

## **ANALYZING THE INTERCONNECTIONS AMONG ENTREPRENEURIAL OPTIMISM, PESSIMISM AND REALISM**

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### **ABSTRACT**

There is a preoccupation in the entrepreneurship literature with the optimism of entrepreneurs and marked neglect of their pessimism and realism. This article posits that in addition to optimism, though often overlooked, “pessimism” may be a coexisting disposition in the entrepreneurs’ mindset, integral to explanations of their role performances. We developed an Entrepreneur Optimism - Realism - Pessimism (EORP) Model, which incorporates optimism, pessimism and realism within a common conceptual framework. Optimism and pessimism are dispositions that focus on current and future outcomes and the two intersect at what we term an axis of realism – the complex of challenges and outcomes from entrepreneurial activities. The EORP model is tested utilizing data derived from a survey of youth entrepreneurs in the developing country of Guyana. The findings revealed statistically significant correlations among the optimism, pessimism and realism of entrepreneurs and may have implications for an extended theoretical understanding of entrepreneurial dispositions.

*Keywords:* Youth entrepreneurs, entrepreneurial optimism, entrepreneurial pessimism, entrepreneurial realism, entrepreneurial outcomes, entrepreneurial challenges, youth entrepreneur challenges and outcomes, axis of realism.

### **INTRODUCTION**

Scholars have attributed optimism as a primary reason why entrepreneurs are generally disposed to start businesses, endure the many challenges, achieve successes and persist despite business failures (Chen, Liao, Redd & Wu, 2013; Crane & Crane, 2007; Dawson & de Meza, 2018; Kappes & Sharot, 2015; Trevelyan, 2008). Optimism is a tendency to view events or situations in a positive light and to continue to expect favorable or successful outcomes. Entrepreneurs often are portrayed as incurable optimists. They have a can-do attitude and view the glass as half-full. Crane and Crane (2007) characterized this optimism of entrepreneurs as “dispositional optimism - the global expectations that good things will be plentiful in the future, and bad things scarce” (p. 13) and posit that such optimism is a defining characteristic of entrepreneurs.

There is a preoccupation in the entrepreneurship literature with the optimism of entrepreneurs and marked neglect of their pessimism and realism. This paper is concerned with an analysis of the challenges faced and, personal and business outcomes realized (indices of realism) and the relationships of these to the optimism and pessimism of youth entrepreneurs in a developing country. We posit that optimism and pessimism are linked dispositions in the entrepreneurs’

mindset, separable only in analysis. Just as optimism characterizes the role performance of entrepreneurs, though often overlooked, pessimism and realism may also play a part.

Youth entrepreneurs worldwide face greater obstacles and challenges in the startup, growth and expansion of their businesses than their older counterparts. Yet, many persist, are resilient and able to sustain their enterprises. Youth entrepreneurship, therefore, may present empirical realities that compel recognition of pessimism and realism and not only optimism as part of any meaningful theoretical analysis. Youth entrepreneurship also has not been the focus of the scholarship on optimism and entrepreneurship. This paper addresses these lacunae in the entrepreneurship literature.

### **Defining Entrepreneurship**

There is no commonly accepted unifying definition of entrepreneurship and scholars use the term flexibly for their own purposes (Wiklund, Wright & Zahra, 2019). Goel, Vohra, Zhang, and Arora (2007) defined entrepreneurship as “the activity of establishing and managing a business for profit and growth” (p.10). Of relevance to this paper, Hisrich, Peters and Shepherd (2005) recognized more than just the monetary outcome and viewed entrepreneurship as “the process of creating something new with value by devoting the necessary time and effort; assuming the accompanying financial, psychic and social risks; and receiving the resulting rewards of monetary and personal satisfaction and independence” (p. 8).

A youth entrepreneur is seen in this study “as any young person between the age of 16-35 who has the ability to recognize an opportunity when it shows and uses it to create value and wealth by starting a new or growing an existing venture in any sector” (Gwija, Eresia-Eke & Iwu, 2014, p. 12). For youth entrepreneurs in this study, their business is the primary source of income and it consumes most of their time and resources. Further, we share the position that links youth entrepreneurship to self-employment (Chigunta, 2002; Green, 2013; OECD, 2017).

This paper investigates the levels of optimism and pessimism of youth entrepreneurs in the developing country of Guyana and determines whether these levels correlate with their perceived challenges and outcomes. The combined challenges and outcomes of youth entrepreneurship are characterized as comprising an “axis of realism.” In this paper, we build a conceptual model that explicates the relationships among optimism, pessimism, perceptions of challenges and personal/business outcomes and, test the application of this model using data from a youth entrepreneur survey conducted in the developing country of Guyana.

## **REVIEW OF LITERATURE**

### **Optimism and Entrepreneurship**

Most businesses created by entrepreneurs tend to fail (Dawson & de Meza, 2018; US Small Business Administration (SBA), 2019) with half of all startups failing within the first five years (SBA, 2019) and only 33.3% surviving for at least 10 years (Outar, 2018). Additionally, new business ventures lose money in the first three to four years and after a decade in business the average entrepreneur earns 35% less than they would have otherwise (Kappes & Sharot, 2015).

Business owners also work much longer hours than their counterparts do in paid employment (Hamilton, 2000). If business failure is an occupational hazard and the opportunity costs are so high, why then do entrepreneurs start businesses and persist even in the face of failure and economic losses? Why do they seemingly have a capacity to absorb failure? Scholars and business leaders alike often attribute the optimism of entrepreneurs as the primary reason. Some argued that entrepreneurs are more optimistic than non-entrepreneurs (Dholakia, 2019; Kappes & Sharot, 2015; Puri & Robinson 2013) and saw opportunities where others did not (Silver 1985). It is either that people who are optimistic are more likely to start their own businesses or that starting a business makes people more optimistic (Kappes & Sharot).

Optimism in this sense is “a tendency to overestimate the probability of doing well - or conversely underestimate the probability of failure” (Dawson & de Meza, 2018). These researchers found that optimistic thinking was highest when outcomes were uncertain and flourished when success was perceived to be under the individual’s control. It is no surprise then that optimists are attracted to the uncertain and turbulent world of entrepreneurship (Dawson & de Meza, 2018). Positing that entrepreneurs tended to have a “superiority illusion,” Kappes and Sharot (2015) noted that while entrepreneurs were relatively realistic about the chances of success of a business like theirs, they had a more optimistic view of the chances of their own business success. It is argued that optimism supports creative thinking and persistence in entrepreneurs; helps to produce action; and, facilitates rebounding after failure (Dholakia, 2019). It is optimism, itself, that determines whether an individual even attempts to start a new venture (Crane & Crane, 2017; Fields, 1987). Fields argued that the entrepreneur must be an optimist and be able to persevere through failure. Nobel laureate, Daniel Kahneman acknowledged that there are low odds of success in any entrepreneurial venture and posited that lots of entrepreneurial progress is driven by what he called “delusional optimism.”

While optimism may be a necessary trait for business owners, researchers cautioned that excessive entrepreneurial optimism can be linked to the high failure rates of new ventures as entrepreneurs often hold unrealistic expectations, which may lead them to be mistakenly optimistic and ignore negative information (Gartner, 2005; Geers & Lassiter, 2002). Hmieleski and Baron (2009) pointedly demonstrated a negative relationship between entrepreneurs’ optimism and the performance (revenue and employment growth) of their ventures. The conclusion can be drawn then, that optimism can be both functional and dysfunctional for the entrepreneur.

