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How entrepreneurial team processes change when a new entrepreneur joins the team?

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I hereby certify that this material, which I submit for assessment on the programme of study leading to the award of *Master of Entrepreneurship and Innovation – New Venture Creation* at Lund University, is entirely attributed to my original work, or where other work is cited references are supplied.

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Abstract

The purpose of this research is to examine what are the changes in team processes of entrepreneurial team when a new entrepreneur joins it. The paper recognizes a gap in the literature between changes in team processes and changes in team processes in entrepreneurial context. Therefore, it uses a literature from the team processes, which later is compared to the findings which are conducted in an entrepreneurial context. The study uses a theoretical framework to distinguish the different team processes phases. In addition, a qualitative approach is used in gathering the primary data of this paper. Through ten in-depth semi-structured interviews, six people out of three companies were interviewed. The gathered information was analysed by using a narrative approach. This aimed to ease the comparison between the already existing theory on team processes and on the same topic but in entrepreneurial context. The findings of this paper recognize not only some similarities in the literature of team processes and team processes in an entrepreneurial context but also identify some differences between both. The results of this research led to both advancing the already existing literature on the topic and identifying areas in which future studies may focus on.

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1. Introduction

New ventures play a major role in the economy of many countries. They improve employability, positively influence deprived regions and stimulate market competition (Landström, 2017). There are many factors responsible for a venture's success. Moreover, several researches argue that entrepreneurial teams are more successful compared to a single entrepreneur (Cooper et al, 1994; Lechler, 2001). Put simply, start-ups are highly important to the economy. Since teams tend to succeed more than single founders, it is worth exploring the team and its members as a major factor for the development, the survival and the success of a new venture.

This thesis will focus only on entrepreneurial teams, and for the purpose of the research, this paper will adopt the definition of entrepreneurial team given by Cooney (2005, p.229) as being “two or more individuals who have a significant financial interest and participate actively in the development of the enterprise”. There are two aspects to be considered in entrepreneurial teams. On one hand, they should function well as a team. Murphy and McIntyre (2007) argue that board teams have many similarities with management teams. Also, following the definition above, it can be argued that entrepreneurial teams are defined by both board and management teams. Therefore, the team issues that apply to them are similar, if not the same, as those which apply to other teams. On the other hand, entrepreneurs are those who take strategic decisions. Therefore, their decisions highly influence the strategic change of the company (Goodstein and Boeker, 1991). Considering everything noted thus far, this study will aim to explore how entrepreneurial team processes change when a new entrepreneur is added to the team. Marks et al (2001) argue that team processes can be divided into three phases which are transition, action and interpersonal. The action phase involves actions undertaken by the team in order to achieve their goals. For instance, the action phase will either be the initial team being joined by another entrepreneur in order to achieve their goals or the actions of the newly formed team. The transition phase involves reflection on previous actions and planning future activities. Finally, interpersonal processes can be identified during both of the previous phases and it indicates how effective a team might be depending on their decisions and actions. Thus, this paper will focus mainly on the transition and interpersonal phases because the thesis studies why the team has decided to hire another entrepreneur and how that decision has influenced team performance over time. The methodology section will elaborate more on the theory framework presented by Marks et al (2001).

Forbes et al (2006) argue that there are two reasons for which new members are added to a team. First, the new member is being chosen because they have better access to resources vital to the company's development. On the other hand, the team might lack certain skills which are vital to the venture's pursued aims. Both of these aspects need to be considered when examining the reason because of which new entrepreneur is being added to the team. Moreover, it should not be neglected that Forbes et al (2006) state that new team members could be added in order to help the company for its strategic goals. Furthermore, Baron and Tang (2011) point out that entrepreneurs' positive affect is related to the venture's level of innovation. Therefore, entrepreneurs are not only aware of the fact that the new member will influence the company's performance but also its innovative processes. However, gaps in the literature can be identified when we apply it into an entrepreneurial context. There is very limited information on how a new team member who is also a shareholder affects the team processes and the venture's performance and why they effect it in the way they do.

From the mentioned above, it can be argued that entrepreneurial teams are vital to the success and development of a new venture. In addition, it should not be neglected that a change in the team will affect the business. Nonetheless, while it is highly important to know how changes in entrepreneurial teams influence ventures, the available research being conducted and accumulated knowledge on the topic is quite limited. Therefore, the present research has two aims. On one hand, it will explore how entrepreneurial team processes change when a new entrepreneur joins the venture. By doing so, entrepreneurs will be able to better predict what change a certain person may bring to the team and the company. On the other hand, the study will focus on the reasons for these changes. It will consider not only the resources and knowledge that a new member would bring to the team, but also the personal features and how both aspects influence the overall performance of the venture. This will contribute to the entrepreneurial judgement of how a person may change the company's performance and future goals.

It has been argued that demographic heterogeneity does not influence team effectiveness (Chowdhury, 2005). However, in order to have a broader perspective on what the results of adding a new entrepreneur might be, the researched companies will not be from the same geographical region. Furthermore, an aspect worth mentioning is that, the study will be done by adopting a qualitative approach through the use of semi-structured interviews. The main benefit of this method

is that, even though the researcher should interview on a particular topic, they are enabled to ask additional questions that aim to obtain more detailed information depending on the interviewee's answers (Bryman and Bell, 2011).

1.1 Structure of the thesis

The following chapters will begin by describing the theoretical framework used in the study. In addition, they will explore the current theory knowledge on the importance of the team and its members to the business. In addition, it will elaborate on the need of a new entrepreneur in the team and the change in the team dynamics when a new member is added. Later chapters will cover the methodology of the research, as well as describe the conducted study and its results. Next, the thesis will discuss both the literature review and the findings. Finally, the paper will end with a conclusion and suggested future theoretical and practical implications.

2. Theoretical framework

This section will discuss a theoretical framework presented by Marks et al (2001). It will elaborate more on the transition and interpersonal phases of the team processes. This is important to the study since the interviews that were conducted are based on the framework, as well as the study itself. The research will focus on the decision of hiring a new entrepreneur and the results of that decision. Both of these aims are found during the transition and interpersonal processes. As mentioned in the previous chapter, the action phase in the study of Marks et al (2001) will not be used in the present research. However, it will be briefly described in this section, as well as mentioned in the literature review of this paper since it involves the actions undertaken by the initial entrepreneurial team and the newly formed one.

2.1 Transition phase process

This phase represents the process of teams evaluating and planning activities in order to achieve their goal. During this phase the team takes into account members' abilities, resources availability and time constraints of the project. On one hand, the team assesses its previous performance in order to understand what has caused the success or the failure of a certain task. In contrast, the second step in this phase is to decide how to proceed with the project considering the current circumstances (Marks, Mathieu and Zaccaro, 2001). As mentioned above, team survivability skills are highly important. In this case, it will include the ability of the team to adapt

to the ongoing events. Moreover, the framework suggests that this stage should end up with all team members having the same goal orientation. If that is not the case, it may cause conflicts later on (Marks, Mathieu and Zaccaro, 2001).

