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Ryan Matthews

Tennessee Tech University, r.lmatthews@hotmail.com

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Unintended Impacts on Entrepreneurs During COVID-19 – Pandemic Creates Unforeseeable Opportunities of a Lifetime

Ryan Matthews: Tennessee Tech University, rlmatthews@tntech.edu

ABSTRACT - Select entrepreneurs are successful for a reason. One reason being, they have been able to use their skills to execute during times of chaos and panic, sometimes using these times as an opportunity to identify and exploit new or existing opportunities. Now and then, the external business environment changes in a manner that was never imagined or planned, therefore creating unintended impacts or new opportunities. During times of chaos, will these entrepreneurs pursue newly present opportunities that were not planned, or will they stick to their comfort zone? While several studies have been conducted looking at the characteristics of the entrepreneur, or the experiences faced by the entrepreneur, there is an opportunity to expand the current literature to understand what entrepreneurs do when unplanned opportunities are presented during these times of chaos. This study draws on emergence theory to better understand characteristics of the experience. A qualitative survey of eight entrepreneurs are interviewed throughout the United States. Seven of these entrepreneurs experienced some great business opportunities during the first months of COVID-19.

Keywords – Unintended impacts, COVID-19, entrepreneur, unforeseen opportunity, chaos.

Relevance to Marketing Educators, Researchers, and/or Practitioners – The manuscript provides insights from entrepreneurs who experienced unforeseeable business opportunities during the initial months of COVID-19.

INTRODUCTION

Up to 50 percent of the U.S. population engages in entrepreneurial behavior (Shane & Venkataraman, 2000), but only 54% of businesses survive two years, and a mere 27% survive 15 years (BLS, 2015). Given these statistics, it is vital to better understand how entrepreneurs act in times of chaos when unplanned opportunities and unintended impacts are presented. These unintended impacts can be accretive or decremental to their existing business. COVID-19 has provided an excellent opportunity to better understand how entrepreneurs act in times of chaos toward unintended impacts.

Entrepreneurship is generally viewed as a process at the nexus of individuals and opportunities (Shane, 2012). Although entrepreneurship was initially characterized as a linear

process in which discovery of an entrepreneurial opportunity precedes the decision to exploit the opportunity (Shane & Venkataraman, 2000), scholars have advanced the understanding of entrepreneurship in several ways. First, the entrepreneurship process may unfold in a course that can involve numerous iterations and recursive feedback loops (Chiasson & Saunders, 2005; Sarason, Dean, & Dillard, 2006). This research suggests that as entrepreneurs act, they encounter new knowledge that can shape their overall understanding and exploitation of opportunities (Morris, Kuratko, Schindehutte, & Spivack, 2012; Shane, 2012). Second, entrepreneurs can identify multiple opportunities and select among these opportunities when deciding their exploitation strategies (Gruber, MacMillan, & Thompson, 2008). Certainly, as entrepreneurs act, one might expect that new opportunities can become evident to entrepreneurs based on the idiosyncrasies of their knowledge (Morris et al., 2012).

As an individual identifies a specific opportunity, the venture created typically differs meaningfully from the initial intent (Drucker, 1985). Specifically, entrepreneurs function in environments of uncertainty and instability (Morris & Webb, 2014). COVID-19 has highlighted both positive and negative examples of impacts on businesses. Miscalculations often occur, actions can be unintentional, and changes are emergent. The emergence of business is heavily impacted by salient (critical) events and how they occur (Morris et al., 2012). Unintended impacts and even slow emerging events often amplify and can lead to radical change (Plowman et al., 2007). Although we often look for large causes of significant outcomes, it may be more likely that a small cause initiated significant results (Gartner, 1993).