### **Entrepreneurship Pessimism and Realism**

The literature on entrepreneurship pessimism is sparse. Lopez and Garcia (2011) found that while potential technology-based entrepreneurs were more optimistic than non-potential technology entrepreneurs, there were no statistical differences in the pessimism and realism of these potential and non-potential entrepreneurs. The importance of Lopez and Garcia’s finding is the acknowledgement of not only optimism, but also pessimism and realism as aspects of the mindset of entrepreneurs. Chiang (2001) posited that dispositional pessimism resulted in the expectations that bad things would happen.

Liang and Dunn (2010) argued that even though optimism is common among entrepreneurs, it does not imply that realism and pessimism do not exist also. They stated the “There is a lack of understanding what realism and pessimism mean and how they impact entrepreneurs” (p. 4). These

authors developed a conceptual model that interpreted relationships between optimism, realism, pessimism and entrepreneurial characteristics. They typified entrepreneurs as optimistic, pessimistic and realistic using responses to the Life-Orientation Test Revised (LOT-R). They found strong positive correlations among entrepreneurs' optimism and independence; optimism and being in control; optimism and level of creativity; and, optimism and a willingness to take risk. They found that "realistic entrepreneurs" did not have a strong tendency to be independent, in control, creative or to take risk. Expanding on their 2010 research, Liang and Dunn (2011) confirmed the hypothesis that entrepreneurs who were typed "pessimistic" in that study believed that their businesses were not up and running well; their sales were lower than expected; profits were low; they were not happy and not financially better off. Further, Binder (2017) using panel data from German households found that "worries" about their financial situation and job security appeared to be the driving factors behind the self-employed. Worrying about their financial state and future financial security then, may be associated with pessimism among self-employed/entrepreneurs.

But, pessimism in entrepreneurs may not be a "lamentable thing." Paul (2011) posited that both optimism and pessimism bring feelings along with them and such feelings may push one into action. Further, pessimism and not only optimism may be a productive strategy for dealing with uncertainty. Paul asserted that: "Successful people often employ pessimism in a strategic way to motivate and prepare themselves for the future ... It's simply not the case that optimism is "good" and pessimism is "bad"- although that's how we've been encouraged to think about them. Rather, both are functional. And both have value" (p. 62). Further, Paul quotes psychologist, Edward Chang (2001) as saying: "The phenomenon of defensive pessimism shows that there are times when pessimism and negative thinking are actually features of a positive psychology, since they lead to better performance and personal growth" (p. 62).

### **Entrepreneurship Challenges and Outcomes**

In this paper, entrepreneurial realism embodies the challenges entrepreneurs face and the outcomes they realize. Access to finance is probably the key challenge for young entrepreneurs (UNCTAD, 2015; Gwija, Eresia-Eke & Iwu, 2014; Dzisi, 2014; Danna & Danna, 2019a). Typically, lenders view young people as risky; lacking credit history, work history, bank accounts and having insufficient collateral to secure loans or lines of credit (UNCTAD, 2015; Danna & Danna, 2019a). Among other challenges faced by youth entrepreneurs are lack of business skills and entrepreneurial education, inability to recruit employees outside the family nucleus, limited innovation, and access to finance (OECD, 2017). Others have the lack of management experience and the unavailability of youth support structures as further challenges to youth entrepreneurship (Gwija, Eresia-Eke & Iwu, 2014; Danna & Danna, 2019b). Youth entrepreneurs in developing countries may also be impacted by social and cultural factors, such as negative orientations to business (Dzisi, 2014); low risk tolerance and fear of failure; environmental factors such as floods, pollution, and global warming; and, legal and administrative hurdles such as obtaining licenses and permits, and registering their business (Go Africa Go Germany Program, 2011).

***Business and Personal Outcomes.*** In contrast to the conventional view that entrepreneurs are in business just for profit, Liang and Dunn (2011) found that entrepreneurship is more adequately characterized as a "beyond-profit-seeking activity." They argued that other personal and business

outcomes included greater autonomy, broader skill utilization, and the possibility of pursuing one’s own ideas. Entrepreneurs expected considerable financial rewards coupled with additional advantages such as independence and personal development (Pinfold, 2001). Kuratko, Hornsby and Naffziger (1997) posited that entrepreneurship rewards or outcomes could be divided into four distinct groups - extrinsic rewards, intrinsic rewards, independence/autonomy, and family security. Extrinsic rewards included acquisition of personal wealth, increasing income and opportunities while intrinsic rewards included gaining public recognition, enjoying the excitement and personal growth. The independence/autonomy factors included maintenance of personal freedom, security and self-employment; being own boss and controlling employment destiny while family security factors included securing a future for family and building a business to pass on.

### CONCEPTUAL FRAMEWORK – THE EORP MODEL

In this paper, we postulate that in addition to optimism, “pessimism” and “realism” may be co-existing considerations in the entrepreneurs’ mindset. We contend that optimism and pessimism are paired constructs, a duality, and that the consideration of one is better understood in relation to the other in the analysis of the entrepreneur in society. We posit that optimism and pessimism are not mutually exclusive although they can be treated as separate for analytic purposes.

Figure 1. Entrepreneur Optimism - Realism - Pessimism (EORP) Model

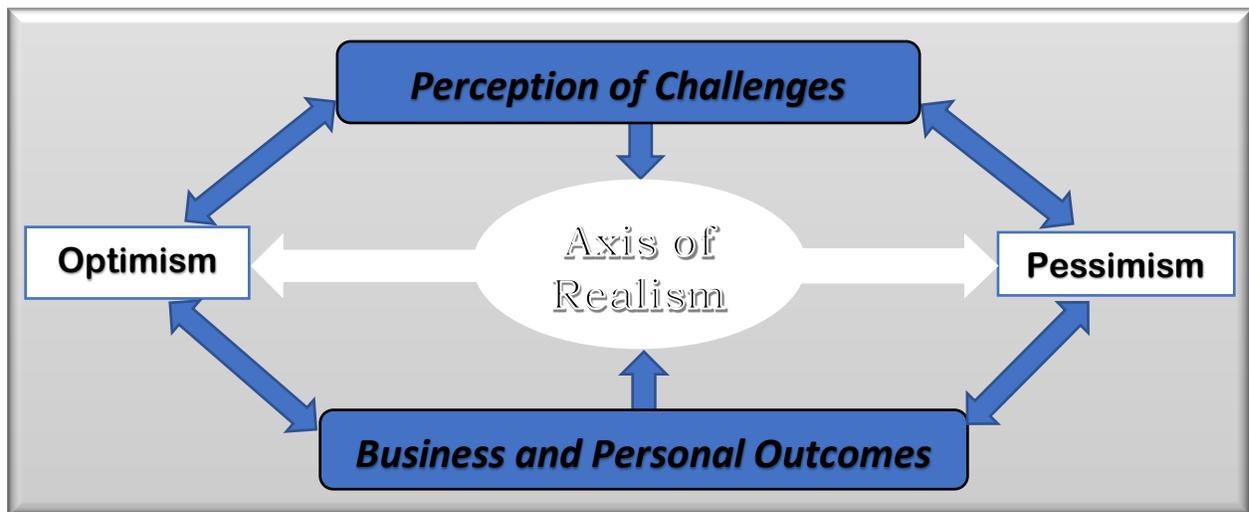


Figure 1 above, the Entrepreneur Optimism - Realism - Pessimism (EORP) Model articulates our conceptual framework. As used in this model “optimism” is an outlook or disposition of entrepreneurs to view events, situations and other business-related activities in a positive light and to continue to expect favorable or successful outcomes from these in the future. “Pessimism” is an outlook or disposition of entrepreneurs to view events, situations and other business-related activities in a negative light and to continue to expect unfavorable or unsuccessful outcomes from these in future. “Realism” is the acknowledgement of the manifestations, circumstances and situations that exist shorn of optimistic and pessimistic biases. In this model “realism” takes objective account of both entrepreneurial challenges and outcomes. It is akin to what William James (2007) refers to as that “empirical aggregate of things objectively known,” (p. 324) and is partly manifest in the collection of property saturated with the entrepreneur’s own labor.