In addition, this stage involves assigning the roles of the team members, task prioritization, execution of tasks and the creation of a contingency plan in case of unpredicted events (Marks, Mathieu and Zaccaro, 2001). This is important since a new member would significantly change the team composition. Moreover, if the new team member has a stake at the company, their decisions will highly influence the transition process, the performance of the team and the venture.

2.2 Action phase process

This phase represents the time when teams undertake specific actions in order to achieve their final goals. It does not involve any major decisions such as team change. The process involves monitoring project progress, systems and team, as well as giving backup responses and coordination activities (Marks, Mathieu and Zaccaro, 2001). This phase will not be considered in the research since it will only examine the decision making of hiring a new entrepreneur and the evaluation of how the new entrepreneur influenced the team which are in the transition process.

2.3 Interpersonal Process

This process can occur during both transition and action phases. It represents the ability of the team members to manage conflicts and to motivate one another. For instance, the process can occur during a decision making in the transition phase or a conflict during the action phase. According to the framework, there are two ways of managing conflicts. On one hand, the team might establish conditions that would prevent or control the occurrence of conflicts. This is called preemptive conflict management. On the other hand, there is the reactive conflict management where the team will deal with the conflict throughout the working process. The second type depends on the problem-solving abilities of the team; it also involves compromising, flexibility and willingness to accept different perspectives. However, the ability of motivating each other is another aspect of teamwork worth considering. Usually this involves feedback on performance, communication amongst team members regarding their mutual goals and setting up a collective confidence sense within the team. This is of high importance since members' motivation and commitment to the project is of essence for the success of the project. For instance, a negative

feedback may reduce the confidence of a team member which may impact on their performance (Marks, Mathieu and Zaccaro, 2001).

3. Literature review

3.1 Team importance to venture's development

This section will elaborate in-depth on team importance to a new ventures' development. As already mentioned, Lechler (2001) conducted a study in Germany which results show that new venture teams are more successful compared to single founders. In addition, the research emphasizes on three key factors for a venture's success – team composition, social interaction and task performance. This paper considers two aspects in the team composition – the structural characteristics of the team and the personal characteristics of its members. Moreover, Lechler's (2001) framework of the success factors argues that team composition influences the other two factors responsible for the venture's success - the social interaction and the task performance of the team. Therefore, it can be argued that the team and its composition are determining factors for the success, development and growth of a new company (Klotz et al, 2013).

The good team composition is not the only important factor for the success of a new venture. Another one that is a must for a venture's success is the company's survivable skill (Salamzadeh and Kawamorita Kesim, 2015). A research worth considering that emphasizes on that skill is the one conducted by Delmar and Shane (2006). Their paper focuses on the survival and sales skills of new ventures. According to the study, it can be argued that, if the founding team has greater start-up experience, the venture is more likely to survive. However, it should be also noted that the industry experience of a team proves to be of irrelevant influence on the survival ability of a venture (Delmar and Shane, 2006). Furthermore, Shepherd et al (2000) argue that it is important to the team to possess a certain knowledge of the industry. Nonetheless, the paper states that the industry know-how is not determining factor for the success of the company. Therefore, entrepreneurial teams should focus on start-up experience rather than industry. On the other hand, Delmar and Shane's (2006) study results show that founding teams that have more experience in start-ups and in the industry have more logged sales than those companies which teams do not have experience in start-ups. This is worth considering, since one of the challenges start-ups face is getting to market (Salamzadeh and Kawamorita Kesim, 2015). All things considered, it can be argued that founding

teams should possess both survivability and sales skills because they are essential to the business' success and development.

So far, it can be concluded that the founding team is cardinal to the venture's development and success. Another aspect worth considering is the fact that the management team is determining the strategic goals of the venture (Goodstein and Boeker, 1991). Therefore, the entrepreneurial team is crucial to the way in which the company will develop. In addition, Olson et al (2005) conducted a research in which they argue that the structure of a venture impacts on its performance. Moreover, their study suggests that the management team, which is developing the strategy, should choose a single path to go with, instead of trying to merge two different ones. Thus, it can be argued that the decision of the entrepreneurial team regarding the venture's strategy will strongly influence the development and performance of the firm. Furthermore, Beckman (2006) elaborates on the topic by suggesting that a founding team determines whether a company would adopt exploratory or exploitative approach. The research also argues that, if the team members are able to combine both approaches, they are more likely to grow over time. Therefore, it can be claimed that a company needs different team skills and approaches for the various stages of the venture's development. Further, it can be presumed that a member should be added to or removed from the management team, depending on the stage of the company's development.

3.2 Team members' importance to the venture's development

This section will elaborate on the importance of each team member and how they contribute to the venture. On one hand, Clarysse and Moray (2004) conducted a study focused on the leader of the company. Their study states that a "champion role" is vital to the venture's successful products development. However, their paper also suggests that often entrepreneurs are not suitable for the long-term growth of the company, due to them being unable to manage the venture. Moreover, Clarysse and Moray (2004) argue that, if the entrepreneur is not replaced by a professional manager, the performance of the company would reduce. The main argument of the study is that entrepreneurs are not suitable managers during the later stages of a venture's development. Therefore, another team member should replace the entrepreneur after reaching a certain level of the development stage of the company (Clarysse and Moray, 2004; Klotz, 2013). Thus, it can be argued that, if there is not a suitable candidate for the position, the company should hire a professional manager.

On the other hand, the team leader is not the only aspect of entrepreneurial teams that is worth considering. Visintin and Pittino (2014) conducted a study based on university spin-offs. Their findings suggest that it is important to have academic and non-academic team members. Moreover, they argue that it is vital to the entrepreneurial teams to be of heterogeneous composition. In addition, the research states that this type of composition is beneficial for problem solving and encouraging the learning process. Also, Somech (2006) supports these aspects and adds that such composition would enhance the innovation process of a team. Furthermore, Somech (2006) continues by arguing that a leader of a heterogeneous team should be capable of encouraging the team members to use their diverse skill in a way that will give an advantage to the company. For instance, Kisfalvi and Pitcher (2003) state that members of an effective diverse team would be able to overcome each other's limitations not only in skills but also in the decision-making process. In addition, another benefit is the fact that such teams would be more likely to have a wider business network which is an immensely important feature that enables the team to recognize new opportunities (Klotz et al, 2013). Also, another benefit of the heterogeneous composition is the fact that it enhances the decision making. It can be argued that a diverse team is more likely to be able to take less biased and more rational decisions (Kisfalvi and Pitcher, 2003).

A further benefit of the team members worth considering, is the fact that they can attract investors. The prestige of the team is exceedingly important for the investors' evaluation (Klotz et al, 2013). Moreover, Vogel et al (2014) suggest that diversity within the team also influences investors' evaluation. The research supports the idea that a team with heterogeneous background would have a wider perspective range compared to homogenous teams. For instance, if the members of a team have different educational background, this team would be more likely to obtain external finance, compared to those teams that have similar educational background.