The purpose of this paper is twofold: (1) to understand how unplanned events, like COVID-19, influence unintended opportunities or impacts; and (2) to examine why individuals respond differently to the times of chaos in the entrepreneurship process. Emergence theory is applied and emphasizes the nature of individual experiences and situational factors that shape a non-linear, idiosyncratic path of entrepreneurship (Morris & Webb, 2014; Schindehutte & Morris, 2009). However, prior research indicates that entrepreneurship unfolds as a subjective process in which individual differences play a critical role in influencing entrepreneurial thought and behaviors (Morris & Webb, 2014; Plowman et al., 2007; Powell, Lovallo, & Fox, 2011). Emergence theory emphasizes a new phenomenon from uncertainty. Therefore, this study seeks to understand how individual differences of various entrepreneurs influence their perception and evaluation of their knowledge (times of chaos and unintended impacts) to influence their subsequent behaviors.

According to the emergence theory (Morris & Webb, 2014), entrepreneurs should be able to recognize and exploit high-quality opportunities because of their prior knowledge, resources, and capabilities (Tang, Kacmar, & Busenitz, 2012). Therefore, entrepreneurs are expected to more readily recognize and exploit opportunities in times of uncertainty, chaos, and unintended impacts/amplification of change. These entrepreneurs are anticipated to be relatively more alert and ready to apply prior knowledge in order to exploit higher quality opportunities.

This research seeks to make multiple contributions. First, extant research traditionally investigates entrepreneurship through linear lenses (Ardichvile, Cardozo, & Sourav, 2003; Shane & Venkataraman, 2000). However, the competitive landscape is nonlinear, requiring entrepreneurs to think in nonlinear ways (Hamel, 2000). The present study contributes to the literature by recognizing the nonlinear nature of entrepreneurship and exploring it through the emergence perspective.

The second contribution is to understand if times of extreme uncertainty (chaos) and unexpected or unplanned events can lead to more significant opportunities. Even with the amount of research that has taken place over the last 15 years, there can still be an improvement of understanding as to how the environment influences the recognition and exploitation of opportunities (Shane, 2012). By shutting the economy down for 6 – 8 weeks, COVID-19 presents an excellent opportunity to better understand unintended impacts and how entrepreneurs respond to chaotic situations and opportunities.

LITERATURE REVIEW

This section is organized as follows: First, there is a discussion of entrepreneurship. Second, a discussion of emergence theory is presented. Lastly, the variable of unintended impacts is explained.

Entrepreneurship

Shane and Venkataraman (2000) were one of the first to create a conceptual framework for entrepreneurship. The framework defined entrepreneurship as the scholarly examination of how, by whom, and with what effects opportunities create future goods and services encompassing identification (recognition), evaluation, and exploitation of opportunities. This was the first time the nexus of opportunities and individuals were brought together. Shane and Venkataraman (2000) also encompassed the definition of entrepreneurship as a process approach rather than an embodiment of a type of individual or an event (Shane, 2012). This has become the consensus definition of entrepreneurship (Aldrich & Cliff, 2003). There are many alternative entrepreneurship definitions, such as Schindehette et al.'s (2006) depiction of entrepreneurship as a mainly unscripted, unpredictable, and uncontrollable experience with the core of entrepreneurship being how it is individually experienced. Another accepted explanation is that entrepreneurship is the study of business development (Spencer, Kirchoff, & White, 2008).

The entrepreneurship literature has expanded to include many different topics, including how entrepreneurs 'make sense' of the world to imagine, identify opportunities and develop new products and services (Baron & Ensley, 2006; Cornelissen & Clark, 2010; Grégoire, Barr, & Shepherd, 2010), how opportunities are evaluated (R. Mitchell & Shepherd, 2010; R. K. Mitchell et al., 2000; M. S. Wood & Williams, 2014), and how intentions are formed for developing and pursuing (Cornelissen & Clark, 2010; Dimov, 2007, 2011; Liñán, Urbano, & Guerrero, 2011).

