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An Explorative Study of How Serial
Entrepreneurs Learn from Failure

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Acknowledgments

It is a pleasure to present this thesis to you!

After five years of trial and error, learning, and victories, this feels like a very fitting culmination. The thesis you are about to read has been a journey. It started with a bachelor's in creativity, innovation, and business development, during which I built my own startup that continued into this master's degree. After four years, we closed the business right as the work on this thesis began. The topic of this thesis has been a reflection of my journey. I entered this endeavor questioning whether one can truly learn from failure. This submitted thesis is a conclusion and a resounding yes in itself. So, it is appropriate to express gratitude!

I would like to extend my gratitude to everyone who participated in the interviews. This thesis would not have been possible without you. Thank you for your time, honesty, and valuable perspectives. Your resilience inspires me.

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And now, to my husband, family, and friends. Thank you for your support in trial and error.

Now, all that remains is to wish you a pleasant reading experience.

I hope this thesis can provide some valuable perspectives.

god blessing!

Abstract

This master's thesis aims to explore how serial entrepreneurs learn from failure. Failure, defined as a deviation from desired results, has been increasingly recognized as a catalyst for learning and growth. Literature suggests that serial entrepreneurs have the potential for higher performance levels due to the lessons learned from past failures. Consequently, it is relevant to investigate *how* serial entrepreneurs learn from failures. To address this, a qualitative exploratory study is conducted, basing the empirical foundation on in-depth interviews with eleven serial entrepreneurs.

The research revealed that the participating serial entrepreneurs perceive failure as a catalyst for growth and consider it an integral part of their entrepreneurial journey. Death and resurrection exist in a union. Resilience emerges as a critical factor in how they handle failure. However, the respondents indicated limited concrete actions aimed at learning from failure. Most entrepreneurs adopt an internalizing approach, relying on intuition, practical application, and hands-on experience. The findings suggest an imbalance between the perceived importance of learning from failure and the actual implementation of concrete actions. In the thesis, a combination of structured learning processes and network-related factors is proposed to enhance how serial entrepreneurs can capitalize on failure. By integrating current practices with theoretical insights, recommendations for improving the utilization of failure as a valuable learning opportunity are provided.

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*“Success is not final, failure is not fatal:
It is the courage to continue that count.”*

- Winston Churchill

1 Introduction

1.1 Background

Entrepreneurs face a high rate of failure, with only 26.5% of startups in Norway surviving for over five years (Klimas et al., 2021; SSB, 2022). Most startups fail in the early stages of their life, and few grow to become medium-sized (Dahl & Reichstein, 2007). The early stages of a startup, known as the valley of death, threaten the firm's survival due to uncertainty and negative cash flow. It is argued that 90% of new firms never make it through this valley (Markham et al., 2010; Patel, 2015).

The high failure rate in the startup industry has prompted researchers to examine the significance of failure in business. Scholars such as McGrath (2011) and Tahirsylaj (2012) support the notion that innovative firms should embrace the concept of failure as a catalyst for learning and growth. They assert that organizations often learn more from their failures than their successes (Baumard & Starbuck, 2005). Failure can be perceived as a steppingstone toward improvement (Gupta, 2005). Edmondson (2011) claims that organizations prioritizing learning from failure have a higher probability of surviving in a constantly evolving world.

While many organizations acknowledge the importance of learning from failure, few do so. Organizations fail in failing (Edmondson, 2011). Business leaders usually rate their ability to learn from mistakes at a 2 out of 10 (McGrath, 1999). According to psychological studies, people tend to learn more effectively from successes rather than failures, as failure can harm one's self-image (Eskreis-Winkler & Fishbach, 2019). However, Cannon and Edmondson (2004) emphasize the significance of learning from failures, highlighting that it requires the ability to identify and analyze them accurately. They stress that organizations should strive to both learn from their mistakes and intentionally engage in "failing intelligently" in order to drive innovation and continuous improvement (p.316).

Many researchers have explored the entrepreneurs who have failed. Some exit the marketplace permanently due to emotional or financial loss (DeTienne, 2010).

However, research also suggests that many start new firms. Therefore, the research examines the learning effects of previous failed entrepreneurial experiences. Serial entrepreneurship, in particular, has the potential to result in greater performance levels due to the accumulation of knowledge from past failed experiences (Laufente et al., 2022; Sarasvathy, 2012; Ucbasaran et al., 2010). Understanding how serial entrepreneurs learn from failure is, therefore, a valuable insight to the entrepreneurial field (Laufente et al., 2022; Sarasvathy, 2012).

This master thesis aims to contribute to the limited but growing body of research on how serial entrepreneurs learn from failure. The problem statement and research questions have been formulated based on the significance of this topic and the calls for further empirical studies in this field (Laufente et al., 2022; Sarasvathy, 2012).

1.2 Problem Statement and Research Questions

This thesis examines serial entrepreneurs' experience of utilizing failure as a learning opportunity. The objective is to learn how serial entrepreneurs approach and learn from failure. The hope is that this enhances the understanding of the learning process in an entrepreneurial context. The intention is to provide guidance to entrepreneurs in effectively leveraging failure as a steppingstone toward success. The problem statement is:

How do serial entrepreneurs learn from failure?

To highlight different aspects of the problem statement, the following research questions are chosen:

- RQ1: How do serial entrepreneurs perceive failure?
- RQ2: Which actions are identified to enable learning from failure?
- RQ3: What actions can be implemented to facilitate learning from failure?

RQ1 aims to uncover the perception of failure among serial entrepreneurs. Cannon and Edmonton state an individual's capability to identify and analyze failures is vital to the learning outcome. Both social and technical factors can obstruct this learning process. It is therefore helpful to understand the respondents' relationship to failure. RQ1 provides insight into the current attitudes towards

learning from failure among serial entrepreneurs and lays the foundation for the practical implications of the thesis.

RQ2 aims to discover the specific actions utilized by serial entrepreneurs in learning from failure. Where RQ1 aims to understand attitudes and perceptions, RQ2 want to look closer at explicit measures made to draw learning from failure.

RQ3 seeks to propose actions that enhance learning from failure. The aim is to identify practical methods that entrepreneurs can adopt or to determine if any support can be provided to aid serial entrepreneurs in their learning process from failures. Based on the empirical data and relevant theoretical concepts, the research will identify best practices to enhance entrepreneurs' capacity to learn from failure. These findings will contribute to the development of practical implications aimed at improving the learning process for entrepreneurs.

1.3 Structure of the Thesis

This master thesis is structured into six chapters, each serving a specific purpose in addressing the problem statement. Chapter 2 establishes the theoretical foundations of the study, while Chapter 3 outlines the methodology employed. The findings are presented in Chapter 4, followed by a discussion of the results in relation to the theoretical framework in Chapter 5. Finally, Chapter 6 serves as the conclusion, aiming to provide an answer to the problem statement.

2 Theoretical Background

This chapter aims to establish a theoretical framework that serves as a basis for analysis, discussion, and addressing the problem statement. It begins with a definition of serial entrepreneurship followed by an overview of elements of entrepreneurial learning. Further, failure is defined alongside the barriers to learning from failure. The processes enabling learning from failure, including identifying, analyzing, and deliberately experimenting, is further discussed. Lastly, the chapter concludes by providing an overview of the relationship between serial entrepreneurs and failure.

2.1 Serial Entrepreneurship and Entrepreneurial Learning

Schumpeter (1934) defined innovation as “new combinations of existing resources” (p.65) and entrepreneurs as “individuals who exploit market opportunity through technical and/or organizational innovation” (Schumpeter, 1965). This leads to a pursuit of entrepreneurial ventures, which often results in a high rate of failure. Despite this, many entrepreneurs persist in starting multiple ventures over time (Dabić et al., 2021). Research indicates that 50% of new entrepreneurial endeavors are undertaken by individuals with prior entrepreneurial experience (Ucbasaran et al., 2010).