Both optimism and pessimism are dispositions that focus on current and future outcomes and the two intersect at what we term an *axis of realism*. The *axis of realism* is the yield factor – a complex of challenges and outcomes from entrepreneurial investment and activities shorn of the entrepreneurs' aspirations and expectancies. *Challenges* are the perceived or real hurdles or pathway factors that entrepreneurs must cope with or overcome in order to assure the successes of their businesses. Challenges are the obstacles to entrepreneurial success and may include obtaining loans, lack of collateral, procuring markets and the economic environment. *Outcomes – business and personal* - are the observable and/or measurable successes and failures derived from involvement in entrepreneurial business ventures. We share the position that entrepreneurship can also be characterized as a beyond-profit-seeking activity. We go beyond profit to understand and explain entrepreneurs' perceptions of the successes and positives of being in business. *Business outcomes* in the model include such factors as profit and loss, business expansion and decline. *Personal outcomes* may include meeting personal/family needs, interacting with others and being their own boss.

The meaningful adequacy of the EORP Model is that it incorporates optimism, realism and pessimism within a common theoretical framework and does not treat these as isolated factors in the mindset of entrepreneurs. This model makes allowance for entrepreneurs to commit either to the optimism or pessimism side while being mindful of perceived challenges and outcomes - the axis of realism. The individual entrepreneur may react to the same challenges and outcomes that constitute the axis of realism either optimistically or pessimistically. It is the glass half-full or glass half-empty mantra. This model, however, does not seek to explain why entrepreneurs choose to act with optimism or pessimism or any combination of these in the conduct of their businesses, only that they may do so. Nor does it seek to explain the willingness and capacity of entrepreneurs to acknowledge and deal with the axis of realism that impacts their business. We also do not aim to account for the processes involved in the translation of optimism and pessimism from the entrepreneur's mindset to phases of their actions. Rather, the intention is to recognize and describe the actualization of these dispositions as determined by the empirical affirmations of the entrepreneurs themselves.

Four core propositions inform our EORP Model:

*Proposition 1:* There is a negative relationship between the optimism level of entrepreneurs and their perception of the level of challenges faced.

*Proposition 2:* There is a positive relationship between the pessimism level of entrepreneurs and their perception of the level of challenges faced.

*Proposition 3:* There is a negative relationship between the pessimism level of entrepreneurs and the business and personal outcomes realized.

*Proposition 4:* There is a positive relationship between the optimism level of entrepreneurs and the business and personal outcomes realized.

## RESEARCH METHOD

This paper seeks to determine:- the levels of optimism and pessimism among youth entrepreneurs; their perceptions of the types and levels of challenges they face; the business and personal outcomes derived from their entrepreneurial ventures; perceptions of business success as measured

by their assessment of the adequacy of the profit they make; and, the correlations (if any) among youth entrepreneurs' levels of optimism and pessimism, the average level of challenges they face and their business success. Stemming from the Entrepreneur Optimism - Realism - Pessimism (EORP) Model and the propositions derived therefrom, we advance four hypotheses.

- H1 - Youth entrepreneurs are likely to display a high level of optimism.
- H2 - The lower the level of challenges youth entrepreneurs perceive the higher their level of optimism.
- H3 - The higher the level of challenges youth entrepreneurs perceive the higher their level of pessimism.
- H4 - The higher the level of challenges youth entrepreneurs perceive the lower their level on an optimism-pessimism scale.

This article utilizes data from a survey of youth entrepreneurs in the urban areas of Linden and Rose Hall/Port Mourant, Guyana. The survey of youth entrepreneurs is part of a broader mixed method study conducted by the authors to determine the factors impacting youth entrepreneurship in the developing country of Guyana.

### **Survey of Youth Entrepreneurs**

Youth entrepreneurs in the surveyed communities operate mainly as self-employed informal/semi-formal economic operatives where most of their businesses are not registered, taxes and social security obligations invariably are not adhered to and, limited official records are available. Because of the unavailability of official records, access to youth entrepreneurs for interviewing was accomplished through the assistance of community leaders; fanning out teams of researchers in key business districts and other areas in the towns to identify youth entrepreneurs; and, by utilizing the snowball technique to find and interview additional respondents. One hundred and seventy-eight youth entrepreneurs were identified and interviewed using a survey instrument. Seventy-seven respondents derived from the town of Linden and 101 derived from the Rose Hall/Port Mourant urban communities.

The survey instrument comprised demographic, business characteristics, business operations and economic assessment questions. Included in these broad categories were questions on business type, startup capital, revenue, profit, access to loans and other forms of financing, entrepreneurial skills and training, number of employees, working hours, family and other support systems, perceptions about business successes and challenges facing youth entrepreneurs. The questions used in this survey were largely derived from pre-existing surveys on youth entrepreneurship (African Leadership Academy, 2016; Gwija, Eresia-Eke, & Iwu, , 2014; Fatoki & Chindoga, 2011).

For purposes of this paper, selected questions were combined to construct 4 new variables - optimism score, pessimism score, optimism-pessimism score, and an average challenge score.

***Optimism Score and Pessimism Score.*** The optimism score and the pessimism score both serve as empirical indicators of the levels of optimism and pessimism respectively of youth entrepreneurs in the survey. We posit that perceptions of being happy, proud, liking what they do

and willing to do their businesses for a long time are indicative of entrepreneurial optimism. While perceptions of feeling frustrated, worried and overwhelmed are indicative of entrepreneurial pessimism. Utilizing a Likert scale from 1 to 4, with 1 being “*not at all*” and 4 being “*very much so*,” respondents provided responses to the following questions. When I think of my business, I feel: a. happy; b. proud; c. I can do this for a long time; d. I like what I do; e. frustrated; f. worried; and, g. overwhelmed. A composite variable called the *optimism score* was constructed from the sum of the numeric responses given by respondents to categories a to d above. This composite variable is used to measure the multidimensional concept of “optimism” for each respondent and can range in value from 4 to 16 with 4 being very low on the optimism scale. Similarly, a composite variable called the *pessimism score* was constructed from the sum of the numeric responses given by respondents to categories e to g above. This composite variable is used to measure the multidimensional concept of pessimism and can vary in value from a possible 3 to 9, with 9 being the highest on the pessimism scale. Only data from respondents that answered all relevant questions were utilized to form the respective scores.