Theory

Emergence Theory. Emergence theory implies the creation of a new or expanded entity that is made up of that original entity and more. The prominent emergence definition provided by Standish (2008) is a concept of some new phenomenon arising in a system that was not in the system's specification to start. Alternative definitions include Kozlowski and Chao (2012, p. 335), who defined emergence as a "process by which lower-level system elements interact and through those dynamics create phenomena that manifest at a higher level in the system." Goldstein (1999) defined emergence by focusing on the across-system organization rather than on the parts or properties of parts alone. Goldstein (1999) referred to emergence as the arising of novel and coherent structures, patterns, and properties during the process of self-organization in complex systems. In summary, emergence theory involves creating something new and the generation of a

new context within which the previous state still remains (Lichtenstein, Dooley, & Lumpkin, 2006). Rather than a modification of a single entity, emergence implies the creation of a new entity which is made up of that original entity and more. Philosophers state that emergence generates a new level or type of order, an autonomous entity of sorts, that is independent of the components it comprises (Goldstein, 1999).

Emergence has a long history dating back to 1875 from English philosopher G. H. Lewes. Lewes's work was in chemical reactions from chemical compounds. He proposed that emergence arises out of joint activities, but in a form that does not exhibit the agent's actions (Goldstein, 1999). Extant research has found emergence leading to nonlinear activity and novel outcomes. As emergence evolved over the last 140 years, it includes many phenomena, as listed in Table 1.

Table 1: Emergent Phenomena

Emergent Phenomena Demonstrate the Following:	
Phenomena discussed more thoroughly in the present manuscript:	
Adaptive Systems	A motivated instigator that serves as the stimulus for change, reflecting a network of interactions.
Non-Linearity	Beyond the notion of non-linear feedback loops, they also include "small cause / large effect" non-linear events
Disequilibrium (far-from-equilibrium)	Beyond the notion of homeostasis to include amplification of random events and dissipative structures in far from equilibrium conditions
Subjective	Perception of the individual's behaviors and cognitive decision-making reality to lead the emergence of uniquely different opportunities

Emergence Overview. Emergence theory concerns how the interactions lead to the creation of new emergent states (McKelvey, 2004). The nature of the properties includes some properties like adaptive systems or tensions and non-linear change (unpredictability and amplification) (Morris & Webb, 2014). Adaptive systems refer to a motivational instigator that serves as the stimulus for change (Lichtenstein, Carter, Dooley, & Gartner, 2007). For the sake of this article, COVID-19 is a stimulus for change. Adaptive systems reflect the network of interactions (Lichtenstein & Plowman, 2009). In complex adaptive systems, agents in the system can recognize the meaning of a given exchange and adjust their behaviors to the definition within the system. As this occurs, the system changes and is not the same system as prior (Lichtenstein & Plowman, 2009). When adaptive systems are in a disequilibrium state, small fluctuations can bring unanticipated and substantive changes to other parts of the system (Dooley, 1997). An example could include the financial crisis of 2008 in which banks did not trust each other, causing the flow of money to slow and impacting the working capital of very large and solvent multi-national companies.

Non-linearity, on the other hand, means that reciprocal interactions create results that are often amplified and thus impossible to predict (Lichtenstein & Plowman, 2009). Non-linearity allows information to become amplified and move quickly through the system, whereas stable

systems tend to buffer and diminish fluctuations (Dooley, 1997). Non-linear interactions can occur in meaningful interactions leading to unexpected and mutually supportive outcomes (Plowman et al., 2007). Non-linear change can create an unintended path, diverging from the initially intended course (Schindehutte & Morris, 2009). Various situations can occur, making non-linear change resulting in fluctuating stages on non-linearity, including unpredictable market conditions, industry changes, new technology, and or legislation (Brush, Manolova, & Edelman, 2008; Goldstein, 1999, 2000; Katz & Gartner, 1988). Such unpredictability will either lead the entrepreneur to strengthen his action or to re-focus behaviors on different goals. Alternatively, non-linear change can be more than a simple digression from an initially intended path; it can be amplified to transform the entrepreneur's final structure (Plowman et al., 2007). As such, alertness to new opportunities while leveraging prior experience in non-linear environments can lead to activities that diverge from an initial business plan.

