“WHO AM I NOW?” MODEL OF CEO’S IDENTITY TRANSITION AFTER AN EXIT.

by

KANU PRIYA

(Under the Direction of Melenie Lankau)

ABSTRACT

Identity research is replete with theories about what identity is, how it is formed, and under what conditions it changes. Nevertheless, the field seems to have neglected to address the underlying question of how identity changes. The current study aims to redress this apparent oversight by developing a process model of identity transition for a founder-CEO who leaves the organization he/she founded. In doing so the study brings together the seemingly disparate fields of identity and CEO succession research. There is a lack of focus over the effect of the rising CEO turnover on the CEOs themselves after they exit the firm. Furthermore, it is relatively unexplained as to what factors contribute to the re-employment of the CEO and what factors cause such successful individuals to fade off after an exit. Due to the heavy emotional and economic investment in the firm the founder-CEO’s identity is expected to be strongly derived from their organization. This study takes an identity perspective to understand the underlying mechanisms that aid a founder-CEO in making a transition in their identity once they leave the organization. Applying a Grounded Theory approach to
data garnered through semi-structured interviews with CEOs, the current study
develops an initial model and generate testable hypotheses. Thereafter these hypotheses
are tested through survey questionnaires and the initial model is modified. The results
of this study showed that organizational identification predicts the experience of grief
upon separation from the organization. Furthermore, grief experienced upon separation
negatively impacts the reconstruction of identity by the individual. Entrepreneurial
identification seems to moderate this relation, as do the social ties maintained and
family involvement. Implications for both organizational research and practice are
discussed, and directions for future work are offered.

INDEX WORDS: CEO succession, Entrepreneurship, Identification
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A Dissertation Submitted to the Graduate Faculty of The University of Georgia in
Partial Fulfillment of the Requirements for the Degree

DOCTOR OF PHILOSOPHY

ATHENS, GEORGIA

2010
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August 2010
ACKNOWLEDGEMENTS

A dear friend of mine once quipped that PhD stands for “permanent head damage”! I had laughed at that, but over the last four years, I have realized that most of us who are able to get through the torturous accomplishment called a doctoral degree go through nothing short of a non-reversible personality change! These last few years have challenged my notion of success and my own identity, and have tested my perseverance and courage. They have also humbled me into realizing that it does take a village to make a PhD! Thus I would like to thank all those people who have helped me in these years towards my dream of achieving a doctorate. Their support during the different stages of my degree, and in their own different ways helped me reach my goal.

I would like to begin by thanking my chair, Melenie Lankau, for her immense support and faith in me. Melenie, you took me under your wing when I had little hope of being able to find an advisor and finish my PhD, thanks for taking me in and never letting me feel like a burden on you. Thanks also for being so available at all times and helping me ease my paranoia towards the end. I cannot express my gratitude at the effort you put – the hours correcting my work, hours spent helping me find ways to improve the study and the paper and the immense patience you had with my countless revisions. Without your support I would not have made it.

I am forever thankful to that corner office where Ann Buchholtz sat for I have countless times barged in knowing that I would find a kind ear and encouraging words
no matter what. Ann you are the most amazing, gentle, understanding and motivating person I have ever known and your kind words and gentle manners instilled confidence in me that nothing could shake my faith in myself and in life. Thanks for being so supportive.

My last year in school would not have been as productive and wonderful if I hadn’t met Laura Little who encouraged me, supported me in and gave me ideas for every little bit while I was wading the waters of doctoral student life and getting a dissertation done in particular. From organizing a symposium to spending hours on end going over and over my dissertation results to help me make sense of them.

How can I thank you Andrew? I remember meeting you for the first time and wondering how I could ask you to teach me to be as great a writer as you, and I also remember feeling a sense of awe and achievement when you had finally broken your somber demeanor to first share a joke with me. Your quiet, unassuming manners, thoughtful feedback and laidback confidence inspired me. Of course I never would have ventured to take this monstrosity of a dissertation on without your insights, ideas and encouragement. You have been a quiet guide, a shoulder to cry on (and sometimes rave and rant) and an inspiration. Thanks for not running scared every time I called you crying about something and instead letting me vent and talk it out!

Thanking Maa feels a little awkward since it only took me my formative years to realize that I never see her as an entity quite outside of my own self – she is always a part of me. The quiet strength and grace with which she could motivate me and instill love and courage in me is the reason I was ever able to find the nerve to take on the
endeavor of a PhD in the first place. She was the first person to truly believe I could accomplish anything I wanted, to truly love me despite my idiosyncrasies and my wanderlust and an inability to find my own identity for years. She has also been my one true friend, my guide, my sounding board and my over-the-counter Valium and Prozac all rolled into one. Thank you Maa, for passing on to me your love of learning and reading and your passion for higher education. Your strength, compassion and humility inspire me. I do not think I have enough words to express my gratitude to the powers that be for letting me have the honor of your presence in my life. Thank you also for your (empty) threats of a forced arranged marriage to get me into action and continue studying!

I often neglect to acknowledge my father’s support and love and I want to take this opportunity to make amends for once. Papa, without your unwavering (albeit invisible) faith in me and your unspoken pride in my accomplishments, this day wouldn’t have been possible. I am grateful to you for setting up such high standards for me and for daring me to surpass them, for teaching me the value of perfection and success and for passing on your stubborn streak of perseverance. Thanks also for suffering through my countless temper tantrums over the years and still loving me. Unbeknownst to you, you were the inspiration for the research.

Yashika, as all younger sisters go, I thought your sole purpose in life was to aggravate me and to generally give me hell. Of course I would be lying if I didn’t point out that I am only joking (…nah! Not really!). You were the reason my sanity could survive despite my workaholic habits. Thanks for believing in me and being there every
time I lost my nerve, and for forcing me to visit you in New York every holiday and letting me turn into a shopaholic. Thanks also for pestering me to watch Hindi movies, and to listen to new Hindi songs – you saved me from overworking my brain! Last but not least, thanks also for helping me make my presentations and giving me grief every time I got too cocky for my own good. Most importantly thanks for standing up for me in front of papa and lobbying for me – how can I ever forget your cute threats to him so he would let me come to the US to do a PhD (of course you probably never realized that he was going to anyway)!

My baby brother Shashaank has been a rock for me in his own quiet way. He is the one man in my life I could always count on for being there when I needed a shoulder to cry on or a sympathetic ear, however uncomfortable he might have felt doing it though. His quiet grace, his unassuming affection and his calm confidence in my intellectual abilities and prowess helped me strive to achieve when I may have otherwise given up. Thank you so much Shashaank for always making me feel like the ‘sister of the year’ and for being there to remind me of the important things in life.

Good friends are rare, friends who never judge you and are willing to go the extra mile for you are rarer. My friend Annu was the one friend who saw in me the potential and the ability to achieve that which I sometimes had trouble accepting. Annu, I cannot thank the powers that be for bringing us together, for keeping us together all these years through good and bad times alike. I still remember our innumerable trips to the top floor of some nondescript building in our old university so I could gather information about GRE, college applications and applying for PhD in general. I haven’t
forgotten hours and hours of pouring over those books, even more hours we spent where you let me talk on and on about my dreams and despite the differences in our personalities, always encouraging me and standing up for me, and saving me from my own mistakes.

I don’t have words to thank you Greg for all that you have been to me - my friend, my confidante, my surrogate family and the rock to lean on. As repetitious as I may sound after thanking all of the people I already have, it is true that I probably would have broken down and given up long ago if you hadn’t kept pushing me to plod on. Your ability to take a gargantuan task and make it seem like nothing saved me from a nervous breakdown. Your ability to take on multiple roles and seamlessly switch between copy editor, mentor, career guide, co-author, sponsor, sounding board, shrink and loyal friend are inspirational, your ability to survive my meltdowns and quirky tastes notwithstanding. Thank you for never giving up on me.

I cannot thank Steve Taylor enough for being my “go-to” person for all things Grounded Theory. Despite sitting all the way in Mississippi and outside of my committee, your willingness to listen to me and give me not just a sympathetic ear but also a calming source of guidance saved me. I probably would have given up in despair every time I came close to qualitative analysis if it wasn’t for you!

A big applause is due to some people who helped me get access to data. First and foremost, without Chris Hanks’ efforts, this study would have remained a conceptual piece. His invaluable help in finding participants and arranging meeting times was unsurpassed. I never felt, even for a minute, that I was alone during data collection.
Then there is my dear friend Julita Haber who helped me collect data before I threw my hands up in desperation. I also want to thank Stephanie Cranford for helping with the analysis and for walking door to door with me trying to budge data out.

Finally, I would be amiss if I do not thank some of my dear friends who came through and were a sense of support throughout the final stages of getting this baby out. Narin and Flavio for hosting me all those weeks while I was in Atlanta interviewing participants, and generally losing my mind over the difficulties of qualitative data collection. The numerous meals, countless nights spent watching random television shows, or belly dancing after a hard day’s work and your generous support of me can never be forgotten. Carey, for letting me vent, helping me distress with retail therapy, sitting by my side for days on end making sure I did not keel over due to sheer exhaustion, and generally applauding me when I needed a confidence boost. Piyush and Devangana were my buddies who never failed to entertain my every whim, or a midnight ice-cream plea, or to take me around town buying groceries, or to even cook me meals, to remind me I could do more than I realized and for tolerating my quirky habits and temperament. I am sure I have forgotten countless other wonderful people in my life who came through and helped me reach my goal. Please forgive me for the omission.

This dissertation was a dream that my mother and I had safeguarded all these years, and without the help of all of these people I never would have achieved that dream. Thank you all for coming into my life.
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CHAPTER 1: INTRODUCTION

How we define ourselves is essential for effective interaction with the environment (Albert, Ashforth, & Dutton, 2000). Identity is the essential way people define themselves. Answering the question of “Who Am I?” is quintessential to the construct of identity (Ashforth, Harrison, & Corley, 2008). When you ask Bill Gates about who he is, how would he define himself? Would he talk about his school or his family, and when would he start talking about Microsoft? How much would he talk about the company? Would Bill Gates’ answer to this question be the same as a few years ago when he was the CEO of Microsoft or would it be different now that he is engaged in philanthropic efforts through the Bill and Melinda Gates Foundation? What about Holli-Eden’s former CEO Richard Hollis or Yahoo’s former CEO Jerry Yang? How do these CEOs define themselves after separating from the organizations they created, and worked for, for so long? How much do the organizations they founded or worked for still form a part of their self-definition?

Importance of Study

Identity, Identification and Identity Transition

The field of Organizational Identity has come a long way in the last two decades. A rising number of studies in the field of identity are utilizing survey research where large scale data collections and generalizability across populations is now possible. Such advancement is always indicative, in the behavioral sciences, of the progress the
field is making. It is only when the field has exhausted the possibility of proposing new
time that the field moves towards finding valid proof of the theory and making
refinements to the theory (theories). In contrast, the field of identity and organizational
identification hasn’t reached that stage where no new theories need to be understood,
where the processes have been explicated and now only validation of those processes is
left up to the researchers. In a recent review, Ashforth and colleagues found that there
has been a heavy emphasis on the outcomes of identity and identification, but there is
still a dearth of knowledge concerning the actual process of identification itself
(Ashforth et al., 2008, pg 340). Identification is emergent, dynamic, and turbulent, but
research neither addresses this continuous flux nor does it address the transitions that
shape major changes in the self-concept leading to changes in identification. Neither
social psychology, sociology, nor the field of organizational behavior has thus far
furthered research on a well defined model of the process of identity transition. This
dissertation seeks to understand this process.

**CEO Firings and Rising Turnover**

Studying CEO’s organizational identity transitions is both pertinent and timely
in the current wake of increasing CEO exits (Bianco, Lavelle, Merritt, Barrett, & bureau-
reports, 2000; Byrnes & Kiley, 2007; Clark, 2007; Schiffman, 2008) and business failures
leading to change in both ownership and management (Shepherd, 2003). For the most
part, current organizational behavior and executive human resource research ends at
the turnover and does not address the psychological repercussions of this CEO turnover
on the individuals themselves (Shepherd, 2003). In a large scale study of its kind it was
found that more than 30% of the CEOs never prepare for retirement or exit from the firm, and thus even if the exit is at a considerably later stage, many CEOs still resist it (Sonnenfeld, 1988). Another study found that 43% of the ousted CEOs ended their careers and only 35% returned to active duty with the remaining CEOs going on to hold advisory positions (Sonnenfeld & Ward, 2007). It is thus important to understand why this happens, why some successful careers so suddenly end after an exit and why others are able to reshape identities and bounce back successfully (Clark, 2007; Sonnenfeld & Ward, 2007).

Why should organizational behavior and strategy literature care about a fired CEO? From an executive HR perspective, it is an important area of research and application. Individuals who reach the position of CEO, whether of a company they have founded or for a company they took over the reins of, do so because of a multitude of characteristics including their cognitive ability, enhanced risk taking ability, entrepreneurship, ability to develop social network, leadership ability, and their experience (Hambrick & Mason, 1984). When such an individual ends their career, prior to a normal retirement age, the executive HR pool loses valuable talent. The changing of a CEO involves considerable costs and potential disruption to the company while at the same time losing the human capital (cite some human capital paper) embedded in the former CEO. It is thus potentially beneficial to the general executive HR pool to prevent the premature ending of the career of such a CEO after an exit. With this study I hope to aid in that endeavor.
CEO and Identity

Past research on identity focuses on employees in general within the organization (Ullrich, Wieseke, & Van Dick, 2005; van Knippenberg, van Knippenberg, Monden, & de Lima, 2002) and very little focuses on the organizational identification of the top management. For a CEO the relational ties and their social environment are drastically different from other employees of the organization. CEOs have considerably more power and status due to their position as the leader in the organization who functions with minimal supervision on a day to day basis (Sonnenfeld & Ward, 2007). They are also viewed externally as the public face of the organization, reinforcing their personal identification with the organization. Apart from this, their increased discretion and freedom during decision making in the organization (Sonnenfeld & Ward, 2007) and other social connections that they forge over their term as CEO can drive their self-concept differently from an average employee. Managing the company with minimal supervision on a daily basis and the amount of freedom during decision-making are unique to the CEO in the organization. Furthermore, the CEO is the most visible and often regarded as the most prototypical member of the organization (Hogg & Terry, 2000). This enhanced media visibility (Hayward, Rindova, & Pollock, 2004; Wade, Porac, Pollock, & Graffin, 2008) can differentiate elements of the CEO’s identity from those of the other members of the organization. This explains the interest in studying CEO’s organizational identification separately.

Moreover, for a founder-CEO, the level of attachment to the organization would be similar to that of a father (Shepherd, 2003), and thus separation from such a firm will
be more problematic for the CEO than for an employee. In the current study, I thus concentrate on the identity transition of the founder-CEO and owner managers for companies. This emphasis in no way belittles the strong identification that non founder-CEOs can and do have with their organizations. My primary aim for focusing on founder-CEOs is to tease apart stronger effects that may be caused due to their substantially more affective, fiscal and temporal investments into the organization (Wasserman, 2003). Future investigations into this topic would involve non founder-CEOs as well as founder-CEOs. Nevertheless, in the current study when I refer to the CEO, I am referring to the owner manager or founder-CEO.

Research Questions

In the present study, I look at the process of transition of CEO’s identity borne out of a shift in the referent organization or in the organizational membership. More specifically, the purpose of this study is to answer the question of how individuals proceed through and manage the shift in their identity leading to a consequent shift in identification too. In this endeavor, using grounded theory (Glaser & Strauss, 1967), I look at the founder-CEOs of companies and the shifts in their identity after their exit from the organization. Qualitative research involves developing hypothesis after the data are collected (Auerbach & Silverstein, 2003; Glaser & Strauss, 1967) and is most useful and appropriate for developing theory. Qualitative research provides rich data and thus treating qualitative research as a hypothesis testing study limits what the researcher is looking for. Such an activity takes away their creativity and flexibility (Strauss & Corbin, 1998) and allows the researcher to overlook the richness that they
might get by expanding their horizon of inquiry. It is thus foolhardy to carry out a qualitative study in the same fashion as a quantitative study. Thus borne out of the tradition of grounded theory, the research question for the current study will serve as a framework to guide the data collection through semi-structured interviews.

Brief Introduction to the Model

This study is an endeavor towards the development of an initial model of the process of identity transition. I propose two models of transition determined by the extent of control that the individual perceives to have on the decision to exit. As such the process for identity transition for involuntary exits is expected to be different than the process for identity transition during a voluntary exit. These identity transition processes, and their paths, are determined by different factors associated with the individual’s relational ties, their personality, affective and cognitive reactions and predispositions and by their social networks and environment.

Intended Contribution of the Study

This study contributes to a wide range of fields of study. Firstly, to my knowledge, it is the first in its kind to actually try and develop a model that traces the process of identity transition. Thus, through this paper I hope to contribute knowledge both within the realm of organizational behavior and social psychological research. Secondly, from an executive HR perspective this study attempts to redress the dearth of knowledge about the processes that occur after the termination of employment (Ward, Sonnenfeld, & Kimberly, 1995), succession event, or business failure (Shepherd, 2003). Thirdly, the paper seeks to help practitioners and venture capital firms ease the
founder-CEO’s transition from this powerful leadership position to either one of advisory role, or towards complete separation without worrying about potential ramifications. Finally, this paper hopes to help those CEOs who have faced separation events from their organization to understand the painful process of identity transition, and how to make it easier.

Organization of Dissertation

The dissertation is organized as follows: It begins with an outline of the theoretical frameworks used for the study. This is followed with an overview of the factors that are expected to affect the identity transition and an outline of the proposed models for the process of identity transition for a CEO. Thereafter is a description of methods, analysis, results and discussion of Study 1. This is followed by the methods, analysis and results for the Study 2. The final chapter outlines the discussion of results and concludes the dissertation.
CHAPTER 2: LITERATURE REVIEW

Theoretical Framework

Identity

Identity is one of the oldest researched areas in both psychology and sociology - fields which organizational behavior borrows heavily from. The first inquiries and theories on identity came from Freud’s psychoanalysis wherein he talks about identity and identification (Freud, 1933; Freud & Strachey, 1922). Since then the field of identity has seen tremendous developments, so much so that a complete journal is now devoted to the study of this area (Côté, 2001). Most of the current theories on identity stem from one of the most influential developmental psychologists and psychoanalysts, Eric Erickson (Schwartz, 2001). Over the decades, researchers have taken Erickson’s disjointed narrative and combined it to form a framework of an identity theory (Côté & Levine, 1987).

Simply put, identity comprises of three hierarchical levels according to the degree of embeddedness in self and context (Côté, G. R. Adams, & Gullotta, 1996). At the very fundamental level of identity lies ego identity that comprises of basic beliefs that the individual has about oneself, and is the most unconscious and least frequently experienced aspect of identity (Erikson, 1950; Schwartz, 2001). This most fundamental level of identity, according to Erickson is temporally stable and resistant to change (Erikson, 1974). Personal identity lies at the intersection of self and context and comprises
physical attributes and psychological traits or characteristics of the individual and other aspects of self that distinguish a person from others. Finally, *social identity* lies at the most contextually oriented level and comprises the various roles and group memberships a person holds at any particular point in time. Schwartz (2001) provides an overview and reconceptualization of these levels as domain clusters called *psychological, interactional, and social-structural* representing ego, personal and social identity respectively.

*Social Identity Theory and Identification*

It is noteworthy that none of operationalizations of identity theory focuses exclusively on the ego identity or that part of identity which is consistent and exclusively formed psychologically during childhood and adolescence. Focus on the personal and social identity is more prominent, with theories ranging in the level of salience they give to each domain. Social and personal identities are thus the mutable and reciprocally transitional domains of the self. They are integrated with each other and each helps form the other (Reid & Deaux, 1996). Social identity thus serves to provide a substantial portion of the person’s self-definition (Berzonsky, Neimeyer, & Neimeyer, 1990; Hogg & Terry, 2000) and existential coherence (Ventegodt, Flensborg-Madsen, Andersen, & Merrick, 2005). When asked the question about, “Who are you?” an individual would thus use the elements of their self concept - their personal and social identity to answer this question (Ashforth & Mael, 1989; Cheek & Briggs, 1982; Penner & Wymer, 1983).

Tajfel and Turner’s (Tajfel & Turner, 2004: 1984 Chapter reprint) Social Identity
theory forms the precursor for much of the subsequent work on organizational identity theory (Hogg & Terry, 2000). Social identity theorists focus on the self and identity in the social perspective (Tice & Wallace, 2003). Their theory defines social identity as the individual’s knowledge of their belongingness to a particular social group and the emotional and value significance that the individual attaches to this group membership. At the broader perspective, the social identity theory enumerates the three aspects of identity (Hogg, 2003) - the personal self which is the differentiated, individuated self-concept, the relational self which is the self-concept derived from connections and role relationships with significant others and at the group level is the collective self, which corresponds to the concept of social identity (Brewer & Gardner, 1996). The interactional and social-structural domains of the identity are thus most affected by the individual’s group memberships and roles with the collective.

These definitions conceptualize social identity from the affective perspective and thus explain the concept of identification characterized by this emotional and value component. The individual’s group memberships and roles thus determine the identification. Identification is expressed as the feeling of oneness with or belonging to some human aggregate (Ashforth & Mael, 1989). Most researchers conceptualize identification as feeling or cognitive perception of self that explains the level of overlap and connection between the individual’s identity and the identity of the social group (Elsbach, 1999). At any given point in time, people hold multiple identities that vary in their relevance and importance to the individual (Burke, 2003; Hillman, Nicholson, & Shropshire, 2008). This relative ranking is transient and mutable. The extent to which an
individual identifies with a category is a matter of degree (Ashforth & Mael, 1989). These roles, then, help understand the activities, responsibilities, and expectations.

“Identification is the process by which people come to define themselves, communicate that definition to others, and use that definition to navigate their lives, work-wise or other…” (Ashforth et al., 2008, pg 334).

This definition of identification explains the ‘fuzzy construct of identification’ as depicted in Figure 1 by Ashforth and colleagues (2008). According to this definition, the core of identity is how people define themselves, the content of identity is how people communicate that definition to others, and the behaviors of identity comprises ways individuals use their definition to navigate their lives.

Organizational Identification

Organizational identification is a self-perception based on an active connection between the individual’s own identity and the identity of the organization. Organizational identification, then, effectively involves how individuals define themselves in terms of the extent of overlap between their individual identity and organizational identity (Ashforth & Mael, 1989). Organizational Identity in
this context simply refers to the perceived identity of the organization (Brown, Dacin, Pratt, & Whetten, 2006). For an individual who has a strong positive identification with the organization, a dissociation with the organization would result in the loss of a tie with that part of the core of identity that are derived from the social, cognitive and affective connections with the organization.