Construct validity for “optimism score” and “pessimism score” respectively was determined using Pearson’s correlation tests to detect convergent and divergent validities. For the “optimism score,” we tested the intercorrelations of the individual measures used and the constructed composite variable and found statistically-significant moderate to high convergence between each pair tested (see correlation matrix in Table 1). In particular, the individual measures showed very high correlation with the construct. As the discriminant variable, the combined pessimism score was used and we found divergence as expected.

Table 1: Correlation matrix for Optimism measures, Optimism score and Pessimism score

|                               | Feel - Happy  | Feel - Proud | I can do this for a long time | I like what I do | OPTIMISM SCORE |
|-------------------------------|---------------|--------------|-------------------------------|------------------|----------------|
| Feel - Happy                  | <b>1</b>      |              |                               |                  |                |
| Feel – Proud                  | <b>0.668</b>  | 1            |                               |                  |                |
| I can do this for a long time | <b>0.324</b>  | <b>0.396</b> | 1                             |                  |                |
| I like what I do              | <b>0.335</b>  | <b>0.485</b> | <b>0.522</b>                  | 1                |                |
| OPTIMISM SCORE                | <b>0.743</b>  | <b>0.812</b> | <b>0.788</b>                  | <b>0.712</b>     | 1              |
| PESSIMISM SCORE               | <b>-0.275</b> | -0.11        | -0.179                        | -0.06            | <b>-0.215</b>  |

Note: Bolded coefficients are significant at  $p < .01$  level

Table 2: Correlation matrix for Pessimism measures, Pessimism score and Optimism score

|                    | Feel - frustrated | Feel - worried | Feel - overwhelmed | PESSIMISM SCORE |
|--------------------|-------------------|----------------|--------------------|-----------------|
| Feel - frustrated  | 1                 |                |                    |                 |
| Feel - worried     | <b>0.600</b>      | 1              |                    |                 |
| Feel - overwhelmed | <b>0.300</b>      | <b>0.362</b>   | 1                  |                 |
| PESSIMISM SCORE    | <b>0.794</b>      | <b>0.832</b>   | <b>0.723</b>       | 1               |
| OPTIMISM SCORE     | <b>-0.299</b>     | <b>-0.233</b>  | -0.011             | <b>-0.215</b>   |

Note: Bolded coefficients are significant at  $p < .01$  level

Similarly, for the “pessimism score” construct, we tested the intercorrelations of the individual measures used and the constructed composite variable and found statistically-significant moderate to high convergence between each pair tested (see correlation matrix in Table 2 above). The individual measures showed very high correlation with the construct. As the discriminant variable, the combined optimism score was used and we found divergence as expected.

***Optimism-Pessimism Score.*** The combined optimism-pessimism score for each respondent was derived by subtracting her/his total pessimism score from her/his total optimism score. This score was used to determine the distribution of youth entrepreneurs on a combined *Optimism-Pessimism Scale*. Composite optimism-pessimism scores were created only for respondents who provided answers to all seven measures (a to g) earlier referred to. The optimism-pessimism scores can range from 13 on the high end to negative 8 (-8) on the low end.

***Average Challenge Score.*** A key component of the *axis of realism* introduced in the EORP Model is the youth entrepreneur’s perceptions of challenges faced. For this study, an *average challenge score* is a derived variable created by averaging the numeric responses provided by respondents to a list of 29 probable challenges. For each probable challenge, respondents had to state whether they strongly disagree, disagree, agree or strongly agree that it was a challenge facing them as an entrepreneur. Scores were assigned as follow: 1- Strongly disagree that it is a challenge, 2 – disagree, 3 – agree and 4 – strongly agree. Respondents were availed both the numeric values and their meanings to assist in their choices. The higher the average score, the higher the perception of challenges faced by the youth entrepreneur. We report broadly on the perceptions and levels of challenges facing youth entrepreneurs in the survey and use the derived average challenge score to provide an understanding of any correlation between the perceived level of challenges and the optimism and pessimism scores for respondents.

***Business and Personal Outcomes.*** The EORP Model also introduced the concept of “*business and personal outcomes*” as another key component in the “axis of realism.” We derived a measurable variable of *business success* as an outcome by utilizing the statement, “I do not make enough profit” as a proxy for “business success” as perceived by the youth entrepreneurs themselves. Respondents provided answers ranging from 1 to 4 on a Likert scale with 1 being “strongly disagree” and 4 being “strongly agree.” Results from this question were used to determine any correlations between the optimism and pessimism scores of respondents and their measured perception of their business success. Additionally, answers from two survey questions were used to provide insights into the thinking of youth entrepreneurs about the personal and other outcomes from their entrepreneurship ventures. These questions are “What are some of the successes of your business?” and “What are some of the positives of being in business?” These were open-ended questions and were not scored or scaled by respondents so they cannot be linked, in any statistical way, to the optimism or pessimism scores derived for each respondent. They were coded using key words and results reported.

## RESULTS

One hundred and seventy-eight (178) youth entrepreneurs between the ages of 18 and 35 were interviewed. Seven-seventy (43.3%) respondents were from the town of Linden and 101 (56.7%) were from the Rose Hall/Port Mourant community. Of the 178 youth entrepreneurs, 84 or 47.2%

were females and 94 or 52.8% males. Seventy-one (39.9%) were between the ages of 18 and 25; 45 or 25.3% were between 26 and 30 years old; and, 62 or 34.8% fell within the 31 to 35 years age group. When asked to identify their race, 54 respondents (30.3%) identified as “Black/African,” while 73 (41%) identified as “East Indian” and 51 (28.6%) identified as “mixed race.” Ninety-nine of the 178 youth entrepreneurs (55.6%) reported that secondary school was their highest level of education, while 12 (6.7%) attained only primary education. Forty-eight respondents (27%) reported that Technical/Vocational education was their highest level of education and 16 respondents (9%) attended university. In sum, 64 respondents (36%) had tertiary or post-secondary education. Sixteen respondents (9%) and eight respondents (4.5%) were currently in technical/vocational school and university respectively.

### **Business start-up and Business Characteristics**

Of the 178 respondents, 153 or 85.9% owned one business; 18 or 10.1% owned two businesses; and, 7 owned 3 businesses each. The most dominant business category in which respondents operated was retailing/vending with 38% or 73 respondents naming this category. Other popular business categories were beauty and grooming services (12%) snack preparation (9%), livestock rearing (7%) and transportation services (7%). Besides these more prevalent categories, youth entrepreneurs engaged in event planning, catering, agriculture, appliances/computer repairs, carpentry/welding/ block making and garment manufacturing. They owned restaurants, bars and meat shops; and, provided art and craft services, tutoring, printing and other services. The survey data revealed a few significant differences in gender ownership of businesses. There were male youth entrepreneurs in all the represented categories of businesses except for garment manufacturing. However, there were no female respondents owning appliances/computer repair shops, in agriculture, construction related services or transportation businesses.

