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The Influence of Intra-Team Negotiations on Entrepreneurial Hustle

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Abstract

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This paper investigates the role of intra-team negotiations in shaping entrepreneurial hustle within co-founder teams. Entrepreneurial hustle as an urgent and unorthodox action to address challenges and opportunities under uncertainty has predominantly been studied at the individual level. By shifting the focus to the team level, this study explores how different perceptions of team members regarding interpersonal conflict and their negotiation styles such as competing, collaborating, compromising, avoiding, and accommodating influence the team's engagement in entrepreneurial hustle. Using experimental vignettes to simulate stressors, this quantitative research examines how these perceptions, along with relational anxiety, impact stressors and entrepreneurial hustle.

Keywords: Intra-Team Negotiations, Entrepreneurial Hustle, Relational Anxiety

Track: Entrepreneurship

Word count (1873 excluding tables and references)

Introduction and Theory Background

Entrepreneurial success often depends on the ability to make effective decisions. These decisions require negotiation and collaboration. This aligns with negotiation theory, which mentions that effective communication and engagement between parties are crucial for successful decision-making and action (Caputo, 2019). Research shows that most ventures are founded and led by teams rather than individuals (Beckman, 2006), and over the past two decades, entrepreneurial teams have garnered substantial research interest (Gregori and Parastuty, 2021). The entrepreneurial journey is marked by high uncertainty, emotional challenges, and time constraints (Shepherd *et al.*, 2015) and involves various actors who contribute to venture creation and growth (Stevenson & Jarillo, 1990; Venkataraman, 1997). Entrepreneurial teams need to be flexible, adaptable (Zolin *et al.*, 2011) and required to handle complex and uncertain tasks such as decision-making and new venture activities while being able to respond rapidly and flexibly to opportunities, threats, and environmental changes (Kollmann *et al.*, 2020). When entrepreneurs decide to form a team and collaborate, negotiation within a team becomes more important (Harper, 2008).

Since entrepreneurship is a process that entails some degree of uncertainty, an entrepreneur's capacity to understand and respond to uncertainty determines the venture's level of success or failure (McKelvie *et al.*, 2011). Response uncertainty can be crucial when you need to make a decision quickly, especially in situations where you have to act to take advantage of an opportunity or to avoid a threat (McKelvie *et al.*, 2011), such as the entry of a new competitor.

One way that entrepreneurs respond to these challenges is through entrepreneurial hustle, “an entrepreneur’s urgent, unorthodox actions intended to be useful in addressing immediate challenges and opportunities under conditions of uncertainty” (Fisher *et al.*, 2020, p. 1003). Entrepreneurs must respond quickly to current challenges and opportunities in their ventures. Sometimes, they may employ unconventional behaviours and innovative strategies, deviating from established norms to effectively address their problems (Kuratko *et al.*, 2023). Entrepreneurial hustle has two main attributes: (1) action-oriented attributes, which vary among individuals; and (2) contextual attributes, which determine whether urgent and unorthodox actions qualify as hustle (Burnell *et al.*, 2024). In this sense, entrepreneurial hustle is not simply reactive; it reflects a purposeful decision to act.

However, in a team, this urgent and unorthodox response to an immediate challenge may vary among team members, as perceptions and emotions shape how they react. Entrepreneurship generates strong emotions because it is an extreme context characterized by time pressures and uncertainty (Cardon *et al.*, 2012). These emotional responses can significantly influence how teams navigate challenges. Fisher, Stevenson, Neubert, *et al.* (2020) define hustle as a response to these immediate challenges and opportunities, making emotional states a critical factor in shaping entrepreneurial actions. Anxiety, as Thompson *et al.* (2020) suggest, can influence entrepreneurial action, making it an important consideration in understanding entrepreneurial hustle as a specific category of actions during the venture development process (Kuratko *et al.*, 2023).

Anxiety has a significant influence on entrepreneurial hustle, acting as both a motivating force and a potential obstacle. In general, anxiety encourages individuals to reconsider and evaluate situations, making it valuable for considering different perspectives,

as highlighted by Thompson et al. (2020). This ability to reassess can be very important in team settings where internal negotiations take place. Anxiety has both debilitating and facilitating effects. Facilitating anxiety can act as a motivating factor, prompting action and innovation, while debilitating anxiety is linked to worry and distraction (Raffety *et al.*, 1997). Moreover, anxiety can drive urgency, which is an essential component of the entrepreneurial hustle. Farber and Spence (1995) explored the interaction between anxiety and task performance, noting that anxiety might increase drive, leading to quicker reaction times in simple tasks but potentially hindering performance in more complex situations. This dual nature of anxiety may result in more anxious team members adopting strategies in their negotiations that help them act urgently and decisively, especially when immediate action is required.