Disequilibrium (far-from-equilibrium) is a state – ongoing, systemic condition -that has been shown to increase performance and innovation (Nonaka, 1988). Sometimes when pushed to a disequilibrium state, highly complex behavior is displayed, creating contradictory forces full of surprises (Plowman et al., 2007). Non-linear mechanisms will sometimes drive change forward as the disequilibrium state approaches (Meyer, Gaba, & Colwell, 2005). A new order can emerge under disequilibrium conditions. As some of these disequilibrium processes initiate, the new order is created, and emergence occurs (Lichtenstein, 2009).

Subjective emergence is also an essential facet of emergence. Subjective emergence states that a key driver of decisions and behaviors is perceptions (Morris & Webb, 2014). The business experience aids as a method which impacts the entrepreneur's perception of reality (Morris et al., 2012). As individuals develop competencies, expand their knowledge, create new knowledge, entrepreneurs grow, and expand their cognitive abilities, enhancing their capability to recognize new opportunities (Tang, Kacmar, & Busenitz, 2012). As these individuals become better able to assimilate pieces of information, they may realize the importance of new market conditions, regulatory changes, and or technology shifts that accelerate the pace of emergence. Priority is not only the emergence of the entrepreneur but also the emergence of the opportunity and the venture (Morris & Webb, 2014).

Emergence in Entrepreneurship. The emergence theory offers much promise for advancing the understanding of entrepreneurship. Within entrepreneurship, limited attention has been devoted to emergence (McKelvey, 2004). Emergent phenomena are in constant change with non-linear development, largely uncertain and with increasing complexity. As a result, linear theoretical models are poorly equipped to capture entrepreneurial emergence when recognizing and exploiting opportunities. Katz and Gartner (1988) found that a lack of structural inertia enables the organization in the early stage to experiment and alter approaches without incurring substantial costs. Gartner (1993) proposed a vocabulary for emergence in entrepreneurship, arguing that the methodology of discussing emergence affects the ability to think about it. This vocabulary influences the ability to think about the emergence phenomena. Gartner encourages more integration of terms such as equivocal (of unintended impacts), variation (the extent to which or the range in which a thing varies), and genesis (the origin or coming into being of something). Brush and colleagues (2008) empirically extended and validated the findings of Katz and Gartner (1988) that order and start-up activities are non-linear. They also found entrepreneurs that grew their businesses at a slower pace were more likely to successfully organize than those that grew quickly. As a result of this quick growth, resources may not be adequately aligned, founding

members do not have the same control, exchanges across organizational boundaries can become taxed, and external stakeholders may increase influence. These factors can all negatively impact fast growth organizations (Brush et al., 2008).

Unintended Impacts/Amplification of Change

Often, actions amplify with an initial trivial change, and although not intended to do so, interact with other small changes to become radical change (Plowman et al., 2007). These interactions of extraneous amplification leading to radical change can be slow and emergent (Morris & Webb, 2014). For example, a virus moves from an animal to a person in China. This virus is highly contagious, and within six months, this virus has moved into most of the countries around the world. A virus is an unfolding event that then grows into unforeseen outcomes. Another example is from Plowman et al. (2007), which described how initiating a Sunday morning breakfast for homeless turned into an expansive offering of services that included full-scale medical, dental, optical, legal assistance, job training, laundry services, shower facilities, and providing over 20,000 meals per year.

Lichtenstein, Dooley, & Lumpkin (2006) identify three modes of organizing an entity: vision, strategic organizing, and tactical organizing. When significant shifts occur in each of these modes simultaneously during the creation process, the result is described as an “emergent event.” Such changes typically happen in one synchronized surge rather than incrementally (Lichtenstein et al., 2006), and thus can lead to radical (discontinuous) divergence from what was initially intended (Schindehutte & Morris, 2009). Then, a minor change leads to other minor changes, that may ultimately result in a substantial outcome in creating the business. Minor changes defined as “small” include the following: 1) did not require a significant outlay of resources, 2) did not require a reorganizing of other programs or activities, 3) were initiated informally as an “experiment” by members, and 4) had no intended goal or timeline associated with it (Plowman et al., 2007). Components of these unintended impacts/change amplification can come in many forms; however, for the sake of this research unintended, impacts will be the focus.