To sum up this chapter, the literature above offers that an entrepreneurial team should be heterogeneous. Moreover, the management team requires members with diverse skills throughout the venture's development. Therefore, it can be argued that another aspect worth considering regarding team members is replacing and keeping them. It can be presumed that, if team members are recognized as high contributors to the team, they are likely to stay in it, while those who contribute less are likely to leave the team at some point (Zdaniuk and Levine, 2001).

3.3 Why teams need new members

This part of the literature review will elaborate on the possible reasons for to which an entrepreneurial team would need another entrepreneur to join them. As suggested in the previous section, entrepreneurial teams should be heterogeneous, as well as team members should possess diverse skills. However, it should not be neglected that the management team requires different skills depending on the venture's development stage (Klotz et al, 2013). For instance, it can be presumed that in the first stage the founding team should be more creative and entrepreneurial. Nonetheless, as the company develops, the team will have to become more directive in its management style. Another example is the fact that entrepreneurs tend to be more comfortable with risk taking. However, after a certain stage, the company and its management should become more risk cautious (Kuratko et al, 2011). Therefore, considering both examples, team members should either adapt to the new needs of the company or be replaced with others that fulfill these needs.

Another aspect worth considering is that a new team member may have a specific resource access that the current team does not. These resources can be not only knowledge and materials but also financial resources. On one hand, Landström (2017) elaborates on the idea that Business Angels (BAs) not only invest in the company but can also help with its management. In addition, BAs tend to have big networks and as part of the management team they can benefit the venture they have invested in. Therefore, it can be argued that BAs would also be considered in this research, if they have not only invested in the venture but also participated in its management. On the other hand, attracting BAs is not that easy. Sudek (2006) argues that one of the most important aspect in the BAs assessment criteria is the team and its ability to survive. As mentioned in the first section of this chapter, survivability is also highly important to the business development. Moreover, by considering the research conducted by Delmar and Shane (2006), it can be argued that BAs will look for teams that have experience in start-ups and in the industry due to the believe that those teams will be more likely to survive and develop. Therefore, it can be argued that teams that have this experience are more likely not only to develop their business in a better way but also to attract investors, compared to those which do not have it. In addition, another aspect worth considering is that studies confirm that heterogeneous teams are more likely to attract investors (Vogel et al, 2014).

3.4 Team members' interpersonal processes

As mentioned above, teams' decisions influence ventures' development and performance. By understanding the team's interpersonal processes such as decision-making and members' interaction with one another, we will be able to explain companies' performance. Schjoedt et al (2012) suggest that team members' relationships are influencing more the success of a team, compared to the diversity of skills. Therefore, it is worth exploring what are the key aspects of the team that influence its performance the most.

Larson and Gray (2018) argue that one of the most important aspect in a team is trust. Furthermore, important aspect for building up trust in a team is that team members should have confidence in each other's competency. The book states that the relationship between individuals in and outside of a team may differ. For instance, one may prefer not being in a team with someone, yet still like them as a colleague. Thus, there is a clear division between personal and working relationships. Moreover, Larson and Gray (2018) look at competence in three ways. First, whether the managers have the skills required by the project. Second, if the managers of the team are interacting well with the team members. For example, are the managers good listeners or effective communicators. Third, whether the managers are appropriate for the position. For example, are they improving the efficiency of the team and the company (Larson and Gray, 2018)? In addition, it should be noted that the leadership roles can be shared amongst entrepreneurs which could improve the team effectiveness. Nonetheless, if the team members are not used to such a structure, it might be difficult to implement it (Bligh et al, 2006). From the mentioned above, it can be concluded that good team dynamics involve each member trusting the others; a leader who is suitable for the role of such; and everyone being well aware of their responsibilities, as well as being capable of carrying them out. Also, by working together, team members choose objectives and goals that align with their abilities (Williams Middleton and Nowell, 2018). Thus, it can be argued that team members' abilities are determining the aims of the project. This point can be related to the mentioned in the previous section heterogeneous structure. It can be presumed that, if a team has more diverse skills and experiences, it will be able to identify more opportunities.

Likewise, it should be noted that strong ties between team members have two aspects. On one hand, a strong tie would allow a leader of an entrepreneurial team to have better human resource flexibility. For instance, the leader would be able to change members' roles without

enabling conflicts or reducing the members' commitment to the project. In contrast, this strong tie will influence in a negative way the ability of the entrepreneur to exit this relationship. This would mean that, if a member of the team is no longer suitable for the project, the entrepreneur may not replace them, which may influence on the project and the company in a negative way (Zolin et al, 2011).

Another aspect worth considering is teams' cognitive comprehensiveness and commitment. Both cognitive comprehensiveness and commitment of the team have a positive effect on the effectiveness (Chowdhury, 2005). Furthermore, shared goal orientation may prevent relationship conflicts, as well as conflicts between team members. If the entrepreneurial team members do not share the same goals and objectives, individual actions might be wrongly interpreted and cause a conflict (Chen et al, 2017). Nonetheless, it should not be neglected that team productivity and conflict are not causing disagreements within the team. Instead it can be argued that team conflicts are influenced by members' individual behavior (Lehmann-Willenbrock and Chiu, 2017). To sum up this chapter, team members' personal characteristics strongly influence the team dynamics, performance, conflicts and disagreements. Therefore, the team members should be chosen carefully, because a disagreement would not influence the performance of the team, but a conflict may split it (Vanaelst et al, 2006).

3.5 Team changes after new members being added to the team

As mentioned above, a change in the management team would influence the strategic objectives of a venture (Goodstein and Boeker, 1991). It should be considered that the timing of adding a new member is crucial to the team. There are two scenarios. On one hand, a new member might be added depending on the personal timeline and preferences of the team members. On the other hand, the reason to add a new entrepreneur to the team is the need of the venture for certain skills (Forbes et al, 2006). Companies would have different reasons and timing to add a new member. Either way, it is worth exploring how the team processes change when a new member is added to the entrepreneurial team.

The previous section mentions the idea that trust is vital to the team. Spector and Jones (2004) conducted a study which argues that, if a new team member joins the team, it will not influence the trust within the team. In addition, the study continues by stating that the position of the new member, whether s/he is a peer to the team or a superior, would be irrelevant to the findings

of the research and the results would be the same. Nonetheless, it should not be neglected that adding a new member would influence team development, as well as organizational norms (Klotz et al, 2013). As mentioned above, a new member may have a different knowledge or skills that the team needs. In that case, the new member may manage to improve the efficiency or the problem-solving abilities of the team (Forbes et al, 2006). However, it should not be excluded that the new member may influence the team in a negative way.

In the previous sections it was discussed that a team should choose a single strategy and follow it, instead of trying to merge two different (Olson et al, 2005). Vanaelst et al (2006) argue that as venture matures, entrepreneurs tend to add people with different experience but with similar business and strategy orientation. In some cases, these new members of the team are improving the team. However, it should not be neglected that this may not always be the case. It is presumed that after the new member arrival the team does not become more heterogeneous than it used to be. Instead the new members tend to be more innovation orientated and encourage the cognitive homogeneity within the team. Nonetheless, it should be noted that sometimes cognitive conflict may be useful for decision-making and performance improvement (Vanaelst et al, 2006).