2.1.1 Serial Entrepreneurship

Dabić (2021) defines serial entrepreneurs as entrepreneurs who exit one venture before entering a subsequent one. The exit can be due to selling or closing (Hyytinen & Ilmakunnas, 2007). This thesis focuses on serial entrepreneurs, distinct from novice entrepreneurs (those embarking on their first venture) and portfolio entrepreneurs (those managing multiple operations concurrently). The focus of this study is motivated by two reasons:

1. Research claims that serial entrepreneurs improve from past entrepreneurial experiences (Laufente et al., 2019). This is relevant to the second research question (RQ2), which aims to understand the mechanisms of improvement through negative experiences.
2. The need to delimit the project’s scope, given the limited space in the thesis.

2.1.2 Entrepreneurial Learning

The study of entrepreneurial learning is crucial to comprehend the reasons behind successful entrepreneurship and overcoming failure. There have been numerous research efforts in this area, one of them being learning from failure (Schou et al., 2022), which will be the focus of this thesis.

Studying entrepreneurial learning is also vital because it plays an important role in the success of a venture. It helps entrepreneurs improve their products, skills, and overall business. It also helps them recover from setbacks (Cope, 2011). Further, it is a central part of the effectuation process that drives a lot of entrepreneurship and venture creation (Sarasvathy, 2001). Effectuation is a process that emphasizes leveraging existing resources and creating possible effects based on these. In contrast, causation focuses on a desired effect and selects means to create that effect (Sarasvathy, 2001, p. 245). Learning is integral to effectuation, enabling entrepreneurs to adapt and make informed decisions in uncertain environments. To further understand the learning process, we will look into three theories applied to entrepreneurial learning and learning processes.

Firstly, we will look at the experiential learning theory, defined as the creation of knowledge through transforming experiences (Kolb, 1984). The learning cycle, described by Kolb, involves the continuous formation and reformation of ideas through action, experience, and reflection (Schou et al., 2022). This theory is applied in several contexts, including the Agile and Lean Startup frameworks, both widely adopted by entrepreneurs. These frameworks share a common focus on hands-on experience, iterative processes, and validated learning in developing and launching new products or services. The Agile approach prioritizes adaptive planning and the early delivery of usable products (Martin, 2002), while the Lean Startup methodology utilizes the Build-Measure-Learn feedback loop to minimize waste and accelerate time to market. It focuses on increasing the chances of success through rapid experimentation and validated learning (Ries, 2011). They both emphasize the significance of experiences in the process of entrepreneurial learning.

A second theory on the learning process is Argyris' (1976) distinction between single and double-loop learning. Single-loop learning involves making

adjustments and improvements within existing frameworks, while double-loop learning entails questioning and challenging those frameworks to drive transformative change. Single-loop learning focuses on problem-solving, while double-loop learning focuses on questioning and reframing underlying beliefs and values that shape actions and decisions.

Thirdly, Dutta and Crossan (2005) examine entrepreneurial opportunities using the 4I Organizational Learning Framework. The 4 I's—intuition, interactions, improvisation, and institutionalization—play key roles in this process. Intuition involves recognizing opportunities through hunches, gut feelings, and tacit knowledge, while interactions emphasize collaboration and social networks for opportunity identification. Improvisation is about experimenting and learning through trial and error. Lastly, institutionalization involves creating formal structures and systems that support ongoing learning and innovation, such as procedures, culture, and incentives. We will now dive deeper into the area of failure and the learnings from it.

2.2 Failure

Cannon and Edmondson (2004) define failure as deviation from expected and desired results (p.300). These can be grouped into three categories: avoidable errors, inescapable outcomes of risk-taking, and deliberate experimentation. *Avoidable errors* refer to mistakes that could have been prevented with better processes, training, or communication, providing opportunities for organizational growth. *Inescapable outcomes* of risk-taking are consequences inherent to taking on challenges in complex systems and pursuing innovation. *Deliberate experimentation* involves intentionally taking calculated risks to learn and improve through testing and implementing new ideas in a controlled manner. This definition of failure includes technical (e.g., failure in product development or systems) and interpersonal failures (e.g., lack of feedback) (Cannon & Edmondson, 2004, p. 300).

Early literature on failure in organizations reveals an attitude towards failure as detrimental, where managers take part in what Edmondson (2011) calls the blame game, and desires to reduce the risk of failure (March & Shapira, 1987). Nevertheless, a significant amount of emergin literature argues that failure

functions as a platform to learn, innovate and improve (e.g., Cannon & Edmondson, 2004; Cope, 2011; Dabić et al., 2021; Lafuente et al., 2019; McGrath, 1999; Sheperd, 2003). Research has also called attention to barriers preventing learning from failure.

Cannon and Edmondson (2004) suggest that while many organizations prioritize learning from failure, they often struggle to implement these processes effectively. The authors attribute this issue to both technical and social barriers. Technical barriers refer to the absence of systems and procedures to record and disseminate organizational failures. The social barriers are cultural and psychological barriers that inhibit learning from failure (2004, p. 302).

We will further examine how Cannon and Edmondson (2004) propose overcoming technical and social barriers. The aim is to facilitate learning from failure and drive innovation and improvement.

2.2.1 Key Processes Enabling Learning from Failure

Cannon and Edmondson (2004) present three key processes for learning from failure; *identifying*, *analyzing*, and *deliberate experimentation*.

Identifying failure is considered the first and most critical step in learning from failure. Cannon and Edmondson (2004) emphasize the importance of developing routines to identify failures early on, as small failures can act as warning signs and prevent later scandals. Edmondson (2011) notes that social barriers to identification can be that humans are often taught that recognizing failure equals taking the blame. Corporations «shoot the messenger,» criticizing the person that reports the mistake even though they are not culpable (Cannon & Edmondson, 2004, p. 314). Although only a few mistakes are conscious, most failures are treated as if they were, and failure becomes a synonym for loss of face (Baumard og Starbuck 2005, 283; Edmondson 2011). Therefore, the leader should foster a culture of identifying failures by sharing new ideas, identifying their own mistakes, welcoming constructive feedback, and rewarding the messenger (Cannon og Edmondson 2004, p. 305, 312, 314). Collins (2011) suggests focusing on the cause of failure rather than assigning blame.

Technical barriers to *identifying failures* often arise from the ambiguity of small failures within complex systems. To address this challenge, Cannon and Edmondson (2004) suggest developing information systems that effectively capture and organize data, facilitating the detection of anomalies. Additionally, it is vital to have access to systems analysis expertise (p. 312).

Analyzing failure is the second process to facilitate learning from failure. Cannon and Edmondson (2004) argue that learning from failure is futile without properly analyzing mistakes (p.306). Soyer and Hogarth (2023) further emphasize the significance of thorough analysis to avoid drawing incorrect conclusions. However, conducting a comprehensive analysis can be impeded by shallow discussions during failure analysis and the fear of addressing sensitive issues. Overcoming these barriers requires individuals to take personal responsibility and set aside the pressure to appear flawless. By conducting a thorough analysis, organizations can maximize their ability to learn from failure. Additionally, sharing the lessons learned across teams becomes crucial to derive broader value from the failure (Baumard & Starbuck, 2005; Cannon & Edmondson, 2004).

Technical barriers in *analyzing failure* often stem from lacking skills and techniques to extract lessons from failures. Cannon & Edmondson (2004) propose structuring formal sessions following specific guidelines to facilitate effective failure analysis. Additionally, ensuring the availability of data analysis expertise is crucial in overcoming these barriers (p.312). Cannon & Edmondson (2004) highlight the inspiration drawn from pilots who invest significant time gathering and analyzing data to understand what occurred and extract valuable lessons (p. 306).