Unorthodox thinking, another crucial component of entrepreneurial hustle, is also influenced by anxiety indirectly. Little and Wuensch (2015) found that facilitating anxiety, rather than debilitating anxiety, significantly affects creative ability, establishing a relationship between the two-factor model of anxiety and creativity. Unorthodox ideas, defined as deviations from accepted or orthodox standards or beliefs, are often embraced by entrepreneurs who break with conventions and challenge the status quo to create value and solve meaningful problems (Pidduck and Tucker, 2022). The unorthodoxy dimension is rooted in creativity literature, where creativity embodies both novelty and usefulness (Burnell *et al.*, 2024). Since the decision to hustle or not is a team decision, the level of anxiety among team members affects the way they negotiate for unorthodox actions.

When considering founder teams, the influence of anxiety becomes more complex. The decision to hustle or not is no longer an individual choice but a team one, requiring negotiation and consensus among team members. In this context, anxiety is not just an individual experience but a shared, relational dynamic within the team. Relational anxiety refers to the anxiety or stress experienced by individuals during interactions within a group (West *et al.*, 2009). This relational anxiety significantly impacts the negotiation styles that team members choose to adopt. The concept of "unmitigated communion" in psychology suggests that individuals who experience high levels of anxiety about their relationships tend to prioritize maintaining these relationships over their own interests. This anxiety drives them to adopt more accommodating or compromising negotiation styles, where they are more likely to make concessions to avoid conflict and preserve harmony (Amanatullah *et al.*, 2008). I propose integrating anxiety into the Dual Concern Theory to better understand how motivational factors influence conflict management and negotiation outcomes. In entrepreneurial settings, balancing self-interest, concern for others, and the drive from anxiety helps teams respond to challenges.

In a team, the response to a stressor that requires hustling behaviour may vary among team members, as they have different perceptions. The key issue is whether hustling is always necessary or if team members choose to hustle simply because they are in a team and feel pressured by competition.

This research contributes to the theoretical understanding of entrepreneurial hustle by first recognizing it as a complex construct that requires distinguishing between situations that require urgent and unorthodox actions and those that do not. Second, while previous studies have focused on entrepreneurial hustle from the perspective of individual decision-making, this study focuses on team-level decision-making, recognizing that entrepreneurial hustle involves collective decisions and ongoing relationships within teams.

This study extends the Dual Concern Theory, which traditionally emphasizes balancing self-interest with concern for others in negotiation, by applying it to entrepreneurial teams,

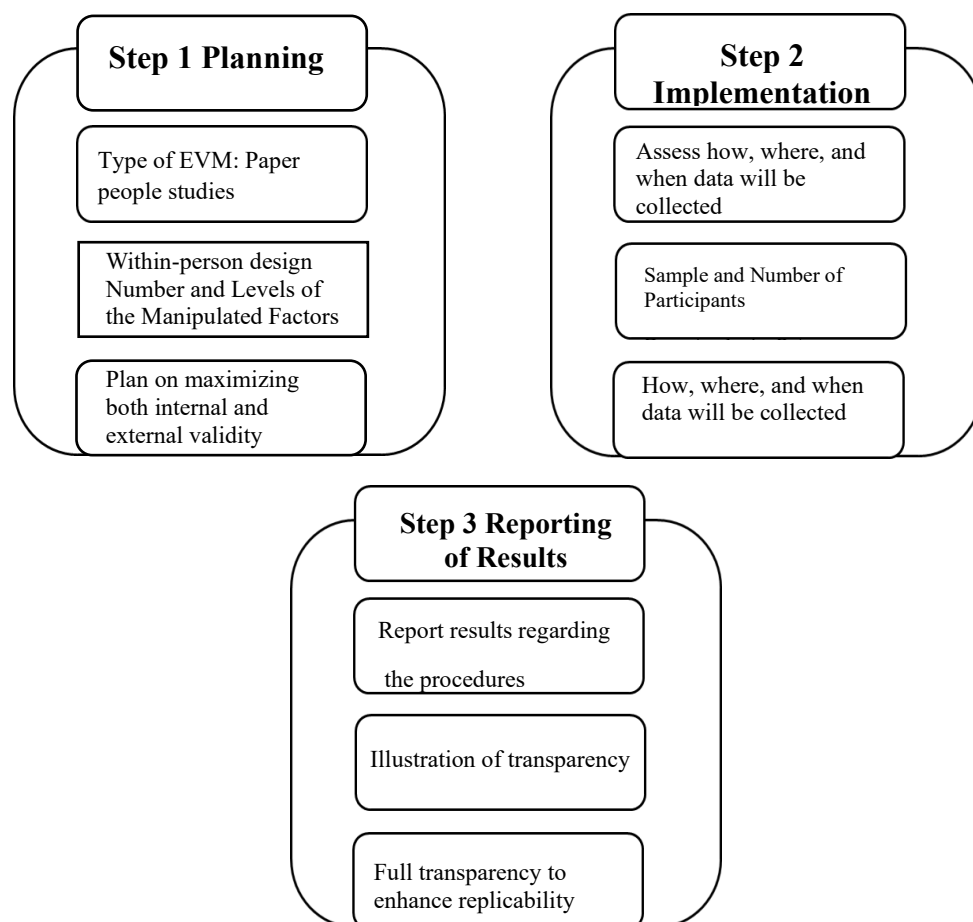
where the dual goals are the success of the venture and maintaining team relationships. By incorporating relational anxiety as a motivational factor, this research addresses a limitation identified by Sorenson et al. (1999) in the Dual Concern model.

