Chen, X. P., Yao, X., & Kotha, S. (2009). Entrepreneur passion and preparedness in business plan presentations: a persuasion analysis of venture capitalists' funding decisions. *Academy of Management Journal*, 52(1), 199-214.
- Clark, S. C. (2000). Work/family border theory: A new theory of work/family balance. *Human Relations*, 53(6), 747-770.
- CPA Australia (2016). *The CPA Australia Asia-Pacific Small Business Survey 2016: General report for Australia, China, Hong Kong, Indonesia, Malaysia, New Zealand, Singapore and Vietnam*. CPA Australia, Southbank.
- Deci, E. L., Olafsen, A. H., & Ryan, R. M. (2017). Self-determination theory in work organizations: the state of a science. *Annual Review of Organizational Psychology and Organizational Behavior*, 4, 19-43.
- Deci, E. L., & Ryan, R. M. (2000). The “what” and “why” of goal pursuits: Human needs and the self-determination of behavior. *Psychological Inquiry*, 11(4), 227-268.
- Demerouti, E. (2014). Design your own job through job crafting. *European Psychologist* 19(4), 237-247.
- Demerouti, E., Bakker, A. B., Nachreiner, F., & Schaufeli, W. B. (2001). The job demands-resources model of burnout. *Journal of Applied Psychology*, 86(3), 499-512.
- Diener, E. D., Emmons, R. A., Larsen, R. J., & Griffin, S. (1985). The satisfaction with life scale. *Journal of Personality Assessment*, 49(1), 71-75.
- Dijkhuizen, J., Gorgievski, M., van Veldhoven, M., & Schalk, R. (2016). Feeling successful as an entrepreneur: A job demands-resources approach. *International Entrepreneurship and Management Journal*, 12(2), 555-573.
- Donahue, E. G., Forest, J., Vallerand, R. J., Lemyre, P. N., Crevier-Braud, L., & Bergeron, É. (2012). Passion for work and emotional exhaustion: The mediating role of rumination and recovery. *Applied Psychology: Health and Well-Being*, 4(3), 341-368.
- Fisher, G. G., Bulger, C. A., & Smith, C. S. (2009). Beyond work and family: A measure of work/nonwork interference and enhancement. *Journal of Occupational Health Psychology*, 14(4), 441-456.
- Forest, J., Mageau, G. A., Sarrazin, C., & Morin, E. M. (2011). “Work is my passion”: The different affective, behavioural, and cognitive consequences of harmonious and obsessive passion toward work. *Canadian Journal of Administrative Sciences/Revue Canadienne des Sciences de l'Administration*, 28(1), 27-40.
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 39-50.
- Gorgievski, M. J. & Stephan, U. (2016). Advancing the psychology of entrepreneurship: A review of the psychological literature and an introduction. *Applied Psychology*, 65, 437-468.
- Greenblatt, E. (2002). Work/life balance: Wisdom or whining. *Organizational Dynamics*, 31(2), 177-193.
- Greenhaus, J. H., & Powell, G. N. (2006). When work and family are allies: A theory of work-family enrichment. *Academy of Management Review*, 31(1), 72-92.
- Hakanen, J. J., & Roodt, G. (2010). Using the job demands-resources model to predict engagement: Analysing a conceptual model. In A. B. Bakker, & M. P. Leiter (Eds.), *Work engagement: A handbook of essential theory and research*, pp. 102-117. New York: Psychology Press.