It may be pertinent at this point to differentiate organizational identification from a closely related construct of organizational commitment. High organizational identification has been found to be related to high organizational commitment (especially affective commitment), and it is suggested that they might reciprocally reinforce each other (Ashforth et al., 2008). However, a recent meta-analysis (Riketta, 2005) revealed that OI is more strongly related to extra-role performance than is organizational commitment. Furthermore, Ashforth and colleagues (Ashforth et al., 2008) noted that unlike commitment, organizational identification was associated with negative emotional experiences. “Because OI involves defining oneself in terms of the organization’s identity, as the organization goes, so goes the individual; conversely, because commitment lacks this very visceral connection, the individual may be somewhat insulated from the organization’s fate.” Organizational identification thus involves a feeling of oneness with the organization, while in organizational commitment, irrespective of a positive attitude towards the organization, the self and organization still remain separate entities (Ashforth et al., 2008; Pratt, 1998).

Identity Transition

All too often management researchers neglect to investigate specific
phenomenon of interest, either due to an over emphasis on the content or due to the extremely dynamic nature of the phenomenon itself. The process of identity transition is one such phenomenon.

The transition of identity involves subtle changes and modifications that individuals make to their identity as they encounter day-to-day activities that either confirm or disconfirm elements of the content of identity and the behavior of individual. This process is often slow with continuing adaptation leading to gradual shifts in the core of identity over time. This process is normally slow with most of it being carried out either completely unconsciously or both unconsciously and subconsciously, and with each activity contributing to such miniscule changes that they are hardly registered in the conscious mind (Freud & Chase, 1925). These subtle transitions are thus hard to read as they occur. Transitions can have negative consequences for well being (Iyer, Jetten, Tsivrikos, Postmes, & Haslam, 2009), nevertheless, due to their gradual nature, these typical identity transitions would not be overly stressful or threatening toward the individual’s need for coherence, meaning and self-affirmation (Schlegel, Hicks, Arndt, & King, 2009; Ventegodt et al., 2005). It is the sudden shock or unexpected events that produce a sense of uprooting and feelings of incoherence, confusion, helplessness and panic – all emotions that slow the cognitive mechanism of sensemaking (Gioia & Chittipeddi, 1991; Klein, Moon, & Hoffman, 2006b; Weick, 1995) – that make identity transitions difficult. The shift in identity and consequent shift in identification in such an event would be registered much more clearly in the subconscious and the conscious (both of which can be accessed with a
little effort during interviews). It is comparatively easier (albeit still ambitious) to trace the process of identity transition in the event of such a major life change to understand how individuals deconstruct and reconstruct identity core in order to restore meaning and consequently equilibrium.

Why study organizational identification to study identity transition? The heavy emphasis on the social identity of the individual seems to have neglected the juxtaposition of social and personal self-concepts and how they interact with each other to produce both identification and identity transitions. Organizational identity in our study is just such an example of the deep interaction of the personal and social attributes that form the core of identity. For an individual like the CEO, there is considerable temporal, social, cognitive and affective investment in the organization, and thus I argue that the core of their identity would be much more intertwined with their role as CEO and their identification with the organization making it an interesting topic of study.

The CEO and Identity Transitions

*CEO’s identity and identity transition*

This study is an endeavor towards understanding the processes of identity transition in organizational identification for CEOs. From both a micro and a macro perspective, this is an important topic. For the CEO, as an individual, it is important to understand this process in order to learn ways to speed up the overall deconstruction and move towards reconstruction of a new identity. Inability to do so may lead to feelings of chaos, loss of meaning and a sense of insecurity and uncertainty (Hogg &
Separation from a social group that provides meaning and a sense of self-esteem and coherence is extremely unsettling and disturbing. Individuals resist change, and previous research has found that the inability to change the self-concept can be dysfunctional (Brown & Starkey, 2000) and unhealthy for the individual. Individuals thus often times instinctively try to cling to the group. This may ultimately lead to maladaptive, and possibly destructive, behaviors directed either towards self or towards the social group.

Thus, many fired, and even retiring, CEOs either actively plot a comeback or seek to retain ties through an advisory role on the board (Sonnenfeld, 1988). Those who are not allowed to do either, but still have trouble deconstructing the organizational identification, strive to maintain some ties with the organization and retain either their office or ownership in the firm for as long as they are able to. Furthermore, these individuals may personally and publicly project the blame for their inability to separate and deconstruct their old identities on the firm in order to reduce anxiety (see Freudian psychoanalysis and defense mechanisms, Hall, Lindzey, & Campbell, 1998). For the firm then, it gives a window towards understanding how the CEO’s organizational identification and the ties that the CEO has with the firm may adversely affect the firm after a CEO’s exit. The exited CEO’s inability to achieve the shift in organizational identification can potentially lead to backlash from the CEO who perceives loss of elements of social identity so threatening and painful that they are unable to move onto a newer social identity. This could be in form of litigation or sabotage. Thus, preparing the individual beforehand and helping them during this shift and easing their distress
over this deconstruction could be beneficial to the firm in the end.

**CEO Exits and Transitions**

Is changing the individual’s identity painful and messy? The answer to this question lies in the type of exit that the CEO has. In a time marked by rapid change and flux, the ability of an individual to quickly change and adapt their self-concept is extremely important. However, this process is never easy, under any circumstances (Hong & Gimeno, 2007). Any exit will be marked by discomfort and substantial redefinition. Albeit, the processes that occur during identity transition remain more or less similar, nevertheless, the extent or the degree of this discomfort will vary with the type of exit (Sonnenfeld, 1988; Ward, Bishop, & Sonnenfeld, 1999). Voluntary and involuntary exits differ in the degree of control the individual perceives to have over the decision to quit (Waters, 2007). Furthermore, in many circumstances, voluntary exit and involuntary exit may differ in the amount of time the individual has to prepare for their departure, before the decision is made or before the event actually takes place.

A CEO who voluntarily leaves an organization has probably already been working on severing the ties that bind him/her to the organization and thus the actual act of leaving might involve less distress. Additionally the sense of control that an individual has when they have taken a decision, rather than being forced into it, enhances the comfort level with that decision. Involuntary exits on the other hand are not only undesirable but they do not afford individuals the feeling of control over their own destinies (Waters, 2007). Furthermore, if the exit is unexpected, the CEO will not only resist it, making it even more painful and difficult, but might lash back at the
organization.

The level of suddenness of the forced exit will also determine the pain that the CEO experiences. Not all forced exits are sudden, some like those that involve extended conflicts between the CEO and the Board of Directors (Ward et al., 1999; Ward et al., 1995) may actually be predictable for the CEO (Ward, 1996).

Therefore, even though the basic underlying mechanisms and processes in identity transition, for both voluntary and involuntary exit, will be similar, I propose two different models based on level of suddenness, the degree of control the individual feels they had, and the time they had to get used to the decision before they had to actually leave. These two proposed models are simply approximations and a framework to guide the advancement of the dissertation. The models are in no way set in stone and will change depending on the interview data that will help build a coherent theory.

Before laying out these process models for the two types of exits, I will explicate the factors which will subsequently comprise the models.

Factors That Affect Identity and Identity Transition of CEO

Twin Processes During Identity Transition

Strong organizational identity is marked by a strong overlap between the personal and the organizational identity (Elsbach, 1999). As a result, for an individual with strong identification with an organization, leaving the organization would result in upheaval and demand substantial readjustment in their self-concept (Hong & Gimeno, 2007), a huge part of which is tied to their organizational identification.
Change in organizationally derived social identity involves reshaping the self-concept to eliminate elements due to the previous organizational identification. Two opposing, but simultaneous and complementary processes of deconstruction of old identity and reconstruction of a new one would thus mark this change. Deconstruction refers to both physically and psychologically breaking connections from the organizationally derived old identity. For a CEO who leaves an organization, the physical separation involves such things as relinquishing the office, giving up organizationally provided perks, and giving up all positions in the organizations such as on the board of directors, etc (Sonnenfeld, 1988). Psychological separation would involve decreased attachment to the old firm, lack of desire to return to the old firm in either the same position or a new one, and reduced self-definition using old organizational identity, etc. Reconstruction of new identity would involve a coherent self-definition/self-concept that includes a new social identity.

Although the twin processes of deconstruction of old identity and reconstruction of new may sound as two separate stage wise processes, there is considerable temporal and sequential contiguity and overlap between the two phenomena. Furthermore, it is not necessary for deconstruction to precede reconstruction of a new identity. The type of exit can also affect the temporal contiguity and sequence of the twin processes of deconstruction of old and reconstruction of new identity. CEOs who voluntarily exit may have probably started thinking about changing identities long before they actually exit. They thus have started on the path of reconstruction of a new identity while they still hold their old organizationally derived identity. During this
process then, the deconstruction may be easier and happen gradually starting with the psychological separation first. It is thus beneficial to look at the process of identity transition separately for the different types of exits.

_Individual Factors_

_Personality factors_

Personality theories and research on individual correlates have generated a number of important characteristics of successful individuals. In this particular study I focus on the ones that have been shown to be most predictive of an individual’s ability to cope with stress, face identity conflicts and dilemmas, and deal with cognitive restructuring.

_Hardiness_

Psychological hardiness is an individual characteristic associated with resilience, good health, coping with negative stressful events (Cole, Feild, & Harris, 2004; Maddi, 1999; Ward et al., 1995) and successful performance in highly demanding occupations (Bartone, Roland, Picano, & Williams, 2008). It is a three dimensional construct composed of commitment, control, and challenge (Kobasa, Maddi, & Kahn, 1982) – underlying mechanisms that enhance health and performance of persons experiencing stressful situations (Maddi, 1999). Thus, individual’s high in hardiness have a strong sense of commitment towards their life and work, they perceive themselves to be highly in control of their environment and they enjoy being challenged (Cole et al., 2004; Kobasa et al., 1982; Maddi, 2006). Consequently, CEOs high in hardiness would be better at dealing with and facing the stress of an identity deconstruction.


**Trait Affect**

It is difficult indeed to rebuild identity. Nevertheless, a person’s worldview and their general disposition can make it either easier or harder for the individual to form a new identity. Dispositional affect or trait affect refers to an individual’s tendency to view the world negatively or positively (Kelly & Barsade, 2001). A dispositionally negative person is prone to see the worst in the situation, be gloomy and pessimistic and have a negative view of themselves and the world around them. Persons high on positive affect, on the other hand, have an overall sense of well being, view the world positively (George, 1990), are associated with more functional coping strategies (Folkman & Moskowitz, 2000), are optimistic and have a strong sense of self-efficacy (Isen & Baron, 1991; Isen & Reeve, 2005; Staw & Barsade, 1993). Furthermore, high positive affect individuals are also viewed more favorably by others in terms of interpersonal skills (Staw & Barsade, 1993) and leadership and supportive social context (Staw, Sutton, & Pelled, 1994). Dispositional affect would thus have a moderating effect on the process of reconstruction of new identity where negatively affective individuals will be less able to form a new identity, due to their constant ruminations and pessimism that inhibits them from looking favorably at the alternative identities, as compared to the positively affective individuals.

**Narcissism**

Research has found that contrary to popular belief, it is not individuals with low self esteem but rather those with high self-esteem who respond with violence when their self-definitions are threatened (Baumeister, Smart, & Boden, 1996). Individuals
high in narcissism have been shown to have not just higher self esteem (Baumeister, Bushman, & Campbell, 2000; Bushman & Baumeister, 1998), but also a higher sense of entitlement, exhibit less forgiveness and indulge in revenge seeking (Exline, Baumeister, Bushman, Campbell, & Finkel, 2004). CEOs high in narcissism would thus respond more aggressively and violently to termination of employment and the consequent threat to self-concept. Looking at the potential relation of narcissism in this context would add to the model of deconstruction of identity and improve predictions of impact on organization.

**Affective Factors**

*Strength of Organizational Identification*

Organizational identification helps individuals enhance self-esteem and prestige and feel a sense of belongingness (Hogg & Terry, 2000). Humans innately strive towards feelings of increased self-worth and thus try to enhance positive feelings about self and avoid negative feelings. Thus, the degree of sensebreaking and the resultant pain due to the process of leaving an organization would then be higher for those individuals who identify highly positively with the organization or who hold more positive organizational identification than negative.

**Grief Processes and Affective Experiences**

*Shepherd’s Grief Recovery Process after loss of Business*

Loss of an important source of meaning, coherence and identity element would elicit grief. Grief is thus not only experienced at the loss of a loved one, but at the loss of something important that ties to the personal identity. In her influential work, Elisabeth
Kübler-Ross elaborated on the five stages of grief that a person experiences and goes through. According to her, a grieving individual will (in a sequential order) experience denial, anger, bargaining, depression, and finally acceptance (Kübler-Ross, 1970). Individuals certainly experience grief and may experience some or all of the stages outlined by Kübler-Ross, nevertheless, the sequential order of the stages may not be a necessary given. A CEO who loses his/her baby – the company that they founded – will be like a father who loses a child, a child that was also the source of eminence and livelihood and may thus experience some of the emotions associated with grief. Anger and depression would be the most prominent and debilitating emotions. Acceptance, the final stage would signal either resignation to the current situation or purposeful action towards remedying the situation. This brings us to the alternate grief process elaborated below.

Shepherd’s work on grief and the grieving process after the loss of family business (Shepherd, 2003, 2009; Shepherd, Wiklund, & Haynie, 2009) is based on Stroebe and Schut’s (1999) dual process model of coping with loss. Shepherd’s model elaborates on the process of grief work – a process that individuals engage in to deal with grief. A CEO’s reactions after the loss of such an important part of their life would lead them to question life, and try and sort through the grief. Shepherd accounts that there are three main processes of recovery from grief that individuals engage in: loss orientation, restoration orientation and transition orientation. Individuals engaging in Loss orientation confront the loss, revisit the events before and at the time of the death, and process some aspect of the loss (Shepherd, 2003, 2009; Stroebe & Schut, 1999). This
orientation involves a social element of seeking out friends to “talk through” one's grief (Shepherd, 2009). Restoration-orientation on the other hand is a process of suppression that offers a distraction from thoughts related to the loss and the associated stress (Shepherd, 2009; Stroebe & Schut, 1999). Loss orientation is a good mechanism that helps deal with grief, but it is rumination and too much focus and time spent on rumination can lead to depression (Nolen-Hoeksema, 1991), restoration on the other hand is suppression and too much of this too can be bad for the individual. Thus transition orientation dynamics shift an individual’s orientation from loss-oriented dynamics to restoration oriented dynamics and vice versa. This back and forth shift between the loss and restoration dynamics enables a person to obtain the benefits of each and while keeping the costs associated with maintaining either for prolonged periods at a minimum, thereby speeding the recovery process (Shepherd, 2003, 2009; Stroebe & Schut, 1999).

**Distress**

Losing elements that help anchor the self-concept or identity signifies loss of source that fulfils basic human needs of safety, affiliation and uncertainty reduction (Schlegel et al., 2009; Ventegodt et al., 2005) and can lead to distress. Simply defined distress is an unpleasant subjective state (Mirowsky & Ross, 2003). Distress can range from mild sadness, to acute anxiety and full-blown depression. For humans, as meaning seekers (Weick, 1995), loss of an important role may breakdown the basic fabric of meaning in life thereby inducing uncertainty due to the changes in the previously familiar environment. This uncertainty and loss of meaning, created by the breaking of
physical connections, necessitates deconstruction of identity involving breaking of psychological connections as well. This is a particularly distressing and difficult chore for any individual.

Anger

Anger is a basic human emotion and one of the strongest and most negative of emotions experienced (Carver & Harmon-Jones, 2009; Demoulin et al., 2004; Ekman, 1992). It is also the second stage in Kübler-Ross’s stages of grief. Anger can be manifested as self-directed or other-directed. Anger, as opposed to sadness, has been found to be associated with antisocial behavior as a result of social exclusion (Chow, Tiedens, & Govan, 2008). Combined together, CEOs who have had to walk out of their own organization would be more likely to experience anger as a result of both this loss, and the social exclusion that it entails.

Cognitive Factors

Sensemaking

Simply put, sensemaking is as the name implies, making sense (Weick, 1995) of the world around us, of the events that occur and of our own lives (Gioia & Chittipeddi, 1991; Shepherd, 2009). Sensemaking then essentially is an activity that drives the need to comprehend (Klein, Moon, & Hoffman, 2006a). Sensemaking is both an individual and social activity (Klein et al., 2006a; Weick, 1995) which interestingly does not have a clear beginning and ending (Klein et al., 2006a). Weick (1995) explains that sensemaking is, “…placement of items into frameworks, comprehending, redressing surprise, constructing meaning, interacting in pursuit of mutual understanding, and patterning.”
While it is important to understand what sensemaking is, it is also important to distinguish it from other closely related constructs that sensemaking is not. It is distinct from interpretation (Weick, 1995), creativity, comprehension, mental modeling, situational awareness and explanation (Klein et al., 2006a). Klein and colleagues (Klein et al., 2006a) clarified the myths surrounding sensemaking and explained the concept in more detail. They assert that sensemaking is a retrospective analysis of events which involves deliberating over alternative plausible explanations. Weick (Weick, 1995) stresses that sensemaking is literal not metaphorical.

During sensemaking for identity an individual searches for meaning for self and this involves looking for other people to help provide that meaning (Pratt, 2000; Weick, 1995).

Sensebreaking

Sensebreaking (Pratt, 2000) takes away from the core of identity that which gives the individual a sense of meaning and coherence, leading the individual to challenge who he/she really is (Ashforth et al., 2008). The question then of, “Who am I,” essentially becomes unanswerable. Sensebreaking creates tensions and strips away the core, creating a meaning void that needs to be filled and is distinctly different from other change terms like dissonance reduction and unfreezing (Pratt, 2000). Unlike sensemaking which is grounded in identity construction (Weick, 1995), sensebreaking involves a fundamental questioning of who one is, challenging one’s sense of self and accentuating knowledge gaps (Ashforth et al., 2008).

Clearly then, this process can be extremely painful – as humans we strive for a
sense of meaning in our lives (Ventegodt et al., 2005; Weick, 1995), and stripping away that meaning would cause pain. For a CEO, forceful breaking of ties with the company, and severing important elements of relationships with the organization, that provide meaning for his or her identity, can be a painful experience. The stronger the core, and the deeper the organizationally derived elements of identity are embedded in the personal and ego identity of an individual, the more will the severance of those bonds lead to sensebreaking and subsequent pain. Thus, a CEO who has spent considerable number of years with the organization will have a more difficult time deconstructing and severing those ties. Nevertheless, regardless of the pain, sensebreaking is essential to the process of identity transition as one deconstructs the old identity that is not based on the former relationships, status, and roles. In the event of a failure of sensebreaking and sensegiving practices, the individual might not fully form a new identification (Pratt, 2000) or even a new coherent identity.

**Sensegiving**

Sensegiving (Pratt, 2000) is a parallel concept to sensemaking. Both the processes are sequential and reciprocal to each other and work in tandem (Ashforth et al., 2008). While sensemaking involves making sense, sensegiving involves attempting to influence this sensemaking process towards a desired redefinition or reality (Gioia & Chittipeddi, 1991). As asserted earlier, sensemaking is a social activity, and thus the social environment around an individual serves as important source of sensegiving. Sensegiving and sensemaking feed into each other as the individual accumulates the meaning and sense of self provided by the society and interprets and explores it before
deciding to accept and integrate it. While it seems that research has not explicitly talked about sensegiving, Ashforth and colleagues (Ashforth et al., 2008) assert that the link between sensegiving and identification is well developed in the literature. Sensegiving provides the much needed validation of identity and the sense of self of an individual. As the proceeding section on social influences will elaborate, sensegiving in the form of social labels, feedback, comments, and attention helps an individual explore identity and validate it.

In a gist, sensebreaking is a cognitive mechanism produced more so by the external events and the environment. This mechanism leads the individual to perceive a meaning void that needs to be filled. This meaning void is filled with a sense of identity – sensemaking an internally guided mechanism. This mechanism is aided by the social environment that gives meaning and helps the individual make sense of both life and the events occurring in the life - sensegiving. All three processes are mutually reciprocal in this particular model, and help the individual achieve the final goal of a new coherent sense of identity.

Social Psychological Factors:

Relational and Affinitive ties

Relational identity through work relationships forms an important source of self-concept (Sluss & Ashforth, 2007) and determines the elements of the core and content of identity. Being stripped of those relational ties, economic ties, power and status would result in significant distress. An individual who founds an organization and sees it through its early years, and then later in the established stage (Ward, 2003), has
considerable investment in the firm. Founders do not simply enjoy the status of being the founding member, but have also had the opportunity to exercise more autonomy (Hong & Gimeno, 2007) and be credited with greater innovation and success while assuming a prominent position in the firm. Thus, their organizational identification would be different from employees who later join the firm. We would expect that a founder or a CEO of a company, would have strong emotional attachment to the firm (Shepherd, 2003). Furthermore, a CEO with large equity in the firm will have economic dependence and attachment.

Furthermore, research on corporate governance has proved how CEOs can derive power and exert influence over the board too (Wade, O'Reilly, & Chandratat, 1990; Westphal, 1998). Separation from the organization would entail not just breaking connection from the organization and changing social identity, but also redefining those elements of the personal identity that are intricately tied to the social identity and derived by it. Thus, the power and status that the CEO enjoyed as a result of their position in the organization would also contribute to their self-definition and self-concept. On top of this, the CEO may forge friendships with the TMT and Board members. Friendships form an important element of the relational identity of an individual, and severing these would lead to considerable pain.

Thus when the CEO walks out of a firm they are severing economic ties, positional power, interpersonal ties, and a fixed daily routine that is based on all these relationships with the physical and social aspects of the organization.

*Alternate Identities*
**Strength of multiple identities**

Individuals hold multiple identities at any given point in time (Burke, 2003; Hillman et al., 2008; Johnson, Morgeson, Ilgen, Meyer, & Lloyd, 2006). Each of these identities differs in its relative importance for the individuals and the degree to which it is central to the self-concept (Ashforth & Mael, 1989; Hong & Gimeno, 2007; Ruvolo, 2004). Upon exit from the firm, the loss of organizational identity associated with that firm can be quickly recovered from and a new identity formed, if the individual already has multiple organizational identities included in the self-concept (Iyer et al., 2009; Ruvolo, 2004). As an example, an individual who is a CEO of a firm and co-founder of another simultaneously might be able to form a new identity faster after exiting from the first firm (Jetten, Iyer, Tsivrikos, & Young, 2008). An important caveat is that the new identity that replaces the old one should be similar in importance to the individual as the first one and compatible with it too (Burke, 2003; Iyer et al., 2009). Thus, if another social identity is already competing and supersedes the importance of the previous organizationally derived social identity, the individual will start the process of fortifying this competing identity. This could happen easily and most often when CEOs voluntarily leave an organization.