RESEARCH METHODOLOGY

This research is based on interpretative phenomenological analysis (IPA). Interpretative phenomenological analysis (IPA) was developed by Jonathan Smith and colleagues (Jonathan A. Smith, Jarman, & Osborn, 1999) to inform both research design and analysis. In the entrepreneurial domain, such IPA articles have gained momentum (Berglund, 2007). Times of COVID-19 presents a unique opportunity to apply IPA. The strength of a qualitative research design is to provide situated insights, rich details, and visual descriptions. By paying close attention to the process and context, a descriptive richness is provided.

This research aimed to develop a detailed “phenomenological hermeneutical” conceptualization that targeted entrepreneurs lived experience during the early months of COVID-19. Interpretative phenomenological analysis (IPA) moves beyond description to provide “theoretical insight” into the impact and experience of living through COVID-19. Detailed thematic descriptions are provided as to what it felt like to manage a business as the economy was virtual shut down for the first time in these entrepreneurs’ lives.

Sample and Data Collection

IPA sampling is purposeful, and the methodology defends the use of small samples. A unique feature of IPA is a commitment to producing a detailed interpretative account grounded in a participant's unique lived experience. Six to eight participants are suggested as a sufficient number of participants in a typical IPA study (J.A. Smith & Eatough, 2006). IPA researches must be pragmatic in choosing participants, mainly where the topic under research is rare, and issues of accessibility and willingness to participate are problematic. In the case of entrepreneurs, some of the interviewees were initially very hesitant to disclose their thoughts and re-live the early parts of COVID-19. IPA's strength and credibility with smaller sample sizes rest on theoretical (not empirical) generalizability (Ram & Jones, 2008).

The fieldwork phase of a study is described as the most potent means of attaining an in-depth understanding of another person's experiences (Thompson, Locander, & Pollio, 1989). The goal of these phenomenological interviews was to gain a first-person description of their specified COVID-19 experience. The interview began with a broad question – “Can you tell me about your business experience of working through COVID-19?” Following this open-ended question, the interview questions were loosely structured. Subsequent questions were derived from the dialogue. A list of open end of open-ended questions was created, if the conversation did not have a natural flow. Introduction questions included basic questions like – name, years of experience, an overview of the business, and the number of employees. General discussion questions ask reflection and a day in the life type of questions. Deeper level discussion topics were open-ended and followed up with detailed questions. Probing questions were used to follow-up on insights and to encourage elaboration.

The interviewer was targeting a mixed sampling of entrepreneurs from a wide selection of industries. Target industries included outdoor recreation, commercial real estate appraiser, real estate broker, leader of a sizeable non-for-profit, an attorney, engineering services, new business start-up, and a restaurant owner. Each target was identified through a personal network.

Each discussion ranged from 25 – 45 minutes. The timeframe of the discussion was from 1 March 2020 up to the interview date. All interviews occurred between mid-July to end of September 2020. The average years of entrepreneurial experience averaged 31.25 years. All eight interviewees were male.

Data Analysis

It is critical to demonstrate rigor through the inclusive articulation of data analysis while articulating qualitative entrepreneurship research (Leitch, Hills, & Harrison, 2010). Interpretative phenomenological analysis (IPA) is a newer approach to phenomenological inquiry. IPA provides a clear set of thorough guidelines. IPA is not a prescriptive methodology and does allow for individual flexibility (J.A. Smith & Eatough, 2006). IPA is systematic in procedures. However there is a fundamental process in moving from descriptive to interpretative. The method does not claim objectivity through the use of complex formulas and procedures. IPA is inductive and ideographic, starting with a comprehensive analysis of one case and then moving to a thorough analysis of subsequent issues (J. Smith, 2004).

Generalizability does occur when a small sample size exists in qualitative research techniques. Given this, it was sought to obtain individualized knowledge that provided

contextualized, fine-grained accounts. Berglund (2007) stresses that such investigations and interviews are capable of developing both new theoretical constructs and enhancing the fidelity of research by bridging gaps in life occurrences and theoretical concepts. An effort was made to use imagination and think of connections with relevant literature.