- Hakanen, J. J., Peeters, M. C., & Perhoniemi, R. (2011). Enrichment processes and gain spirals at work and at home: A 3-year cross-lagged panel study. *Journal of Occupational and Organizational Psychology*, 84(1), 8-30.
- Hayman, J. (2005). Psychometric assessment of an instrument designed to measure work life balance. *Research and Practice in Human Resource Management*, 13(1), 85-91.
- Ho, V. T., & Pollack, J. M. (2014). Passion isn't always a good thing: Examining entrepreneurs' network centrality and financial performance with a dualistic model of passion. *Journal of Management Studies*, 51(3), 433-459.
- Holt, M., & Powell, S. (2015). Health and well-being in small and medium-sized enterprises (SMEs). What public health support do SMEs really need? *Perspectives in Public Health*, 135(1), 49-55.
- Lindell, M. K., & Whitney, D. J. (2001). Accounting for common method variance in cross-sectional research designs. *Journal of Applied Psychology*, 86(1), 114-121.
- Lyubomirsky, S., King, L., & Diener, E. (2005). The benefits of frequent positive affect: Does happiness lead to success? *Psychological Bulletin*, 131(6), 803-855.
- McNall, L. A., Nicklin, J. M., & Masuda, A. D. (2010). A meta-analytic review of the consequences associated with work-family enrichment. *Journal of Business and Psychology*, 25(3), 381-396.
- Murray, A. (2018). Does work-life balance exist when starting a business? *CEO Magazine*, 30 May (<https://www.theceomagazine.com/business/start-ups-entrepreneurs/does-work-life-balance-exist-when-starting-a-business/>, accessed 09.01.2019).
- Parasuraman, S., Purohit, Y. S., Godshalk, V. M. & Beutell, N. J. (1996). Work and family variables, entrepreneurial career success, and psychological well-being. *Journal of Vocational Behavior*, 48(3), 275-300.
- Patzelt, H., & Shepherd, D. A. (2011). Recognizing opportunities for sustainable development. *Entrepreneurship Theory and Practice*, 35(4), 631-652.
- Petrou, P., Demerouti, E., Peeters, M. C., Schaufeli, W. B., & Hetland, J. (2012). Crafting a job on a daily basis: Contextual correlates and the link to work engagement. *Journal of Organizational Behavior*, 33(8), 1120-1141.
- Podsakoff, P. M., MacKenzie, S. B., & Podsakoff, N. P. (2012). Sources of method bias in social science research and recommendations on how to control it. *Annual Review of Psychology*, 63, 539-569.
- Rastogi, M., & Chaudhary, R. (2018). Job crafting and work-family enrichment: The role of positive intrinsic work engagement. *Personnel Review*, 47(3), 651-674.
- Ryan, R. M., & Deci, E. L. (2001). On happiness and human potentials: A review of research on hedonic and eudaimonic well-being. *Annual Review of Psychology*, 52(1), 141-166.
- Sánchez-García, J.C., Vargas-Morúa, G., & Hernández-Sánchez, B. R. (2018). Entrepreneurs' well-being: A bibliometric review. *Frontiers in Psychology*, 9, 1696 (doi 10.3389/fpsyg.2018.01696, accessed 11/01/2019).
- Schaufeli, W. B., Bakker, A. B., & Van Rhenen, W. (2009). How changes in job demands and resources predict burnout, work engagement, and sickness absenteeism. *Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior*, 30(7), 893-917.
- Shelton, L. M. (2006). Female entrepreneurs, work-family conflict, and venture performance: New insights into the work-family interface. *Journal of Small Business Management*, 44(2), 285-297.

- Sieber, S. D. (1974). Toward a theory of role accumulation. *American Sociological Review*, 39, 567-578.
- Stephan, U. (2018). Entrepreneurs' mental health and well-being: a review and research agenda. *Academy of Management Perspectives*, 32(3), 290-322.
- Stephan, U., & Roesler, U. (2010). Health of entrepreneurs versus employees in a national representative sample. *Journal of Occupational and Organizational Psychology*, 83(3), 717-738.
- Sullivan, D. M., & Marvel, M. R. (2011). Knowledge acquisition, network reliance, and early-stage technology venture outcomes. *Journal of Management Studies*, 48(6), 1169-1193.
- Tims, M., & Bakker, A. B. (2010). Job crafting: Towards a new model of individual job redesign. *SA Journal of Industrial Psychology*, 36(2), 1-9.
- Tims, M., Bakker, A. B., & Derks, D. (2012). Development and validation of the job crafting scale. *Journal of Vocational Behavior*, 80(1), 173-186.
- Tims, M., Bakker, A. B., & Derks, D. (2013). The impact of job crafting on job demands, job resources, and well-being. *Journal of Occupational Health Psychology*, 18(2), 230-240.
- Vallerand, R. J. (2010). On passion for life activities: The dualistic model of passion. *Advances in Experimental Social Psychology*, 42, 97-193.
- Vieira, J. M., Matias, M., Lopez, F. G., & Matos, P. M. (2018). Work-family conflict and enrichment: An exploration of dyadic typologies of work-family balance. *Journal of Vocational Behavior*, 109, 152-165.
- Wiklund, J., Graham, C., Foo, M. D., Bradley, S. W., Shir, N., & Nikolaev, B. (2017). Entrepreneurship & wellbeing. *Journal of Business Venturing Insights*, 7, 38-44.