**Presence of attractive alternatives**

Regardless of the process of deconstruction, whether or not an individual has attractive alternatives available will determine the time it takes to form the new identity. Without the presence of a suitable alternative that has the potential to reinstate the loss of self-esteem associated with the exit from the first firm, the individual will be
in a limbo and unable to successfully form a new identity. Of course, the new social identity does not have to be organizationally derived. The individual might want to engage in an alternative career, or might want to focus on philanthropic work, may even want to engage more actively in family activities and not get involved actively with an organization at all (Sonnenfeld, 1988). Nevertheless, it is the attractiveness of all those identities (Dutton, Dukerich, & Harquail, 1994) available to the CEO that determine how easily and quickly they are able to move into the new role and consequently the new social identity.

Social Influences

“Identities are not simply a matter of how we experience our own lives, but also of how others see us.” (Nelson, 2001)

Our definitions of ourselves are based on our own perceptions of who we are, on how we behave during social situations, and on the perceived perceptions of others (Tice & Wallace, 2003). Social feedback is an important mechanism for the individual to determine the veracity, validity and utility of their actions and identity. Central to this is the validation of the identity through identity narratives (Barbulescu & Ibarra, 2008; Nelson, 2001). Self-narratives (Barbulescu & Ibarra, 2008) and organizational narratives (Ashforth et al., 2008) help construct a story that aids the individual chronicle and track the sequence of events involved in the transition process (Barbulescu & Ibarra, 2008) thereby helping the individual make sense. During identity transition, this validation becomes even more pertinent, as the need for congruence between ego, personal and social identity increases. Positive social feedback received concerning those aspects of
identity (Schwartz, 2001), and organizational narratives that validate the individual’s own sense of self and self narratives, would be a strong factor in sensegiving during this time. As an example, a young boy who constantly engages in pranks and practical jokes on his friends and family is labeled as naughty or mischievous. Over time, the child starts to identify that description with self as more and more reinforcement is provided by others.

_Physical social feedback_

Behavior modification theory informs us how social feedback can and does change our behavior (Bandura, 1969, 1977; Skinner, 1963, 1966, 1981). As social animals, we integrate this feedback and modify our behavior accordingly. Results from a recent pair of studies evaluating the status of social feedback on self-esteem found that approval and disapproval clearly affected the self-esteem of even those individuals who denied that social evaluations affected their feelings about themselves (Leary et al., 2003). This indicates how important social feedback is (Bandura & McDonald, 1963; Bandura & Walters, 1963). Individuals either accept the feedback and integrate it into their subsequent actions and cognitions (Schwartz, 2001), or they may reject it as faulty and disregard it. What determines whether an individual accepts or rejects this social feedback depends in large part on the type of feedback (positive or negative), content of feedback (discrepant or consistent), and on the originator of that feedback (trusted friends and family members or random individuals) (Lundgren, 2004). For an individual struggling to make important changes such as changes to self and identity, getting such positive feedback then would not only enhance their self-confidence, but
can also be a source of motivation. Furthermore, narratives shared with close others would strongly validate the changes and self-appraisals of the individual. Friends, spouse, parents, offspring and close others would be important sources of such positive social feedback and self-validation.

**Media coverage**

We see ourselves through our social interactions, and also through the eyes of others. A person’s definition of their social and personal identity absorbs characteristics that the others give them on a fairly regular basis (Berzonsky et al., 1990). How do we know whether we are beautiful, smart, boring, aggressive or submissive? Through our interaction with the outside world, and the labels outsiders give us. We internalize these labels and integrate them into our identity and self-definition. Media serves the role of such a label provider. Leary et al.’s studies (2003) show that even impersonal social feedback effects an individual’s self-esteem and self evaluations. As such the role of media cannot be ignored as an impersonal evaluator and feedback provider. Media serves dual function of providing labels, and constructing publicly accepted narratives. A CEO is much more visible in the media than other employees of the organization usually are. Research has shown how CEOs can be affected by such media coverage (Hayward et al., 2004). Their achievements, decisions regarding the organization, career and employment events are all documented by the media and actively discussed. The media does not just document or discuss these events, but it also makes pronouncements that provide the CEO with ingredients to add to their self-definition. As such the CEOs progression during the succession event would be and usually is kept
track of by the media. Take Yahoo’s former CEO Jerry Yang or Starbuck’s founder Howard Schultz – both aggressively followed by the media during their exit from the CEO position. The amount and kind of media coverage would be an important factor in determining self-evaluation and self-appraisal of the individual. Moreover, the media reports would also serve as important sources of sense of self for the individual, that is sensegiving (Pratt, 2000).

*Outcomes of Identity transition*

There are three possible outcomes of the distress caused due to sensebreaking and consequent deconstruction of identity.

*Depression*

The distress can lead to a permanent inability of the individual to muster enough energy to move towards reconstructing the identity and the individual might move towards depression or anxiety (Mirowsky & Ross, 2003).

*Retaliation*

On the other hand, the inability of the individual to accept the loss and deconstruction and sensebreaking may lead them to retaliate towards the organization or the object of their projected blame for the loss of meaning in their lives. As mentioned earlier, CEOs high in narcissism might respond more aggressively and violently to termination of employment and the consequent loss of meaning in life and threat to self-concept. These individuals then might be more prone to file a lawsuit, publicly debase the organization, or launch a personal vendetta against the company and try to sabotage it. Retaliation may not be the ultimate outcome for the individual.
cathartic release through sabotage may help the individual make sense of the event and thus be able to finally form a new identity, on the other hand it may become the individual’s end goal, in and of itself giving him/her a purpose in life – to destroy the company. The study aims to find out an answer to how retaliation may play into the next outcome of reconstruction of new identity. This will be left open for exploration during the interview with the respondents.

Reconstruction of Identity

The third possible, and a more desirable outcome, would be for the individual to move towards reconstruction. Reconstruction of a new organizational identity constitutes the process of rebuilding and constructing a new identity that defines the self-concept of the individual in terms of a new social identity. Deconstruction of the old identity would be meaningless and virtually impossible if there isn’t an alternative identity available to replace it. In the absence of another equally powerful social identity, individuals cling to the old identity so that their self-concept is complete. Moreover, they derive feelings of self-esteem from their organizationally derived identity and thus unless there is another social identity that can match the cognitive consequences and benefits of the previous one, the process of deconstruction will not come about.

This is an important outcome from a strategic human resource perspective. Displaced CEOs who have been able to reconstruct a new identity through their role with a new organization should ideally be able to identify with this new company. Does that happen? If they have been burnt over from their previous experience as a CEO,
how willing are they to form a new organizational identity? Thus an important research question borne out of a reconstructed identity enquires how the new role affects their new organizational identification?

Models of CEO Identity Transition

Process of Identity Transition During Involuntary Exit for a CEO

This type of exit is forced and marked by a shocking event the degree of unexpectedness of which may vary for different CEOs. The sudden decision of the board to dismiss the CEO, takeover of the firm by a venture capitalist firm and displacing the founder-CEO with someone else, merger or acquisition of the firm by another and a subsequent exit of the CEO can all mark a shocking event for the CEO. Figure 2 depicts the schematic representation of the proposed identity transition process that is believed to takes place during a forced exit. It is noteworthy that as forced and involuntary the exit may be, it may not necessarily be completely unexpected for the individual in every instance. Some CEOs may see it coming, hear the rumors from trusted sources, or be given ultimatums by the board that warns them of the exit to come. Thus their might be a temporal element that determines the suddenness of the exit and the consequent shock that the individual experiences. Nevertheless, it is the involuntary and forced nature of the exit that makes the process more painful and different from the one that an individual takes when the decision to quit is voluntary.

The precursor in this model is the event of exit which leads to subsequent loss of affinitive ties of the CEO with the organization. These ties are primarily broken physically at this stage. For an individual who has a strong sense of identification with
the organization, and has numerous meaningful and strong relational ties, this loss will lead to sensebreaking. The intense feelings of attachment that the individual develops as a result of strong organizational identification (Elsbach, 1999) would only intensify the effects of sensebreaking. Sensebreaking (Ashforth et al., 2008), the loss of meaning and coherence leads to the deconstruction of identity. Deconstruction, under these circumstances, is a painful, agonizing and stressful process and would produce intense feelings of distress for the individual. This ensuing distress can be the precursor of one of three responses: anger, depression or action. An individual can experience outwardly and inwardly directed anger. Anger has been shown to have distinct approach motivational dynamics as opposed to avoidance (Carver & Harmon-Jones, 2009). Subsequently, angry individuals are also more likely to react negatively upon social exclusion (Chow et al., 2008). In such a case, narcissistic individuals will be highly likely to act out this anger and retaliate in a bid to avenge their loss of status, identity and associated grief (Baumeister et al., 1996; Exline et al., 2004). Alternatively, the distress caused by identity deconstruction may lead the individual into even more grief and permanent depression (Kübler-Ross, 1970). In such a case, the individual may resign and accept the fate, but may also be unmotivated to change the situation. Thus there may be those who instead of ruminating about the depression and their distress distract themselves through action (Nolen-Hoeksema, 1991).

CEOs who are psychologically more hardy will be able to cope and not get overwhelmed with the distress that comes along with deconstruction of old identity better than those who are not as hardy (Kobasa et al., 1982; Maddi, 1999). This will
occur even in the event that the CEO has strong ties to the organization. Their psychological hardiness will provide them with better coping abilities and flexibility. Similarly, individuals who are high on positive affect (Staw et al., 1994) would be more prone to move towards searching for and reconstructing a new identity.

Before an individual can sift through the incoherence produced by the loss of meaning and reconstruct a new identity, they need to engage in sensemaking – the process of making sense of the world around us (Weick, 1995). Coping with deconstruction through the grief process (Shepherd, 2009) helps an individual make sense of their environment and reconstruct a new identity. Individuals would engage in loss orientation to deal with distress and move towards sensemaking, while restoration orientation would aid in the journey from deconstruction to sensemaking. Lack of transition orientation might be a characteristic of this process, thereby making it a more painful and distressful process.

Sensemaking is aided by the process of sensegiving (Ashforth et al., 2008) and involves filling the meaning and identity void created by sensebreaking. How strong the new social identity is will depend on the factors responsible for providing sensegiving to the individual. The individuals’ multiple identities, positive social feedback and media coverage all provide coherence, sense, meaning, metacognition, and raison d'être for the individual. Through the process of exploration then, the individual obtains the elements that provide meaning for the new identity.

Process of Identity Transition during Voluntary Exit for a CEO

This type of exit is characterized by feelings of control by the individual, thus
both sense-breaking and associated degree of distress are considerably lessened. Moreover since the decision to exit is probably made long before the event actually takes place, the individual is not forced into sense-breaking, thereby lessening the pain over deconstruction of previous identity. Once the decision to exit has been made, the individual voluntarily engages in sensebreaking and thus uses it to break psychological ties and affinities for relational affiliation with the organization. There is lesser focus on loss orientation as compared to restoration and transition orientations, because of the temporal and voluntary nature of the decision. The individual thus, actively uses transition orientation to engage in sensegiving, and restoration orientation to help the transition from deconstructed identity to sensegiving.

A noteworthy point is that for many CEOs, who choose to retire or leave their company, exploration and reconstruction of a new identity may happen long and even before they actually exit the organization. This then affords them the luxury to determine the pace of deconstruction, what ties to break first, and what identities to explore all on their own and to be able to garner enough psychological buffer to deal with the loss of the company. Needless to say, any loss, even if initiated by self, would lead to some feelings of grief. Losing a routine, losing relational ties, and colleagues can be unsettling for any individual – no matter how well planned they may be. For that reason, there may be some traces of grief and distress surrounding the deconstruction of identity. Nevertheless, since the decision has been made of the CEO’s own volition, an effective loss orientation coupled with hardiness helps lessen this distress and aid the individual to focus on finding a new sense of self.
The individual’s multiple identities and social feedback provide them with a sense of self. Another essential difference between the process for identity transition during involuntary and voluntary exit is the reciprocal exchange between sensegiving and sensemaking as the individual explores various identities while determining what their new, reconstructed identity will be. Voluntary exists, unlike involuntary ones, may not be covered as much by media, nevertheless, there may be substantial media coverage depending on the size, standing and reputation of the organization. All these social psychological factors help the individual evaluate who they are, who they want to be, and to find a new sense of self that they will have once they leave the organization.

This process is ideal as it provides an opportunity for the CEO to gradually explore alternate identities, break affinitive and relational ties, and find a new sense of self. Furthermore, since the previous identity is not suddenly and forcefully pulled away, the individual experiences lesser pain and anguish and consequently has considerably more resources at their disposal.

Development of Models

The following chapter will outline the proposed methodology that will be used to help develop and refine this theoretical model. Applying grounded theory, semi-structured interviews will be content analyzed for this purpose. Qualitative methods will be used in the current study as they are the most appropriate and powerful way to derive theory from data (Glaser & Strauss, 1967). As mentioned earlier, the process models outlined after a review of the literature are only proposed models, which are
expected to change as the data emerges. The purpose of developing them before analyzing the interviews is to provide a guiding framework to understand the possible mechanisms that might operate and thus to help delineate the possible factors and paths so that the researcher is not venturing into the data collection completely blind.

Following this, the hypothesis generated will be tested using survey questionnaires. This approach will ensure that the relationships established through the qualitative approach can be generalized and are replicable – a limitation of qualitative techniques. Thus through a concerted use of qualitative and quantitative methods, this study seeks to develop a model of identity transition.
Narrow Formulation  -------------------------------> Broad Formulation

Figure 1: Identification: a fuzzy Concept.

Figure 2: Proposed Process of CEO’s Identity Transition during Involuntary Exit from Organization
Figure 3: Proposed Process of CEO’s Identity Transition during Voluntary Exit from Organization
CHAPTER 3: METHODS STUDY 1

Identity transition is a process that is subjectively experienced by the individual whose identity is changing. Auerbach and Silverstein (2003), in their book on qualitative methods and data, clearly state that, “The best way to learn about people’s subjective experience is to ask them about it, and then listen carefully to what they say,”. Therefore, studying the transition in a hypothesis testing, logico-deductive fashion would not reveal the subjective experiences of the individual. Qualitative data, one that is based on stories and not numbers, will be most useful in revealing the patterns of experience (Auerbach & Silverstein, 2003). Moreover, identity transition is a phenomenon that hasn’t been studied in a way that allows researchers to formulate specific hypothesis about the various relationships between the dependant and independent variables involved in the process. Stemming from the fact that it is still unclear as to what those variables are, a mere hypothesis testing study would not be informative. Surprisingly, although, the initial studies of organizational identity and identification were idiographic in approach - case studies or qualitative studies (Dutton & Dukerich, 1991; Elsbach & Kramer, 1996; Pratt, 2000) - that investigated the phenomenon during its early stages of research inquiry, management as a science until recently has been apprehensive about using qualitative research methods (Denzin & Lincoln, 2005; Suddaby, 2006).

Thus the current study would employed a qualitative hypothesis-generating
approach and then used a logico-deductive approach to test the hypotheses generated by the study. Essentially then, study 1 would involved an in-depth qualitative analysis and study 2 involved establishing generalizability of the relationships uncovered by the first study.

Grounded Theory Approach

I believe the need for rich qualitative data hasn’t been sated in the field of identity and identification, and that the only way we can study the process of identity transitions is through reverting to qualitative traditions. For my current study, I use the Grounded Theory approach (Glaser & Strauss, 1967) for collecting and analyzing data. Grounded theory approach is a hypothesis generating approach that lets the theory be built from the data and is most suited to the comprehension of the process of meaning construction by actors (Suddaby, 2006). The aim of the present study is just so – forming a theory of how identity transitions happen for CEOs who exit their companies (for whatever reasons). In order to understand this process, and to generate usable hypothesis for future studies, it is imperative that the experiences of the respondents themselves be the directive force in the formulation of the guiding theory.

Applying an unorthodox approach of qualitative research requires a more elaborate discussion of the methodology used in the grounded theory approach. I first outline the main steps and procedures used in grounded theory research (Auerbach & Silverstein, 2003; Charmaz, 2008; Corbin & Strauss, 1990; Fendt & Sachs, 2008; Suddaby, 2006).
Grounded theory approach is not just an approach for research methods, rather it is an approach to conducting an overall study. This approach allows the researcher to begin a research study without having to test a hypothesis (Auerbach & Silverstein, 2003). This kind of qualitative hypothesis-generating research involves collecting interview data from research participants concerning a phenomenon of interest and then using what they say in order to develop hypothesis (Auerbach & Silverstein, 2003). Although procedures for grounded theory methods are outlined, it is important that the researcher not let herself be overly bound by this mechanical application (Corbin & Strauss, 1990; Suddaby, 2006). Grounded theory is interpretive analysis and not a logico-deductive one (Glaser & Strauss, 1967; Suddaby, 2006). It is a comparative and interactive method (Charmaz, 2008) and as a consequence, creativity, indeed sensitivity to data termed theoretical sensitivity (Glaser, 1978), and imagination are encouraged by the proponents of grounded theory. Thus although outlining a method is important, it is equally important to feel the data and let it guide the interpretations through listening carefully to what the data is saying, being sensitive to the interpretations and contexts and pushing the data resources till the theory is built. Nevertheless, it does not absolve the researcher from a methodology either (Auerbach & Silverstein, 2003; Glaser & Strauss, 1967; Suddaby, 2006).

The two main procedures, that capture the essence of the grounded theory method, are constant comparative analysis” and “theoretical sampling”(Auerbach & Silverstein, 2003; Charmaz, 2008; Corbin & Strauss, 1990; Suddaby, 2006). Constant
comparative analysis means that analysis starts with the data collection, and occurs simultaneously. Theoretical sampling means that what data are collected is determined by the theory that is being formed during simultaneous data analysis. Thus, it is impractical to denote an exact sample size and kind ahead of time and strictly adhering to it. These procedures are explained in more detail in the steps for conducting grounded theory research.

Steps in conducting grounded theory research

The following series of steps have been adapted from various sources on Grounded theory methods (Auerbach & Silverstein, 2003; Charmaz, 2008; Corbin & Strauss, 1990). In an effort to make the series of steps more comprehensible to readers of quantitative research study design, I have recategorized the broad 5 steps into the sections used in hypothesis-testing quantitative studies.

Review of Literature

Conduct literature review and identify research issues

This is the initial time of reviewing the literature and understanding the basic premises. Grounded theory is an approach for building theory from data, and as such the researcher needs to acknowledge that he or she does not know everything. Many researchers misinterpret this approach to mean that their research doesn’t require theory in advance (Suddaby, 2006). Glaser and Strauss (1967) strictly warn against this mistake, clearly stating that the researcher does not start with a ‘tabula rasa’. The literature review is a rough-hewn guide map to the grounded theory researcher, aiding him or her in identifying issues that have not been covered, assumptions that need to be
challenged, and gaps that need to be filled. It also provides a general framework from which the interview questions will emerge. Roy Suddaby’s editorial (2006) in Academy of Management Journal explicates just such myths and misinterpretations that users of grounded theory make.

Define research concerns

Basic grounded theory does not require prior formulations of hypothesis, in fact it clearly states that it is a hypothesis-generating approach. Thus, after the researcher has identified research issues, and gaps in the field, he or she needs to explicate the broad research concerns that need to be addressed. The basic idea in a qualitative study is to choose respondents who have lived through the phenomenon being studied. Having lived through it they are considered the experts and thus, the research is concerned with studying their experiences (Auerbach & Silverstein, 2003).

Methods

Create a narrative interview

Auerbach and Silverstein (2003) suggest constructing no more than 6 open-ended questions for the narrative interview in order to avoid exhaustion for the participants. In keeping with the grounded theory traditions, most researchers just choose a general set of questions that pertain to the topics being covered and are followed by probes. Semi-structured interviews are most helpful in this regard, they allow the researcher to have a framework of questions from which to work, while also allowing flexibility for in-depth probing depending on the respondent and their responses (Bernard, 2005).

These topics and questions are based on the literature review that the researcher does in
order to guide the formulation of the interview, nevertheless the list of topics is not
used to limit the interaction. This also allows the researcher to be sensitive to keep the
focus of the analysis on the accounting by the respondent (Rapley, 2001). Qualitative
interview data is rich in detail, in subjective interpretations and narrative accounts, and
as such the researcher is usually encouraged to keep an open mind for unanticipated
topics that might arise during the course of an interview and aid in extending the scope
of the theory.

*Theoretical sampling*

As opposed to random sampling method of quantitative analysis, sampling here
is done for theory construction to check and refine conceptual categories, not for
representativeness of a given population (Charmaz, 2008). The decisions about the data
collection are determined by the theory being constructed (Auerbach & Silverstein,
2003; Suddaby, 2006). Convenience and snowball sampling is most often the best way to
access the data (Auerbach & Silverstein, 2003).

*Data collection-analysis and Discussion*

*Collecting and analyzing data simultaneously*

Analysis starts with the data in the grounded theory approach (Charmaz, 2008;
Corbin & Strauss, 1990). There is a simultaneous involvement with data collection and
data analysis aimed toward developing theory. It is an interactive and iterative process
that also helps the theorist adapt their initial interview guides, add areas to explore and
delete irrelevant questions (Charmaz, 2008). The researcher is encouraged to go inside
the phenomenon of interest and gather rich descriptive data, while simultaneously
analyzing it to determine further sampling. Data is collected and analyzed till such time as saturation is reached. Saturation occurs when there is repetition of information and confirmation of existing conceptual categories (Suddaby, 2006), this is a signal for the researcher that new informants would not add any useful information to the theory at this point and that the data collection can now be successfully concluded.

Research Design

The rest of the chapter elaborates on the sample, data collection procedures, instruments used and the coding and analysis techniques applied using Grounded theory principles in order to develop theory and a model of identity transition.

Sample

The theoretical sampling technique for the current study was used in accordance with the procedures outlined by the grounded theory approach. Thirteen founder-CEOs who had exited the company that they had built were identified and interviewed. A set of preliminary criteria for selection was chosen that was open to reassessment after the initial sampling. These preliminary criteria proposed selecting 8 CEOs each, for voluntary and involuntary exit, who had experienced such an event not less than 1 year in the past. This criterion for the time frame was chosen to ensure that the study did not capture respondents who were still undergoing the exit, or who maybe still be stuck in the initial stages of the model and would have thereby been unable to provide richer information about the complete process. No gender, age or cultural specifications were used. The aforementioned criteria were the only ones used for selecting the sample, especially since the study aimed to investigate both voluntary and involuntary exits.
Furthermore, theoretical sampling was used to determine, after each respondent’s data had been analyzed, what kind of sample is better suited to the theory.