Almost 28 % of respondents were in business for two years or less; 29.5% were in business for three to six years; 26.1% were in business for seven to 10 years while, 15.5% reported being in business for 11 years or longer. Only 3.4% reported being in business for over 15 years. One hundred and fifty-two respondents (85.4%) earned most of their income from their owned businesses while 15 (6.2%) had jobs or gigs along with their businesses and 6 others said they assisted their spouses to earn other income. One hundred and twenty-seven of the 178 youth entrepreneurs (71.3%) started their business at 18 years or older while 48 or 27% of respondents started their business at ages younger than 18; 69.1% of the respondents started their businesses between the ages of 16 and 25 years. One hundred and twenty-seven respondents (71.3%) were the sole owners of their businesses while 49 (27.5%) were in business with others including parents, siblings and other relatives. One hundred and twenty-six respondents (70.8%) reported having no employees.

### **Optimism, Pessimism and the Optimism-Pessimism Score**

Utilizing a Likert scale from 1 to 4, with 1 being “not at all” and 4 being “very much so,” respondents were asked to give a numerical response representing how they felt when they think of their business based on the following measures: a. happy; b. proud; c. I can do this for a long time; d. I like what I do; e. frustrated; f. worried; and, g. overwhelmed. For this paper the categories

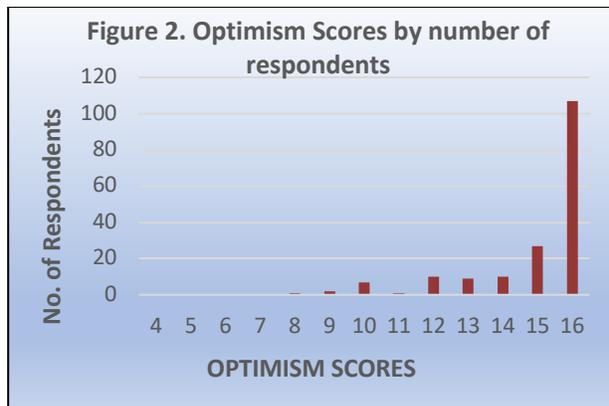
a to d are used to construct an *optimism score*; while, categories e to g are used as a *pessimism score*.

**Youth Entrepreneurial Optimism.** Table 3 provides summary statistics for the individual optimism measures. Means for these measures ranged between 3.63 and 3.88 with the median being 4 for all individual measures. Respondents in the two communities were equally happy, proud and liked what they did but the youth entrepreneurs in Linden were less optimistic that they can carry on their businesses for a long while ( $p = .0017$ ). Researchers found no statistically significant difference when data for the individual measures were tested by gender and age-group.

Table 3. Summary Statistics for Optimism Measures

| Optimism measure                     | N   | Mean | Variance | Std. dev. | Median |
|--------------------------------------|-----|------|----------|-----------|--------|
| Feel - Happy                         | 177 | 3.74 | 0.28     | 0.53      | 4      |
| Feel - Proud                         | 177 | 3.72 | 0.32     | 0.56      | 4      |
| Feel - I can do this for a long time | 175 | 3.63 | 0.59     | 0.77      | 4      |
| Feel - I like what I do.             | 178 | 3.88 | 0.17     | 0.41      | 4      |

**The Optimism score.** To construct an overall optimism score, researchers used data only from respondents who had provided scores for all the relevant categories (a. happy; b. proud; c. I can do this for a long time; d. I like what I do) resulting in 174 completed responses. When aggregated across all relevant questions, the optimism score had a possible range from 4 to 16. Table 4 and Figure 2 report on the optimism scores of respondents.



| Optimism Scores | Freq. | % of Total |
|-----------------|-------|------------|
| 8               | 1     | 0.57       |
| 9               | 2     | 1.15       |
| 10              | 7     | 4.02       |
| 11              | 1     | 0.57       |
| 12              | 10    | 5.7        |
| 13              | 9     | 5.2        |
| 14              | 10    | 5.7        |
| 15              | 27    | 15.5       |
| 16              | 107   | 61.5       |

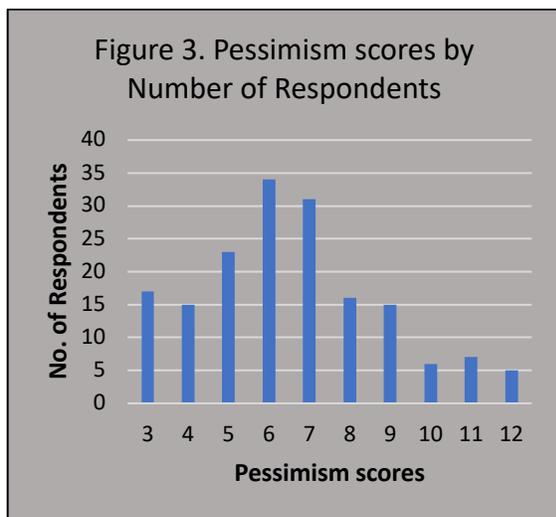
No respondent had an optimism score totaling less than 8. Scores ranged on the high end from 8 to 16 with 144 of the 174 respondents (82.7%) recording scores of 14, 15 and 16. One hundred and seven respondents or 61.5% recorded the highest possible optimism score of 16. Most respondents therefore placed very high on the optimism scale. Further, researchers found no statistically significant difference when the aggregated data was tested by area, gender or age-group, suggesting these factors played no significant role in the youth entrepreneurs’ overall optimism. These results confirm our Hypothesis 1 that youth entrepreneurs are likely to display a high level of optimism.

**Youth Entrepreneurial Pessimism.** Table 5 provides summary statistics for the individual pessimism measures. Given that scores for the individual measures ranged from 1 to 4, the means and the medians for all the pessimism measures were low. The mean scores were frustrated 2.1, worried 2.17, and overwhelmed 2.28. Medians were 2 for all individual measures. However, the data presented relatively high standard deviations for all measures so further investigation was warranted to ascertain any differences among key groups of respondents. Analysis did not reveal statistically significant differences in two of the pessimism measures – “frustrated” and “worried” when tested by community, gender or age group. However, the “overwhelmed” measure showed significant differences ( $p < 0.1$  level) in responses by gender and area. For further analysis, the data was broken into four groups using gender by area. T-tests revealed statistically significant differences ( $p < .05$ ) between the responses given to this measure by female entrepreneurs in Linden compared to their female counterparts in Rose Hall/ Port Mourant and their male counterparts in both communities. The means of the “overwhelmed” measure were 2.72 for Linden female; 2.07 for Linden male; 2.11 for Rose Hall/Port Mourant female and 2.19 for Rose Hall/Port Mourant male.

**Table 5. Summary Statistics for Pessimism Measures**

| Column             | n   | Mean | Variance | Std. dev. | Median |
|--------------------|-----|------|----------|-----------|--------|
| Feel - frustrated  | 173 | 2.12 | 0.82     | 0.91      | 2      |
| Feel - worried     | 174 | 2.17 | 0.96     | 0.98      | 2      |
| Feel - overwhelmed | 172 | 2.28 | 1.04     | 1.02      | 2      |

**The Pessimism score.** To construct an overall pessimism score, researchers used data only from respondents who had provided scores for all the relevant measures (a. frustrated; b. worried; c. overwhelmed) resulting in 169 completed responses. When aggregated across all relevant categories, the pessimism score had a possible range from 3 to 12. Table 6 and Figure 3 report on the pessimism scores of respondents.