Identifying and analyzing failure is associated with unintentional mistakes, helping organizations derive value from failure. *Deliberate experimentation* embraces failure proactively, recognizing it as an essential outcome of experiments conducted with the primary goal of learning and innovation. Ideas and hypotheses are tested in a controlled environment. Cannon and Edmondson (2004) assert that organizations that engage in experimentation are more likely to be innovative and successful than those that do not (p.309). Social barriers that impede experimentation include the fear of penalties for failed experiments. To encourage a willingness to embrace failure as a learning opportunity, it is vital to

reward the testing process regardless of the outcome and promote a culture of sharing and learning. Technical barriers can arise from a lack of expertise in experimental design. To address this, prioritizing training in pilot projects becomes crucial (Cannon & Edmondson, 2004, p. 312).

2.2.2 Serial Entrepreneurship and Learning from Failure

As previously noted, failure is a common outcome for entrepreneurs. Research suggests that many entrepreneurs with failed firms have permanently exited the marketplace due to substantial emotional, personal, and financial loss. Motivation and willingness to take risks can be flawed, alongside their confidence in starting a new venture (DeTienne, 2010).

However, research has also highlighted the positive impact of failed experiences on entrepreneurial learning and growth. Among those who have failed, many entrepreneurs who start new ventures (serial entrepreneurs) perform better than novice entrepreneurs (Dabić et al., 2021). Moreover, failed entrepreneurs are likelier to restart than successful entrepreneurs (Nielsen & Sarasvathy, 2011). Cope (2011) highlights how serial entrepreneurs improve in venture management and networks through the experience of failure, increasing their entrepreneurial preparedness for further enterprising activities. Furthermore, Laufente et al. (2022) propose that the success of serial entrepreneurs can be attributed to their entrepreneurial resilience—an ability to bounce back from failure and overcome adversity. They suggest that resilient serial entrepreneurs approach new business ventures with an enhanced cognitive perspective, implement novel strategies, and possess higher levels of psychological capital, encompassing optimism, hope, and self-efficacy.

Similarly, Sarasvathy (2012) explores how serial entrepreneurs can succeed despite individual ventures' failure. She argues that serial entrepreneurs view their ventures as part of a temporal portfolio, where each new venture builds on the previous ones and helps them learn and grow as entrepreneurs. She discusses how serial entrepreneurship involves a different mindset than traditional entrepreneurship. Rather than focusing solely on achieving success with each venture, serial entrepreneurs focus on building their skills, networks, and resources over time. This allows them to take calculated risks and make better

decisions, even when faced with uncertainty and ambiguity. She argues that failing firms can lead to successful entrepreneurs if they actively learn from their experiences (Sarasvathy, 2012). “Serial entrepreneurs learn from previous mistakes and implement better business plans” (Dabić et al., 2021, p. 25).

Ucbasaran et al. (2010) agree on acknowledging failure as an opportunity for learning and growth. They further discuss the factors that hinder serial entrepreneurs from recognizing failure and learning from it. Their study shows that lack of reflection and overconfidence can lead to repeating mistakes. This happens in an attempt to avoid frustration and demotivation. Other factors focused on individual success over the venture’s success, a lack of external support and resources, and comparative optimism. Eggers and Song (2015) study the differing learning effects between successful and failed ventures. They found that those attributing failure to external factors (e.g., market volatility) are less likely to succeed than those attributing internal factors (e.g., managerial style).

The research on serial entrepreneurship and business failures is expanding, and there is a growing call for further empirical studies (Dabić et al., 2021; Lee et al., 2022; Sarasvathy, 2012). This thesis aims to contribute to this body of work by exploring how serial entrepreneurs learn from failure.

2.3 Summary of Theoretical Framework

To address how serial entrepreneurs can facilitate learning from failure, the theoretical framework encompasses three key areas: serial entrepreneurship, entrepreneurial learning, and failure.

First, to understand the context of the master thesis, we have presented some of the theories surrounding serial entrepreneurship. We draw upon Schumpeter's (1934) and Dabić (2021) research to define entrepreneurship and serial entrepreneurship. Additionally, we explore the value of experiences in the context of serial entrepreneurs, referring to the study conducted by Laufente et al. (2019).

Secondly, we delve into the field of entrepreneurial learning. We rely on the research of Schou et al. (2022) to understand the significance of this area of study, while examining the pivotal role of entrepreneurial learning in venture success

through the works of Cope (2011) and Sarasvathy (2001). We also consider three learning theories that offer valuable insights into the learning process of entrepreneurs:

1. Experiential learning, as presented by Kolb (1984), Martin (2002), and Ries (2011).
2. The 4I Organizational Learning Framework, introduced by Dutta and Crossan (2005).
3. Single-loop learning and double-loop learning, presented by Argyris (1976).

Having established the research context, we focus on the concept of failure. Drawing on the work of Cannon and Edmondson (2004), we adopt their definition of failure, examine the social and technical barriers to learning from failure, and explore three strategies for learning from failure: identifying failure, analyzing failure, and deliberate exploration. By doing so, we aim to understand how entrepreneurs can learn from failure.

We further delve into the realm of serial entrepreneurs and failure, exploring the impact of failure experiences on them. DeTienne (2010) examines the emotional, personal, and financial losses resulting from failure, while Ucbasaran (2010) highlights the barriers that hinder serial entrepreneurs from learning from failure. Dabić et al. (2021) focus on how serial entrepreneurs can improve their performance after failure. Cope (2011) looks at enhancing venture management and networks through the experience of failure, Laufente et al. (2022) emphasizes the development of resilience through failure, and Sarasvathy (2012) explores the success of serial entrepreneurs despite individual venture failures.

This framework provides a basic understanding of the context and concepts relevant to exploring how serial entrepreneurs can learn from failure. In the subsequent chapter, the research methodology is presented.

3 Methodology

This chapter systematically describes the research methodology utilized in the thesis. Methodology, as defined by Kvale and Brinkmann (2015), refers to the means to reach the objective. The objective of this thesis is to address the problem statement, and this chapter outlines the design employed to achieve this goal. The methodology encompasses the research design, data collection, data analysis, research credibility, ethics considerations, and the study's limitations.

3.1 Research Design

In this thesis, data collection is conducted through an exploratory study with a qualitative approach. As described by Thagaard (2013), qualitative methodology entails collecting and analyzing non-numerical data, aiming to comprehend experiences, concepts, and perspectives. The objective of this thesis is to gain a deeper understanding of the phenomenon of learning from failure, rather than examining frequency and statistical correlations. Hence, using a qualitative approach is appropriate to achieve the desired outcome.

Qualitative research typically distinguishes between two approaches: inductive and deductive. The deductive element involves the researcher developing analytical frameworks based on established theory. On the other hand, the inductive approach entails the researcher constructing interpretations of the data's meaning, which provides a basis for identifying patterns. This process leads to the development of new theories (Thagaard 1998: 175). Abduction is a third approach that uses both inductive and deductive elements. It involves utilizing theory and empirical data to expand knowledge about a phenomenon. It establishes a dialectical relationship between theory and empiricism, allowing the researcher to develop theories based on a systematic analysis of the data (Thagaard 1998, p. 174-175; Thagaard, 2013).

The abductive approach was considered the most appropriate approach in this thesis because it facilitates knowledge development through inductive means (observations through interviews) and deductive means (evaluating whether theoretical assumptions are supported by empirical evidence). The theoretical foundation provided perspectives for interpreting the interview data, while the analyses of the interviews played a central role in generating ideas. The interview

guide was developed based on the theoretical framework to ensure the dynamic relationships between theory and data. During the data analysis process, the data was coded independently of the theoretical framework to capture its richness. Subsequently, the coded data were compared and contrasted with the theoretical framework (Chapter 5) to create a comprehensive response to the problem statement, grounding the findings in empirical evidence while guided by theoretical insights.