The participants were mostly from the greater Atlanta region. Table 1 gives information on the demographics of the interviewees. In the interest of preserving confidentiality of the participants, individual data is not presented, but rather means and ranges are provided. One participant was female, all except two participants were white American, and two participants were of South Asian origin. The average age of the participants was 50 years, and their mean age, at the time that they started the venture that they talked about in their interviews, was 34 years. The average number of years they had stayed with the organization was 8 years and the average number of years since they had separated from the organization was 8 years. The average number of founders in their organization were 3 and for 38.5% of the participants the venture was their first venture. Finally the average number of employees they had in their organization was 201 and ranged from 7 employees to 800 employees. The participants came from internet technology, arts, food technology, agro chemicals, chemical manufacturing, finance-accounting and art industries.

*Theoretical Saturation*

After the first few interviews had been collected, coded and analyzed it was found that even though the sampling criteria did not need to be revised, theoretical saturation was reached well before attaining the preliminary sample estimates. As the data analysis and results will show (please refer to the Data Analysis section), it was found that the categories of voluntary and involuntary exit did not emerge from the
Despite probing and clear questioning it was hard to determine the exact (voluntary or involuntary) nature of the exit for each of the CEOs from their first person interviews. This unique lack of clear nature of exit from the interviews, led me to reassess and recode the interviews to understand what, if not the type of exit, was responsible for the difference between participants. As the data analysis and the proceeding discussion will clarify, it was found that the CEOs differed in their organizational identification and the expressions of grief experienced upon exit. Thus the new criteria were the presence or absence of organizational identification and grief upon exit indicated by the participants, instead of type of exit. Theoretical saturation was reached at participant number ten; nevertheless three more interviews were collected to ensure complete saturation.

Instrument

For this study, I constructed a semi-structured interview schedule based on the topics to be covered. In keeping with the recommendations made by Auerbach and Silverstein (2003), there were no more than eight general questions, followed by both simple and more detail-oriented probes (Please refer to Appendix B). This interview lies midway on a continuum between unstructured and semi-structured interviews. The semi-structured part of the interview included the set of questions and list of topics. The unstructured part of the interview included the in-depth probes and the flexibility in following the sequence of questioning. The questions, along with the list of topics are included in the appendices.

The probes consisted of definitive questions about “how”, “why”, “when”, and
“tell me more”. Apart from these probes, other more subtle probe strategies were also employed where deemed appropriate. Probes should not lead the respondent to a specific answer (Bernard, 2005). Thus, interjections like “uh-huh”, “hmm” are most effective without being overly restrictive or sounding judgmental.

The interviews were conducted in a setting that was comfortable for each participant, and was relatively free of recurrent disturbances. The interviews lasted on an average of 35-45 minutes each and did not require any follow up. Seven interviews were conducted face to face, three were conducted using skype video conferencing, and three were conducted using skype voice conferencing. Before delving into the questions, the researcher built rapport with each participant. This was an important exercise that helped the researcher gain the participant’s trust and make them comfortable. Thereafter, the participants were explained the purpose of the interview and provided a broad overview of the research issue. They were then presented the consent form. Upon taking their consent, I started the interview.

There was no fixed interview protocol except that, at the very minimum, the topics outlined during the review of literature are sufficiently covered. These are presented in a grid to aid in swift recognition in Appendix A. Although there was a structure to the topics and general questions to be asked, in the interest of letting respondents engage in an unrestricted and detailed account and narrative, the sequence of questioning and the framing of questions were determined by gauging the responses and style of each respondent. For example, if a respondent provided an answer to one of the other questions to follow while also answering the actual question posed, the
same questions were not repeated unless more in-depth probing was deemed necessary. Similarly it was discovered over the course of the interviews that most participants responded better and the interviews flowed better if question 1 was asked in the end with questions 7 and 8. Furthermore, as outlined by Grounded theory, depending on the pace and theme uncovered within interviews, some additional questions were added to subsequent interviews. These questions were designed to gain more information and probe deeper into a theme that emerged from one of the predetermined interview questions. These additional questions were only included if the probes themselves were insufficient at eliciting details from the participants. For example, following question two, “Why did you leave the company?” two additional questions were asked from various participants over the course of the interviews. These were, “Tell me a little bit about the company;” and, “Can you think of a defining moment with the company when you knew that this is not going to work?” The questions were introduced after gauging the flow of the interview and thus not every interviewee was necessarily asked the same additional questions (nevertheless, they were all still asked the predetermined questions). These and all the other additional questions are included in Appendix C.

The interviews were recorded using a digital voice recorder. The interviewer started with rapport building subsequently followed by the interview and encouraged the respondents to reveal feelings, and perspectives on self and situation. Probes were used to get in-depth and rich account of their experiences and the respondents were allowed to lead (Bernard, 2005). I kept track of the topics covered and those that
remained to be explored during the interview process using a topic sheet (Appendix A). Furthermore, during the course of the interviews, in accordance with the Grounded theory methodology, I kept extensive field notes (Bernard, 2005), so as to supplement the interview transcript with their inferences based on the context, facial expressions, intonation, gestures and body language, these were later used during coding. At the conclusion of every interview, the respondents were thanked and provided with a written summary of the research if they so wished to have.

Data analysis

The basic procedures of applying grounded theory research underline application of constant comparative analysis and theoretical sampling techniques. As a result, after the completion of each interview, it was immediately transcribed, coded and analyzed according to the grounded theory methods (Charmaz, 2006). These interviews were transcribed by two people, independently, to ensure maximum error-reduction. I transcribed them first-hand, and had a research assistant transcribe them independently and then compared the two transcriptions. Any discrepancies were resolved by going over the audio files again.

Each interview was hand coded using the Grounded theory method for coding (Charmaz, 2006). Although, extensive software and applications are available for coding qualitative data, I made the decision to code the interviews by hand. This ensured extensive familiarity with the data, helped me tease out subtle nuances, and also made me more comfortable with the theory being developed at hand. Coding was done in three phases: initial line by line coding, focused coding and reassessed focused coding
to revise criteria. I used two additional independent coders to reduce bias in coding. They received extensive training in the coding procedure and then coded all the interviews in the first two phases. I used their coded interviews to supplement my coding, and resolved conflict by discussion of themes with the coders. Initial line by line coding helped code the interviews and reduce them into comprehensible data points, focused coding helped unearth the major themes and emergent relations. I used my field notes during coding and made extensive memos and notes during the coding process.

The interviewees were all former founders and leaders of the organization that they were interviewed about, and differed from an average company employee. Most of them were either the primary founder or one of the co-founders. As a result, determining the type of exit – whether voluntary or involuntary – from these first hand face to face interviews was extremely hard. For that reason, I went back into the transcripts and reread them to reassess and reorganize the criteria and the main theme that differentiated the participants. This was the third phase of coding and was similar to the focused coding. This third phase of coding revealed differences in the levels of identification that the participants had with the organization which formed the basic theme for the process of transition.

The data and the results of each interview were thus utilized to formulate and refine theory after the conclusion of each interview. After the tenth participant’s interview, theoretical saturation seemed to have been reached. Nevertheless, in the interest of complete certainty, I collected and analyzed three additional interviews.
Charmaz (2003) refers to interviewing in grounded theory as unfolding stories. When the themes in the stories began to repeat over and over and no new themes or ideas were being added, that is when theoretical saturation was reached. Recurring themes and repeating ideas are the clearest indication that the paths the stories are taking are similar and adding new interviews would not add anything new to the data.
Table 1: Demographics of Interview Participants

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<tbody>
<tr>
<td>Number of participants</td>
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</tr>
<tr>
<td>Gender</td>
<td></td>
</tr>
<tr>
<td>Females</td>
<td>7.70%</td>
</tr>
<tr>
<td>Males</td>
<td>92.30%</td>
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<tr>
<td>Current Age (in years)</td>
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<tr>
<td>Mean</td>
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</tr>
<tr>
<td>Range</td>
<td>35 to 67</td>
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<tr>
<td>Age at start (in years)</td>
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</tr>
<tr>
<td>Mean</td>
<td>34</td>
</tr>
<tr>
<td>Range</td>
<td>21 to 48</td>
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<tr>
<td>Number of founders</td>
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</tr>
<tr>
<td>Mean</td>
<td>3</td>
</tr>
<tr>
<td>Range</td>
<td>1 to 6</td>
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<tr>
<td>First venture</td>
<td></td>
</tr>
<tr>
<td>Frequency</td>
<td>38.50%</td>
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<tr>
<td>Years with Organization (in years)</td>
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<td>Mean</td>
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</tr>
<tr>
<td>Range</td>
<td>1 to 18</td>
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<tr>
<td>Years since exit (in years)</td>
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<td>Mean</td>
<td>8</td>
</tr>
<tr>
<td>Range</td>
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<td>Employees in organization</td>
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<tr>
<td>Mean</td>
<td>201</td>
</tr>
<tr>
<td>Range</td>
<td>7 to 800</td>
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</table>
CHAPTER 4: RESULTS AND DISCUSSION

This portion of the study employed Grounded theory methodology, primarily the approach applied by Charmaz (2006). The purpose of using interviews and grounded theory methodology was to investigate and explore the underlying issues and mechanism involved in the exit of founder-CEOs from their firm. Furthermore, another aim was to develop a comprehensive theory of identity transition for individuals. Thus the most apt method in such a study is grounded theory. It not only aided in the development of rich theory, but also provided in-depth information and perceptions into the transition process. Apart from theory building, the study strived to give a detailed account of how CEOs (founder-CEOs in this case) felt, and thought about both the companies they built, and the process of exiting from the company and rebuilding identity all over again.

In the following discussion of the results and analysis of the interviews with the CEOs, I have tailored the narrative to help the flow of the topics depending on how the themes emerged and were organized in the resultant model.

Type of Exit – Voluntary and Involuntary

At the outset, I had proposed distinct mechanisms and processes of identity transition for the two kinds of exits – voluntary and involuntary. However, the results of the analysis of the interviews with CEOs showed a distinct lack of clear distinction between voluntary and involuntary exits in their narratives. Research on CEO turnover
and succession has encountered similar difficulties in clearly identifying the type of exit for a CEO for a variety of reasons ranging from methodological issues (Pitcher, Chreim, & Kisfalvi, 2000) to the lack of disclosures from firms and the individuals themselves about the true reasons for CEO departure (Buchholtz & Ribbens, 1994; Denis & Denis, 1995; Flanagan & O'Shaughnessy, 2005; Shen & Cannella Jr, 2002). Thus since the type of exit could not be determined, it is not certain as to whether the process of identity transition would be the same for individuals going through the different exit types.

In the absence of a clear demarcation of involuntary and voluntary exit, it was difficult to say whether it had an effect on the experienced grief and identity transition process. This discovery, although curious, is nevertheless cognizant of the grounded theory principles (Glaser & Strauss, 1967). Only upon giving up the initial framework of type of exit was I able to find interesting differences in the attributions that the CEOs made, and also determine the exact nature of the process and the themes that ultimately were responsible for the differences in the process of identity transition for the CEOs.

Albeit it was difficult to determine the voluntary or involuntary nature of exit from the interviews, there were differences found in the nature of the attributions vis-à-vis external or internal processes that propelled them to leave the organization. Table 2 provides these two kinds of attributions that the participants made. External attributions were the reasons participants gave for their separation from the organization that were attributed to events and circumstances outside of their control. These external factors were a bad economy, debilitating disease, interpersonal conflict among board members or the executive team and the venture capitalists, and financial
losses suffered by the company and or the founders. On the other hand attributions that
participants made for factors that were internal to them and under their control were
classified as internal attributions. These internal factors included need for exploring
new avenues and newer interests, feelings of detachment and boredom, and financial
motivation to make money out of a successful venture to invest somewhere else. This
classification was consistent with the literature on causal attributions (Metalsky,
Abramson, Seligman, Semmel, & Peterson, 1982; Stoltz & Galassi, 1989).

Attributions are the ways people explain the causes of an event or of someone’s
behavior to themselves. Attributions is a much researched area dating from the late
sixties (Jones, Rock, Shaver, Goethals, & Ward, 1968; Kelley & Michela, 1980; McAuley,
Duncan, & Russell, 1992), Attribution theory, as a result, has developed to an extent that
there are many views and sub-theories that encompass the field of study. Causal
attributions or attribution explanatory styles were first examined by Weiner (Weiner,
1980, 1991). Causal ascriptions for an event can be put on three dimensions of Locus of
control, controllability and stability. These three dimensions are found to be
independent (Weiner, 1980 as cited in: Tomlinson & Mayer, 2009). Of these the
dimension of locus of control distinguishes between causes generated internally (by the
individual) or externally (i.e., by another actor or by the situation) (Tomlinson & Mayer,
2009).

Albeit, these attributions were made by the respondents, and it would seem
intuitive that the kind of attribution may have an effect on the identity process, and the
grief experienced, nevertheless the kind of attributions did not seem to make a
difference on the perceived experience of grief over the exit. It was found that of the proportion of individuals who made internal attributions for their exit, 40% experienced grief. This ratio is close to the proportion of people who made external attributions of exit and who experienced grief (50%). It was also unclear, even from the literature, which kind of attribution would predict grief in the current study (Bulman & Wortman, 1977; Stoltz & Galassi, 1989). Causal attribution and its relation to depression have been widely studied, although with no conclusive results. There is debate over whether internal or external attributions predict depression in individuals (Brewin, 1985; Bulman & Wortman, 1977; Stoltz & Galassi, 1989). Thus it became imperative to understand what was driving the differences in the experienced grief for the respondents, as grief was one of the most commonly occurring themes in the interviews and there was a distinct differences in respondents based on whether they experienced grief upon exit or not. The source of this grief however was not the kind of attribution made. This lead me to reread the transcripts to understand the mechanism and the processes that led to the differences in the grief experienced upon exit.

I found that the kind of identification that the CEO had with the company determined whether they felt pain/grief upon exit or not. These individuals could be clearly divided into those who had high levels of attachment and a sense of identification with the organization they build and those who were detached, expressed no emotional ties or a sense of identity with the company.

Organizational Identification

Analysis of the interview data during the third phase of focused coding
unearthed the vital role that identifying with the company played in the experience of grief that the individuals reported. During this analysis, I went over the interviews again to extricate the theme that differentiated and determined the grief experienced for the CEOs upon separation from the organization. Unlike the initially proposed theoretical model, organizational identification seemed to have a much more prominent role in the founder-CEOs experience of both the grief, and later the reconstruction of a new identity.

Upon closer analysis of the interviews it was found that the participant’s level of organizational identification could be roughly divided into two categories of low/no organizational identification and high organizational identification. There were those who talked passionately about the organization and gave analogies of the organization being their baby, their prized possession, and in essence clearly expressed feelings of organizational identification. In contrast there were individuals who either lacked any verbal expression of emotion with the organization, or talked about it dispassionately, clearly expressing a lack of attachment. For example, in answer to question 3 in the interview, inquiring what it was like working/running the organization, the following participant’s expressions were all related to the material wealth that they gained as a result of running their organization, rather than any emotional expressions of oneness with the organization, or feelings of attachment or any other form of identification.

"Well it was fine; I suddenly had a lot of money... I bought new corvettes... and I had a really nice corner office... a lot of perks of the job... I was travelling a lot and spent a lot of time in airports and in airplanes." (Participant 2).
This individual thus had very low to no identification with the organization. Their expressions and narratives were in stark contrast to the individuals who can be characterized to have high organizational identification. Individuals who talked about the company in more familiar terms, tying it to a part of their own selves, or their identity were the individuals that exhibited a strong sense of organizational identification. Almost half the participants (n = 6 out of total n = 13) responded this way to question 3. When asked how they felt working with the company, and if they missed anything, they responded in very emotionally charged terms. These individuals found running the company enjoyable, perceived the company as a part of their own identity, were also strongly identified with the company (and aware of that) and felt a sense of belonging and passion. For them, the company was their baby and their own essence. These CEOs expressed themselves in terms of their company, for example, “I am [name of Company],” expressed intense pain at separation (refer to Table 3) and repeatedly talked about attachment with the old firm.

For example, one CEO expressed:

“Well yeah, so I mean there was emotions tied up... I built it [the company]; I knew it inside out, so it was literally my baby.” (Participant-3)

These individuals who identified with the company and the team of people, who they worked with, expressed inextricable feelings of fulfillment knowing and developing their product.

“It’s tough because its almost like a child, you have birthed this and it becomes a very emotional situation for you.” (Participant 9).
Identifying with the organization thus emerged as a prominent theme and also helped understand the differences in the grief experienced by the individuals upon exit.

Experience of Grief upon Exit

Loss and separation from business has been shown to relate to feelings of grief (Shepherd, 2009). It seems intuitive that losing a business would cause at least some amount of grief. Grief was a major theme that resonated in half of the interviews by its presence and in the other half by its conspicuous absence (interviewee’s active denial of their experience of it – see Table 3). As a result grief was absent in seven out of the thirteen narrations. As mentioned earlier, surprisingly the main precursor of this grief was the organizational identification that the individuals expressed. Thus it comes as no surprise that when this sense of meaning and identity was challenged and broken down it led to feelings of grief and loss. As one individual expressed:

“I was doing it because I loved it... have you ever sold a car that you have had for a long time... there's a bit of you that is sad... it's that same feeling amplified by a thousand times you know.” (Participant 11 expressing organizational identification).

“...It was a very emotional separation because it was a lot of sort of my personal life's blood and passion... it was gut wrenching!” (Participant 11 expressing subsequent grief)

Table 3 gives examples of quotes indicating high and low organizational identification and the accompanying grief upon exit for the particular individuals. As can be seen from the table, individuals with high organizational identification also had high grief upon exit, those with low or no organizational identification did not express
any grief upon separation, or rather expressed a lack of any grief. Grief upon exit too could thus be categorized as high and low.

A notable point that comes across from the interviews of individuals with high organizational identification is the intensity of the grief that the CEOs experienced and expressed. Grief and sorrow on exit manifested as pure grief, rumination, feelings of guilt and regret, and inability to get motivated to work. Some vocalized it clearly as a difficult time for them emotionally, or a hard thing to do. For others there were expressions of inability to function. These themes resonated through most of the interviews. For some individuals it lasted longer ranging from 6 months to a year.

As one put it:

“It was a very emotional separation because it was a lot of sort of my personal life’s blood and passion that went into it, so on the one hand it was good that I sold it and on the other hand it was very emotional you know... it was like a dagger through the heart.” (Participant 11)

Another CEO had to leave the town for five years and had a hard time getting involved in anything new at all for a good one year.

“...so it was a very difficult exit, I left town...I left town for five years.” (Participant-3)

This CEO disclosed escaping to their parent’s beach house for a full year and spending days ruminating and trying to figure out what they wanted to do in life, going over the ‘what if…’, ‘maybe…’ and indulging in feelings of guilt and pain. It took this CEO a whole year before they were able to get over the grief and start thinking about
work again. As another CEO put it:

“You know it is like grieving over a death.” (Participant 9)

Thus, borne out of their identification and consequent attitude that they had towards the company, individuals with high organizational identification expressed grief upon exit as compared to those who did not have such an attitude.

**H1: Organizational identification will be positively associated with Grief upon Exit.**

Furthermore, some individuals who displayed more grief and hurt over the exit and demise of the company also expressed intense guilt and regrets about how (during interview) they thought they could have changed things and made a difference in keeping the company if they had behaved differently. These individuals took personal responsibility and had reflected upon it numerous times. They were also more sensitive to their environment and expressed a need for self-discovery. These themes of rumination, feelings of guilt the ‘what if’ scenarios and feelings of despair are also clearly visible when we talk about the presence of lingering grief while individuals are trying to reconstruct their identity.

Although the grief experienced is no less, the intensity of it and how quickly the individual got over it was also eased by whether the company was their first ever venture. For those individuals for whom this was their first ever experience, coupled with a strong sense of attachment, the grief felt was often times debilitating and left them wanting time off. For those who had prior venture experience, even though they expressed strong attachment and grief, they were able to reconstruct a new identity
Reconstruction of New Identity

From the interviews it is clear that some individuals have an easier time going through their grief while others don’t, and some are able to accept what happened in time and take it in their stride, while others struggle to come to terms with it and understand what to make of their lives afterwards. For most of these individuals, especially for the ones who had strong identification with the companies that they built, nurtured and run – a major part of their life and identity is lost.

Such individuals are not the same person since a major element of their identity has been changed and torn away. What gives them meaning now? Are these individuals able to find something new that gives them meaning the same way their old company did? Do they still pine for the old company and ruminate, indulge in guilt and hypothetical possibilities that may have resulted with differences in the decisions made? Equally importantly, are they able to form similar bonds of attachment to something new after losing the company that they so built and ran? This something new is what would give a sense of identity to the individual via the process of identification with a new social structure, or organization or a role.

Individuals were idiosyncratic in their coping with grief. Some engaged in more loss orientation and required an active time to lick their wounds and thus took time off to come back. They engaged in rumination, guilt, and going over the exit and the events that surrounded it. They actively avoided taking on work, or starting a new project until they felt they had had catharsis or gotten over the pain. Others used a more
restoration orientation and started consulting on the side. Some individuals started another venture immediately but did not sustain it. Each individual had their own way of coping, but having an alternative that required equal attention and dedication gave a sense of fulfillment and the sense of being needed that provided some semblance of meaning – resonating with restoration orientation. This is discussed in more detail in the section on alternatives available.

Additionally the individuals with high grief were able to gain insights and often expressed their concern for and fear of repeating mistakes. Their rumination while indicative of a high sense of self-awareness also seemed to be an obstacle in their path toward getting over the grief. This was essentially because their focus kept coming back to the pain of the exit, the unpleasantness borne out of the exit and a fear of repeating mistakes. Thus, even in cases where the CEOs went back to work and started new company or became involved in jobs or consulting, some expressed inability to get over the experience of the exit.

“I regret that we couldn’t build it [the company] bigger than it was; it could have been much bigger than it was and I...I probably more than anybody had big enough influence to pull the different factions together and I just didn’t.” (Participant 7)

Feeling sad and hurt actually seemed to impede progress towards the building of a new identity after losing the one connected with their organization. It predisposed an individual to ruminate, go over and over the mistakes and ‘what if’ and struggle with keeping at bay feelings of despair and guilt, leading to lingering grief.

In contrast there were individuals who exhibited low grief upon exit, and also
high levels of acceptance of self - of who they were and where they were in life. They expressed being proud of their accomplishments, their pride at becoming the person they had become, and being happy. These feelings were markedly missing from the interviews of people who expressed high grief upon exit. Furthermore, they expressed having regrets about the organization, and how they still could not come to terms with the loss of their organization, or how they still had been unable to find something else in life that they felt so strongly for.

