

Causal Effect of Emotions on Entrepreneurial Opportunity Evaluation

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This dissertation will study the underlying factors of new venture creation and entrepreneurial success.

Specifically the focus is on the opportunity evaluation as a distinct pre-requisite for venture creation. During the opportunity evaluation stage the entrepreneur engages in a first-person judgment of an opportunity's feasibility and desirability. Discovering the causal factors and moderating processes of opportunity evaluation will make a significant contribution to understanding why some people act on existing opportunities whereas other do not.

A recent stream of research has proposed emotions as being an underlying factor of opportunity evaluation (Foo, 2011). Addressing the gaps in this literature, we present a model outlining how incidental emotions directly impact the evaluation of opportunities as feasible and desirable.

Furthermore external environmental factors are also believed to influence the opportunity evaluation (Short et al. 2009). However external contextual factors and their impact on entrepreneurs' judgments have not been extensively researched. For example often entrepreneurs have to make decisions under high levels of time pressure if they want to take advantage of opportunities with short duration (Dimov, 2007).

The objective of this dissertation is to answer the following questions: 1. How do incidental emotions influence opportunity evaluation? 2. How do individuals evaluate opportunities under different environmental conditions? 3. How do emotional and environmental factors interact in the evaluation of entrepreneurial opportunities?