3.2 Data Collection

The qualitative methodology encompasses various methods for data collection. Qualitative interviews were utilized as the data collection instrument to address the problem statement and obtain a comprehensive understanding of serial entrepreneurs' learning from failure. Conducting interviews allowed for data collection from a significantly larger pool of serial entrepreneurs compared to what a case study could have provided. Furthermore, the interviews facilitated a broader and more diverse range of data, offering breadth and variation in the dataset.

Qualitative interviews aim to gain insight into the informants' perspectives, beliefs, opinions, and experiences on a particular subject (Tjora, 2017, p. 130). The data was collected through individual in-depth interviews to better understand serial entrepreneurs' relationship with failure, their learning processes, and the informants' own interpretations of the topic (Thagaard, 2013).

The selection of informants for the qualitative interviews was based on a strategic selection (Singleton & Straits, 2017, p. 294). The author utilized its network of serial entrepreneurs to identify potential participants, who in turn referred others from their own networks. The selection criteria were as follows: the individual must be a serial entrepreneur who has founded two or more companies at different points in time, is the founder of their current venture, resides in Norway, and has growth ambitions. The chart below illustrates the diversity of informants representing startups of varying sizes and industries. This variety was intentionally selected to provide a comprehensive view of serial entrepreneurs and how they learn from failure. Below is an overview of the respondents and their main characteristics:

INFORMANT NUMBER	NUMBER OF VENTURES CREATED	CURRENT INDUSTRY	GENDER
1	4	Mobility	Male
2	7	Real Estate	Male
3	2	Co-working/tech	Female
4	2	Food/hospitality	Female
5	2	Recreational Equipment	Female
6	2	Software Development	Male
7	5	Education / Training	Male
8	3	Education / Training	Male
9	2	Video Games	Male
10	8	Food/hospitality	Female
11	2	Investment	Male

The sample size for this study included eleven serial entrepreneurs. The interviews were conducted at the participants' workplaces to foster a comfortable and relaxed atmosphere (Kvale, 1996), encouraging more in-depth storytelling and facilitating the recall of relevant work-life experiences (Kristensen, 2004). If an in-person interview was not feasible, the interview was conducted digitally through Zoom.

With the participants' consent, all interviews were audio recorded and transcribed on the same day to ensure that all valuable insights were captured. The recordings were used to enhance focus and attentiveness during the interview process (Bryman & Bell, 2015).

3.2.1 Interview Guide

Before conducting the interviews, a semi-structured interview guide was devised (see Appendix 1). The guide aligns with the thesis' theoretical framework and aims to address the research questions. It covers the following topics:

1. Attitude towards failure,
2. Actions to learn from failure, including:
3. Identification of failure,

4. Analysis of failure,
5. Deliberate experimentation,
6. The intensity of learning from both your own and others' failures
7. Needed actions to learn from failure

The semi-structured format of the interviews allowed for the participants to respond freely (Bryman & Bell, 2015), as well as for questions to be adapted based on their answers, instead of adhering strictly to the order in the guide. Unscripted follow-up questions were used during the interviews to gain a deeper understanding of the participants (Singleton & Straits, 2017, p. 293). This approach encouraged the interviewees to recall experiences of failure and provide examples of lessons learned and how they were applied. Additionally, the method facilitated a comparison of the participants' stories to identify recurring themes (Czarniawska, 2014).

3.2.2 Critical Incident Technique

The critical incident technique was an essential component of the interview process and was incorporated into the interview guide. Developed by Flanagan (1954), this qualitative research approach is a set of procedures for collecting direct observations of human behavior that can be used to solve practical problems and develop broader psychological principles (p.327).

Cope and Watts (2000) assert that critical incidents can foster higher-level learning for entrepreneurs. To examine this, the participants in the study were asked to recount their experiences from significant events in their entrepreneurial journey. This approach allows for analyzing commonalities and patterns in how individuals handle such incidents (Lipu et al., 2007, p. 50). Some examples of the questions asked are:

- Can you describe a situation where you discovered a failure and addressed it? How did you address it? What emotions did it create? Who was involved?
- Can you tell me about a situation where you actively sought to learn from your failures?

3.3 Data Analysis

After conducting the interviews, the data was analyzed. A thematic analysis was used to identify patterns and themes in the data, independent of the theory. The analysis followed the six-step thematic analysis procedure outlined by Braun and Clarke (2006), which includes the following steps:

1. Familiarization with the empirical material: Close examination of the transcripts was done to identify codes and patterns.
2. Code creation and systematization: Codes were created and standardized across the data.
3. Theme identification: The codes were grouped into themes.
4. Theme re-examination: The themes were re-checked to ensure that they accurately reflected the codes.
5. Theme labeling: The themes were named, highlighting the most significant findings.
6. Final analysis and validity assessment: The final analysis was performed, giving special consideration to the validity of the results.

Below is a figure that summarizes the codes and their themes:

CODES	THEMES
1. Definition og failure 2. Problematizing definition	1. Definition of failure
3. Failure as positive 4. Failure as negative 5. Failure as natural 6. Failure that leads to growth 7. Learnings from past failures 8. Repeating past mistakes 9. Personal characteristics and learning 10. Learning from others failures	2. Attitudes toward failure and learning from them
11. How to identify failure 12. Barriers to identifying failure	3. Identifying failure
13. Reflection as a tool for analysis 14. Internalizing learning 15. Systemativ approach 16. How learning is saved	4. Analyzing failure
17. Using failure as a strategic tool to learn 18. Not using failure as a strategic tool to learn	5. Failure as strategy to innovate
19. External factor that impedes learning from failure 20. The complexity of learning from failure 21. Rather learning from success	6. The complexity of learning from failure
22. Structured approach needed to learn from failure 23. Network needed to learn from failure	7. What is needed to learn fom mistakes?

All the theoretically derived themes persisted in the data findings, while new codes and themes surfaced during the interviewing process. These new elements encompass questioning the definition of failure, exploring the influence of personal characteristics on learning from failure, examining the internalization and systematic approach to learning from failure, unraveling the complexities involved in the learning process itself, and understanding what is needed to learn from mistakes. Together, all the themes and underlying codes form the foundation for the data analysis.

3.4 Credibility and Ethics of the Research

When discussing the credibility of the thesis, two essential concepts are validity and reliability (Singleton & Straits, 2017, p. 101). Validity refers to the accuracy and precision of data interpretation, while reliability portrays the consistency and dependability of the data and methods used (Grønmo, 2016, p. 240–241).

To enhance reliability, the methodology has been thoroughly described, allowing for a critical evaluation of each step of the process (Thagaard, 2013). To ensure consistency and reliability in data collection, the interview guide provided a standardized approach to the interviews. Still, the semi-structured interview approach allowed for flexibility in the responses and reduced the likelihood of leading questions, thereby enhancing reliability (Kvale & Brinkmann, 2015). Detailed records of quotes, transcripts, and coding decisions also allow for data transparency and reliability checks.

To enhance the validity of the study, several measures were implemented. Firstly, the interviews were conducted in the informants' natural environment, as emphasized by Tjora (2017, p. 121). This approach allowed for a more authentic representation of their experiences and ensured that the findings were grounded in real-life contexts.

Furthermore, the data interpretation process and the theoretical framework are presented transparently throughout the thesis. This transparency enables an evaluation of each step leading to the conclusion and facilitates the testing of the study's findings. Thagaard (2013) highlights the significance of this transparency in enhancing validity (p. 205). Thematic analysis has been criticized for its

limitation in capturing a holistic picture, as different parts are extracted from the whole and compared (Braun & Clarke, 2006). To address this concern, multiple questions were reviewed simultaneously. This approach aimed to maintain the integrity and validity of the data by ensuring that the underlying meaning of quotes was preserved in relation to their context.