Table 1. Descriptive statistics and inter-correlations

Variables	Mean (SD)	CR	AVE	MSV	1	2	3	4	5
1. Gender	1.70 (0.46)	-	-		1				
2. Age	2.52 (0.89)	-	-		-0.08	1			
3. Experience	1.41 (0.67)	-	-		-0.03	0.22***	1		
4. Education	1.45 (0.72)	-	-		0.03	-0.02	-0.02	1	
5. Industry	1.52 (0.50)	-	-		-0.03	0.06	0.00	-0.09	1
6. Entrepreneurial passion	4.08 (0.65)	.81	.52	.40	-0.03	0.12*	0.05	-0.01	0.05
7. Job crafting behaviours	3.10 (0.49)	.78	.55	.38	-0.07	0.13**	0.02	-0.08	0.02
8. Work-life interference	3.31 (1.29)	.95	.67	.11	0.06	0.00	-0.06	-0.08	0.13*
9. Work-life enhancement	4.28 (0.98)	.90	.68	.28	-0.00	0.15**	0.10	0.12*	-0.05
10. Career and life satisfaction	4.83 (1.00)	.93	.59	.28	-0.06	0.08	0.06	0.03	-0.11*

N = 404, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Bold and italic values are the square root of AVE values.

Table 1. Descriptive statistics and inter-correlations (continued)

Variables	Mean (SD)	CR	AVE	MSV	6	7	8	9	10
6. Entrepreneurial passion	4.08 (0.65)	0.81	0.52	0.40	<i>0.72</i>				
7. Job crafting behaviours	3.10 (0.49)	0.78	0.55	0.38	0.62***	<i>0.74</i>			
8. Work-life interference	3.31 (1.29)	0.95	0.67	0.11	-0.02	-0.29*	<i>0.82</i>		
9. Work-life enhancement	4.28 (.98)	0.90	0.68	0.28	0.48***	0.02	-0.36***	<i>0.82</i>	
10. Career and life satisfaction	4.83 (1.00)	0.93	0.59	0.28	0.56***	0.57***	-0.31***	0.58***	<i>0.77</i>

N = 404, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Bold and italic values are the square root of AVE values.

Figure 1. Proposed model

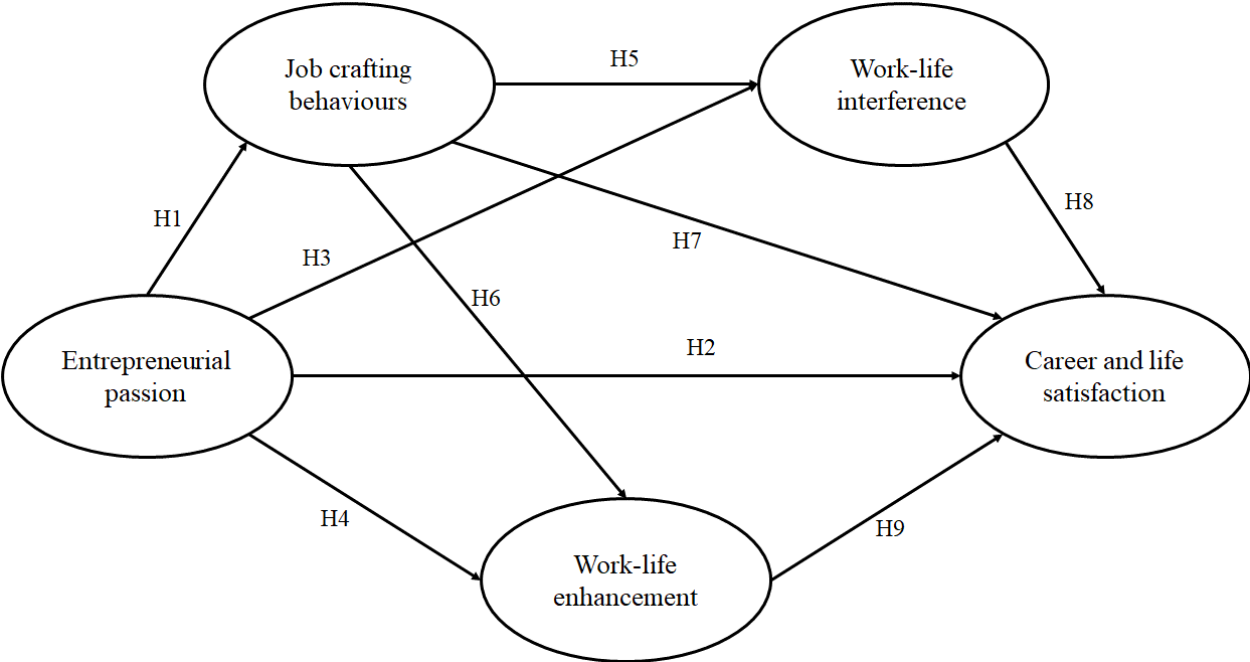


Figure 2. Results of hypothesis testing