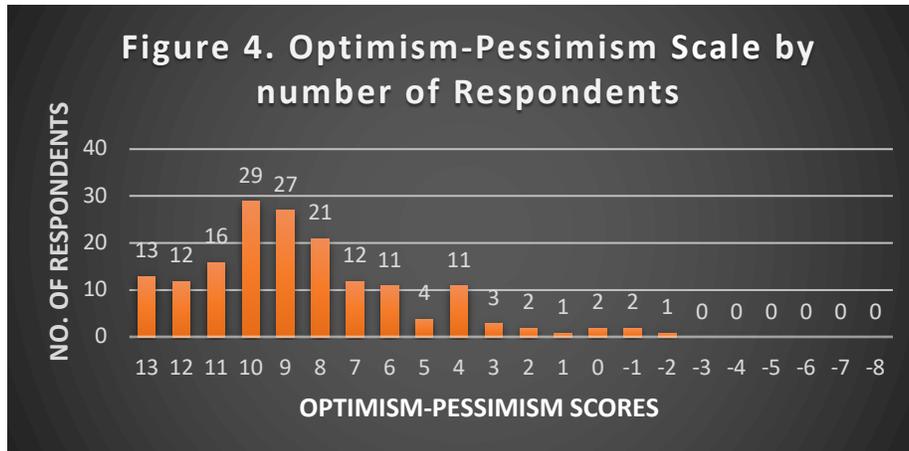
**Table 6. Frequency for Pessimism Score n=169**

| Pessimism Score | Frequency | % of Total |
|-----------------|-----------|------------|
| 3               | 17        | 10.1       |
| 4               | 15        | 8.9        |
| 5               | 23        | 13.6       |
| 6               | 34        | 20.1       |
| 7               | 31        | 18.3       |
| 8               | 16        | 9.5        |
| 9               | 15        | 8.9        |
| 10              | 6         | 3.6        |
| 11              | 7         | 4.1        |
| 12              | 5         | 3          |

Respondents had aggregate pessimism scores across the entire range from 3 to 12. The mean of the aggregate pessimism score was 6.55 with a median and mode scores of 6. Seventy point four

percent of the respondents had scores between 5 and 9. There was no statistically significant differences between the male and female scores or the scores by community. Based on these measures and data realized from the survey, pessimism and not only optimism can be acknowledged as characteristic of youth entrepreneurs’ functioning. Correlation tests revealed a statistically significant negative correlation between respondents’ optimism scores and pessimism scores ( $r = - 0.215$ ;  $p < 0.0001$ ;  $n=164$ ).

**The Optimism-Pessimism Score.** Combined Optimism-Pessimism scores were developed based on the results for all 7 categories (a. happy; b. proud; c. I can do this for a long time; d. I like what I do; e. frustrated; f. worried; and, g. overwhelmed). The variable *optimism-pessimism score* was constructed by subtracting total pessimism scores from total optimism scores for each respondent, resulting in a possible range of scores from 13 to -8. Results pointed to an actual range of scores from 13 on the optimistic or high end to -2 on the low or pessimistic end of the scale (See Figure 4).



Data suggest that when the optimism and pessimism scores are linked together in analysis as a common scale, the youth entrepreneurs from the survey recorded relatively high on the optimistic end. Ninety-five percent (95%) of respondents scored in the upper fifty percentile and 70.6% of respondents recorded scores in the upper 27 percentile of the overall optimism-pessimism scale. The Optimism-Pessimism scores were tested (using t-tests) against demographic factors such as gender, age group, and educational background along with area of residence. Researchers found no statistically significant influence of these on the optimism-pessimism scores of respondents.

### Perception of Challenges facing Youth Entrepreneurs

As indicated in the EORP Model, perceptions of challenges were included as an integral component of the axis of realism for entrepreneurs. To understand the level and types of challenges facing youth entrepreneurs, respondents were posed with a list of 29 probable challenges for which they had to state whether they strongly disagree, disagree, agree or strongly agree that it was a challenge facing them as a youth entrepreneur. Scores were assigned as follow: 1- strongly disagree that it is a challenge, 2 – disagree, 3 – agree and 4 – strongly agree. Respondents were availed both scores and their meanings to assist in their choices. Mean scores and related statistics were calculated based on the respondents’ answer to each probable challenge. The lower the mean

score, the less the perception of it as a challenge to youth entrepreneurs from the survey. Table 7 reports on the challenges and mean scores calculated across all respondents. Data revealed that out of the 29 probable challenges, respondents generally did not perceive 21 of these as being serious challenges (mean < 2.5).

Table 7. Summary Statistics - Challenges Faced by Entrepreneurs

| Challenge   | N   | Mean | Variance | Std. dev. | Std. err. | Median |
|---|-----|------|----------|-----------|-----------|--------|
| Support from community                            | 177 | 2.01 | 0.84     | 0.92      | 0.07      | 2      |
| Necessary skills and knowledge                    | 176 | 2.11 | 0.99     | 0.99      | 0.07      | 2      |
| Getting loans                                     | 173 | 2.23 | 1.12     | 1.06      | 0.08      | 2      |
| Family members to help                            | 175 | 1.89 | 0.83     | 0.91      | 0.07      | 2      |
| Crime or fear of crime                            | 176 | 2.65 | 1.13     | 1.06      | 0.08      | 3      |
| Not enough opportunity in market                  | 176 | 2.58 | 0.95     | 0.98      | 0.07      | 3      |
| Uncertainty about future                          | 175 | 2.65 | 0.93     | 0.97      | 0.07      | 3      |
| Support from government                           | 174 | 2.67 | 1.30     | 1.14      | 0.09      | 3      |
| Finding a business partner                        | 173 | 1.97 | 0.95     | 0.98      | 0.07      | 2      |
| A weak economic environment                       | 175 | 3.15 | 0.85     | 0.92      | 0.07      | 3      |
| Getting funding information                       | 178 | 2.33 | 0.90     | 0.95      | 0.07      | 2      |
| Getting money to invest                           | 176 | 2.50 | 1.11     | 1.05      | 0.08      | 3      |
| Lack of friends to help                           | 176 | 1.95 | 0.85     | 0.92      | 0.07      | 2      |
| Lack of collateral to obtain loan                 | 175 | 2.30 | 1.19     | 1.09      | 0.08      | 2      |
| Lack of business experience                       | 178 | 1.80 | 0.77     | 0.88      | 0.07      | 2      |
| Fear of risk                                      | 177 | 2.41 | 0.90     | 0.95      | 0.07      | 3      |
| No people encouraging me                          | 178 | 1.85 | 0.72     | 0.85      | 0.06      | 2      |
| Limited management and entrepreneurship knowledge | 177 | 2.17 | 0.83     | 0.91      | 0.07      | 2      |
| High cost of running business                     | 177 | 2.59 | 0.98     | 0.99      | 0.07      | 3      |
| Making enough profit                              | 174 | 2.49 | 0.85     | 0.92      | 0.07      | 2.5    |
| Having good understanding of acct.                | 176 | 1.98 | 0.77     | 0.88      | 0.07      | 2      |
| Finding good labor                                | 173 | 1.98 | 0.74     | 0.86      | 0.07      | 2      |
| Finding materials/ stocks for business            | 177 | 1.98 | 0.78     | 0.88      | 0.07      | 2      |
| Having good ideas to grow business                | 178 | 1.83 | 0.57     | 0.76      | 0.06      | 2      |
| Having right contacts to grow business            | 178 | 2.17 | 0.89     | 0.94      | 0.07      | 2      |
| Not the right time to expand                      | 175 | 2.19 | 0.85     | 0.92      | 0.07      | 2      |
| Too young for this responsibility                 | 178 | 1.43 | 0.39     | 0.63      | 0.05      | 1      |
| Business involves too much work                   | 177 | 2.06 | 0.91     | 0.95      | 0.07      | 2      |
| Lack of information                               | 173 | 2.16 | 0.99     | 0.99      | 0.08      | 2      |