Methodology

I propose to conduct an experiment and try to manipulate the team members perceptions. by using controlled treatment manipulation in a controlled environment (Kraus et al., 2016)., a vignette might describe a specific business stressor scenario (like a competitor entering the market) and ask how the respondent would negotiate, considering various factors such as urgency and team dynamics. Moreover, in experimental research, instead of simply measuring the variables, I will be able to identify a stable relationship between variables to assess cause and effect (Aguinis and Bradley, 2014; Patel and Chan, 2024). I will ask each team member individually for their opinions on the team's negotiation style. This approach will help establish interrater reliability. By asking individuals about the team's characteristics, I can gather multiple responses on the same issue.

Below is the figure that summarizes my plan for conducting experimental design research.

Figure1 Summary of steps in conducting an EVM study, adopted from (Aguinis & Bradley, 2014)



To plan my Experimental Vignette Methodology (EVM) study, I will use the 10-stage decision points recommended by Aguinis & Bradley (2014). EVM allows me to manipulate the scenario of the market entry of a competitor. For the first step, I will employ Paper People Studies, as my research question aims to assess whether certain negotiation styles (5 different styles) within a co-founder team hinder or facilitate entrepreneurial hustle. The experimental variation in vignette studies allows me to control for confounding variables and better understand how specific factors influence judgments, making vignettes a powerful tool for investigating causal relationships (Atzmüller and Steiner, 2010). This involves explicit processes and outcomes in which participants will be required to consciously evaluate and respond to the hypothetical scenario based on their understanding and experiences. For the research design, I will use a within-person design, and each participant will be exposed to all the vignettes to understand their beliefs, attitudes, judgments, or intended behaviour about the presented scenarios, and I will provide them with a short description of these situations (Atzmüller and Steiner, 2010).

- Primary Scenario: Present the market entry scenario to participants (stressor)
- Control Scenario: Present the routine business operations scenario as a baseline condition.

This design is useful for understanding how individuals judge across different scenarios (Hsu *et al.*, 2017). Considering my research question focuses on the impact of varying negotiation styles within co-founder teams on entrepreneurial hustle, vignettes can be presented in various forms, such as text, dialogue, cartoons, pictures, audio, or video (Aguinis & Bradley, 2014; Atzmüller & Steiner, 2010), as the presentation mode affects team members judgments, so I have to be careful in my consideration and systematic

According to the 5th decision point, it is necessary to specify the sample and number of participants (Aguinis & Bradley, 2014). For my research, the most appropriate respondents are co-founder teams or members of early-stage entrepreneurial teams. This includes individuals who have experience working collaboratively in startup environments; negotiation plays a critical role in decision-making and venture success. However, I must be sure that the sample can generalize to the larger population of entrepreneurs.

The next point is choosing the setting and timing for conducting EVM. My goal is to have participants fill out the form after each of the five meetings. Participants will be asked to respond to the vignettes remotely, ideally in their natural work or home environment. To manage the timing across multiple meetings, I will ask participants to fill out the form immediately after each meeting to capture their immediate reactions and minimize recall bias.

At the end, I will disclose as much information as possible about the vignettes used in my EVM study.

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