Outcomes from this analytical process are developed in the following FINDINGS sections. The core theme of unintended impacts is presented. The FINDINGS section is led by theoretical analysis and then followed by experiences from each entrepreneur.

FINDINGS

The following experience section explicitly details unintended impacts while navigating the early months of COVID-19. The aim was to explore the power and learning outcomes from unintended impacts. Unintended impacts can create positive or negative outcomes. From the entrepreneurs interviewed, positive unintended impacts are described. The following sections explore the immediate impact of unintended impacts and then proceeds to examine how entrepreneurs reacted and navigated through chaos during the initial months of COVID-19. This section will include a brief analysis of the construct unintended impacts and then be followed by examples and lived experiences.

Unintended Impacts

Analysis. Unintended impacts occur when small changes interact with other small changes though not intended to become radical change (Plowman et al., 2007). A primary focus of this article is how an opportunity changes due to small changes that amplify into an unforeseen change not originally expected. COVID-19 created an opportunity for some entrepreneurs that would not have been imaginable at the start of 2020.

Unintended impacts can emerge from a process with phenomena that are adoptive, non-linear, in a state of disequilibrium, and subjective. Other phenomena include macro, dynamic, radically novel, and irreversibility (Brush et al., 2008; Goldstein, 1999, 2000; Katz & Gartner, 1988; Ulieru & Este, 2003). Emergence theory is often cited for its explanatory power and generalizability across a wide variety of contexts. Emergence suggests a capability to change and learn from experiences amid unknowable outcomes, complex issues, and ambiguous choices (Morris & Webb, 2014). It is important to note that emergence occurs during the process of interacting and is not a result of an output (McKelvey, 2001).

The emergence process is gradual and iterative, in which entrepreneurs continuously evaluate the prospects of their opportunities (Dimov, 2007). These opportunities can be unforeseen and be created from the external environment. Unintended impacts can also come from the external environment. Entrepreneurial prior experience, whether individual or industry expertise, can provide considerable assistance related to identifying and undertaking steps when navigating through the uncertainties associated with recognizing, establishing, and managing new business opportunities (Dimov, 2010). Serial and experienced entrepreneurs can make more elaborate business decisions as they have learned from prior experience when considering various alternatives (Gruber et al., 2008). More experienced entrepreneurs will likely demonstrate a higher

tolerance for uncertainty and capitalize on these unforeseen, unintended impacts. This study had entrepreneurs with an average experience of 31.25 years.

Experiences. This section seeks to expound upon the interdependence of COVID-19 and unintended impacts. Seven of the eight entrepreneurs experienced exceptional business environments. The experiences of the participants illustrate how unforeseen events from the external environment can create unforeseen, unintended opportunities. Listed below are seven of the eight participants' personal experiences during the early phases of COVID-19.

The first entrepreneur purchased an outdoor recreation store in March 2019. The business case at the time of purchase was developed based on a 10-year payback. When COVID-19 started in March 2020, the store owner immediately added ammunition sales to become an essential business – thus, allowing them to stay open for business. By March 19, 2020, their business started to surge. This surge lasted through July 4th weekend. Older and younger demographics wanted to get out of the house while social distancing, while extended unemployment started paying the ~24% unemployed an additional \$600 per week. Many people were laid off with nothing to do. The State of Michigan had one of the most stringent shut downs, and Michiganders started crossing the border to Indiana for recreational opportunities. This outdoor business was less than two miles across the Indiana Michigan border in Indiana. No one would have ever thought that Michigan could go from 3% to 24% unemployment in less than ten weeks. Competitor outdoor stores were closing and or reducing hours in a 10 to 15-mile radius, which created an additional lift in sales. People who had not fished in 20 – 30 years were in the store purchasing fishing equipment. By the end of June, traffic in the store had increased 5X. The business case developed in March 2019 had decreased from a 10-year to 5-year payback by July 2020.