Another change that a new member may bring to the team is that they may cause a change of the roles within the team. For instance, a certain role can be split between more than one person. Also, a new role can be identified and fulfilled by the new entrepreneur. Another example is that the new member may take the responsibilities of someone who is already in the team, while the entrepreneur from the initial team either changes their role or leaves the team. (Vanaelst et al, 2006).

4. Methodology

This chapter will outline the research method that was used. It will elaborate on why the method was considered by the researcher to be the most appropriate one for the study. In addition, it will identify some of the limitations that the study may have.

4.1 Research overview

This study aims to find how the team processes would change in an entrepreneurial team when a new member is added to it. In order to do that, the researcher has adopted a framework presented by Marks, Mathieu and Zaccaro (2001) and discussed in the Theoretical framework

chapter. The framework identifies three categories of the taxonomy of team processes – transition, action and interpersonal processes. For the purpose of this study, the main focus will be on two of these: transition and interpersonal processes. This paper will not consider the action stage since it involves monitoring of the current events, while the research is focusing on the previous decisions and actions that have changed the team dynamics.

4.2 Data collection and analysis

The data was collected by using semi-structured interviews. This approach is flexible, and the interviewer has the ability to ask additional questions throughout the interview. Thus, the findings might be more than anticipated (Bryman and Bell, 2011). In addition, every topic from the interview will be discussed separately. The information given by the interviewees will be discussed in the next chapter. Furthermore, the data will be analysed using the narrative method. This method will be useful in order to track the events that caused the final results of hiring a new entrepreneur (Bryman and Bell, 2011). By using the narrative analysis, the researcher was able to relate the findings to the hitherto discussed. Moreover, in the next chapter, every company will be discussed separately. Also, the next chapter will end by summarizing the findings. Then, in the chapter that follows the next one, the paper will compare it to the already existing literature on team process and define the theory of the research. It should be noted that the data was collected from six people in three companies. In each company there were two people being interviewed. Moreover, in every company one of the interviewees was the new entrepreneur who joined the venture and the other one was the one who founded the company or was from the team who did it. Furthermore, the first interview with every person was between 1 and 2 hours. The second interviews, with those who agreed of doing such, were between 30 minutes and 1 hour. The first company that was interviewed was Birka. It is a bio bank which competitive advantage is the fact that it is the only one who can store any type of bio materials. This company agreed to do only one interview, while the others agreed to do more. The other company is Delkom. The firm is packaging different types of foods and spices. The third company is Bularmex. The business is producing iron forged and cast valves.

Appendix A presents the question guide that is used during the interviews. Not all of the questions were applicable to the participants, which is why some of the questions were adapted during the interviews. For instance, question 1 ‘When and how did you recognize the need of a new entrepreneur?’ is suitable for the person from the initial team. In contrast, when interviewing

the new member, the questions was changed to ‘At what stage of the company did you join it?’. Another example is question 7 ‘Was the start-up experience important’. When interviewing the new team member, the question was changed to ‘Do you think your start-up experience was important to the team’. Slightly changing the questions was helpful for two reasons. First, it was appropriate for the situation and it suggested what they thought was relevant when they were trying to get hired. Second, it showed what the new members would look for, if they were hiring. In addition, Appendix B shows the companies and the participants that were interviewed for the research. Also, next to the name of each person is written the approximate time they spent for the interview before and after recording. The total time of the interviews was just above 10 hours. Before recording each interview, the people from the initial team gave me a tour of their facilities in order to introduce me to their business, which made the interviews much more accurate and it was easier to ask more specific questions. However, the research will not cover in detail their businesses since the agreement that the participants made with me stated that I will not disclose anything specific about the business and the study will be focused solely on their teams and the processes within the teams.

4.3 Sampling

Due to the specifics of the research, the sampling method was crucial to the study. The method used to conduct the research was convenience sampling. The first reason to use it was because the researcher is not a local, and the time limit of the research was very short. However, the researcher used his personal contacts to interview local companies, as well as some from abroad. As mentioned above, the cultural context will not be considered. One of the Bulgarian businesses is working only with locals, the other one, along with the Swedish venture have international teams. Moreover, the local context was not considered due to the size of the study and the researcher not being familiar with the local business context. This point is also addressed in the section ‘Applications for future researches’.

One of the requirements for the companies to be considered for the study was to have been started by one or more entrepreneurs and later to have been joined by another one. In addition, for this research, another necessity was the researcher to interview one person from the initial team and the new member. This was done in order to give a broader view on why entrepreneurs hire other entrepreneurs. Also, the study aims to answer how the new entrepreneurs are changing the

business. By having two interviewees, there is a better overview of the situation and the results are less likely to be biased. Furthermore, it is important to see both points of view: the one of a member of the initial team and the one of the new member.

4.4 Ethics

In order to make sure that the interviewees' rights were being fully respected, an informational note was developed that was verbally presented to every contestant in the research in advance. First, the interviewees were assured of the complete confidentiality of the researcher, who will use any and all information attained during the interviews exclusively for the purpose of this paper. Second, the interviewees were reminded they have the right to refuse to answer any question they do not wish to. Third, the participants were encouraged to stop the interview at any point, should they feel a need to. Furthermore, the contestants were also told they can refuse to be recorded. All things considered, it should be noted that some limitations arise as a result of the ethics considerations implemented, which will be discussed in the following section.

4.5 Limitations

Every research has its own limitations. The first possible limitation of this research is the fact that the researcher is one. Thus, he may have missed certain information while listening to the interviews. In addition, the lack of research experience may have influenced the quality of the work. For instance, it's possible that the interviewer did not prepare questions that other more experienced researcher might have. Another possible limitation of the research is the fact that in Birka the owners were brothers and that raises the chances of being biased in their judgement of one another. In contrast, the interviews in the other two companies were conducted in Bulgarian. Esposito (2001) emphasizes on the importance of translation in researches. According to the paper, before translating the interview, the researcher should think of the specific cultural context. The benefit of conducting the interview in a native language is a huge advantage due to the fact that both the interviewer and the interviewee can express themselves in a better way. However, it should not be neglected that there is a chance that later the interviewer may not be capable of completely translating the interview with the full cultural context meaning. Nevertheless, it should be pointed out that the person conducting and translating the interviews is fluent in English and is capable of translating it with its full meaning. Another limitation of the research that should must be mentioned is the fact that the interviewees in Bularmex refused to be recorded. Therefore, the

interviewer may have missed some information while conducting the interviews. Moreover, this research is conducted in two countries. Thus, it may be presumed that the findings may not be applicable to others. Also, it can be argued that the results may change in companies where the teams are from the local area or share the same culture. However, due to the limit literature of changes in team process in entrepreneurial context, this research does not consider cultural differences, which is one of the reason to conduct the interviews in companies with multi-cultural and international teams. By doing so, the research may encounter some significant differences between companies with different geographical location or diverse culture on the workplace.