A question that begs answer at this point then is, “Do individuals ever make a completely new identity?” The answer is no, which is why it is a reconstructed identity and a not formation of a brand new one. The interviews were informative and provided answers to this question. Even after an individual has successfully reconstructed a new identity, the scars of the past and the lessons learnt linger on. Memories are built during an experience and individuals do not easily lose such memories, relationships are sometimes carried on, many elements of the personal identity are also carried on as are the lessons learnt and oftentimes the guilt and achievements too. As a result, reconstructed identities cannot be imagined on an absolute scale of “reconstructed” or “not reconstructed”. Individuals would be able to reconstruct a new identity to varying degrees, and consequently hold on. Successfully reconstructed identities of individuals would, despite having memories, nostalgia, reminiscences, involve (1. getting over the old grief and moving on (does not imply that the individual does not miss or reminisce about the old organization, but that they do not dwell on it, and that their current functioning is not hampered by their grief or memories of the separation and the
previous company, this can be conceptualized as lingering grief; (2. Being able to not
only get over the grief, but also move on and accept their life anew and not have any
regrets about the company or their life, this can be conceptualized as self-acceptance.
Simply put though it means being able to get over the grief and successfully find
something else that gives an equal sense of identity and meaning as the first
organization had. For example, the following individual had exited from the company
three years ago at the time of the interview and when asked about what they currently
did or had been doing since the exit:

“I’m still trying to figure out what I’m going to do next, but I don’t know what
that is yet...I’m definitely working on some projects and things, but I’m trying to figure
out what I want to do kind of full-time.”(participant 4)

To that point, individuals who successfully reconstruct a new identity would not
have regrets, lingering feelings of guilt, rumination over "what if" scenarios, inability to
find another successful career/job/venture/role, unresolved regrets connected with the
old org, or avoidant behaviors connected to their feelings and experiences with the old
org/separation with the old org. They would thus have high self-acceptance and low
amounts of lingering grief. Thus it can be hypothesized:

**H2: Grief upon exit will be negatively associated with reconstruction of identity.**

In the light of separating the two components of the construct of reconstruction of
identity, the previous preliminary hypothesis can be better stated as:

**H2a: Grief upon exit will be negatively associated with self-acceptance
component of reconstruction of identity.**
H2b: Grief upon exit will be positively associated with lingering grief component of reconstruction of identity.

Processes, Buffers and Exacerbators of Grief

The results of the interviews revealed the various processes that seem to have an effect on the relationship of organizational identification to grief. Furthermore, a discussion of the various factors that emerged out of the interview data as buffers and exacerbators for the relationship of grief with reconstruction of identity also warrants some discussion.

Process: Passion for work (Engagement)

An important element that distinguished CEOs on the basis of who experienced more pain and grief upon separation was the passion with which they worked. This passion seemed to have been borne out of organizational identification for some, but also out of their own personality characteristic that predisposed certain individuals to work harder, and put longer working hours in the organization. The more passion CEOs started an organization with, and sustained it with that passion, the more grief they experienced.

“and I think if you are really passionate about what you do like that then it’s impossible, impossible to go back to a regular job... so if you think when you start a company you are working 80 – 100 hours a week and everything is about that, you know you are driven towards that and there’s not a whole lot of time for other things...” (Participant-3)

This participant subsequently when talking about grief and separation,
expressed:

“I was totally exhausted. I didn’t know what I was going to do with the rest of my life...” (Participant 3).

An important point of distinction here is that some CEOs that I interviewed clearly outlined a balance in life, while some like the one just quoted above were passionate and devoted their time to the company to the exclusion of everything else. They expressed being engrossed in work, enjoying the overall experience and wanting to wake up in the mornings to go to work, or even staying up late and spending weekends at work of their own accord. This particular CEO (quoted above) talked about not having a social life, rather not having a life outside of the company at all. Some of these people were able to reflect back and call themselves workaholics and actively talked about the struggle that they now go through to balance life. This same theme resonates when the topic of familial role involvement is later discussed.

Passion as expressed by the interviewees in this context as a construct sounds similar to engagement, “Employees with high engagement have an energetic and affective connection with their work activities.” (Schaufeli, Salanova, González-Romá, & Bakker, 2002). As one CEO expressed this affective connection:

“They knew I was doing it because I loved it [company]” (Participant 11)

Interestingly research has found that engaged employees put more effort into their work because they identify with it (Bakker, Schaufeli, Leiter, & Taris, 2008). Research on engagement has also looked at the consequences of engagement which include job performance (Bakker et al., 2008), work satisfaction (Mustafa, Ronald, &
Engaged employees have been found to be more dedicated to work, are creative and exhibit extra-role behavior (some researchers have called it the willingness to ‘go the extra mile at work’) (Bakker & Demerouti, 2008). Similar to our findings of a lack of work-family balance in highly passionate individuals, research has found that engagement is associated with higher levels of work interference with family (Halbesleben, Harvey, & Bolino, 2009). There is, however, no concurrent research that examines the effect of this high identification with work, that is an antecedent of engagement, upon the loss of work/job.

Although there seemed idiosyncratic differences in the passion/engagement observed in the interviews, clearly those with high organizational identification and subsequent grief expressed high levels of passion. It seemed then that organizational identification fostered high work engagement, and that high engagement in itself lead to feelings of grief upon separation from the object of passion (the organization in this case).

**H3: Engagement will mediate the impact of organizational identification on the experience of grief upon exit.**

**Exacerbator: Disruption of Social Ties**

For many CEOs who lost some friendships in the aftermath of the exit, and due to the circumstances that precipitated the exit, there was immense grief expressed. Lost friendships, lost contact with former colleagues or co-founders was most distressing. Moreover, for many CEOs the employees that worked in the company had become a
part of their social network, and were considered family and the loss of ties and
constant contact with them on a day to day basis was also distressing. This pain was
aggravated if there had been unpleasant words exchanged or hostilities that developed
leading to the actual breakdown of a relationship.

As one CEO expressed:

“...I think there is a part of me that will never get over it, over parts of it. Umm, just some of the things that happened with some of the people it got pretty nasty... Umm, well one of the co-founders and I were good friends going in to this and had been for probably 15 years and due to his actions and the way that handled it the situation as we were starting to fail we were no longer friends anymore; I will not speak to him. I mean I will say hi to him if I ran into him, but it’s not the same.” (Participant-3)

“We’ve lost touch and we were close friends, so that hurts.” (Participant 10)

Such loss of friendship due to discord and drastic differences of opinions that materialized during the exit or right before it led to unresolved issues that the CEO had a hard time getting over, thereby hinting at lingering grief.

This function of disrupted ties to aggravate grief was, however, not as clear in some of the other interviews. Contrary to how the individuals cited above felt, some individuals actually expressed that being able to sever ties to the former company was good for them, since it allowed them to start fresh. They expressed feelings of relief at being able to break social ties and found it cathartic, thus indicating ease in reconstruction of identity. One even expressed no wish to stay in touch with any former
friends or colleagues from their former company.

“it is no different than a house, you know, you build a house and then you sell it to someone, you don’t expect to go back and stay in a bedroom every now and then, you just leave it alone and be done with it.” (Participant 13)

Overall, even though ‘disrupted social ties’ was a repeating theme, it was not prominent in all interviews, and had this distinct two toned effect of both aggravating grief or even alleviating it. Because of its nature, it is difficult to formulate a distinct hypothesis and thus in the follow-up study the effect of disruption of ties will be investigated.

RQ1: How does disruption of social ties affect the impact of grief upon exit on the reconstruction of identity?

Buffers to Grief: Alternative identities available

There were multiple and recurring themes that gave an insight into what made coping with the grief easy and what helped these individuals reconstruct a new identity after losing the one born out of the previous organization. These buffers provided a renewed sense of meaning and made reconstruction easier. Thus they served sensegiving. As discussed in the section on the Grief, it was found that for most individuals who experienced grief upon exit from the company, a refractory period was required, what I called ‘time to lick the wounds’. Each individual had a distinct way of coping with the loss of an important part of their identity – their organization. Some started a new venture right off the bat but could not sustain it as the grief, unresolved pain and other issues clouded their passion and vision, others took time off and did not
start anything until their felt they were emotionally ready. Whatever the path, an important thing that helped all these individuals cope with such a loss was the availability of an alternative identity or role that required equal attention and dedication as their organization had.

*Non work Salience*

Some CEOs revealed having a new baby around the time that they lost the company, others talked about taking care of an ailing parent, still other talked about getting more involved with the religion and community. In most of these instances, interestingly the alternative was a non-work identity that helped them. This alternative identity gave them a sense of fulfillment because they were once again needed in a very important role (dad/mom, son/daughter, or even husband/wife) and this provided them a deep sense of personal fulfillment and a sense of meaning. This is a mechanism most similar to sensemaking. This also helped ground them and make the individuals feel less ‘lost’, as some expressed it, since being needed in a strong personal relationship overrode all other painful experiences out.

Thus, the alternative identities formed a very strong buffer that helped get over the grief and may have been responsible for the reconstruction of a new identity that integrated these alternative identities and roles into the new one.

“...so the one thing that I have noticed as I’ve gotten older is connections...relationships and community has become much more important to me.”

*(Participant-3)*
Familial role involvement

Family played a big part in helping towards reconstruction of identity. As evidence, most individuals, post hoc, talk about the importance of family and how they realized over time that their role as a parent and a spouse or a son or a daughter was most important. Although identifying with familial roles, “I am a daddy,” or, “I see myself as a good husband,” did not change the attachment with the company, it seemed to be a factor that helped these individuals (who identified with the company and had more grief upon separation) find distractions or helped them get through the pain. They not only helped in restoration orientation, but they also served as buffers that helped give a renewed sense of meaning and identity. These then probably served as multiple identities that gained prominence and salience at the time of separation/exit and replaced the lost identity in a powerful way.

Spiritual involvement

Another factor that emerged as a buffer during the grief and that helped reconstruction of new identity was spiritual involvement. The more spiritually and religiously an individual expressed involvement, the easier their path towards reconstructing a new identity seemed to be.

In the same vein, some of these individuals expressed existential search – the search for understanding who they were, their purpose in life, that helped them reduce the pain and build a new identity. This served sensegiving in a way. Due to these themes that emerged, the following hypotheses are offered:

H4a: Family involvement will moderate the impact of grief upon exit on the
reconstruction of identity, such that increase in family involvement will attenuate the negative relationship between grief upon exit and self acceptance component of reconstruction of identity.

H4b: Family involvement will moderate the impact of grief upon exit on the reconstruction of identity, such that increase in family involvement will attenuate the positive relationship between grief upon exit and lingering grief component of reconstruction of identity.

H4c: Religious involvement will moderate the impact of grief upon exit on the reconstruction of identity, such that increase in religious involvement will attenuate the negative relationship between grief upon exit and self acceptance component of reconstruction of identity.

H4d: Religious Involvement will moderate the impact of grief upon exit on the reconstruction of identity, such that increase in religious involvement will attenuate the positive relationship between grief upon exit and lingering grief component of reconstruction of identity.

Entrepreneurial Identification

A new theme that emerged out of the interviews, one that hadn’t previously been explored in the theoretical model, was entrepreneurial identification. Some of the individuals expressed their identity in terms of their profession more than anything else. This group of individuals enjoyed entrepreneuring and only enjoyed starting a company (not running it). They also identified more with the role of being an entrepreneur, for example, “I see myself as an entrepreneur,” and displayed little or no
emotional attachment to the firm. These individuals, it seemed from their interviews, had the same identification for all their projects or companies. They didn’t wait around long enough to develop attachment with the organization. As a consequence they did not experience or express feeling any grief or distress over exit from the company, and were more nonchalant when talking about the company and their memories. This identification, very close to a professional identification in the context of entrepreneuring, seemed to be essentially composed of two elements: (i) how much a person saw themselves as an entrepreneur; (ii) how much they identified with the role of an entrepreneur.

Interestingly enough these individuals also had a subsequent career path similar to a serial entrepreneur’s (Westhead & Wright, 1998), and a few of these individuals even expressly used that term.

*For eg: “Umm...I think of myself as an entrepreneur. I’ve been involved in a number of different businesses I’ve been in the venture capital world and some people view me as an investor, but I’m really not umm...I only uh...get financially involved in companies when I have an active role to play.” (participant 2)*

These individuals seemed to get over the experience of separation easier and faster.

*H5a: Entrepreneurial Identification will moderate the impact of grief upon exit on the reconstruction of identity, such that increase in the entrepreneurial identification will attenuate the negative relationship between grief upon exit and self acceptance component of reconstruction of identity.*
H5b: Entrepreneurial Identification will moderate the impact of grief upon exit on the reconstruction of identity, such that increase in the entrepreneurial identification will attenuate the positive relationship between grief upon exit and lingering grief component of reconstruction of identity.

Minor Themes Uncovered

The themes that were encountered most often and were recurrent and powerful were the major themes that have been discussed so far. Nevertheless over the course of the interviews other, minor and less influential themes also emerged. These themes were mentioned by less than three individuals and thus could not be included in the theory and model that emerged. The purpose of the follow-up study was to test the more powerful relationships that emerged out of the theory and narratives of the interviewees, thus the minor themes, although not included in the final model, are still interesting and discussed in this section.

Being identified with the organization

Another aspect of identification was how the CEO was identified with the company by the employees and the media. The CEO consequently felt responsible for the employees and thus guilty upon the subsequent sale of the company. Being identified by the organization (and awareness of the same) seemed to increase the CEOs attachment and feelings of responsibility towards the employees and thus resulted in more pain upon separation.

“I was the face of the community” (participant 11)

“And then the employees...I was kind of the face... to the employees I was the
"letting all of them go was devastating to me; having to let 140 people go was absolutely devastating to me." (Participant-3)

Nevertheless, only those CEOs who were aware of being identified with the organization by the employees felt such intense emotions. The more social interaction they had with the employees, the more aware and benevolent they were, the more they were identified with the organization by others and the more grief they experienced as a result when exiting the company.

**Social Impact of Company or Product**

Social Impact was another one of the new themes that emerged during the interviews. The social impact of the product or service seemed to affect the pain or grief that the individual expressed. For individuals whose product either performed very well (did well, had media attention etc), or for those whose company was involved with direct customer interaction, or the ones whose company seemed to have made an immense social impact on the community, the pain of separation was intense. These individuals expressed guilt over abandoning the clients, the community and some even expressed guilt over abandoning/firing the employees.

"The site itself... the [company’s] community had changed people’s life, it had material impact on other people’s lives and that was sort of an added complication."

(Participant 11)

For CEOs whose company truly had a significant impact on their community or the social milieu around them, or those who strongly believed that their company changed the world and the way business was being done at that time, it was a hard exit.
Media Coverage

Media coverage was an interesting element that added to either the grief over the loss or helped in reconstruction depending on the kind of coverage and exposure that the organization experienced. For one of the CEOs this media coverage was unsettling and unwarranted and thus more disturbing when it started getting negative:

“it was huge and then the press... you know because we were like the biggest thing in town as far as dot com went so they... both the [big papers in town] chronicled both our rise and our failure; I could show you articles that say we were breaching contract when we sold it to xxx.com because we were selling them essentially our members and things like that. So it was a very public rise and a very public failure...so yeah it was a very public failure...It made it a lot worse...nasty things about the company...rumors.” (Participant-3)

Such public rise and fall seems to add to the difficulty in reconstructing a different identity, because everything is in print and in the public eye, thus making it harder to forget or ignore it.

“...I was actually in the ‘People’ magazine... I always tried to stay in the background with the press, but as it [the company] was crashing it was like they were you know...it was like they were... it was personal to me.” (Participant-3)

Of course a big element of how a CEO perceives and integrates this media coverage depends on his/her own feelings towards the company. As is evident from the excerpt above, this individual highly identified with the organization and thus any insults aimed at the organization were perceived as personal attacks. Moreover this
theme was not very prominent in more than two of the interviews since for most of the other organizations there was virtually no media coverage.

Summary and Conclusion

Identity is transient, and malleable. The biggest changes in identity occur during and after major life events. The purpose of this research was to have a preliminary insight into the process of this identity change for a CEO who underwent a separation from the organization they had found. The current study (study 1) was aimed at using the grounded theory methods in an effort to unravel the process of identity transition. Through the use of interviewing technique in grounded theory it was possible to build a model of identity transition for founder-CEOs for the event of exiting the company. Figure 4 gives the final model as it emerged out of the interview data. In the process old themes were discarded, some new themes were discovered. Organizational Identification was found to be the determinant of the experience of grief. Organizational identification not only builds a connection between the identity of the organization and the personal identity of the individual, it also fosters attachment, passion for work and consequently leads to grief when the founder had to exit thereby inducing a separation from the entity (the organization) that provided a sense of emotional belongingness and passion. The analysis of interviews brought to light some of the other lesser themes that were easier to observe in an-depth analysis of this kind, than a survey study. Disruption of social ties seemed to have an unclear effect, seeming to both increase and decrease the overall experience of grief. Family involvement and religious involvement on the other hand served towards sense-giving and helping in getting over the grief and
also in reconstructing identity.

While some themes were more prominent, other themes were less prominent and present in certain contexts only. Moreover while it was possible to tease apart and observe processes and social influences, the influences of personality characteristics was less observable. Biographical case studies and speech and narrative analysis would probably yield more clear results in a future endeavor. Similarly although there was some evidence found for the cognitive mechanisms, they were so internal that they were not easily unearthed despite the qualitative technique. A more plausible research design involving multiple clinical interviews would be most suited method for this type of inquiry since through the use of clinical interviews the researcher is able to delve deeper into cognitive mechanisms. This was a preliminary study of this kind and first-hand accounts and interviews have not been used in this population for the identity research, thus despite the limitation, it yielded promising results that can be tested in the follow-up hypothesis testing part of the study – study 2.
Table 2: Quotes for Internal and External Attributions Made by Respondents for Reasons for Exit

<table>
<thead>
<tr>
<th>Responses to question: Why did you leave the company?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Internal Attribution Quotes</strong></td>
</tr>
<tr>
<td>• “I got bored, it was not fun anymore…”</td>
</tr>
<tr>
<td>• Our attitude had changed from working for people to how much money can I make and so it made sense to approach a buyer</td>
</tr>
<tr>
<td>• “I wanted to explore new interests”</td>
</tr>
<tr>
<td>• ”There were a lot of things I wanted to do, and there was no time, it became increasingly difficult for me to maintain the level of quality and the level of focus on it [the company].</td>
</tr>
<tr>
<td>• “We felt the money was right and it was a financial decision. Yeah we grew it to a point where we wanted to grow it and at that time we sold it to a public company…”</td>
</tr>
<tr>
<td>• The firm was getting bigger and bigger and I just didn’t feel the same connections to it anymore</td>
</tr>
<tr>
<td><strong>External Attribution Quotes</strong></td>
</tr>
<tr>
<td>• &quot;I had no choice, I woke up paralyzed one morning.&quot;</td>
</tr>
<tr>
<td>• “The parent company was not doing too well and it took us with it”</td>
</tr>
<tr>
<td>• &quot;It was difficult to work there anymore.&quot;</td>
</tr>
<tr>
<td>• &quot;I was unhappy with a lot of the internal issues.&quot;</td>
</tr>
<tr>
<td>• &quot;There was very odd dynamic in the team which was very exhausting.&quot;</td>
</tr>
<tr>
<td>• &quot;At the end of the day it was really dependant on the [main co-]founder and he was just too hard to work with.&quot;</td>
</tr>
<tr>
<td>• “My partner started stealing money from the company and so I had to leave”</td>
</tr>
<tr>
<td>• “It was the dot-com bust! One day we were doing fine, and the next we were down to nothing”</td>
</tr>
</tbody>
</table>
Table 3: Examples of Quotes for Organizational Identification and Grief from the same people for each category

<table>
<thead>
<tr>
<th>Participant</th>
<th>Organizational Identification</th>
<th>Level of Grief upon Exit</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>&quot;You hurt partially because it is your baby…its almost like a child&quot;</td>
<td>'You know it's very very hard…you know its almost like grieving over a death, its something that doesn't go away for a while&quot;</td>
</tr>
<tr>
<td>High</td>
<td>&quot;Yes, it was my baby…so you see something you've nurtured, you've grown, its been a big part of your life so yes it's one of those things…&quot;</td>
<td>&quot;Was it hard to leave? It was probably the hardest thing I ever did.&quot;</td>
</tr>
<tr>
<td>Low</td>
<td>&quot;I actually joined someone who was just starting the company…it wasn't like my original vision, I sort of joined the vision.&quot;</td>
<td>&quot;(Was it hard to leave?) No! Not at all! We were focused on how much money we could make out of the sale&quot;</td>
</tr>
<tr>
<td>Low</td>
<td>&quot;It [the company] didn't feel like mine…I couldn’t relate to it.&quot;</td>
<td>&quot;(Was it hard to leave?) Actually, it was easier to leave than I expected it to be&quot;</td>
</tr>
</tbody>
</table>
Figure 4: New Model obtained from Grounded Theory

Organizational Identification (H1) → Engagement (H3) → Grief upon Exit (H3)

Non-work salience: [Family + Religion] Social Ties Maintained

Reconstruction of Identity [Lingering Grief + Self Acceptance]

Entrepreneurial Identification

(+) H4a, H4b, H4c & H4d

(-) H2a & (+) H2b

(+) H5a & H5b
CHAPTER 5: METHODS FOR STUDY 2

Study 2 involved testing some of the hypotheses associated with the final model that was developed through the interviews. The testable model is shown in Figure 5. The data collection, sample, measures and data-analytical procedures for testing these hypotheses are described in this chapter.

Research Design

Data collection

Data were collected from entrepreneurs and former start-up founders. A survey was administered via an online interface. An invitation email was sent to various listserves for small businesses, entrepreneurial blog owners, and was also posted on twitter, Facebook, linkedin and other similar social networking websites. The email contained a URL link to the website hosting the survey. The first page of the survey was informational and served to encourage a snowball sampling. The second page of the online survey served as an implied consent form. Respondents had to indicate their agreement to participate in the voluntary survey by clicking a button at the bottom in order to proceed to the survey questions. The survey and accompanying material can be found in Appendices E to G.

Sample

There were a total of 56 respondents, but only data from 50 was usable. A minimum sample of 48 was determined as a prerequisite through power-analysis using
the G*Power application using an alpha of 0.05, and an effect size of 0.52 obtained from the influential metanalysis done on organizational identification (Riketta, 2005).

Riketta's (2005) metanalysis on organizational identification reported effect sizes for correlation of identification with attachment, satisfaction, involvement and performance. The range of effect sizes is between 0.32 (for job performance) to 0.65 (for satisfaction). I decided to use the lowest effect sizes for variables (attachment and satisfaction) that bear closer proximity to the variables of interest to my study. Thus, using an effect size of 0.52, and alpha of 0.05, and 7 indicators, a sample size of 48 is the outcome.

Of the participants, 70% were males and 30% females, for 56% of the respondents the previous company, they answered the survey for, was their first venture, and 40% of the respondents were the sole founders of the company. Table 4 provides the demographics for the survey participants.