A few business decisions early months of COVID-19 had a significant impact on revenues. The entrepreneur decided to purchase as much inventory as possible, which enabled the 5X increase in sales. At the beginning of the pandemic, distributors were in a panic to get rid of inventory. This entrepreneur purchased all the inventory he could find in March and April. By the end of June, inventory was significantly constrained. Distributors had decreased their inventory significantly, manufactures had been shut down for 6 – 8 weeks, and the main ports on the west coast were only working 10% - 30% capacity. By June, orders were only being filled at 25% - 30%, and instead of taking a week – it would take 6 – 8 weeks. This outdoor recreation retailer summarized his conversation by saying, “I never worked as much or had a more profitable time during the early months of COVID-19.”

Three of the eight entrepreneurs interviewed were all in the real estate industry. Each represented different real estate segments: a commercial real estate appraiser, residential real estate broker, and a real estate attorney. All of these people have been in their field for over 30 years. Although each of the people had different experiences, their experiences were similar. Everyone had some of the busiest and most profitable times in their career. During each interview, additional dialog occurred to better understand how each of the entrepreneurs could have experienced one of their most profitable times as the economy was significantly slowed for 6 – 8 weeks. In each scenario, there was a similar situation in that many small factors (people tiered of being inside, people want a bigger house, interest rates dropped to record lows ...) emerged to create united impacts to a significant event.

The real estate broker and the business owner described his experience as follows. Once the State of Indiana started to unwind, the lockdown, people came out in droves to purchase a

property. He stated, “Over the last ten years, I would generally have 40 – 50 listings, and my company would have 100 + listings (including other realtors in the office). When the lockdown started to unwind in May – business exploded.” He continued, “I don’t know how I could have done more. I didn’t take any time off, that’s for sure. This lasted for many months. I have always worked many hours every summer, but this year it was like – WOW! It never stopped. I never dreamed anything like this could happen. And, now, I understand that it can.” By the middle of September, sales had started to slow significantly. Inventory had been depleted, and there wasn’t anything left to sell. He concluded by saying, “There is no inventory to sell. I don’t have one house listing. No one in the industry has ever heard of this happening. Well, the next two or three months will be slow as inventory starts to rebuild.”

The commercial real estate appraiser had a similar comment in that he stated his business by August 2020 had exceeded in revenue terms what was accomplished in all to 2019. He said, “It appears during the lockdown that attorneys and doctors had time to think about their next real estate project. As the lockdown started to unwind, my phone did not stop ringing. Different type of projects was coming from multiple directions. These opportunities were way beyond traditional bank work.” The real estate attorney had similar comments about his business. He stated, “more business was finding us than we could handle. He added, “my son would get up at three or four in the morning and work all day. He was doing this for months. We have never worked so hard in our lives. We could see that people were paying \$10,000 - \$30,000 more than asking prices for houses. We referred to this as reckless fiscal abandonment.” When asked if he had ever seen a business environment like this in the last 40 years and what usually follows, he stated, “I have not seen anything like this, especially to occur so quickly. When a business climate spikes this fast, it can go the other direction just as quickly. Who knows! I made sure to manage my debt down in preparation.”

The fifth entrepreneur is a small business acquirer out of the southwest. Their firm likes to acquire small businesses under \$5M in annual revenue. In early March 2020, he was part of a team purchasing a closed ammunition manufacturing business. During the March due diligence process – the jaws of COVID-19 were becoming better understood. The acquisition closed in the middle of March, just as lockdowns were going in place. This ammo business had been shut down for 17 months and had about 25% of the purchase price was in finished inventory. The buyers thought they should be able to sell the inventory to bridge any negative impacts during COVID-19. As lockdowns extended in duration, civil unrest spread across the county, and people grew more concerned about November 2020 elections. From April through September – gun and ammunition sales grew 3X across the country. As a result of these unintended impacts – ammunition manufacturers could not produce quick enough, and retail store shelves were empty in the ammunition aisle. The entrepreneur business owner stated, “After verifying we had all the correct federal permits and developing a website to sell ammunition, we launched our site hoping to sell the inventoried ammo over a multi-month period. At the end of the first week, we had sold most of our inventory and have not looked back. We are selling our product at 2X of our most aggressive business case and cannot keep up with orders.” The entrepreneur concluded his discussion by saying, “we never saw so many factors coming together and creating such a phenomenal business environment during a pandemic.”