In addition, a diverse range of participants and perspectives were included in the study to ensure a comprehensive exploration of the research questions. By employing a diverse sample, the study captured a broader range of insights and experiences, thereby increasing the validity of the findings (Allmark, 2004).

3.4.1 Ethical Reflections

When collecting data, adhering to several ethical criterias is essential. Diener and Crandall (1978) have identified key areas of concern regarding ethics when conducting an in-depth interview. These include deception, the absence of informed consent, potential harm, and invasion of privacy. To address these issues, it is crucial to obtain informed consent from participants. Additionally, ensuring confidentiality and informing participants of the consequences of their involvement in the project are necessary steps in upholding ethical standards.

To comply with ethical standards, all data were anonymized, and participants were assigned pseudonyms. Personal identifiers were removed, and the emphasis was placed on the information provided, rather than the giver of the information (Thagaard, 2013, p. 26–30). Given the sensitive nature of the subject failure, participants were reassured of these security measures before the study. By being transparent about the purpose and intentions of the research and being open to answering questions, there is reason to believe that this study was conducted in an ethical manner.

The thesis is not conferred with Sikt (formerly NSD), as the data collection does not encompass “*specific categories of personal data*,” which are the latest (16.09.22) requirements for data collection approval (BI.no, 2022).

3.4.2 Limitations

Although the research aimed to have high validity, reliability, and ethical considerations, the study has some limitations.

The first limitation is the absence of observations. All empirical findings are derived solely from interviews, which could have been enhanced by observing the respondents in action. We have already seen that the actions on learning from failure vary from the respondents' attitude toward them. It is therefore reasonable to expect variations in observations as well.

In addition, the research sought to gain a comprehensive understanding of how serial entrepreneurs learn from failure. However, this variety of industries has resulted in limited in-depth knowledge of industries and their specific approaches to learning from mistakes. Incorporating case studies of the ventures and examining learning from failure in concrete situations would have been a valuable addition. Such an approach could have provided more tangible and specific insights than relying solely on interviews.

Furthermore, incorporating the performance dimension in the study to measure learning over time could be intriguing. However, adopting such an approach, along with observation and case studies, would have potentially limited the variation among different entrepreneurs and may have also required more time than feasible within the scope of a master's thesis.

Finally, it is important to note that the participants in the study may have self-selected, meaning that individuals who perceive themselves as having a reconciled relationship towards failure were potentially more inclined to participate. Consequently, the study has not examined those who have experienced failure in multiple companies without subsequent recovery. Exploring this aspect would have provided valuable insights as well.

Despite these limitations, the study provides valuable insights into learning from failure, drawing from a relevant group of serial entrepreneurs.

4 Findings

In this chapter, the findings from the data collection are presented and analyzed. Here, what the informants say about their relationship to failure is illuminated. The analysis lays the foundation for the discussion in Chapter 5, where we delve deeper into the informants' reasoning and bind it with literature.

Being interviewed, the informants emphasized the value of discussing learning from failure. They viewed failure as a natural aspect of their daily lives and felt comfortable sharing their experiences without much shame. However, some experienced profound sorrow when opening up, yet they did so with genuine honesty. For certain individuals, having sufficient time to discuss these matters provided valuable reflections and a sense of relief amidst their busy entrepreneurial lifestyles.

As outlined in the methodology chapter, the analysis of the interview data has revealed seven main categories; definition of failure, attitudes toward failure and learning from them, identifying failure, analyzing failure, failure as a strategy to innovate, the complexity of learning from failure, and needs to learn from failure. These categories are used as a framework for presenting and analyzing the findings from the informants.

4.1 Defining Failure

In the interviews, the informants began by defining failure. Most of them defined failure as a deviation from expected results, with one respondent stating, "Failure is when things do not go as you thought they would" (Resp 9). Some highlighted that mistakes can be caused by external factors or one's fault. The interviews addressed various failures, including financial, interhuman, and external factors leading to failures, like COVID-19. The latter was vividly described by Respondent 10:

"We feel like when we have small failures, we can accept them. They're part of the process. At the end of the day, you believe you will be successful, so you can accept that easier. When Corona hit, that was the start of a different kind of failure. That is when so many things are out of

your control that is tearing things that you've built up apart, and that lack of control is the biggest nightmare. And fear, I think, for anybody, any human, but especially entrepreneurs who have made a career out of hedging against risks. So, I think it hits extra hard in a way. When you have so many things spiraling out of control. Many people like myself in the food industry... I don't think we have quite recovered."

Respondent 10 implies that small failures are accepted as part of the process toward success. However, the COVID-19 pandemic brought a different kind of failure: uncontrollable factors dismantling what entrepreneurs have built, making it difficult to recover fully.

Further, the interviews explored whether mistakes are negative or positive. Some argued that failure is synonymous with learning, which they saw as positive. As one respondent stated,

"You cannot fail, you can only learn from it. If I were to reflect on the word 'mistake,' it's simply about learning" (Resp 2).

Two respondents supported this view, while most agreed that there is a balance. They described mistakes as unwanted but not necessarily wrong. Respondent 7 explained:

"Mistake has a moral meaning in relation to wrong at one level, but then there's another type of mistake that I think is related to the businesses or projects I've started. Then, a mistake is more a matter of choices that lead to suboptimal results. So it's not morally problematic to make mistakes in that way, but it has an unwanted effect. If one can choose between the optimal and the suboptimal, one would choose the optimal."

This quote affirms that failures are deviations from expected outcomes, emphasizing that while mistakes are undesirable in business, they are more unwanted than morally reprehensible.

Another respondent added that even though a mistake is unwanted, it can be an important tool for further development, stating, *"A failure is a misjudgment, but failures are very important in a development process. Such things happen, many deviations and many mistakes, and they have different consequences"* (Resp 1).

This perspective assigns the blame for failure to the entrepreneur, unlike Respondent 10 who considers external factors as potential contributors to the outcome.

4.1.1 Problematizing the Definition

Two informants shared a parable to question whether a failure is a deviation from expected results. Following is an excerpt from the conversation with informant 3:

Interviewer: *One talks about mistakes as deviations from the desired result.*

Respondent 3: *I don't think that's a good definition of a mistake - a deviation from the desired result. Is it an official definition?*

Interviewer: *It is one of the definitions. It states that if you set a goal and do not achieve it, it is a deviation - a mistake.*

Respondent 3: *Well, it depends on the goal. You have to evaluate that. If your goal is to press the recycling button on the recycling machine, but you miss and hit the lottery button - and then win a million. Did you fail then?*

Interviewer: *You failed to hit the right button but got a good result.*

Respondent 3: *Okay, so maybe the mistake was setting such a specific goal to hit the recycling button?*

The respondent implies that the failure lies in having narrow expectations and a limited view of the desired outcome. Respondent 11 shares a similar perspective and narrates a Chinese parable called "The Farmer's Luck." The story revolves around a farmer who loses his horse, causing his neighbors to despair. However, a few days later, the horse returns with several wild horses, and the neighbors congratulated the farmer. Unfortunately, his son breaks his leg while attempting to ride one of the wild horses, leading to despair again. However, in the end, the broken leg saves his son from going to war. This parable emphasizes the interconnectedness of good and bad events, and the importance of reserving judgment until one sees how things turn out. These two examples challenge the traditional view of failure, taking a more holistic approach to understanding it. The 'desired' result is questioned rather than the specific 'failure'.

4.2 Attitudes toward failure and learning from them

We have seen how the respondents define failure. We will further look into their attitudes toward failure and learning from them. Two respondents expressed that

failures are a positive experience as they provide an opportunity to learn from them. Respondent 2 stated,

"There may be things that prevent success - that's not a mistake - it just didn't work out. And you can't know that unless you research and fail."