5. Data Analysis

This section will discuss the data that has been collected. It will present it accordingly with the literature discussed above. Later, in the next chapter, the information mentioned in this one will be compared to the theory from above.

5.1 Recognizing the need of a new entrepreneur and approaching them

5.1.1 Birka before the new entrepreneur joined the team

The first company that is going to be discussed is Birka. The company is currently owned by two brothers – Ali Ismail and Hussein Ismail. The venture was established by Ali and later his brother joined the company as a shareholder. In addition, Hussein became a part of the management team.

Hussein joined the company just after the venture's first sale, which due to the specific of their business took around five years. Ali always wanted his firm to grow and he stated that he had been aware that he cannot develop the business alone. Therefore, the company's strategy was to get to market and then to recruit another entrepreneur that would help him with the expansion.

It should be noticed that Ali decided to have as flat business structure as possible when he started his business. That resulted in Birka's employees being aware of every decision that was being made. Moreover, Ali made sure that everyone is participating in every project. He did that in order to make the workers feel that they all are contributing to build up the company.

On the other hand, Hussein is an engineer. Before his arrival, there was another partner who helped Ali to build up their current facility. They used to split up the tasks however they seem fit.

However, this changed because the person wanted to leave the company. Therefore, Ali needed another entrepreneur who he could rely on and also give him more responsibilities. As he pointed out, one entrepreneur cannot do it. Ali needed someone who has engineering skills because he needed to replace the previous entrepreneur. Nonetheless, he needed someone who he could trust and someone who had experience in managing people. Furthermore, the new partner needed to have similar vision for the business, which was not only to sustain the business but to grow it. Thus, after making their first sale, he decided to approach his brother and offer to him to develop the company together.

5.1.2 Delkom before the new entrepreneur joined the team

The second company that is going to be discussed is Delkom. The company is currently owned by four people, but the ones who were interviewed for this research were Zapryan Matev and Nivelina Delcheva. Before Nivelina joined the company, the business was well developed, and the owners were sustaining it but not growing it. According to Zapryan, there were two main reasons because of which they did not grow the business before Nivelina joined them. Even though the management team wanted to, they could not do it on their own, because it was not physically possible to get the work done. Second, the managers struggled with finding someone they could trust and letting them be a part of the core management team. Moreover, Zapryan pointed out that the employees were frequently changing. Due to their type of work, their workers do not require specific skills and they are easily being replaced. This was not addressed as a problem in the management team since there were always people who could fulfill the position. Nevertheless, he pointed out that the employees were not loyal to the company and did not feel appreciated by the management team. Another aspect of the company worth mentioning is that the business is not structured by departments. The management team is simply splitting the tasks among each other and then executing them. This why it is difficult to state who exactly was fulfilling Nivelina's position before she joined the company.

As mentioned above, the management team wanted to develop the business, but they could not find a person they could trust. Nivelina is related to one of the founders which made her trustworthy to some of them and they decided to give her a chance but no shares in the company until she proves herself. However, this was not the only reason they hired her. Another reason Zapryan gave was her foreign education. She studied in England and the management team saw

that as an opportunity to expand their business outside of Bulgaria. Moreover, Nivelina joined the company with the idea to expand the firm's products and more precisely the spices packaging. In addition, the management team saw great potential in her since she has experience in the logistics which is a key aspect of their business.

An aspect worth considering is that the company did not approach her directly. Zapryan stated that the company was planning to expand their spices under a different brand in order not to ruin the reputation of their current one. Nivelina was supposed to help with the new company. However, the management team was struggling with the amount of work at their busiest quarter of the year and it was just before they anticipated to start the new company. Thus, they saw an opportunity to test Nivelina's skills in helping to run the firm. After the quarter was over, the three people from the initial team and Nivelina had a thorough discussion about the future of the company and eventually decided that she will join them full-time and together they will develop the already established brand rather than divide it into smaller ones.

5.1.3 Bularmex before the new entrepreneur joined the team

The third company that is going to be discussed is Bularmex which is currently owned by four people, but only two of them were interviewed for the study: Dimitar Yanev and Plamen Iliev. Since the company was established, its strategy had always been to grow and maximize profits. However, one of the entrepreneurs – Stoyan, decided to retire from the core management of the company and needed someone to replace him. Before Plamen joined the company, the entrepreneur who planned his retirement, was taking care of the production. Since Stoyan wanted to move on, the company required a new productional director to continue its growth. Dimitar pointed out that the engineering team required some improvements because with its current state they could not improve their production and expand their market. The core management wanted to keep developing the venture, but they did not know how to. In addition, Stoyan was not capable of strengthening the engineering team since he was not planning to stay, and the core management decided to look for someone who is experienced in the production department and will be able to bring more engineers to the company. Therefore, they needed someone with a lot of familiarity as a productional director or as a manager. Dimitar stated that Plamen's expertise was key when they were assessing him as a potential successor for Stoyan. Another thing they were looking for was a trustworthy person. Since they did not know Plamen personally and were solely judging him from

his resumé, they needed to observe his way of working. Moreover, in order not to influence on the quality of the work, the transition from one director to the other need to be as smooth as possible. This was why they decided that once Plamen joined the company, Stoyan would help him with the transition and in time decide whether Plamen is fit to become the next productional director. Furthermore, they wanted Plamen to start building up the new engineering team before he joined the core management. Therefore, Bularmex approached Plamen and proposed he started as a consultant first. Dimitar pointed out that this was a great opportunity for Stoyan to observe Plamen's work closely and see how Plamen will change the engineering team. After three months of working together Plamen joined the core management team, became a shareholder and the only productional director of Bularmex.

5.2 Changes that the new members brought up to the companies

5.2.1 Birka's new entrepreneur influence on the company

Hussein brought a lot to the company. During the interview with Ali, he stated that Hussein's experience in the industry was not important to the role. However, Ali wanted someone who would be able to manage the growth. Hussein had experience from a very big corporation and according to his brother, he was capable of not only planning the company's long-term goals, but also managing the execution of the short-term ones. Moreover, to Ali one of the most important aspects in a team is its diversity of skills. He believes that heterogeneous teams can respond to any need a company may have. Hussein used to work in a very big corporation before going to Birka and according to Ali, this helped him significantly in managing the employees at Birka. Another feature that Ali considered as of being vital was that the company needed entrepreneurs. Furthermore, he explained that to him, entrepreneurs are people who are persistent in their tasks and seeing them through until the end. Due to their connection, Ali was sure that his brother would fit perfectly. Nonetheless, Ali was sure that he could benefit even more from his brother. As mentioned in the previous section Hussein is an engineer. Therefore, he not only brought in his leading skills but all of his knowledge and resources which was key to the company in many ways. First, Hussein managed to save a lot of time and money for the company by using the help of his formal colleagues. He was consulting with them regarding some of the projects instead of hiring other consultants. As Ali pointed out, it was not only cheaper but also faster because usually the consultants needed a few days, if not a week to answer. Second, according to Hussein, he contributed greatly in bringing new clients and expanding the firm's services. In addition, he

developed a better infrastructure and improved the IT systems. Therefore, Hussein did not only help with expanding the market but also developed the venture entirely.