Source: (List of challenges adapted from: Fatoki, & Chindoga, 2011)

Greater than 50% of respondents in both communities respectively agreed or strongly agreed that the following were challenges they faced: A weak economic environment – 76.6%; Uncertainty about the future (59.4%); the high cost of running their businesses (54.7%); and, support from

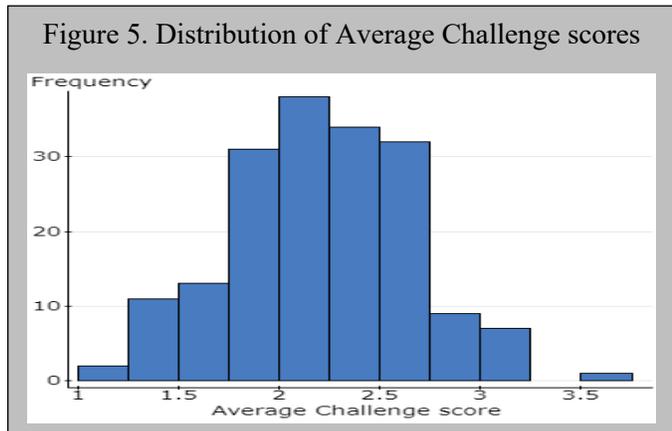
government (58%). In addition, youth entrepreneurs identified challenges that were specific to their respective areas. In Linden, greater than 50% of respondents agreed or strongly agreed on these additional challenges: lack of funding information (60.6%); difficulty getting loans (50.7%); lack of collateral to get loans (52.6%); and, money to invest (56%). For youth entrepreneurs in the Rose Hall/Port Mourant area the additional higher-ranked challenges were crime or fear of crime (69%); not making enough profit (51.4%); fear of risk (54%); and, not enough opportunity in the market (61%). Male and female respondents generally agreed on the main challenges within their respective communities. However, in Linden 57.3% of females agreed or strongly agreed that getting loans was a challenge compared to only 38% of males in that area.

**Entrepreneurial Confidence in the face of challenges.** Respondents seemed confident in their own abilities to run their businesses and about the support from family/friends and the community. Greater than 70% of entrepreneurs surveyed disagreed or strongly disagreed that the following were challenges for them - finding a business partner, lack of business experience, no family or friends to assist them, not having good ideas to grow the business, not having a good understanding of accounting, finding good labor, too young for the responsibility and lack of community support.

**The Average Challenge Score.** An average challenge score was generated for each respondent, based on their answers across all challenges. Average challenge scores ranged between 1 and 4 for each respondent. Low scores indicated that overall, the respondent did not perceive a high level of challenges while high scores indicated perceptions of a higher level of challenges over the 29 categories covered. Due to the unique numerical values obtained for each respondent, the average scores were binned and range results are reported in Table 8 and Figure 5.

Table 8: Frequency table for Average Challenge score (n = 178)

|          | Freq. | % of Total |
|----------|-------|------------|
| 1 to 1.5 | 13    | 7.3        |
| 1.5 to 2 | 44    | 24.7       |
| 2 to 2.5 | 72    | 40.4       |
| 2.5 to 3 | 41    | 23.0       |
| 3 to 3.5 | 7     | 3.9        |
| 3.5 to 4 | 1     | 0.6        |



With 2.5 as the midpoint of the scale, 72.4% of respondents perceived a lower level of challenges compared to 27.6% who perceived a higher overall level of challenges. The average challenge scores derived were controlled for area, gender, age group, educational background and marital status, but, no statistically significant differences were observed within these demographics.

### Connecting Optimism, Pessimism and Challenges

The EORP Model suggests that there is a correlation between perceived challenges and optimism; and, between perceived challenges and pessimism. Three correlations were determined with

Pearson's correlation results as follows: average challenge score and optimism score ( $r = -0.27$ ;  $p = 0.0004$ ;  $n = 174$ ); average challenge score and pessimism score ( $r = 0.28$ ;  $p = 0.0002$ ;  $n = 169$ ); average challenge score and optimism-pessimism score ( $r = -0.35$ ;  $p < 0.0001$ ;  $n = 167$ ). The correlations were all statistically significant and were positive or negative as expected, confirming study hypotheses 2, 3 and 4.

- The lower the level of challenges youth entrepreneurs perceive the higher their level of optimism ( $r = -0.27$ ;  $p = 0.0004$ ).
- The higher the level of challenges youth entrepreneurs perceive the higher their level of pessimism ( $r = 0.28$ ;  $p = 0.0002$ )
- The higher the level of challenges youth entrepreneurs perceive the lower their level on an optimism-pessimism scale. ( $r = -0.35$ ;  $p < 0.0001$ )

While there were low degrees of correlation when the optimism score and pessimism score were tested individually against the average challenge scores, there was a more robust degree of correlation (-.35) when the combined optimism-pessimism score was correlated with the average challenge score. This more robust correlation may suggest that just as optimism has been found to characterize the dispositions of entrepreneurs, pessimism may also play a part. In the face of entrepreneurial challenges, entrepreneurial optimism, then, is moderated by some measure of entrepreneurial pessimism among youth entrepreneurs in this survey. Similarly, optimism and pessimism may together influence how entrepreneurial challenges are perceived.

### **Business and Personal Outcomes**

Along with challenges, entrepreneurs' business and personal outcomes are important indices of the axis of realism for entrepreneurs. Researchers utilized the statement, "I do not make enough profit" as a proxy for "business success." Respondents provided answers ranging from 1 to 4 on a Likert scale with 1 being "strongly disagree" and 4 being "strongly agree." Results showed that in general respondents who did not perceive themselves as making enough profit" scored lower on the optimism-pessimism scale than those who did ( $r = -0.33$ ;  $p < 0.0001$ ;  $n = 164$ ). This correlation indicates that the perception of success in business, as measured by profit realization, may be a significant factor in the overall optimism-pessimism score of respondents.

Further, answers to two survey questions provide insights into the thinking of youth entrepreneurs about the business and personal outcomes from their entrepreneurial ventures. These were open-ended questions but significant commonalities were found among the answers given by respondents. When asked: "what are some of the successes of your business?" 175 of the 178 respondents provided answers. In all there were 198 responses for coding as some respondents provided more than one answer. Significant success indicators for youth entrepreneurs in this survey were: the expansion, growth and sustainability of their business ventures; and, that being in business allowed them to provide financially for self and family. Among the popular responses were: "meeting personal/family needs" (36%); "business growth/expansion" (26.9%); acquiring personal assets (18.3%); business diversification (6.3%); and, having savings/financial security (5.1%). Respondents also gauged their success by customer and community satisfaction, profitability, and financial independence among other factors.