Here, testing that leads to failure is not negative, as it results in important insights. Moreover, some respondents believe failures can be beneficial in the long run, as they can be a valuable tool for personal growth. Respondent 4 reflected, *"I look back on many of the mistakes I've made; they are very useful to me today."*

While some see failure as useful learning, other respondents view failure as a negative and hurtful experience. Respondent 10 associated it with personal and emotional pain:

"It's associated with a lot of pain. It's very personal and emotional, sort of. It's a very visceral feeling. No one likes to be considered a failure..."

Respondent 1 suggested that failure is often concealed from others. In contrast, Respondent 7 shared that failure is more akin to sorrow than shame:

"If you view mistakes as suboptimal choices, there's more sorrow in it than condemnation or shame."

4.2.1 Death and Resurrection - in a Sweet Union

The most represented category in the data is the one where it is acknowledged that failure is negative but natural. This suggests that most serial entrepreneurs have a realistic and reconciled relationship with failure, recognizing that it can lead to growth despite the hardship. Following are four quotes that support this claim:

"We often think of the negative aspects of making mistakes. It's almost like it's ingrained in our bones. Mistakes - they're words with negative connotations. Maybe the most experienced serial entrepreneurs get excited about making mistakes, but I'm not there. But as we grow, we understand that it takes mistakes to learn, grow, and move forward." (Resp 5)

"Of course I don't want to make a mistake... But I have a very high acceptance for it and yes, I have a lot of experience in failure." (Resp 9)

Both respondents 5 and 9 shared that failures are negative and unwanted, but there seems to be a growing acceptance of them because they are natural and can lead to important learnings. Respondents 10 and 11 share similar perspectives:

“Failure exists all the time. I think it will never go away... Maybe failure is a constant, that it is something that will always permeate everything you do depending on how you see it. And it's just a matter of perspective, like how you interpret it.” (Resp 10)

“I don't like making mistakes. I like things to succeed, I like getting results, and I like things to move forward. Mistakes don't help you move forward. I'm not trying to make mistakes, but once you've made it there's a much better approach. You can either moan and groan about it, but I think the most constructive approach is to say, 'okay, we have failed. How can we learn the most from this?' It's thinking that 'maybe there was a reason for it.' Who knows? It's not necessarily the case that our failure will turn out to be so negative, as it could be the foundation for future success.” (Resp 11)

It is evident that the entrepreneurs recognize failure as undesirable. Respondent 5 asks whether the most experienced entrepreneur reacts to failure with excitement. However, despite these four respondents collectively initiating 14 businesses, they all perceive failure as something to be avoided. However, there is an acceptance of them as a part of the entrepreneurial journey. All four have worked on shifting their perspectives on mistakes, trying to see them as an opportunity for future success.

Respondent 11 further elaborates on the interconnectedness of failure and evolution. He explains that the natural development of species has been shaped by mutations, with the majority of these mutations resulting in failure and death. Essentially, the process of development occurs through a series of failures. The respondent connects this to the entrepreneurial journey of failure and learning, stating that this process can be considered a *“death and resurrection - in a sweet union”*. This perspective highlights the idea that success and failure are intertwined.

4.2.2 Resilience from Failure

All the respondents are serial entrepreneurs and have experienced an extensive amount of failure. The interviews showed that this experience has enabled them to become more adept at handling failure. It appears that most of them have developed a skillset to navigate unexpected situations.

“And then it's a little easier, at least now, to recover after a possible failure.” (Resp 5)

“I've tried to confront myself with the most vulnerable and painful things. That has become an important part of who I am. Sometimes it can be painful to dive into vulnerability, but the tolerance for it, that muscle has become much stronger. It doesn't cost much anymore. It's almost automatic. I do it, reset and then learn from it.” (Resp 11)

Over time the respondents have developed the ability to recover from setbacks and learn from them. Respondent 11 compared this to building a muscle. He further elaborates that *“an expert is a person who has made all the mistakes.”* He believes that experiencing failure is crucial for growth. He questions those entrepreneurs who become trapped in grief and loss, unable to get back up after a fall. He shares that many serial entrepreneurs possess a unique ability to persevere through adversity. He states, *“That's resilience, really.”* This sentiment encapsulates the respondents well. It seems that many serial entrepreneurs have developed a resilience from failure that allows them to bounce back and try again.

4.2.3 Learnings from Failure

It is evident that serial entrepreneurs have encountered numerous failures, raising the question of what they have learned from them. One of the most common themes that emerged was issues with team dynamics and the hiring process. Many entrepreneurs have struggled with finding the right teammates, establishing good chemistry, and managing expectations within the team. Additionally, several entrepreneurs cited financial difficulties as a challenge. Specifically, they lacked knowledge about liquidity, taxes, funding, and commercialization.

“There are two big problems. One is market clarification, and the other is the team. All investors and seminars say it, but you don't understand it until you've either sat alone or when you have a team that doesn't work.”
(Resp 3)

It is intriguing to ask whether entrepreneurs have changed their behavior and actions in their present startups based on their previous experiences. The respondents indicated that they have applied what they learned from their past startups to their current ventures. Some can articulate the specifics of these

learnings, such as creating structure, improving commercialization efforts, and implementing a more structured hiring process. However, most of the respondents can not pinpoint their specific learnings.

All interviewees emphasize the importance of learning from failures, but it is also clear that almost all of them consider it equally important to avoid repeating past mistakes. For instance, Respondent 7 highlights that this is crucial due to the burden that mistakes can create, saying, *“Then it was more 50/50 on whether it was worth it (to experience the failure) because it left such deep wear marks on me.”*

While most serial entrepreneurs aim to avoid repeating past mistakes, many admit to occasionally repeating them despite having learned the ‘correct’ approach previously. In the following sections, we will explore the perspectives of Respondents 10 and 8 on this topic. Respondent 8 has started four businesses. He shares that he struggled with finances on his first business and thought the second would be better:

“We had a lot of money, but when we shut down, it turned out that we actually owed customers some services that they had paid for. I could have read this from the balance sheet if I knew what I know today. When I started startups 3 and 4, I made sure that we always had more money coming in than going out, no matter what. This was a fundamental and sacred premise for me. I internalized this as the CEO, but as soon as we got a new CEO and I joined the board, we increased labor costs too much without increasing revenue. And when we started to have a deficit for a few months, I, as a board member, should have seen that we were going into a deficit and needed to raise money. But we didn't. So I learned the sacred premise in one role, but not in another role. It's strange.”

What was taught in one setting was forgotten as he entered a different role. What was a ‘sacred premise’ was not reapplied in the new role. Respondent 10 shares her reflections on this type of ‘learning’:

“I have this mental notebook filled with things I never want to do again. It's funny because a couple of years later the situation will present itself again and... did I really learn? You convince yourself that this is different. It would be different if we were all robots and you could just calculate everything that went wrong and then reapply it to the next scenario. But it

never really works in a perfect way. Every new scenario has so many sets of new things. We can hope and pray that what we learned sticks. But I've been in so many scenarios when I was sure that I learned from a failure and I will apply it to this new scenario, which is the same, and then it's not. It comes out different, and new failures come out of that."

As described above, learning from failure appears to be partially random, influenced by personal reflection and external circumstances. This respondent finds the learning process complex, struggling to identify the factors that facilitate learning and prevent repeated mistakes. Finally, several entrepreneurs believe one's characteristics affect their learning style.

4.2.4 Learning and Personal Characteristics

The entrepreneurs interviewed emphasized the significance of personal preferences in their learning process, including what they learn and what they do not. One entrepreneur recognizes the importance of analysis but admits that it is not natural for him and thus not prioritized:

"Without my type of drive, the entrepreneur's drive, new things won't be created. The person who just sits and analyzes will find out that something is so difficult that he thinks he won't be able to do it. It goes against the entrepreneur's personality. I can analyze myself to death, but I must focus on the most important thing. I have to hope that the rest will follow. That's when your personality comes in, which is the hardest thing to overcome."
(Resp 2)

This perspective suggests that analysis is crucial, but the founder's personal characteristics may not suit it. Still, these characteristics are an advantage, as they helped start the business. Respondent 7 echoes this sentiment, saying that learning from mistakes is challenging and that changing characteristics is very difficult:

"I try to learn from my mistakes. It's so difficult! I think our patterns of behavior are deeply rooted in our personality. It's terribly difficult to change that, unfortunately." (Resp 7).