The sixth entrepreneur is an immigrant from Palestine. He has lived in the United States for over 30 years. He was a limo driver and cab driver in New York City for 15 years and had owned multiple restaurants. His current business venture was a restaurant offering Middle East

cuisine in a Midwest city. His description of the restaurant business was blistering. Stress was unbelievable, stating that he had lost 20 lbs. this year. Due to government restrictions, he had to modify his restaurant and was only allowed to offer carry out and outside dining. At least seven restaurants had closed within a 2-mile radius. With a big smile, he states, “My business is up 15% this year”. He goes on to say, “My customers adopted me. One customer gave me a \$2000 tip. It was not unusual to have customers order \$13 of food and leave a \$50 tip. My customers kept telling me not to quit.” After spending a few hours with this entrepreneur, it was clear that he loved his customers, had become a part of their family, and the feeling was mutual. It was going to take more than a pandemic before his customers would let his business fail.

The last entrepreneur happened to lead one of the largest car museums in the country. December 2019 was his entry point into daily operations. On March 10th, the State of Michigan had its first COVID-19 case. By March 15th, the museum was closed to the public due to a governor stay at home order. After being closed for 89 days, the museum was allowed to re-open on June 8th with limited capacity. During the close, the not-for-profit museum decided to reinvent themselves and come out of the closure stronger than when they entered. The operations team was laser-focused. The team met daily and weekly with all employees. Action registers and balanced scorecards were some of the tools to drive action. The president did say, “getting in the government PPP program was a short-term bridge in keeping the 30 team members employed during the shutdown.” He also added, “living through the experience is much different than looking back. Each Thursday, we had a plan as if we were going to open the following Monday. We were always ready but did not get the green light for 12 weeks.” They changed their vision from being a car museum to being an events center in an automotive environment. In July, the museum launched outside events with two sold-out drive-in concerts. Their reinvention also includes events to attract new demographics. Their attendance is down but is growing every week. The president ended the conversation by saying, “if it had not been for COVID-19 and all the chaos - we would not have such a bright future.”

DISCUSSION

This research has demonstrated the need for “entrepreneurial flexibility” with COVID-19 and the unintended impacts or unforeseen opportunities created in times of panic and chaos. Integrating qualitative research with emergence theory helps explain what a select group of entrepreneurs experienced in the early months of COVID-19. As discussed above, emergence theory helps explain the creation of a new or expanded entity made up of that original entity and more. Standish (2008) explained that a concept of some new phenomenon is arising in a system that was not in the original system’s specification. In summary, emergence theory involves the creation of something new within which the previous state still remains (Lichtenstein et al., 2006).

In looking over the interviews, one theme remained constant. The quality standards that a person lived by and reputation built was extremely high in their industry. These seven entrepreneurs did not have a mote around their business or IP securing its success. They did have a reputation for doing business right and with the highest quality standards. When the markets turned into an abnormal spike during COVID-19 - each of these entrepreneurs were winners. The marketplace sought out these individuals and wanted to do business with them when the economy was being shut down. Consumers were uncertain of what to do and where the future was going. Not all outdoor recreation stores, real estate attorneys, real estate brokers, commercial real estate

appraisers, restaurant owners, and or small business owners participated in the opportunities granted to the group of entrepreneurs interviewed for this article.

Future research could include interviewing customers of the entrepreneurs to better understand the common traits of winning entrepreneurs. Following entrepreneurs through the entire cycle of unforeseen events may produce a different picture versus looking at an entrepreneur's performance in the early cycle. Lastly, looking at other demographics of entrepreneurs - whether experience level, race, and or gender.

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