Another point worth considering is the way Hussein influenced the strategy of the venture. During the interview, Ali stated that eventually he would like to leave the management of the venture entirely to Hussein. Therefore, they both decided for Hussein to lead the project of building up the new facility, so he could do it in the way he prefers to. Ali pointed out how important the trust is to their relationship, so he could leave such an important project to his brother. Nevertheless, it should be noted that as the current Chief executive officer (CEO), Ali is also being involved in the expansion, albeit not leading it. In addition, the CEO is making sure that the decisions in the company are made by both. This is important because, as Ali stated, to him it is important to leave the company in such a state that his brother would be not only pleased to work for but also by co-developing it, Ali believes that Hussein will be more efficient in his future endeavors.

On the other hand, it is worth considering how the changes affected the management team and the employees. Ali mentioned that he had not expected any issues to occur. Thus, he did not prepare for any potential disputes. He pointed out that the employees accepted Hussein from the beginning as a manager. Yet, there was one issue that needed to be resolved. Before going to Birka, Hussein used to work for a company with a very tall hierarchy. Thus, when he started managing the processes in Birka he was informing only his brother about the decisions that were being made. As mentioned in the previous section, Ali built his company with a flat structure and he was emphasizing on the fact that every decision should be shared with the employees. After a short period of time, the workers informed Ali about the issue and started complaining of not being informed of the dealings of the company. However, the problem was quickly resolved by Ali who explained the policy to his brother and made him understand why this was important. This small but significant detail was mentioned only by Ali during the interview. Due to the confidentiality of the research, it was not possible to discuss it further with Hussein, which meant that we could not be certain whether he was aware of the complaints in the first place.

5.2.2 Delkom's new entrepreneur influence on the company

This section will cover the changes that Nivelina caused at Delkom. As mentioned above, Nivelina studied in England. Both interviewees stated that this was very important to the company for she would be able to bring a lot of knowledge and practices from other firms that will help the

business to grow. Furthermore, she has experience in logistics, which is a key department in their venture. Moreover, due to her experience and business network, Nivelina was able to help the company for its strategic goals by expanding their market outside of Bulgaria.

Another way Nivelina influenced the venture's future was by expanding their spices. Until now the company had been packaging only the most common spices and they did not want to explore the opportunities there due to the lack of a person who could lead the project. Furthermore, since her business plans for the future of the company do not differ from those of the owners, the strategy of the business not only did not change but Nivelina was contributing to its execution. In addition, since she is in charge of the spices, she is highly influencing the decision-making process and the courses of action for the project. Zapryan emphasized on the importance of giving her the freedom to decide how to execute the project because, she would be responsible for any outcome the project may have. Moreover, Zapryan pointed out that they gave her the task to optimize the factory because they believed it was a bit chaotic, but they did not really have the time to deal with it. Nivelina stated that she managed with the task and because of the results, the management team let her to plan the renovation of the warehouse. Zapryan said that from the results Nivelina was showing, any doubts that some of the management team might have had regarding her trustworthiness, were gone.

On the other hand, it is worth discussing the influence Nivelina had on the management team and the employees. First, as mentioned above she is related to one of the management team and this effected how the workers were treating her in the beginning. The employees were not sure whether they should follow her or not. Nevertheless, Zapryan pointed out that they thought of this possible conflict in advance. The entrepreneurs from the initial team walked with her the first couple of weeks when Nivelina joined the company with the aim to show the workers that she is capable of managing them as much as the rest of the management team. Zapryan mentioned that it took some time, but eventually it worked out great. Second, it is important to mention that her management style is very different from the rest of the management team. Both of the interviewees emphasized on the fact that she was more sensible in her reaction to bad news compared to the other. Which resulted in the workers being able to share more with her. In addition, Zapryan pointed out that not like before, the workers are forming groups and remain for longer periods of time. Also, he mentioned that he is measuring how many of the employees are recommending their

company as a good one to work at. Since Nivelina is there, this improved dramatically. In addition, Zapryan pointed out that even though Nivelina had a great influence on the workers, she did not change the management team. According to the interview with Zapryan, the entrepreneurs always had a good communication among them.

5.2.3 Bularmex's new entrepreneur influence on the company

This section will elaborate on the changes that Plamen brought to Bularmex. As mentioned above, Plamen was hired with the goal of being the productional director. He had the engineering and managerial skills that the entrepreneurial team was looking for. However, it took some time until he proved himself. After joining the core management, Plamen influenced a lot the future of the venture because he became responsible for the whole production. Therefore, as they both emphasized, any mistake in his department would influence the growth and the profit of the venture. However, Dimitar stated that since Plamen has taken over this position, which was little more than a year ago, the venture's profit has raised by 15%. According to Dimitar, Plamen managed not only to hire and train more engineers but also to find more clients. Dimitar noted that he and the rest of the management team has anticipated they could benefit from Plamen's improvements on the production department, but more than that he expanded the company's market even further.

An aspect worth considering is the reason Plamen became a shareholder and how this influenced the decision-making within the company and its strategy. Dimitar emphasized on the fact that for a position like this one, the financial reward is high. Therefore, they were aware that the person who will become a productional director will expect it. However, they had to trust him and as mentioned in the previous section about Bularmex, it took some time. Nonetheless, eventually they hired Plamen. Due to his role, the strategy of the company is highly influenced by his actions because he is responsible for the product of the company and any delays within his department will influence not only the production but also the relationships with their clients. Moreover, due to his role, Plamen plays a key role in the decision-making within the company. The productional director stated that he has to know about every decision and participate in it because it highly influences his work. Nonetheless, as both interviewees said, the company has grown since last year.

Another aspect worth mentioning is how the core management team and the employees accepted the new production director. On one hand, both interviewees stated that there were no disputes among the entrepreneurs. On the other hand, Plamen pointed out that for some of the workers, the transition was difficult. In order to fix some inefficient aspects of the engineering team, he had to let some employees go and hire new ones. He also pointed out that it was highly important to show them from the beginning he was capable of managing them. Also, he added that gaining the employees' respect and becoming a good leader are very important qualities and in order to achieve them, one has to treat the workers equally from the beginning. In contrast, Dimitar stated that they did not prepare for any conflicts that may occur. Instead, they preferred to see how Plamen acts which will either work out in his favour or him or he will have to be replaced. As it is mentioned above, there were three months during which the previous director was helping the transition and during this time they were making sure that Plamen was not hindering the engineering team with his decisions. Dimitar described the whole process of hiring another entrepreneur as complicated and risky. However, it turned out quite successfully in the end.

5.3 Results of the study

This section will summarize the findings of the research. This study has two aims stated in the first chapter – determining how an entrepreneurial team processes are being changed by the joining of a new entrepreneur, as well as establishing the reasons for these changes. Therefore, considering the previous two sections, the findings of this research are elaborated in the following paragraphs.