Respondent 11 reveals that a mistake has occurred repeatedly in several of their startups, and *"it's a bit frustrating and embarrassing to talk about because I haven't learned from it"*. He suggests that this may be due to his traits and that

while he has become more structured, his most significant problems and mistakes remain the same.

4.2.5 Learning from Others' Mistakes

We have observed how the entrepreneurs consider it essential to learn from their mistakes, and they have shared various aspects of that process. The next question is whether they learn from others' mistakes the same way as their own.

Five of the interviewees believe it is impossible to learn from others' mistakes in the same way as from their own. *"No one can honestly say that they learn just as well from other people's mistakes,"* said Respondent 3. Respondent 1 share that his learning is stored "in the head" and cannot be learned. Respondents 2 and 4 elaborate on this:

"It's so complex. Even though you want others to learn from your mistakes, it's just a snapshot while you have lived it for many years. It's incredibly difficult to extract." (Resp 2)

"I wish I could say that I learned everything I needed from a handbook and didn't make any mistakes, but I am the type of person who needs to feel it, know it and find my way through it. It can be a great comfort to hear about other people's mistakes when you are in difficult situations yourself, but I have to go through it myself." (Resp 4)

Learning from others' mistakes can be challenging due to the need for personal experience and the inherent complexity of the situation, as stated by the respondents. However, as Respondent 4 pointed out, hearing about other people's mistakes can provide comfort. It can normalize making mistakes and remove the shame associated with them.

While some entrepreneurs are hostile towards learning from others' mistakes equally as their own, others have a more balanced view. They acknowledge that learning from others' mistakes is possible, but it is not as effective as learning from your own. Some argue that this is because motivation is key. The personal experience of failure generates higher motivation to learn from it.

"Being a teacher, I know that if you give someone a book who might not be motivated to read it, it's just going to sit there. How do you actually

pick up the book and read the whole thing? Usually, if I say 'well, you're presenting on chapter two', they'll read chapter two. You have to give a reason and motivation. It's the same with learning from others' mistakes.' (Resp 10)

Respondent 10 identifies reason and motivation as drivers for learning from failure. Respondent 8 shares a similar view. He has already written a book about social entrepreneurship. However, even though he is the author, he questions whether what he shares will lead to learning for the reader because it is harder to learn when you are not experiencing it yourself. He continues sharing how this has played out in his entrepreneurship journey:

"Have I learned from others and applied it in my own work situation? I have examples of the opposite. Someone once told me that there are two rules in business. 1) Always have money in the bank, 2) put more money in than you take out. If you can do those two things, then you have succeeded. He said it many years ago. It wasn't before I experienced it myself that I understood what it meant. When I realized what I was doing wasn't working, then I followed that principle." (Resp 8)

Learning is valuable, but for this entrepreneur, the value was not fully realized until he gained personal experience. Most respondents express that feeling the consequences of a mistake "on your own skin" is important for actually learning, as it makes the impact of the mistake more vivid:

"I believe that all learning is a sum of personal experiences, things you partially see others do and mistakes you experience yourself. The mistakes you experience yourself make a stronger impression on you. You notice much more the consequences of your own mistakes than of others. You never get to see what happens after other people's mistakes, but you do with your own mistakes." (Resp 1)

The view is that one can learn from others' mistakes but that "very few people are able to do it" (Resp 9). Respondent 9 continues to share that he has been warned about most of the mistakes he has made, as mentioned in the quote above.

Respondent 7 describes a similar scenario, which ended in him leaving the startup:

"I heard it from others, but I was extremely stubborn. Even though I interviewed entrepreneurs in Europe and they said 'build the right team', I intuitively knew that my team wasn't good enough. But I went ahead anyway instead of acknowledging it and letting go." (Resp 7)

Only one of the entrepreneurs clearly states that learning as much from others' mistakes as your own is possible. In contrast, Respondent 11 shares his view on preferring to learn from others' success. The argument is that all developed best practices are processed failures:

“I focus on learning from mistakes, but I spend 90% of my time focusing on what works, modeling after the best companies in the world. Perhaps it is artificial to distinguish between learning from others' mistakes and learning from what others do well? The best-in-class standard has come based on a lot of learning, including many mistakes. Could it be that learning from mistakes is just about learning? Let's not try to reinvent the wheel. We copy it and apply it. The risk of mistakes is much less because it's so well tested. I pick up inspiration here and there, learn, and put together something unique.”

Respondent 11 employs an approach to learning by leveraging best practices, and combining well-tested principles to create something unique. These best practices are rooted in valuable lessons, including those derived from failures, allowing him to glean insights without personally experiencing the setbacks.

4.3 Identifying Failure

We have explored how the interviewed entrepreneurs perceive failure. In this next section, we will look at the process of identifying failure, including potential barriers that may hinder this identification.

When examining the process of identifying failure, four of the entrepreneurs emphasized the importance of identifying it at an early stage. According to Respondent 1, this enables you to “...prevent yourself from going too far down the road before the mistake occurs. Then you won't have time to correct your course or prioritize if that's what's necessary”. Early identification is typically accomplished by pausing and inquiring about potential pitfalls.

“I identify failure well. I zoom out quite and try to think. What is going well and what is going bad? Many people fear shame or mistakes, and I don't feel like that today. I want to avoid making mistakes that make me unnecessarily spend my time and life on the wrong things. To identify major errors as early as possible and then say ‘OK, I have to change this’.” (Resp 9)

Respondent 2 expresses that early identification is a tool not to fail:

“As an entrepreneur, you have an inherent fear of failure. You shouldn't default. Therefore, instead of thinking, 'what am I failing at now?' I analyze 'what can go wrong now?' before I fail. And that means failing is all about not identifying and following up on that.” (Resp 2)

While some of the entrepreneurs reported using questioning to identify failure at an early stage, few mentioned possessing practical tools for this purpose. Instead, several entrepreneurs relied on intuition, describing failure identification as a matter of "gut feeling."

“I don't think it's a problem to identify. It's noticeable on the body - a gut feeling.” (Resp 7)

According to Respondent 11, failure is identified retrospectively by examining either 1) interpersonal "symptoms" or 2) financial outcomes.

“We have had major conflicts where we always disagree about everything. Maybe that's a symptom that something is wrong. We have also made mistakes in investments. That's a little easier to see because you look at the financial results.”

4.3.1 Barriers to Identifying Failure

The entrepreneurs have identified the primary barriers that impede their ability to identify failure. The first barrier identified is *lack of time*. Participants mentioned that their involvement in multiple projects simultaneously limited their ability to allocate sufficient time for learning from failures.

“Well, we probably did too little to learn from the mistake because this was one of many projects that I was involved in parallel with.” (Resp 1)

The second barrier is the *psychological barrier*. A few respondents mentioned that self-perceptions create barriers to identifying and discussing failures. Even though most respondents do not experience social barriers, some participants were reluctant to delve into failures due to ego, self-image, and societal expectations.