**Measures**

This section describes the variables that were included in this study. When available, previously validated and reliable scales from the literature were used to measure the constructs in the testable model. Scale items were scored using a 5-point Likert format, and unless otherwise indicated, scale responses ranged from “1 = Strongly Disagree” to “5 = Strongly Agree.”

*Organizational Identification:* This instrument was a six item measure adapted from the Organizational Identification scale used by Van Knippenberg et al (van Knippenberg et al., 2002). They added two additional items to the original scale for
Organizational Identification developed by Mael and Ashforth (1992). These items were: “I identify strongly with this organization”, and “I feel strong ties with this organization”. The last item was used in conjunction with 5 of the items from the original scale to measure the level of organizational identification respondents felt with the old organization. The scale was worded in past tense to correspond with the measurement of identification with the previous organization. This scale has been heavily used in the management literature and has established psychometric properties. The Cronbach’s alpha obtained in this study was 0.84.

Entrepreneurial Identification: In order to measure the level of identification participants had with the profession (entrepreneurial identification), a modified version of the Male and Ashforth scale (Mael & Ashforth, 1992) was used by substituting the word firm by the word ‘entrepreneurs’. This method has been used successfully by previous researchers (Hekman, Steensma, Bigley, & Hereford, 2009; Loi, Ngo, & Foley, 2004). The reliability, cronbach’s alpha found in the study was 0.91.

Work Engagement: Engagement was measured using the shortened version of the work engagement scale developed by Schaufeli and colleagues (Schaufeli, Bakker, & Salanova, 2006). Items: 1., 4, 5, 7, 8, 9, 10, 11 and 14 were chosen according to Schaufeli et al. (2006) for the short version. The scale consisted of three subscales of Vigor, Dedication and Absorption. The instrument used a 7-point likert scale ranging from “1=never” to “7=every day”. For example one of the items read, “I was enthusiastic about my job.” Respondents indicated the amount of time they felt the same way while in their previous company. The Cronbach’s alpha for the scale in this study was 0.93.
The reliabilities of the subscales were found as following: 0.89 for the vigor subscale, 0.85 for the dedication subscale and 0.86 for the absorption subscale.

*Grief upon Exit:* Measuring grief post-hoc is a challenge; nevertheless, every effort was made to help the respondents answer to the best of their memory. The grief or level of grief experienced upon separation from the organization was measured using the adapted version of the Kessler-10 (Kessler et al., 2002) by substituting the word ‘in the last four week’ with the phrase ‘after you left the company’. Eight of the original fourteen items were modified this way and used. As an example, one of the items read, “After you left the company, about how often did you feel hopeless?” Respondents indicated the amount of time they felt grief for each statement using the 7-point likert scale ranging from “1=never” to “7=every day”. The Cronbach’s alpha for this scale in the current study was found to be 0.91.

*Social Ties Maintained:* This was an aggregated simple three item measure to assess the number of social connections the respondents still maintained. These items were 1). A simple yes/no item asking, “Are you still in touch with any of your friends/colleagues from your previous venture?” Answered as either Yes or No. 2). Item assessing number of ties maintained, “How many people are you in touch with?” Respondents indicated the number of people they were still in touch with. 3). A final item measuring the frequency of meeting with these social ties, “How often do you meet them?” Respondents indicated the frequency of contact using the 7-point likert scale ranging from “1=never” to “7=every day”. These items were extracted from the interview transcripts. Since the items were all different in their format and measured
different facets of social ties maintained they were treated individually for the analysis for research question.

*Non-work Salience:* Non-work salience or the importance of non-work related aspects of life to the person were measured using the Family and Religious involvement from the Psychological role involvement scales by Butts (2007). Each scale had five items and was used in its original format. A sample item for family involvement read, “My family is a very important part of my life,” and that for religious involvement read, “Many of my interests are centered around my religion.” The Cronbach’s alpha for the scale on *Family Involvement* was 0.90, and that for *Religious Involvement* was 0.96.

*Reconstruction of Identity:* Reconstruction of identity was measured using two different scales to measure the two components of reconstruction of identity – lingering grief and self-acceptance. *Lingering grief* was measured by adapting items from the Anticipatory Grief Scale (Theut, Jordan, Ross, & Deutsch, 1991) by changing the wording in the items from “my child” to “my company”. Sixteen of the original items were modified this way and retained. Of these, four were reverse coded items. This scale measured the occurrence of ongoing grief in the current context of time. An example of the item from this scale read, “I find it hard to concentrate on my work since I left my company.” The Cronbach’s alpha for the scale in this study was 0.85. *Self-Acceptance* was measured using the 9-item Self-Acceptance subscale from Carol Ryff’s Well Being Scale (Ryff, 1989; Ryff & Keyes, 1995a). All the items were kept in their original format. “When I look at the story of my life, I am pleased with how things have turned out,” is an example of an item from the scale. Three of the items are reverse
coded in the scale. Cronbach’s alpha for the scale in this study was 0.84.

Control Variables: Several variables were measured for use as controls in the analyses. Demographic control measures included participants’ current age, gender, their current occupation and industry, number of ventures or companies they have started before the current one. Other variables that were used as controls pertained to the previous company (that they answered the survey for) and measured: whether they were the sole founder of the company (with the variable founder status coded as 1 = Yes, I was the sole founder of the company; 2 = No, I was not the sole founder of the company), number of co-founders they had, years they ran the previous organization, whether the previous organization was their first venture (with the variable first venture coded as 1 = Yes, the company was my first venture; 2 = No, the company was not my first venture), number of ventures they had started before the organization in question, their age when they founded the organization, number of employees in the previous company, number of years since the separation with the previous company, fate of the previous company (merger, buy-out, closing or other), whether the previous company is still running and in what form.

Data Analysis

As a first step, diagnostics were run to identify problematic cases. Observations where respondents failed to complete the entire survey, or with large amounts of missing data on constructs of interest, were discarded in order to arrive at the sample of 50. Of these remaining observations, only 5% of them had missing values in each scale, thus I used SPSS 17 to replace missing values within each scale with the scale means as
recommended by (Tabachnick & Fidell, 2006). Following this, reliability analyses were conducted to determine the consistency of the scales. Cronbach’s alphas for each scale were calculated and they are reported with the scale descriptions. The acceptable lower limit for Cronbach’s alpha is .70 (Hair, Black, Babin, Anderson, & Tatham, 2010), and all my scales had alphas above 0.85. As the scales used were highly reliable, correlations used during analysis were not expected to be attenuated (Cohen, Cohen, West, & Aiken, 2003), thereby making any corrections for attenuation unnecessary.

Based on findings from previous samples and correlational analysis of this data, only those control variables that had significant first-order correlations with focal variables at $p \leq .05$—an absolute value of .279 or greater—were entered as controls in the regression equations. Only two control variables of founder status (whether the respondent was the sole founder of the company or not) and first venture (whether the previous organization was the respondent’s first venture or not) were found to significantly correlate with lingering grief and were thus controlled for in those instances. None of the other control variables were found to significantly correlate to any of the variables of interest and were thus dropped from regression equations.

After completing all required data diagnostics and coding procedures, the means, standard deviations and inter-correlations were calculated and are displayed in Table 5. The relationships set forth in Chapter 4 were investigated via multiple regression analyses. Hypotheses were tested using hierarchical linear regression with groups of variables entered at separate steps in order to identify the unique contribution made as variables were entered. At each step standardized regression
coefficients, $R^2$, $Δ R^2$ and the obtained F-value for the model were each examined for significance. Moderator and mediator effects were tested via a series of steps identified by Baron and Kenny (1986). In order to mitigate the risk of nonessential multicollinearity (Cohen et al., 2003), all values of the Likert-scaled predictor and moderating variables, along with the interaction variables were centered prior to testing the moderator hypotheses (Aiken & West, 1991). Chapter 6 presents the results of these analyses.
Table 4: Demographics of Survey Participants

<table>
<thead>
<tr>
<th>Variable</th>
<th>Min</th>
<th>Max</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age in years</td>
<td>21</td>
<td>69</td>
<td>42.38</td>
<td>13.44</td>
</tr>
<tr>
<td>Total number of ventures ever started</td>
<td>1</td>
<td>30</td>
<td>2.72</td>
<td>4.22</td>
</tr>
<tr>
<td>Number of cofounders</td>
<td>1</td>
<td>7</td>
<td>1.84</td>
<td>1.01</td>
</tr>
<tr>
<td>Number of previous ventures before exit</td>
<td>1</td>
<td>8</td>
<td>2.30</td>
<td>1.25</td>
</tr>
<tr>
<td>Number of years ran previous company</td>
<td>1</td>
<td>23</td>
<td>5.46</td>
<td>5.05</td>
</tr>
<tr>
<td>Years since separation from previous company</td>
<td>1</td>
<td>32</td>
<td>6.36</td>
<td>5.99</td>
</tr>
</tbody>
</table>
Table 5: Correlations, Means and Standard Deviations

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
<th>14</th>
<th>15</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Age</td>
<td>42.38</td>
<td>13.44</td>
<td>1</td>
<td></td>
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<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>2. Gender</td>
<td>1.30</td>
<td>0.46</td>
<td>116</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>3. No of employees</td>
<td>1.48</td>
<td>1.05</td>
<td>0.33</td>
<td>0.075</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Founder Status</td>
<td>1.60</td>
<td>0.49</td>
<td>-0.158</td>
<td>0.089</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>5. First Venture</td>
<td>1.44</td>
<td>0.50</td>
<td>0.156</td>
<td>0.053</td>
<td>0.017</td>
<td>0.099</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Years Ran the company</td>
<td>5.46</td>
<td>5.09</td>
<td>0.451</td>
<td>0.016</td>
<td>0.348</td>
<td>-0.133</td>
<td>-0.057</td>
<td>1</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Years since separation</td>
<td>6.36</td>
<td>5.99</td>
<td>0.448</td>
<td>0.061</td>
<td>0.073</td>
<td>-0.022</td>
<td>0.032</td>
<td>0.056</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Total Ties</td>
<td>2.84</td>
<td>1.64</td>
<td>0.005</td>
<td>0.222</td>
<td>0.383</td>
<td>0.007</td>
<td>0.017</td>
<td>0.342</td>
<td>-0.175</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Organizational Identification</td>
<td>4.24</td>
<td>0.67</td>
<td>-0.085</td>
<td>-0.029</td>
<td>-0.148</td>
<td>-0.069</td>
<td>-0.131</td>
<td>-0.027</td>
<td>0.044</td>
<td>-0.089</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Entrepreneurial Identification</td>
<td>3.10</td>
<td>1.03</td>
<td>-0.014</td>
<td>-0.047</td>
<td>0.118</td>
<td>-0.040</td>
<td>0.078</td>
<td>0.184</td>
<td>0.030</td>
<td>0.088</td>
<td>0.222</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Family Involvement</td>
<td>4.12</td>
<td>0.80</td>
<td>0.089</td>
<td>0.104</td>
<td>0.064</td>
<td>-0.069</td>
<td>-0.021</td>
<td>-0.083</td>
<td>-0.002</td>
<td>0.141</td>
<td>0.547</td>
<td>0.091</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Religious Involvement</td>
<td>2.74</td>
<td>1.26</td>
<td>0.094</td>
<td>0.115</td>
<td>-0.137</td>
<td>-0.026</td>
<td>-0.183</td>
<td>-0.008</td>
<td>0.146</td>
<td>-0.183</td>
<td>0.147</td>
<td>0.195</td>
<td>-0.020</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Engagement</td>
<td>5.91</td>
<td>1.24</td>
<td>0.171</td>
<td>-0.040</td>
<td>0.006</td>
<td>0.059</td>
<td>-0.112</td>
<td>0.287</td>
<td>0.051</td>
<td>0.265</td>
<td>0.176</td>
<td>0.262</td>
<td>0.000</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Grief upon Exit</td>
<td>2.04</td>
<td>1.17</td>
<td>0.063</td>
<td>0.203</td>
<td>0.003</td>
<td>-0.230</td>
<td>-0.096</td>
<td>-0.003</td>
<td>-0.087</td>
<td>-0.281</td>
<td>0.332</td>
<td>-0.004</td>
<td>0.073</td>
<td>0.204</td>
<td>0.145</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>15. Lingering Grief</td>
<td>2.03</td>
<td>0.57</td>
<td>-0.086</td>
<td>-0.017</td>
<td>0.035</td>
<td>-0.282</td>
<td>-0.285</td>
<td>0.094</td>
<td>-0.228</td>
<td>0.165</td>
<td>0.050</td>
<td>0.053</td>
<td>-0.142</td>
<td>0.279</td>
<td>-0.116</td>
<td>0.533</td>
<td>1</td>
</tr>
<tr>
<td>16. Self Acceptance</td>
<td>3.95</td>
<td>0.62</td>
<td>-0.121</td>
<td>0.011</td>
<td>-0.075</td>
<td>0.072</td>
<td>0.043</td>
<td>-0.097</td>
<td>0.032</td>
<td>0.196</td>
<td>0.291</td>
<td>0.006</td>
<td>0.216</td>
<td>-0.221</td>
<td>0.194</td>
<td>-0.305</td>
<td>-0.501</td>
</tr>
</tbody>
</table>

N = 50; absolute correlations of .279 or higher are significant at p ≤ .05 level and are in bold font
CHAPTER 6: RESULTS FOR STUDY 2

Antecedents of Grief upon Exit

The results of the zero order correlations in Table 5, indicated initial support for some of the relationships between the variables hypothesized. Tables 6 through 10 contain the results of the regression analyses used to test Hypotheses 1 through 5 and the RQ1. Hypothesis 1 states that organizational identification will be positively related to grief upon exit. To test this hypothesis, grief upon exit was regressed on organizational identification. Support was found for H1 (β = .332, p<.01), and thus 11% of the variance in grief was explained by organizational identification (R² = .111).

Outcomes of Grief upon Exit

Hypothesis 2a posited that grief upon exit will be negatively associated with self acceptance. Table 7 (Model 3) indicates that grief upon exit does indeed have a negative direct effect on self acceptance (β = -.461; p = .001). This effect was present even after controlling the antecedent influences of grief upon exit – organizational identification and engagement – were also included to control for any direct influences on self acceptance not accounted for by its relationship with grief upon exit. The R² change is significant (Δ R² = .189; p< .001) in step 3 upon the addition of the predictor variable of grief upon exit to the model. This lends support for hypothesis 2a.

Hypothesis 2b posited that grief upon exit would be positively associated with lingering grief. Table 8 (Model 4) reveals that Grief upon exit (β = .529; p = <.001) has a
positive and significant effect on lingering grief. This effect was present after controlling the influence of founder status and whether this was their first venture. Moreover, the antecedent influences of grief upon exit – organizational identification and engagement – were also included to control for any direct influences on lingering grief not accounted for by its relationship with grief upon exit. The R² change is significant (Δ R² = .234; p< .001) in model 4 upon the addition of the predictor variable of grief upon exit to the model. This lends support for hypothesis 2b.

Mediation

Hypothesis 3 states the indirect relationship between organizational identification and grief upon exit from the firm. It posits that engagement will mediate this relationship. In order to test the mediation effect, the Baron and Kenny (1986; Kenny, 2009) four step method was used. In step 1, the criterion variable, grief upon exit, was regressed on the predictor, organizational identification. This initial step establishes that there is an effect that may be mediated. This step had been carried out earlier to provide support for H1 (β = .332, p<.01). Step 2 essentially involves treating the mediator as if it were an outcome variable. Thus the mediator, engagement, was regressed on the predictor variable organizational identification (β = .265, p<.10). Thereafter, step 3 shows that the mediator affects the outcome variable. Kenny (2009) further clarifies that in this step it is not sufficient just to correlate the mediator with the outcome; the mediator and the outcome may be correlated because they are both caused by the initial predictor variable (organizational identification). Thus, the initial variable must be controlled in establishing the effect of the mediator on the outcome. Thus in
this step, grief upon exit was regressed on organizational identification and engagement. Table 6 provides the results of this Step 3.

As can be observed from looking at the $\beta$, $\Delta R^2$ and $F$ for model 2 in Table 6, engagement does not mediate the direct relationship between organizational identification and grief upon exit and thus H3 is not supported.

Moderator Effects

Hypotheses 4 and 5 posited that family involvement, religious involvement and entrepreneurial identification would moderate the relationship between grief upon exit and reconstruction of identity (self acceptance and lingering grief components of the variable) such that they would attenuate the negative relationship between exit grief and self acceptance and the positive relationship between exit grief and lingering grief.

Hypothesis 4a suggested that family involvement would moderate the relationship between exit grief and self acceptance. Similarly, hypothesis 4c suggested that religious involvement would moderate the relationship between grief upon exit and self acceptance, just as hypothesis 5a posited that entrepreneurial identification would moderate the relationship between exit grief and self acceptance. Main effects and interaction effects of the three moderators, family involvement, religious involvement and entrepreneurial identification, were tested. As can be observed from model 4 in Table 7, main effects of the three moderators were entered into the regression but yielded non-significant results suggesting no main effects of the moderators. Interaction terms for Exit Grief*Family Involvement, Exit Grief*Religious Involvement and Exit Grief*Entrepreneurial Identification were entered into the final
model in the regression equation. As can be observed from Table 7, only the effect of interaction term for Exit Grief*Entrepreneurial Identification was found to be significant ($\beta = .280; p = <.05$). Thus only hypothesis 5a was supported and no support was found for hypothesis 4a and 4c. Thereafter interactions were calculated using the procedures outlined by Aiken and West (1991) and plotted on a graph. Figure 5 provides a plot for the interaction of exit grief and entrepreneurial identification on self acceptance. The slope for high entrepreneurial identification was found to be non significant ($\beta = -.009, p < 0.10$), while that for low entrepreneurial identification was significant ($\beta = -0.20 p < 0.05$). As can be observed from the plot, under condition of low entrepreneurial identification, as the grief upon exit increases, self acceptance sharply decreases. This pattern however is weakened for conditions of high entrepreneurial identification. Thus as hypothesized, entrepreneurial identification attenuates the negative relationship between grief upon exit and self acceptance.

Similarly, hypothesis 4b suggested that family involvement would moderate the relationship between exit grief and lingering grief. Hypothesis 4d suggested that religious involvement would moderate the relationship between grief upon exit and lingering grief and, hypothesis 5b posited that entrepreneurial identification would moderate the relationship between exit grief and lingering grief. Main effects of the three moderating variables were examined by entering them into the regression equation in model 5 (see Table 8). No significant main effects were observed. In model 6, the interaction terms Exit Grief*Family Involvement, Exit Grief*Religious Involvement and Exit Grief*Entrepreneurial Identification were entered into the
regression equation. The effects of the interaction terms Exit Grief*Family Involvement ($\beta = .223; p < .10$) and Exit Grief*Entrepreneurial Identification ($\beta = -.242; p < .10$) were found to be moderately significant. Figure 6 provides the graphical plot for the interaction of exit grief and family involvement on lingering grief. The slope for high family involvement was found to be highly significant ($\beta = 0.40, p < 0.001$), while that for low family involvement was not significant ($\beta = 0.12, p > 0.10$). As can be seen, when family involvement is high, lingering grief increases with increase in grief upon exit. Thus instead of attenuating the relationship, as hypothesized, high family involvement strengthens the negative relationship between grief upon exit and lingering grief.

Similarly, Figure 7 provides the graphical plot for the interaction of grief upon exit and entrepreneurial identification on lingering grief. The slope for high entrepreneurial identification was found to be moderately significant ($\beta = 0.15, p < 0.10$), while that for low entrepreneurial identification was highly significant ($\beta = 0.32 p < 0.01$). As the plot shows, when entrepreneurial identification is high, lingering grief increases with increasing grief upon exit. This pattern of relationship between grief upon exit and lingering grief however is much more pronounced for low levels of entrepreneurial identification. Nevertheless an interesting phenomenon is the high levels of lingering grief when grief upon exit is low and entrepreneurial identification is high. At high levels of grief upon exit, the value of lingering grief seems to be similar irrespective of the level of entrepreneurial identification, but it is the at low levels of grief upon exit that entrepreneurial identification seems to make a difference. Not only does the plot provide no support for the direction of the moderation as hypothesized in
H4c, but it presents interesting results, where low levels of grief upon exit, under conditions of high entrepreneurial identification produce higher levels of lingering grief than those under low conditions of entrepreneurial identification.

**Moderator Analysis for Research Question**

During the analysis of the zero order correlations (Table 5) it was found that social ties had a significant correlation with grief upon exit ($r = -0.281; p<.05$). It was, however, found that the second item of the scale was the item actually driving the correlation ($r_1 = 0.074, p>.10; r_2 = -0.281, p<.05; r_3 = 0.057, p>.10$). Thus the second item measuring the actual number of ties maintained from the previous company was used as the measure for the variable *ties maintained*. Social ties maintained and the disruption of social ties was one of the variables posited as a possible buffer for grief upon exit, but its actual direction of effect was unclear. Thus the analysis was aimed at exploring the moderating effect of ties maintained on the direct relationship of grief upon exit on the two components of reconstruction of identity.

Table 9 provides the results for testing the effects of ties maintained, as a moderator, on the relationship of exit grief and self acceptance. In model one, tenure of the CEO in the organization and the size of the organization were controlled for. Additionally, significant antecedent influences of grief upon exit – organizational identification – was included to control for any direct influences on self acceptance not accounted for by its relationship with grief upon exit. Main effects of ties maintained were entered in model 3 but did not yield a significant effect. Interaction term was entered in model 4, but did not yield a significant regression coefficient. Thereafter the
effect of ties maintained was analyzed on the direct relationship of exit grief on lingering grief. Table 10 provides the results of the analysis. Just as in the previous analysis, organizational identification was included as control in the first model, and main effects of exit grief and ties maintained were added in the subsequent models. Ties maintained yielded a moderately significant main effect \( (\beta = .256, p<.10) \) indicating that number of ties is positively related to lingering grief. In model 5, the addition of the interaction term Exit Grief*Ties Maintained yielded moderately significant interaction effect \( (\beta = .492, p<.10) \). Figure 8 presents the plot of the interaction effect of grief upon exit and ties maintained on lingering grief. The slope for high number of ties maintained was found to be highly significant \( (\beta = 0.57, p < 0.01) \), while that for low number of ties maintained was non-significant \( (\beta = 0.004 p > 0.10) \). The plot indicates that for low number of ties maintained, as the exit grief increases, lingering remains more or less stable, but for high number of ties maintained, as the exit grief increased lingering grief also increased. Thus number of social ties maintained exacerbates the relationship between grief upon exit and lingering grief.

The results of the hierarchical regression gave some interesting findings, half of the hypothesized moderated relations did not have support in the data, and neither was mediation supported. In light of such findings, post hoc analysis was conducted to examine the effect of any additional variable to explain the theoretical model.