When asked about the positives of being in business, 172 respondents provided answers. Respondents seemingly found “being their own boss”, “making their own money” and the “ability to interact and network with others” as significant positives emanating from being entrepreneurs. Popular responses were “being my own boss (44.2%); making my own money (17.4%); meeting and interacting with people/networking (14%) and satisfying customers (8.1%). Among the other positives of being in business identified by the youth entrepreneurs, to a lesser extent, included being independent, occupied and responsible, helping community, meeting and satisfying personal and family needs, flexible working hours, being a role model and inspiring others, sharing and gaining knowledge, gaining respect and building self-esteem. A few respondents just indicated that they felt good about being in business and that they liked what they did.

## SUMMARY AND DISCUSSION

The prevailing entrepreneurship literature is preoccupied with entrepreneurial optimism. This paper addressed the neglected dimensions of entrepreneurial pessimism and realism. We argued that in addition to optimism, though often overlooked, “pessimism” and “realism,” may be coexisting considerations in the entrepreneurs’ mindset and that these constructs may be as integral to explanations of the disposition of entrepreneurs. Optimism and pessimism are treated as a duality. An *Entrepreneur Optimism - Realism - Pessimism (EORP) Model* was developed, which incorporated optimism, realism and pessimism within a common conceptual framework and did not treat these as isolated in the mindset of entrepreneurs. We introduced the construct *axis of realism* - a complex of challenges and outcomes from entrepreneurial investment and activities shorn of the entrepreneurs’ aspirations and expectancies. This construct was incorporated within the EORP model and made allowance for entrepreneurs in their functioning to commit to either the optimism or the pessimism side while being mindful of the challenges and outcomes they experience - axis of realism. The axis of realism is the nexus of the model and underlines its dynamic component making allowance for the entrepreneur to respond optimistically or pessimistically when confronted with entrepreneurial challenges and outcomes. As the yield factor of the model, the *axis of realism* conceivably makes allowance for entrepreneurs to be an optimist about some aspects of their business and at the same time be a pessimist about other aspects. In this age of the Covid-19 Pandemic, the utility of the EORP Model is amplified as entrepreneurs are constrained to factor into their mindsets and dispositions the realities of adverse economic, legal and public health milieux that frontally negate accustomed individual strivings in the business world.

We tested the EORP Model by utilizing data from a survey of youth entrepreneurs in the urban areas of Linden and Rose Hall/Port Mourant, in the developing country of Guyana. A significance of this study is that youth entrepreneurship has not been a focal concern of prevailing research on optimism and entrepreneurship. This neglect is notwithstanding the fact that youth entrepreneurs worldwide face even greater obstacles and challenges in the start-up, growth and expansion of their businesses than other entrepreneurs.

Data were utilized to investigate the levels of optimism and pessimism of youth entrepreneurs and to determine whether these levels correlated with the perceived challenges and business/personal outcomes of respondents from the survey. We generated separate optimism scores and pessimism scores and then combined these for each respondent by subtracting the pessimism scores from the

optimism scores to create a combined optimism-pessimism scale. Consistent with the expansive research literature on optimism and entrepreneurship, we found that youth entrepreneurs in Guyana scored very high on optimism measures. With a possible optimism score ranging from 4 to 16, respondents' scores ranged on the high end from 8 to 16 with 82.7% of respondents recording the three highest scores of 14, 15 and 16. These data confirmed our Hypothesis 1 "Youth entrepreneurs are likely to display a high level of optimism."

Similarly, the data revealed that the youth entrepreneurs also evidenced a disposition towards pessimism. Scores were recorded over the entire range of possible pessimism scores from 3 to 12 with a mean of 6.55 and median and modal scores of 6, almost in a bell curve formation. Seventy-four percent (70.4%) of the respondents had scores between 5 and 9. These data suggest that the prevalence of optimism among the youth entrepreneurs does not negate the co-existing presence of pessimism. The entrepreneurs in this study recognized that in pursuit of their enterprises, in addition to being mainly optimistic, they were also pessimistic, in that there were issues to worry about, to be frustrated over and that their businesses, or some aspect thereof, can be overwhelming at times. These findings provide justification for our typification of optimism-pessimism as a duality.

The optimism-pessimism scale represented in this article was articulated through the construction of a variable "optimism-pessimism score" in order to bring together the individual optimism and pessimism scores for each respondent. The data revealed that even when tempered by pessimism, the youth entrepreneurs recorded relatively high towards the optimism end of the scale. Ninety-five percent (95%) of respondents scored in the upper half (optimism side) of the overall optimism-pessimism scale.

The remaining three hypotheses were tested using the Pearson's Correlation test - Hypothesis 2. The lower the level of challenges youth entrepreneurs perceive the higher their level of optimism; Hypothesis 3. The higher the level of challenges youth entrepreneurs perceive the higher their level of pessimism; and, Hypothesis 4. The higher the level of challenges youth entrepreneurs perceive the lower their level on the optimism-pessimism scale. These hypotheses could not be rejected, as correlations were all statistically significant and were positive or negative as expected. We found, however, a more robust correlation between the average challenge score and the combined optimism-pessimism score. This more robust correlation may suggest that in the welter of their functioning entrepreneurs may evidence both optimistic and pessimistic dispositions. In the face of entrepreneurial challenges, entrepreneurial optimism, then, is moderated by some measure of entrepreneurial pessimism among youth entrepreneurs in the survey. Similarly, optimism and pessimism may together influence how entrepreneurial challenges are perceived. These findings affirm the functional utility of the combined optimism-pessimism measure, which can provide a useful lens for understanding the relationships of optimism and pessimism to the perceived challenges of entrepreneurs. Further, they point to a deficiency in the entrepreneurial literature that privileges entrepreneurial optimism to the neglect of entrepreneurial pessimism.

Along with challenges, entrepreneurs' business and personal outcomes are important indices of the *axis of realism* in this paper. When the respondents' perceptions of the adequacy of their profit was used as a proxy for "success," results revealed that youth entrepreneurs who perceived themselves as not "making enough profit" scored lower on the optimism-pessimism scale than

those who perceived themselves as “making enough profit.” This correlation indicates that the perception of success in business, as measured by profit realization, may be a significant influence on the overall optimism-pessimism score of respondents. This finding is consistent with that of Liang and Dunn (2011).

The findings from the survey were largely consistent with findings from entrepreneurship research literature on intrinsic and extrinsic outcomes (Kuratko et al., 1997; Pinfold, 2001; Liang & Dunn, 2011). The youths in the survey similarly identified many beyond-profit-seeking outcomes from their entrepreneurial ventures. Significant success indicators for youth entrepreneurs in this survey were: the expansion, growth and sustainability of their business ventures; and, that being in business allowed them to provide financially for self and family. Many respondents reported that “being their own boss”, “making their own money” and the “ability to interact and network with others” were positives emanating from being entrepreneurs.

Shortcomings of this study include: not explaining why entrepreneurs choose to act with optimism or pessimism or any combination of these in the conduct of their businesses, only that they may do so; and, not accounting for the processes involved in the translation of optimism and pessimism from the entrepreneur’s mindset to phases of their actions. Opportunities abound for studying entrepreneurial optimism, realism and pessimism as an integral whole and by so doing enriching the entrepreneurship literature and advancing our understanding of entrepreneurial behavior.

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