First, entrepreneurs have different agendas when they plan to hire an additional entrepreneur at the company. Depending on the venture's goals, the founder or the initial team is looking for different experiences and skills in their candidates. On one hand, the companies that were interviewed did not find industry experience relevant to the position. For instance, Plamen from Bularmex used to be in the tobacco industry, while Bularmex is producing industrial and high-pressure valves. Another example is Hussein from Birka, who did not have any experience in the industry, yet, Ali saw him as a suitable candidate for the position. On the other hand, all of the companies looked for specific skills that these people possessed. Birka's entrepreneur had to be an engineer; Delkom's candidate had to have experience in the logistics; Bularmex's entrepreneur had to be well experienced as a manager. None of the companies considered the entrepreneurs on the

basis of their industry experience but rather on their skills set, even if it was gained in a different industry. Therefore, based on the present study's outcome it can be argued that to some entrepreneurs' skills are more important than industry experience.

Second, the founder or the initial team made sure that the entrepreneurs who are joining the company will serve the purpose they were hired for. Nevertheless, the founders did not anticipate any other benefits that the new manager may bring. All of the interviewed companies managed to gain more from their new entrepreneurs than what they had planned. It was considered only if the candidates will serve the initial aims of the company. It should be noted that the companies that were used for this research improved their growth rate and changed their objectives after they recruited the new entrepreneur. For instance, Birka expanded its services and market; Delkom expanded its product variances and optimized its production; Bularmex has grown its profits and expanded their market more than anticipated. All of these changes were not the reasons why the company needed a new entrepreneur. Therefore, based on the findings of the research, it can be claimed that founders may anticipate some of the advantages and the disadvantages that a new entrepreneur may bring to the company; however, not all of the changes can be thought of in advance.

Third, these results show that entrepreneurs look for different personal traits such as determination and trustworthiness. For instance, Ali pointed out that persistency in the new entrepreneur was highly important to him. In contrast, the other two companies focused on trustworthiness of the new member. Furthermore, Delkom and Bularmex pointed out that trust is important based the influence the entrepreneurs have on the venture. It should not be neglected that Ali also might find this highly important but because he considered his brother for the position he might not have emphasized on it. Nonetheless, the results do not show that every entrepreneur is looking for the same personal traits. Therefore, it can be argued that it depends on the founders and their view of what their company needs in terms of the personal traits a candidate for the management team should possess.

Fourth, one of the companies that was interviewed prepared for potential conflicts. Delkom anticipated a potential issue due to the fact that Nivelina is related to one of the members of the initial team. The core management helped her throughout the working process but did not undertake any actions in advance. In contrast, the other two companies interviewed relied on their

ability to deal with conflicts and disputes if and when they occur. For instance, Ali knew that his brother used to work in different business structure. However, he believed he will be able to deal with conflicts that may occur due to this fact. All aspects considered, the overall results show that there is no universal practice among entrepreneurs on how to deal with conflicts. Therefore, it is up to the founders to decide which technique for dealing with conflicts to utilize should the need arise.

6. Discussion

This chapter will compare the literature review to the findings from the research. In addition, it will elaborate on what theory has been supported by the study and it will point out what this paper is adding to the already existing theory. Furthermore, all of the theory will be considered only in the entrepreneurial context.

6.1 Companies' reasons to hire an entrepreneur

The theory above suggests different reasons of why companies hire entrepreneurs. On one hand, companies may need a specific resources or skills in order to achieve the venture's goals (Forbes et al, 2006). The example given above is referring to hiring entrepreneurs in order to attract BAs (Landström, 2017). Moreover, a company from the research supports these findings. One of the reasons Delkom hired Nivelina was exactly because of her business network abroad and the company saw an opportunity of expanding their market.

On the other hand, companies may hire entrepreneurs due to the venture's development stage, which might require a certain change in the core management team (Kuratko et al, 2011). Furthermore, Clarysse and Moray's (2004) study emphasizes on the importance of the leader to the product development and that sometimes entrepreneurs cannot manage the growth process. Therefore, at a certain stage the founder or the founding team should either be replaced or should hire another person who will be capable of meeting the venture's needs (Clarysse and Moray, 2004; Klotz, 2013). All of the companies in this research support this theory. For instance, Birka hired Hussein because the founder needed someone with whom together they will manage the growth process. Another example is Bularmex, they reached a stage where the productional director needed to be replaced and the company needed to grow. Also, Delkom hired Nivelina by knowing that eventually she will lead the "spices" project.

All things considered, companies have different reasons to hire new entrepreneurs. As mentioned in the previous chapter, my study shows that some entrepreneurs may bring unexpected benefits, such as using their business network to reduce the costs of the venture or to expand the market of the firm. However, it should not be neglected, that the companies in the study hired the entrepreneurs with a specific goal and they did not consider the other advantages or disadvantages beforehand. Furthermore, the companies used for the research hired the new entrepreneurs in order to grow their companies. This study does not support any other reasons of hiring an entrepreneur but in order to grow the venture and its market.

6.2 Skills and personal traits that the companies look for in an entrepreneur

Founders and founding teams look for different skills and personal traits in entrepreneurs depending on their ventures' needs. This paper's findings suggest that entrepreneurial companies are going through Larson and Gray's (2018) competence criteria. All of the companies in this paper considered their candidates by looking at their skills, interaction with the team members and how appropriate are the entrepreneurs for the position.

Larson and Gray (2018) suggest that trust is vital to any team. Moreover, this involves team members being confident about each other's competency. The findings of this paper suggest that hiring an entrepreneur depends on the candidates' ability to build up trust between them and the founders or the founding teams of the company. For instance, it took 3 months for Bularmex to observe Plamen's work before they can trust him completely. Another example is Nivelina. She was related to one of the founders, which is why the others were not completely confident in her ability to manage with the role. However, after seeing the results from her work, she appeared to be more trustworthy to the core management.

In addition, my research supports the paper of Delmar and Shane (2006) which suggests that entrepreneurs tend to value more start-up experience than industry. For instance, Birka did not consider the industry experience of the candidate but his business skills. However, it should be noted that one of the companies in my research – Bularmex considered both. Delmar and Shane (2006) suggests that companies which combine both tend to be more successful. Also, considering the profit growth of Bularmex, it can be argued that this company supports Delmar and Shane's results.

Furthermore, the progress of the companies in this research supports Goodstein and Boeker (1991) and Olson et al (2005) statements that the management team is not only determining the strategic goals of the company but also the firm's structure is influencing the performance. In addition, the CEO of Birka emphasized on the importance of diversity among his employees. Visintin and Pittion (2014) as well as Somech (2006) identify advantages of the heterogeneous structure such as enhanced problem solving and innovation process. However, the interview did not gather in-depth information of why Birka's CEO prefers diverse teams.

On the other hand, Schjoedt et al (2012) argues that members' relationships are influencing more the success of a team than the team's diversity of skills. This research did not find any evidence to support these findings. However, the paper suggests that relationships on the workplace are highly influencing the employees. Nivelina's different approach to the employees resulted in them leaving less frequently. In addition, it improved the company's image among the society. As Zapryan pointed out, there were more work candidates being referred from Delkom's employees than before.