**Post Hoc analysis**

**Mediation analysis**

The post hoc analysis involved testing for mediation. Organizational identification has
consistently appeared to have significant direct antecedent influences on self acceptance during the hierarchical regressions run for testing moderators for the effect of grief upon exit on self acceptance. As a result it was decided to test the possible role of grief upon exit as a mediator for the direct relationship of organizational identification with self acceptance.

In order to test the mediation effect, the Baron and Kenny’s (1986) four step method was used. In step 1, self acceptance, was regressed on organizational identification to establish that there is an effect that may be mediated. There was a significant direct path observed ($\beta = .291, p<.05$). In Step 2 the mediator, grief upon exit, was regressed on the predictor variable organizational identification ($\beta = .332, p<.05$), as obtained from Table 6, model 1. In step 3 which shows that the mediator affects the outcome variable, while controlling for the initial predictor variable, self acceptance was regressed on organizational identification and grief upon exit. Table 11 provides the results of this Step 3.

As can be observed from looking at the $\beta$, $\Delta R^2$ and $F$ for model 2 in Table 11, grief upon exit does not mediate the direct relationship between organizational identification and grief upon exit. The significance of the direct relationship increases instead of decreasing when the mediator is entered into the equation.

Summary

This chapter provided a description of the steps carried out in the analysis and the results of those analyses for Study 2. Figure 9 gives the new model developed out of the results of study 2.
Table 6: Testing for Engagement as Mediator for Organizational Identification and Grief upon Exit

<table>
<thead>
<tr>
<th>Analysis</th>
<th>Independent Variables</th>
<th>β</th>
<th>R²</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 1: Predictor to Outcome</td>
<td>Dependant variable: Grief upon Exit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Organizational Identification</td>
<td>.332*</td>
<td>.111</td>
<td>5.966*</td>
</tr>
<tr>
<td>Step 2: Mediator to Outcome</td>
<td>Dependant variable: Engagement</td>
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<td></td>
<td>Organizational Identification</td>
<td>.265†</td>
<td>.070</td>
<td>3.63†</td>
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<tr>
<td>Step 3 and 4: Predictor and Mediator to Outcome</td>
<td>Dependant variable: Grief upon Exit</td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Organizational Identification</td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Engagement</td>
<td>.061</td>
<td>.114</td>
<td>3.024†</td>
</tr>
</tbody>
</table>

Note. Standardized regression coefficients are reported.
N = 50   † p ≤ .10     * p ≤ .05     ** p ≤ .01
Table 7: Regression results: Direct and Moderated Influences on Self Acceptance Component of Reconstruction of Identity

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
<th>Model 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Identification</td>
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<td>.403**</td>
<td>.466**</td>
<td>.556**</td>
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<td>Engagement</td>
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<td>.154</td>
<td>.161</td>
<td>.200</td>
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</tr>
</tbody>
</table>

**Main Effects**

| Exit upon Grief                           | -.461** | -.443** | -.470** |
| Family Involvement                        | -.045    | -.107    |         |
| Religious Involvement                     | -.184    | -.147    |         |
| Entrepreneurial Identification             | -.087    | -.155    |         |

**Interactions Terms**

| E Grief * Family Inv                      |         | -.046    |         |
| E Grief * Religious Inv                   |         | .137     |         |
| E Grief * Entrepreneurial Id              |         | .280*    |         |

| $R^2$                                      | .084    | .099    | .288    | .332    | .425    |
| Adjusted $R^2$                             | .065    | .061    | .241    | .239    | .296    |
| $\Delta R^2$                               |         | .015    | .189**  | .045    | .093†   |
| $F$                                        | 4.429*  | 2.586†  | 6.192** | 3.566** | 3.286** |

*Note. Standardized regression coefficients are reported.*

$N = 50$  † $p \leq .10$  * $p \leq .05$  ** $p \leq .01$
Table 8: Regression results: Direct and moderated influences on Lingering Grief component of Reconstruction of Identity

<table>
<thead>
<tr>
<th>Dependant variable: Lingering Grief</th>
<th>β</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Model 1</td>
</tr>
<tr>
<td>Controls</td>
<td></td>
</tr>
<tr>
<td>Founder Status</td>
<td>-.314**</td>
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<tr>
<td>First Venture</td>
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<td>Predictors</td>
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<td>Engagement</td>
<td>-.100</td>
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<td>Main Effects</td>
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<tr>
<td>Exit upon Grief</td>
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<td>Family Involvement</td>
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</tr>
<tr>
<td>Religious Involvement</td>
<td></td>
</tr>
<tr>
<td>Entrepreneurial Identification</td>
<td></td>
</tr>
<tr>
<td>Interactions Terms</td>
<td></td>
</tr>
<tr>
<td>E Grief * Family Inv</td>
<td></td>
</tr>
<tr>
<td>E Grief * Religious Inv</td>
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</tr>
<tr>
<td>E Grief * Entrepreneurial Id</td>
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<td>Δ R²</td>
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<tr>
<td>F</td>
<td>5.106**</td>
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*Note. Standardized regression coefficients are reported.
N = 50 † p ≤ .10 * p ≤ .05 ** p ≤ .01
Table 9: Regression results: Direct and Moderated Influences of Ties Maintained on Self Acceptance Component of Reconstruction of Identity

<table>
<thead>
<tr>
<th>Dependant variable: Self Acceptance</th>
<th>( \beta )</th>
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</thead>
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<tr>
<td>Independent Variables</td>
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<td>Number of employees</td>
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<tr>
<td>Years ran the organization</td>
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<tr>
<td><strong>Predictors</strong></td>
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<tr>
<td>Organizational Identification</td>
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</tr>
<tr>
<td>Main Effects</td>
<td></td>
</tr>
<tr>
<td>Exit upon Grief</td>
<td></td>
</tr>
<tr>
<td>Ties Maintained</td>
<td></td>
</tr>
<tr>
<td><strong>Interactions Terms</strong></td>
<td></td>
</tr>
<tr>
<td>E Grief * Ties maintained</td>
<td></td>
</tr>
</tbody>
</table>

| R²                                  | .027     | .117     | .243     | .301     | .304     |
| Adjusted R²                         | -.020    | .051     | .166     | .209     | .192     |
| \( \Delta R² \)                     |          | .090*    | .126*    | .058†    | .004     |
| F                                   | .569     | 1.766    | 3.135*   | 3.272*   | 2.699*   |

*Note. Standardized regression coefficients are reported.*

\( N = 44 \quad † p \leq .10 \quad * p \leq .05 \quad ** p \leq .01 \)
Table 10: Regression results: Direct and Moderated Influences of Ties Maintained on Lingering Grief Component of Reconstruction of Identity

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>β</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
<th>Model 5</th>
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<td>Controls</td>
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<td>Founder Status</td>
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<td>- .116</td>
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<td>First Venture</td>
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<td>- .204</td>
<td>- .239</td>
<td>- .246†</td>
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<td>Number of employees</td>
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<td>.012</td>
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<td>Years ran the organization</td>
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<td>Exit upon Grief</td>
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<tr>
<td>Ties Maintained</td>
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<tr>
<td>Interactions Terms</td>
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<tr>
<td>E Grief * Ties maintained</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>.574†</td>
</tr>
</tbody>
</table>

R²                     | .069     | .072    | .232    | .294    | .358    |         |
Adjusted R²             | -.027    | -.051   | .109    | .157    | .211    |         |
Δ R²                   | -.003    | .160**  | .062†   | .063†   |         |         |
F                      | .722     | 0.586   | 1.863   | 2.145†  | 2.437*  |         |

Note. Standardized regression coefficients are reported.
N = 44  † p ≤ .10  * p ≤ .05  ** p ≤ .01
Table 11: Post hoc Analysis: Test of Mediation

<table>
<thead>
<tr>
<th>Analysis</th>
<th>Independent Variables</th>
<th>β</th>
<th>R²</th>
<th>F</th>
</tr>
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<td><strong>Step 1: Predictor to Outcome</strong></td>
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<td><strong>Dependant variable: Self Acceptance</strong></td>
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<td>.084</td>
<td>4.429*</td>
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<td><strong>Step 2: Mediator to Outcome</strong></td>
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<td><strong>Dependant variable: Grief upon Exit</strong></td>
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<td>Organizational Identification</td>
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<td>.111</td>
<td>5.966*</td>
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</tr>
<tr>
<td><strong>Step 3 and 4: Predictor and Mediator to Outcome</strong></td>
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</table>

*Note. Standardized regression coefficients are reported.*

N = 50 † p ≤ .10 ‡ p ≤ .05 ‡‡ p ≤ .01
Figure 5: Interaction Plot: Moderated effect of Grief upon Exit and Entrepreneurial Identification on Self Acceptance
Figure 6: Interaction Plot: Moderated effect of Grief upon Exit and Family Involvement on Lingering Grief
Figure 7: Interaction Plot: Moderated effect of Grief upon Exit and Entrepreneurial Identification on Lingering Grief
Figure 8: Interaction Plot: Moderated effect of Grief upon Exit and Ties Maintained on Lingering Grief
Figure 9: Observed Model of founder-CEOs Identity Transition from the Results of Survey Study
CHAPTER 7: DISCUSSION

Organizational identification, as a field of research in management sciences, has gained prominence in the last two decades (Albert & Whetten, 1985; Ashforth & Mael, 1989). Studies examining facets of identity, and more importantly organizational identification, its theories, antecedents and outcomes, have been the subject of much research and have evolved into the most exciting new topic that transcends the macro and micro divide between management literature (for e.g., see Fiol, Pratt, & O’Connor, 2009; Gioia, Price, Hamilton, & Thomas, 2010; Sluss & Ashforth, 2008; Sundaramurthy & Kreiner, 2008).

The organizational identification literature, however, has not looked at the process of identity transition itself, especially in the realm of organizationally derived identity. Identity is treated as a stable construct in all these studies, whereas in actuality identity is transient and mutable (Barbulescu & Ibarra, 2008; Burke, 2006). As an example, as the organizational affiliation of an individual changes, so would the identity derived out of that organizational affiliation. The purpose of this study, thus, was to investigate this process of identity transition for founder-CEOs of organizations and explore and develop theory to explain the processes and mechanisms of identity transition. The purpose of investigating the identity transition for CEOs was not only to study identity transition, but also to study identity and identification in a population where it has not been previously studied. Such a venture is ambitious, to say the least.
Nevertheless, in this study I endeavored to formulate an initial model for the process of identity transition.

As with all good research involving theory construction, grounded theory methodology was chosen to aid in the formulation of the model. Study 1, of this research study, thus used in-depth interviews with CEOs. These interviews were then analyzed using grounded theory to develop an initial framework and formulate and generate testable hypotheses. A number of interesting results were obtained from study 1 and helped generate testable hypotheses. These hypotheses were then tested on a small sample of the population in Study 2. The results of study 2 helped modify the initial model obtained from the results of study 1. Figure 9 thus gives the final model of CEO’s identity transition obtained from the results.

**Developing the Model for Identity Transition**

*Relationships and Mechanisms Found*

Five main hypotheses were generated from the results of the interviews based on study 1. These hypotheses explained the initially proposed model of transition, the direct relations, and the processes and mechanisms. The results of study 2 provided support for some of these hypotheses. The first hypothesis, H1, posited a direct relationship between organizational identification of CEOs with the experience of grief upon exit or separation from the firm that they had found. The results of study 2 provided support for this hypothesis. Thus it was found that having a high level of identification with the organization lead to subsequently high level of grief for CEOs when they separated from the organization. Organizational identification connotes a
sense of oneness, and a sense of belongingness that an individual perceives with the organization. A separation from the organization would thus result in losing the entity that gives this sense of self and identity and consequently result in feelings of grief. The results of the study provide support for just such a relationship, indicating the extremely important role that organizational identification has on an individual’s affective experiences after separating from the organization.

Grief upon exit was in turn found to have direct effect on the reconstruction of identity. Support was found for hypothesis 2a and 2b which posited direct effect of grief upon exit on the self acceptance component of reconstruction of identity and on the lingering grief component of reconstruction of identity respectively. Reconstruction of identity is the individual’s recomposed identity that has weathered the loss of an important element from its core, that of the organization which formed an important component of the self. As such the grief that follows from the loss of such an element, the organization, would lead to feelings of guilt, rumination, regrets, self-doubt, and loss of a sense of coherence. These feelings would, not subside, and remain in their inertial state, thus resulting in a lack of reconstruction for the identity after losing the organization.

Furthermore, the results of study 2 provided evidence for H5a, showing that entrepreneurial identification attenuated the negative impact of grief upon exit on the self acceptance component of reconstruction of identity. Thus it bears that having high professional identification, entrepreneurial identification in this case, helps individuals get over the grief, due to the loss of the organization, and accept themselves for who
they are. Entrepreneurial identification provides a means for ending the inertia and helping the individual find meaning and a sense of self. This may be possible through finding new projects that the CEOs enjoy getting involved in, investing time, money and emotions in a new idea, or being able to see themselves as more than just the sum of their organization.

These results are informative for research on organizational identification. Albeit there was conclusive evidence for only some of the hypothesized relationships, the direct relationships were strongly supported indicating the strong effect that organizational identification has on an individual’s subsequent grief. It gives new insights into the, as yet unexplored, negative outcomes from strong organizational identification. Furthermore, this study takes a look at grief and how it hinders or impact’s an individual’s subsequent identification and self concept. The results of this study provide an important link towards understanding the process of change in identification and how it can lead to changes in identity and self concept. As a first step towards developing a theory of identity transition, this study contributes by providing the initial relationships, mechanisms and processes that should be investigated further.

Disconfirmed Relationships

The results of study 2, however, did not provide support for the rest of the hypotheses. Hypothesis 3 which suggested the mediating role of engagement on the direct effect of organizational identification and grief upon exit was not supported. It was found that although organizational identification predicted the level of work engagement, engagement was not related to the grief upon exit and thus did not
mediate the direct effect of organizational identification on grief upon exit. The literature on engagement can provide some insight into the nature of this, contrary to the hypothesis, finding. The relation between engagement and organizational identification has been mentioned in some of the research on work engagement, as scholars agree that engagement includes an energy dimension and an identification dimension (Bakker et al., 2008), thus organizational identification as an antecedent to engagement is not as surprising a finding. The role of engagement to negative emotional states is less well explained in literature. Some studies looking at the comparative differences between burnout and engagement have found that although burnout leads to negative outcomes, engagement hasn’t been found to be related to similar negative outcomes (Hakanen, Schaufeli, & Ahola, 2008; Schaufeli, Bakker, & Van Rhenen, 2009). Furthermore, Bakker and colleagues explain how engagement is affected by individual differences in self esteem, self efficacy and high intrinsic motivation. Highly engaged workers are also found to have better coping styles and high optimism (Bakker & Demerouti, 2008; Bakker et al., 2008). Engagement may then be more individually determined rather than simply determined by the identification with the organization. Thus individuals with high engagement, because of their resilience to grief borne out of their high optimism, self esteem and self-efficacy (Xanthopoulou et al., 2007), may not exhibit or experience grief upon separation from the organization. As a result, engagement would not predict grief upon separation from the organization.

Similarly, there was no support found for hypothesis H4a showing that family involvement did not have a moderating effect on the impact of grief upon exit on the
self acceptance component of reconstruction of identity. Interestingly, contrary to hypothesis H4b, it was found that high family involvement increased the impact of grief upon exit on lingering grief. These findings were interesting and counterintuitive, as one would expect family to form a buffer for negative life events, and the resultant grief, instead of increasing and sustaining it.

It has been found that family controlled businesses represent a dominant portion of the United States economy comprising of 80 to 90 percent of all businesses in North America (Shanker & Astrachan, 1996), and accounting for 60 percent of total U.S. employment. Furthermore, among the companies listed on the Standard & Poor’s 500 Index, 34 percent are family businesses (Anderson & Reeb, 2003). Thus there is a high possibility that the majority of the respondents in the sample in study 2 may have been from family businesses. In family firms, the family identity is oftentimes intertwined with the organizational identity (Shepherd & Haynie, 2009; Sundaramurthy & Kreiner, 2008). Thus CEOs who exit from the firm, could be viewing this as an exit either from a part of the family, or that they were letting down their family. This could result in increasing feelings of grief, guilt and rumination. It could also be the case that the more family involvement a CEO has the more their families are supportive during the running of the venture too. As a result, the sacrifice that the families are asked to make or the level of support that they give to the founder CEO (whether in a family firm or in a non family firm) during the building and the running of the venture would make it even more humiliating and upsetting for the individual when they are not part of the venture anymore. Furthermore, the continued contact with the family would be a
constant painful reminder of the loss that they have suffered (the separation from their company), and would thereby also explain the increasing lingering grief and any lack of effect on self acceptance (Herman, 1992; Taylor, 2010).

Additionally, no support was found for the moderating effect of religious involvement on either the impact of grief upon exit on the self acceptance component of reconstruction of identity, or on the impact of grief upon exit on the lingering grief component of reconstruction of identity, as posited in H4c and H4d respectively. Previous research on religious involvement has had mixed results (Ellison, Boardman, Williams, & Jackson, 2001; George, Ellison, & Larson, 2002). Research investigating the effect of religious involvement on overall health and on mental health (variables of stress and distress) too has found weak, sometimes deleterious and often non-significant effects of various facets of religious involvement on health and have been unable to explain the curious findings (Ellison et al., 2001).

Furthermore, an investigation of the moderating influences of entrepreneurial identification on impact of grief upon exit on lingering grief provided very interesting results. Even though entrepreneurial identification, as hypothesized in H5b, attenuated the impact of grief upon exit on lingering grief, its effects under the conditions of low grief upon exit were contrary to expectation. It was found that high entrepreneurial identification, under conditions of low grief upon exit actually led to higher levels of lingering grief than did low entrepreneurial identification. Entrepreneurial identification is a new construct and hasn’t been investigated or measured in prior literature. As a result, prior research does not provide any clues as to the curious

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relationship. A possible reason for such curious findings could be determined by looking at the sample. In the study, respondents self selected the organization that they answered the survey for. The survey instructions did not prime the respondents to choose a particular organization, rather they could chose any that they wanted to. It would seem intuitive that they would choose an organization that had more significance to them than any of the other ventures they chose not to discuss. As a result, they may have attached greater significance to it, or invested more financially and socially into it, and may have even considered their experiences with it to be a turning point in their lives. As an alternate explanation, when a CEO’s identity is strongly related to being an entrepreneur they may be more likely to have lingering grief, after exiting the organization, as a result of their perception of failure. It could possibly be a ‘scar’ for them that is constant source of grief.

Interesting New Findings

One of the constructs, social ties maintained, had a two-toned effect in the qualitative study and as a result no conclusive hypothesis could be formed. Thus this was an important research question that was investigated in the survey study. The results of the survey provided evidence that maintaining social ties seemed to have a distinct negative effect on lingering grief. Furthermore, it exacerbated the impact of grief upon exit on lingering grief. A plausible explanation for such an effect could be the continued grief that memories might trigger. Maintaining ties with individuals who are a constant reminder of the pain, or social interactions with whom bring up the painful subject of the loss may detract the person from getting over the grief (Dalgleish &
Power, 2004; Kenny & Bryant, 2007; Taylor, 2010). This reaction is very similar to people suffering from PTSD or post traumatic stress disorder where individuals avoid stimuli that trigger unpleasant memories and subsequently produce anxiety (Herman, 1992; Taylor, 2010). Moreover, interaction with former friends and colleagues may bring to the forefront feelings of shame, guilt and regret about the organization that the individual may be able to keep at bay when interacting with people who would not have any information related to the separation. As one CEO expressed during the interview, maintaining contacts impeded their ability to “start fresh”.

Additionally, organizational identification was found to predict self acceptance. This relationship however was not mediated by grief upon exit, even though organizational identification predicted grief upon exit which in turn impact self acceptance. Grief in fact acted as a suppressor for the impacted of organizational identification on self acceptance. The relation of organizational identification to self acceptance can be understood when we examine previous research on self acceptance. Self acceptance is a sub-factor of subjective well-being (Ryff & Keyes, 1995b), which in turn is similar to happiness (Ryff, 1989; Ryff & Keyes, 1995b). Happiness is a higher order factor for subjective well being and psychological well being (Linley, Maltby, Wood, Osborne, & Hurling, 2009; Şimşek, 2009). Research has found that identification influences happiness based on its beneficial impact and its ability to enable self-expression, demonstrate social significance, and reflect confidence (Christiansen, 2000). Thus organizational identification, possibly, predicts self acceptance through its effects on an individual’s self esteem, feelings of self confidence and self efficacy.
Limitations

The current study is the first of its kind that made an effort to study the phenomenon of identity transition in the founder CEO’s identity. However, despite the use of qualitative methods and subsequent quantitative hypothesis testing, there are still many facets of this phenomenon that were unexplored. For a start studying this particular population, of CEOs, is difficult at best. For most of these individuals taking time out for an hour long interview involved juggling multiple responsibilities and engagements. As a result, collecting detailed single session interviews from even the sample of 13, that the study had, was gargantuan. Nevertheless, a larger sample might have provided information on some of the other constructs and mechanisms that were not observed in the current study. Furthermore, most CEOs are reluctant to discuss sensitive and personal information pertaining to the actual politics of an exit, and due to their participation in non-disclosure agreements, they are oftentimes unable to share any information even if they so desire. Thus face-to-face interviews with just the CEOs did not help triangulate the information and interviews with different sources may have helped put the complete picture together.

Identity is a complex construct and involves many social, psychological, and environmental influences. Subsequently, while some themes in the research were more prominent, other themes were less prominent and present in certain contexts only. Moreover while it was possible to tease apart and observe processes and social influences, the influences of personality characteristics was less observable during the interviews. Similarly, cognitive mechanisms could not be easily unearthed despite the
qualitative technique.

Another limitation in the study was that faced by research designs involving memory recall of an event much later in time. The interviews had been conducted post hoc to an exit event that had happened in the past. As a result it required the participants to recall the events and the emotions that they felt from memory. Such memory recall can be problematic since individuals have already engaged in sensemaking and have constructed the memory which may involve additional elements in the events that may or may not have transpired, for example, the subject’s own perceptions and either exaggerated or subdued memory of affective states. As a result the organizational identification reported by the individuals may have been different when they actually ran the company and in the time frame during, and immediately following, the exit than that reported during the interviews. Additionally, due to the recall, participants may have had trouble teasing apart the immediate grief that they had felt during the exit and the lingering grief they experienced in their reconstructed identities later on. Thus this may have made it difficult to distinguish these two constructs in the research as well.

Furthermore, I was unable to anticipate building controls for the effect of family firms in my sample for hypothesis testing. Additionally, a data of 50, although sufficient, as determined by the power analysis, did not provide power to unearth any possible new relations. As with all self-report data, this study too had the limitations of self report data and possible common method variance. Moreover with a cross-sectional data like the one in the study, determining the causality is problematic. Finally none of
the personality, trait affect and other individual differences were measured during hypothesis testing that may have provided clues as to some of the unanticipated findings,

Conclusion

Implications for Practice

This research has immense implication for practitioners. A major contribution of the study is to help understand the process of identity transition for founder-CEOs. As was discovered from the qualitative study, CEOs who separated from their organizations, even if they did so voluntarily, experienced grief. This grief, if left unresolved, disposed them to harboring lingering grief over the long run and also impeded their ability for successive self-acceptance and well being in life. As the interview data revealed, some of the CEOs had a hard time finding new projects that motivated them, or had difficulty just finding the will to work. By understanding what factors increased these feelings of lingering grief and decreased self acceptance and impeded entrepreneurial growth for these CEOs, consultants and practitioners could help such CEOs.

Furthermore, from an executive HR perspective, when a CEO leaves the firm and is unable to work with another one, the executive HR pool loses valuable human capital. These CEOs are cognitively superior, innovative, motivated individuals who have made significant social connections, have a valuable social capital and have garnered useful experience over their lifetime. As a result when they are racked by grief and impeded with difficulties in identity transitions, the executive HR pools loses their
productivity. Moreover, founder CEOs are not just responsible for the talent that they possess, but by building companies they generate and contribute additional talent into the labor pool and contribute to the economy. As a result it is beneficial to invest time, effort and resources to help such individuals successfully transition their identity.

Although high organizational identification leads to grief when the CEO has to separate from the organization, it has a positive impact on the eventual self-acceptance of an individual, thus it is important to have high identification as it also fosters attachment, engagement and commitment on part of the individual. Nevertheless, as was found in the results of survey study, having an entrepreneurial identity helped increase self-acceptance and lessen the lingering grief. Thus engaging in ways to prime the CEO’s entrepreneurial identification would help them find projects and ways to get these creative innovative people get over the grief and become creative again. Severing social ties from the organization, allowing a quick and fast separation and moving on would also help the CEOs get over the grief and form new identification. Moreover, practitioners could help CEOs and firms during the exit to enable smoother transition and reduce the intensity of grief during separation.

Additionally, organizational identification fosters attachment to the firm, commitment, job and organizational satisfaction and decreases job withdrawal (Riketta, 2005; van Knippenberg, van Dick, & Tavares, 2007). Organizational identification also seemed to foster engagement and feelings of self acceptance in this study. Successful reconstruction of identity involves finding another organization that the CEO feels as strongly for, and thereby inducing the same feelings of attachment, commitment and
satisfaction. Not being able to successfully reconstruct identity after the loss of the organization would reduce all these job attitudes for the individuals, resulting in loss for the new organizations that they work for or they run. As such understanding the mechanisms and processes of identity change are important for both the CEOs and the new firms that they become involved with.

Future Research

This was a unique study and novel in its approach towards identity. Research has not previously explored the combination of variables that the current study looked at, neither has management research looked at the way identity changes and evolves in response to the organizationally triggered life changes. As a result, although a lack of previous research made it hard to explain many of the interesting results that were obtained in the current study, it also provided rich ideas and data on identity transition, organizational identification and the various mechanisms that affect this transition. The study has opened a door into the little known phenomenon of identity transition and how it affects subsequent identification among individuals.

Future research can benefit from the results of this study and build on them. Using better and more innovative research designs in qualitative methods such as biographical case studies, speech and narrative analysis would probably yield clearer results in future endeavors. A research design involving multiple clinical interviews with the participants would be the most suited method for this type of inquiry since through the use of clinical interviews the researcher is able to delve deeper into and tease apart the cognitive mechanisms. As such a longitudinal study involving
interviews of CEOs as they go through the change would be most informative. Furthermore, interviews with former colleagues, venture capitalists, employees and spouses may shed more light and provide a complete picture of the process of identity transition. Triangulating these interviews with media reports, news pieces and internal communication would also provide more information that may not be easily gained from first person interviews alone.

Research designs measuring some of the unmeasured variables of personality and affect – coping styles, big five, core self evaluations, resilience, attachment styles etc would also be helpful in understanding the mechanisms further. Additionally, engagement may be fostering organizational identification in the current study, but this could not be investigated in the present study design. Thus, investigating the role of engagement as a possible antecedent to organizational identification in the model may shed light on the missing parts of the picture. Looking into identity transitions in other populations too such as the military setting, where the identification with the organization is high and very salient and the organizational culture is strong, would be most interesting. Studying their transition both during entry into and exit from the military and back into civilian life would inform the research on how cultures affect identification and its effect on identity transitions.

The investigation of identity transition following a CEO’s departure has significance across all fields of management sciences. Exploring the other side of CEO succession on identity vis-à-vis organization’s identity after the CEO’s departure (the macro perspective) would be interesting. How does an organization redefine itself after
it loses its leader? Likewise, examining the Top Management Team’s identification after losing an important member of their team (the meso perspective) would be informative. Many CEOs, and founder CEOs in particular, hand pick their top management team and in many cases work closely with them for years. How does the TMT feel replacing a leader with whom they have seen the ups and downs of the company, and worked so closely with? Lastly, examining the employees’ identification (the micro perspective) would also add towards understanding the transition in identification and its impact. How does the CEO’s departure affect the way employees look at the organization feel about it and define themselves through it?

The current study has implication for future research in the field of entrepreneurial research and family business research too. The construct of Entrepreneurial identification is a new construct that came out of the results of the current study. Investigating this construct further and comparing it with the construct of Entrepreneurial Orientation would be interesting and may add knowledge on the differences between entrepreneurs. Finally, it has been found in previous research that the member’s identification with the family business is different than that of members of non family firms. Moreover the identity of a family firm is intertwined with the identity of the family, unlike in a non family firm. As a result, comparing the process of identity transition for family firms and non family firms would be beneficial.
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Appendix A: Textbox Grid of Topics to be Covered During the Interview

Instructions: Please check off each topic as it is encountered during the interview.

<table>
<thead>
<tr>
<th>Loss of ties</th>
<th>Org Identification</th>
<th>Sensebreaking</th>
<th>Deconstruction</th>
</tr>
</thead>
<tbody>
<tr>
<td>I had to stop…</td>
<td>The co. was a part</td>
<td>It didn’t make</td>
<td>I removed…</td>
</tr>
<tr>
<td>They took away…</td>
<td>of me…</td>
<td>sense…</td>
<td>I stopped…</td>
</tr>
<tr>
<td>I wasn’t a part</td>
<td>The org is who I</td>
<td>I couldn’t</td>
<td>I don’t do that</td>
</tr>
<tr>
<td>anymore…</td>
<td>am…</td>
<td>understand…</td>
<td>anymore…</td>
</tr>
<tr>
<td>My membership</td>
<td>It was my baby…</td>
<td>It wasn’t same</td>
<td></td>
</tr>
<tr>
<td>in clubs…</td>
<td></td>
<td>anymore…</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Distress</th>
<th>Depression</th>
<th>Anger:</th>
<th>Narcissism</th>
</tr>
</thead>
<tbody>
<tr>
<td>I felt tired…</td>
<td>I felt worthless…</td>
<td>I am angry…</td>
<td>I deserve…</td>
</tr>
<tr>
<td>I couldn’t stop</td>
<td>I couldn’t seem to</td>
<td>How could they…</td>
<td>I think I am</td>
</tr>
<tr>
<td>thinking about it</td>
<td>muster energy…</td>
<td></td>
<td>better…</td>
</tr>
<tr>
<td>it…</td>
<td>I am still upset…</td>
<td>I am still upset</td>
<td>It should have</td>
</tr>
<tr>
<td>It was hopeless…</td>
<td>I was depressed…</td>
<td>I was</td>
<td>been my way…</td>
</tr>
<tr>
<td></td>
<td></td>
<td>depressed…</td>
<td>I am the best…</td>
</tr>
</tbody>
</table>

| Restoration       | Loss orientation   | Hardiness        | Trait Affect   |
| Orientation       | I looked back…     | I am usually a   | I am usually a |
|                   | I tried to figure  | ___ person…      | ___ person…   |
|                   | out what went      | I don’t get      | I don’t get    |
|                   | wrong…             | easily…          | easily…        |
|                   | I had to deal      | Nothing can keep | I am a very    |
|                   | with…              | me down…         | optimistic…    |

<table>
<thead>
<tr>
<th>Sensemaking</th>
<th>Sensegiving</th>
<th>Social feedback</th>
<th>Reconstruction</th>
</tr>
</thead>
<tbody>
<tr>
<td>I realized…</td>
<td>They told me…</td>
<td>My parents said…</td>
<td>I am …</td>
</tr>
<tr>
<td>It suddenly came</td>
<td>It gave a new</td>
<td>My friends…</td>
<td>I am stronger</td>
</tr>
<tr>
<td>together…</td>
<td>meaning…</td>
<td>My family…</td>
<td>because…</td>
</tr>
<tr>
<td>I can see now…</td>
<td></td>
<td>The newspapers…</td>
<td>I don’t miss…</td>
</tr>
</tbody>
</table>
Appendix B: Interview Schedule

Who are you? OR How do you define yourself?

Probe: tell me more – what kind of a person are you?; What do you mean? What else is a part of your life?

(Topic covered: Reconstruction, hardiness, trait affect)

Why did you leave your company?

Probe: What circumstances surrounded your exit? How did you feel? Was it hard to leave?

(Topic covered: Exit type, circumstances, sensebreaking, loss, distress, deconstruction, anger-retaliation)

What was it like working there?

Probe: Why? Do you miss anything or think about it? What’s your current relationship with people in that organization? Do you still have contacts with your old colleagues/friends? Can you characterize those relationships?

(Topic covered: Org I, Deconstruction – breaking ties, social support of friends, depression)

What did you do after the decision was made (by you or by board or new owner)?

Probe: Why did you do that? How? When – how soon after? How did that make you feel? How do you feel about it now?

(Topic covered: sensemaking, grief work - orientation, distress,)

What all helped you through the process?

Probe: Who? How?

(Topic covered: support, feedback, grief work, sensegiving)
How did the people and media react to your departure?

*Probe: How did it make you feel?*

*(Topic covered: feedback, sensegiving,)*

What are you most proud of and what do you most regret?

*Probe: Why?*

What do you do now?

*Probe: How do you feel about this new company?*

*(Topic covered: Reconstruction, new I, new Org I)*
Appendix C: New Questions Added During Interviews

Following Q2: Can you think of a defining moment with the Company when you knew that this is not going to work?

Preceding Q2: Tell me a little bit about the company. How did you start it? When? How long were you with it?

Following Q6: Do you think this whole experience changed you in some way?

Following Q8 (depending on whether the participant mentioned this theme): Do you ever wonder if what happened at the old firm (politics, factions, mistakes etc) will happen again in the new company?

Following Q3: Is it still painful to talk about it?

Following Q2 (or often Q4): Was it hard to leave the company?
Appendix D: Consent Form for Interview Participants

I am a graduate student under the direction of Dr Melenie Lankau in the Department of Management at University of Georgia. We are conducting a research study to understand the changes in organizational identity. If you agree to participate in this study, you will be asked to give an interview. The total time involved for the interview is 45 minutes and the interview will be audiotaped.

Your participation in this study is completely voluntary. If you choose not to participate or to withdraw from the study at any time, you can choose to do so and there will be no penalty or loss of benefits to which you are otherwise entitled. There are no foreseeable risks or discomforts if you agree to participate in this study. The benefits that you may expect from participation in this study will be an opportunity to reflect on an important milestone in your life and understand how to deal with it. Furthermore, the results of this study will help in the development of the theory on identity and venture capitalism.

The results of the research study may be published, but only generalized results will be published and there will be no identifying information used. Participant’s confidentiality will be maintained by assigning participant ID numbers to participant's responses during the study rather than asking for any information such as one's social security number. Only the primary investigator and the co-investigator will have access to participant's names, email addresses and responses. Audiotapes and raw data will be stored on disks in a locked file cabinet in the primary investigator's office and they will
not be publicly disseminated. All identifiers will be destroyed upon the completion of the study no later than April 2010. All the data collected for this research will be kept confidential to the extent allowed by the law. In accordance with IRB guidelines, informed consents will be kept on file for three years after completion of the study.

You are encouraged to ask any questions that you might have about this study before, during and after your participation in this study. If you have questions concerning the research study or your participation in it, before or after your consent, you may contact me at Brooks Hall 419, Ph: 706-542-3717 or even email me at: kpriya@uga.edu. You may also contact Dr Melenie Lankau, at 706-542-6194

If you have questions or concerns about your rights as a participant in this research, you can contact the Chairperson, Institutional Review Board, University of Georgia, 612 Boyd Graduate Studies Research Center, Athens, Georgia 30602-7411; Telephone (706) 542-3199; or e-mail at: IRB@uga.edu

Sincerely,

Kanu Priya

PhD Candidate

Department of Management
I understand the above information and by completing the survey I am agreeing to participate in the research. I am 18 years of age or older.

_______________________________
Signature of Participant
Appendix E: Cover letter for Survey Participants

We invite entrepreneurs, who have had the experience of starting a venture that they enjoyed working with/running and of subsequently closing down that business, or of a buy out from that venture, to participate in a short survey on Organizational identification conducted by researchers from Terry College of Business.

The survey only takes 10-15 minutes to complete. Upon completion of the survey, your name will be entered into a drawing for a $100 gift certificate from American Express.

If you would like to participate, please follow the link:


In case you have any questions, please contact me (Kanu Priya) at 706-542-6194 or email me at: kpriya@uga.edu
Appendix F: Consent form for Survey Participants

Thank you for your participation in this research project titled ‘Organizational Identification’. This survey is being conducted by management researchers from the University of Georgia. Your responses can benefit organizational research and management teaching by increasing our knowledge of effects of separation from organization on entrepreneurial identification. The total time involved for taking the survey is 10 - 15 minutes. The benefits that you may expect from participation in this study will be an opportunity to reflect on and understand your organizational identity and affective involvement with work. Upon completing this survey, your name will be entered in a draw to win a $100 gift certificate from American Express.

Your participation is completely voluntary. While full survey completion is desired for best results, you may decline to answer any question or part of a question without penalty by filling in the “no response” option. You may refuse to participate or withdraw from the survey at any time without penalty or loss of benefits to which you are otherwise entitled. If you wish to enter the drawing for the $100 gift certificate without completing the survey please send a postcard with your name and address to Kanu Priya, Dept of Management, Terry College of Business, UGA, Athens, Ga 30602.

Your responses will be kept confidential and will not be released in any individually identifiable form, unless otherwise required by law. There is a limit to the confidentiality that can be guaranteed due to the potential security issues with
internet communications. However, the data will be hosted on a secure server using SSL technology at the University of Georgia. In addition, once the materials are received by the researcher, standard confidentiality procedures will be employed. Any identifying information will be immediately replaced by a substitute code so that any information that identifies a respondent will be eliminated from the data. The researchers will maintain the code list and data files in separate secure locations in a locked file accessed only by the principal researcher for a period of five years, after which it will be destroyed. No risks are anticipated from your participation in this study.

If you agree to participate, please check the consent box below and follow the instructions.

You are encouraged to ask any questions that you might have about this study before, during and after your participation in this study. If you have questions concerning the research study or your participation in it, before or after your consent, you may contact Kanu Priya at Department of Management, Terry College of Business, University of Georgia, 30602, Ph: 706-542-6194; email: kpriya@uga.edu. You may also contact Dr. Melenie Lankau, at 706-542-3745; email: mlanke@terry.uga.edu.

If you have questions or concerns about your rights as a participant in this research, you can contact the Chairperson, Institutional Review Board, University of
☐ I understand that by completing the survey I am agreeing to participate in the research.

<Click Here to Proceed>
Appendix G: Study 2 Complete Survey

I. Personal History Questionnaire

1) Name: ___________________________________
2) Age: _________________________________
3) Gender: Female/Male

A. Current work:
4) Are you one of the founders of the organization you currently work with? Yes/No
5) Years you have been with the current organization: ___________________________
6) Position and title at the current organization: _____________________________
7) How many organizations have you started before this one: __________
8) What industry would you classify your company in? ________________

B. Last venture (the one for which you will be answering this survey):
Instructions: Please think of an organization or company that you started and enjoyed working with/running that you subsequently closed/sold off. Please keep that in your mind while answering the following statements.
9) Approximately how many employees did your company have?
   a. Under 25
   b. 25-100
   c. 100-500
   d. 500-1000
   e. 1000-5000
   f. Over 5000
10) Were you the sole founder of that company? Yes/No…If No, then
   a. How many co-founders did you have?________
11) Was that your first entrepreneurial venture? Yes/No…If No, then
   a. How many ventures did you start before that company?________
12) How long did you work with/run that company?_____________
13) How long has it been since you stopped running that venture? ________
14) Which of the following happened to the company in question:
   a. I had a buy out
   b. There was a Merger
   c. The venture was closed due to financial problems
   d. Other; Please specify______________________________
15) Is that venture still running:
   a. Under a different management
   b. Under a different name
   c. The company doesn’t exist in any shape or form
   d. Other; Please specify______________________________

II. Identification
A. Organizational Identification

Instructions: Please keep your previous company in mind while answering the following statements. For each item, please circle the response that best describes how you felt about that company.

1
2
3
4
5

Strongly disagree  Disagree  Neither agree nor disagree  Agree  Strongly agree

16) When someone criticized this organization, it used to feel like a personal insult.
17) I felt strong ties with the organization.
18) When I talked about this organization, I usually said "we rather than 'they'.
19) This organization's successes were my successes.
20) When someone praised this organization, it used to feel like a personal compliment.
21) If a story in the media criticized this organization, I would have felt embarrassed.

B. Entrepreneurial Identification

Instructions: For each item, please circle the response that best describes how you feel about entrepreneurs ("entrepreneur" is used in the colloquial sense meaning someone who starts a business or other venture OR someone who initiates and organizes a business):

1
2
3
4
5

Strongly disagree  Disagree  Neither agree nor disagree  Agree  Strongly agree

22) In general, when someone praises entrepreneurs, it feels like a personal compliment.
23) In general, when someone criticizes entrepreneurs, it feels like a personal insult.
24) When I talk about entrepreneurs, I usually say “we” rather than “they.”
25) Entrepreneurship’s successes are my successes.
26) If a story in the media criticized entrepreneurs, I would feel embarrassed.

III. Engagement Scale (shortened version of UWES)

Instructions: Please read each statement carefully and decide if you ever felt this way while in your previous company.

Never  Almost Never  Rarely  Sometimes  Often  Very Often  Always
1  2  3  4  5  6  7

Never  A few times  Once a month  A few times  Once  A few times  Every
a year or less  or less  a month  a week  a week  day

27) At my work, I felt bursting with energy. (VI1)
28) At work, I used to feel strong and vigorous. (VI2)
29) I was enthusiastic about my job. (DE2)
30) My job inspired me. (DE3)
31) When I got up in the morning, I felt like going to work. (VI3)
32) I felt happy when I was working intensely. (AB3)
33) I was proud of the work that I did. (DE4)
34) I was immersed in my work. (AB4)
35) I used to get carried away when I was working. (AB5)

IV. Psychological role involvement scale

Instructions: For each item, please circle the response that best describes how you feel. Please be open and honest in your responding. Rate your responses on the following and circle one:

1  2  3  4  5
Strongly disagree Disagree Neither agree nor disagree Agree Strongly agree

A. Family involvement (“family” includes involvement with immediate family such as parents as well as spouse, children, or significant others)
36) Some of the most important things that happen to me involve my family.
37) Many of my interests are centered around my family.
38) To me, my family is a very large part of who I am.
39) I am very much personally involved with my family.
40) My family is a very important part of my life.

B. Religious involvement
41) Some of the most important things that happen to me involve my religious experiences.
42) Many of my interests are centered around my religion.
43) To me, my religion is a very large part of who I am.
44) I am very much personally involved with my religion.
45) My religion is a very important part of my life.

V. Disruption of Social ties

Instructions: Please rate your responses on the following and circle one:

46) 1. Are you still in touch with any of your friends/colleagues from your previous venture? Yes/No...If Yes, then
47) How many people are you in touch with?_______
48) How often do you meet them?

VI. Grief upon Exit

Instructions: The following ten questions ask about how you felt after you left your company.

Never Almost Never Rarely Sometimes Often Very Often Always
49) After you left the company, about how often did you feel tired out for no good reason?
50) After you left the company, about how often did you feel nervous?
51) After you left the company, about how often did you feel so nervous that nothing could calm you down?
52) After you left the company, about how often did you feel hopeless?
53) After you left the company, about how often did you feel restless or fidgety?
54) After you left the company, about how often did you feel so restless you could not sit still?
55) After you left the company, about how often did you feel depressed?
56) After you left the company, about how often did you feel that everything was an effort?

VII. Reconstruction of Identity Scale

A. Lingering grief

Instructions: Please answer statements as to how you feel about your previous company now.

1 2 3 4 5 6 7
Never A few times Once a month A few times Once A few times Every
or less or less a month a week a week day

57) I daydream about how life with my company was before I left it.
58) I seem to be more irritable since I left my company.
59) I am preoccupied with thoughts about my company.
60) I have discovered new personal resources since I left my company. ®
61) I am able to move ahead with my life. ®
62) I blame myself for how I left my company.
63) I find it hard to concentrate on my work since I left my company.
64) I have the personal resources to help me cope since I left my company. ®
65) I feel a need to talk to others regarding why I left my company.
66) I feel it is unfair that I had to leave my company.
67) I avoid some people since I left my company.
68) Since I left my company I find it more difficult to get along with certain people.
69) I wonder what my life would be like if I had not left my company.
70) I feel more competent since I left my company. ®
71) I get angry when I think about why and how I left my company.
72) Since I left my company, I do not feel interested in keeping up with the day to day activities (TV, newspapers, friends).

® indicates reverse coded items

B. Self-Acceptance

Instructions: Think about your life since your separation with the
organization/company. For each item, please circle the response that best describes how you feel now.

1  2  3  4  5
Strongly disagree  Disagree  Neither agree nor disagree  Agree  Strongly agree

73) When I look at the story of my life, I am pleased with how things have turned out.
74) In general, I feel confident and positive about myself.
75) I feel like many of the people I know have gotten more out of life than I have. ®
76) I like most aspects of my personality.
77) I made some mistakes in the past, but I feel that all in all everything has worked out for the best.
78) In many ways, I feel disappointed about my achievements in life. ®
79) My attitude about myself is probably not as positive as most people feel about themselves. ®
80) The past had its ups and downs, but in general, I wouldn't want to change it.
81) When I compare myself to friends and acquaintances, it makes me feel good about who I am.

® indicates reverse coded item