Another aspect that should be considered is the paper by Vanaelst et al (2006). Their paper argues that entrepreneurs tend to hire others with diverse experience but with similar business and strategy views. This study supports these findings by having all of the companies reached their goal of growing by adding a person who is from a different industry. Also, Williams Middleton and Nowell (2018) suggests that teams choose projects that align with their abilities. The research supports this theory as well. By adding an additional entrepreneur, Birka, Delkom and Bularmex are either expanding their services, products or market.

6.3 Conflicts on the workplace

The interpersonal processes within a team are highly important. As mentioned in the theoretical framework above, this is the ability of the team to resolve conflicts on the workplace and to motivate the team members. Marks et al (2001) present two ways of managing conflicts. First, the team may use a preemptive conflict management, which is by creating conditions on the workplace to prepare in advance for potential conflicts. In contrast, another way of managing conflicts is by relying on the problem-solving abilities of the team members. Considering both techniques of handling a conflict situation, the study suggests that entrepreneurs tend to rely more on their ability to solve the conflicts when they occur rather than preparing in advance. Only one

of the companies in the study prepared in advance for potential conflicts. However, it should be noted that the study is not looking at a larger group of companies. Thus, no generalization can be made from the results of my research regarding this topic.

7. Conclusion and applications for a future research

There are still gaps in the literature of entrepreneurial team changes. This master thesis aims to find how entrepreneurial team processes change when a new entrepreneur joins the company, as well as what are the reasons for these changes. The majority of the literature being used is not specifically in an entrepreneurial context. The results of my study confirm some of the previous researches. However, not all of them. Therefore, it is worth exploring what are the exact differences between the already existing literature on team processes change and on the same topic but in an entrepreneurial context.

The research uses a framework presented by Marks et al (2001). This framework helps the research by pointing out what team processes will show results from the change of the core management team – transition and interpersonal processes. The action phase from the framework will be the one from which the results will be gathered. However, the team identifies and evaluates the changes in the other two processes.

The study was conducted by considering the framework and the mentioned above literature. Later, the researcher considered it and created a questionnaire that was used during the semi-structured interviews with the companies which participated in the study. The analysis of the results from the interviews added some new aspects to the already existing literature. First, every venture has different needs. Thus, founders look for different set of skills and experiences when they are hiring another entrepreneur. Second, some of the changes that the new manager will bring are anticipated by the management team in advance. Moreover, the founders look to bring a specific change to the venture. However, not every change that the new entrepreneur may bring can be anticipated. Thus, a non-anticipated change may benefit or harm a company's performance. Third, founders look for different personal traits in their new partners. Forth, founders tend to rely on their ability to handle conflicts as they occur rather than prepare in advance. All things considered, these finding are not only enhancing the existing literature but also give some useful guidance for future researches that will contribute even more to the team processes change in entrepreneurial context.

7.1 Applications for future researches

This section will discuss possible future researches based on the findings of my research. In addition, it will identify areas from this study which could be examined in-depth by others.

The limitations of this research, which are mentioned above, identify a few areas which future researches can focus on. First, this research is using qualitative method to gather its primary data. In addition, the participants are a limited number of companies. Thus, future researches may adopt quantitative methods to gather more information in regards of the changes that entrepreneurs bring to the team processes within founders' teams. This future research may aim to cover numerous business and try to find common patterns in what the changes might be depending on non-changeable variables such as personal traits, skills and industry experience. Second, the researcher has no previous experience in conducting studies. Therefore, he might not have think of a certain question during the interviews, which others would have. Also, one of the companies refused to be recorded and the researcher may have missed a certain information. A future research may use the same qualitative method but with extended questionnaire and more companies involved in the study. Third, although many companies are having international teams, there are numerous that do not. Future researchers may consider different cultures on the workplace and/or different business environments. In addition, this study's participants are from different countries with different business environments. Therefore, the results in such companies that have only one culture or are in different business environments may differ. Forth, future researches may consider the language barrier. This data of this research was gathered in both Bulgarian and English. However, considering the language and different cultural context, the data that was gathered may not have been completely translated. There might have been some information that was lost in the translation. Thus, future researchers may focus on gathering local data, which will help for the most accurate interpretation of the information. Fifth, in couple of the companies the new entrepreneurs were related to some of the founders. Future researches may consider companies that the new managers have no relations to the founders. Later, the results can be compared to the other types of ventures in which the new entrepreneurs are related to someone from the founders. By doing so, researchers will be able to examine whether or not there are any difference between both. Another future research may examine the different changes that appear when an entrepreneur joins a company that is started by one and then by more people. Seventh, future studies may focus on the non-anticipated changes mentioned above. They can examine how aware of them the entrepreneurs

are, could the non-anticipated changes be predicted, as well as how the results from the non-anticipated benefits reflect upon the attitude and the rewards given to the new manager. Eighth, a future research may explore on a bigger scale what conflict technique the majority of founders use when a new entrepreneur joins their venture – do they prepare in advance or deal with the problems when they occur. Ninth, the results of this study show that new entrepreneurs are hired mainly for growth. Thus, future researches could explore, if there is another reason to hire an entrepreneur but for growth. Tenth, this paper considers only the changes within the founders' team and the company. Further researches may focus on how the new entrepreneurs are influencing the employees and how the change in the founders' team is affecting the workers. To sum up, there are many opportunities of how this study's findings can be implemented in future researches. However, is should not be neglected the entrepreneurial context and how difficult is to generalize in such a diverse setting.

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Appendix A

№	Question
1.	When and how did you recognize the need of a new entrepreneur?
2.	At what stage of the venture's development the new member joined?
3.	What was the reason to consider the new member for the team? (Better access to resources/Skills)
4.	What resources/skills?
5.	How are these skills important to you?
6.	In what way the new member would contribute to the strategic goals of the company?
7.	Did the team require a start-up experience from the new member?
8.	Was the start-up experience important?
9.	Is the new member with same business/strategy views as the initial team?
10.	How is that important to the team performance?
11.	Who was responsible before for the new member's responsibilities?
12.	Why this changed?
13.	How did you find the new member?
14.	Was the new member's business network considered before hiring them?
15.	What skills the new member possesses that no one else on the team does?
16.	Why did the company not require these skills before?
17.	How did the team accept the new member?
18.	Have you considered potential conflicts that may occur due to the new member?
19.	How did you prevent them?
20.	Do you find team communication being vital to your performance?
21.	Do you give feedback to one another?
22.	How the motivation of the team changed when the new member joined the team?
23.	Why is that?

Appendix B

Company name	The member from the initial team	Total duration of the interviews with the initial member	The new member of the team	Total duration of the interviews with the new member
Birka	Ali Ismail	72 minutes	Hussein Ismail	55 minutes
Delkom	Zapryan Matev	97 minutes	Nivelina Delcheva	112 minutes
Bularmex	Dimitar Yanev	143 minutes	Plamen Iliev	127 minutes