“Feelings are a barrier! Our ego and little willingness to delve into things and analyze. We won't learn. You have to be cynical, plain and simple.”
(Resp 3)

Thirdly, one respondent presented the absence of *feedback culture* as a significant barrier, where lack of employee engagement and reluctance to provide feedback on failures, hindered the learning process:

“We didn't create a good feedback culture. I tried, but didn't get any response... After that, my hope that they were willing to learn something from it died.” (Resp 7)

In contrast, most respondents shared their value in creating a good *feedback culture*. These participants emphasized the significance of a feedback culture fostering open dialogue and viewing failures as learning opportunities. They stressed that a blame-free culture facilitates the identification and analysis of failures:

“I think the most important thing when something goes wrong is how it is managed. It should not be punished. Building a corporate culture where it is highly encouraged to point out mistakes that one has done wrong. You should not play the ‘blame game.’ If you don't feel comfortable admitting failure, it will become a part of the company culture.” (Resp 9)

A fourth barrier was difficulty in *saving learning*. Participants questioned their own ability to learn from failures effectively. Reflecting on and extracting valuable lessons from failures was seen as essential for personal growth and avoiding repeated mistakes. However, few knew whether they had taken the time to do just that. As Respondent 5 mentioned, *“The question is whether I have learned from it”*. The opposite, is Respondent 6:

“I am a pilot. There is a methodology there... Everything must be written down immediately. If you make a mistake, it must be updated. Write down what you do.” (Resp 6)

This respondent highlighted the importance of saving and documenting learning from failures. He drew parallels to the methodology employed by pilots, emphasizing the immediate recording of mistakes and actions for continuous improvement. Many other respondents desired to do the same, but did not follow through.

Lastly, the role of the *founders as role models* was emphasized. Participants highlighted the importance of leaders being transparent, admitting uncertainty, and creating a safe environment for learning from failures.

“It may be that most of the time, problems come from me. I have to change my behavior so that others follow, lead with a good example. In a startup the company looks like the founder. As I work and as I like to act, the company tends to be similar.” (Resp 9)

The above quotes highlight various barriers and enablers to identifying and learning from failure, emphasizing lack of time, psychological barriers, the importance of a feedback culture, saving learning for future use and the role of the founder in setting the tone.

4.4 Analyzing Failure

We have discussed how entrepreneurs identify failure, and now we will explore how they analyze it. Most respondents cited reflection as their primary tool when asked how they analyze failure. They typically ask questions such as *why*, *how*, and *what* could have been done differently to avoid the outcome.

“We discuss: What did we do? What should we be doing next time? That's where the learning is, and there's no shame in it.” (Resp 8)

We see that questions are being asked. The next question is: how does one turn the analyzed failure into learning? Two categories have emerged during the research. We chose to call them 1) the internalization approach and 2) the systematic approach. The internalized approach to learning from failure is characterized by intuition and a lack of structure, while the systematic approach employs practical tools to extract insights and learning from mistakes. We will delve further into both.

4.4.1 Internalizing Approach

“I don't have any concrete tools to extract learning...It's internalized, that learning.” (Resp 7)

This quote summarizes the predominant method of learning among the respondents. All entrepreneurs, except for one, rely on internalized learning through intuition and hands-on experience rather than a systematic approach.

They often do not document or formalize their learning, but rather remember and apply it in practice, similar to Respondent 10's "mental checkbook of learning". This approach is characterized by intuition, experience, and a less structured process. Some words used to describe this process include "random" (Resp 8), "unformalized," "saved in memory," (Resp 5) and "burnt child shuns the fire" (Resp 3). The following quotes illustrate this approach:

"I'm very simple, so I don't sit down with a spreadsheet and analyze. I've seen the main challenges and then I build further on that. It becomes an internalization of your learning. That can give me some blind spots, because you think that what you experienced there is what you will experience next." (Resp 2)

Respondent 2 adopts a simple, experiential approach to learning. He knows this can lead to blind spots as he assumes future situations will mirror past experiences, but that does not change his approach.

From a first-hand view, this approach can seem 'indolent,' but it appears like the respondents have figured out that intuition works better with their characteristics. However, it becomes clear that intuition is built based on years of experience, as respondent 4 emphasizes:

"I have the learning saved in my body and 'up here' (pointing to the head). I'm a hands-on person. I absorb knowledge, process it, and use it, but I'm not very systematic. I use my intuition. That intuition now has a basis of experience." (Resp 4)

She further describes how she works. She is trained as a visual artist and has worked with sculptures:

"When I was studying, we had to have sketches of the sculptures we were going to make. I made the sculptures first and made the sketches afterwards. That's how I am. All the radars, lean, and such...I can show you later how it started and how it turned out, but I'm not like that. I'm not systematic."

The quotes show that Respondent 4 knows of systematic approaches to learning but has personally found them ineffective. While capable of understanding and utilizing such models, she has determined that they do not fit her personal preferences. This represents many of the respondents who, despite not working systematically with failure, learn and improve. Respondent 3 shares that one has to live with failure "because in the start-up process, you get hit in the face with mistakes." The answer for these entrepreneurs seems to be to tackle them as they go.

The respondents were further asked what happens with their learnings and whether they are written down. Some say yes, like Respondent 7, who writes a lot in a diary. Respondent 9 mentions an internal wiki and manual for new team members, one of the only ones that do this.

“We have an internal wiki and manual that we use. If you started with us as a new team member, you would get some kind of introduction manual in which we go through important things.”

Many of the respondents admit to occasionally or never writing down their learnings. Respondent 8 engages in writing reflection notes but seldom revisits them. Respondent 11 states, *“No, I haven't written it down. I just have it in my head and spine.”* He expresses a desire to do so in order to fine-tune their strategy based on the lessons learned. Similarly, Respondent 1 retains everything in his head, and Respondent 2 emphasizes the importance of having learning ingrained as a “spinal reflex” to avoid repeating mistakes, and therefore does not want to write learnings down. The latter relies on memory and intuition, highlighting that an entrepreneur's inner drive is so powerful that maintaining a large document with learnings would be futile.

What works for the respondents varies, but it is evident that very few have specific strategies in place to preserve and apply their learnings, despite their intention to avoid repeating mistakes. Although some respondents write them down, few revisit those learnings later.

4.4.2 Systematic Approach

We will now look at the systematic approach. Two respondents have used this sporadically, and a third use it proactively.

Respondent 3 shares how she has started to use the Lean methodology to identify and learn from failure. She recognizes that doing so has saved her money:

“It was when I started with Lean certification. It took me half an hour to analyze, and it could have saved me NOK 200,000 over the years. It's a mistake I have learned from and will take with me going forward. Even if you have found a solution, it may not necessarily be the best solution.”

Further, Respondent 8 shares how he has systematically approached the EHS work in his business, but not so much in the business development. He describes using an IT system to track and report deviations and hazards encountered during

work, and how this information is used in board meetings to improve the HSE regulations. The respondent also describes how he conducted tours with representatives from different departments to identify potential risks and hazards, and how this approach increased employee engagement and created a culture of reporting. He then adds that *“This is the EHS work. We didn't use that in business development.”* He then shares his desire to learn from mistakes: *“Sharing mistakes and reflecting on them within a company or environment is probably useful, but it's not common.”*

Two respondents discussed the pilot methodology as a systematic approach to learning from failure. Respondent 11 believes that the aviation industry is the most adept at learning from mistakes, citing the example of flight recorders or ‘black boxes’ that are analyzed in the event of a crash. He suggests that organizations should follow a similar approach by setting up a “crash commission” to analyze errors and identify ways to improve processes, but he does not do so himself. There is a gap between his knowledge and action.

“I would like to tell you that we have built a very good process for this. That we analyze mistakes and manage to extract knowledge from the mistakes I have made, and that we are so systematic that every time a mistake happens, we start a separate project on it and analyze it - but we are not there yet today.”

On the other hand, Respondent 2 is a pilot. He has brought his learning from his former profession into his startup and demonstrates a systematic approach to learning from failures in their organization. *“We have a system for business development,”* he says. They use a project management tool called ClickUp to track development standards, business developments and identify areas for improvement. Whenever a mistake occurs, they write it down and create a checklist to prevent it from happening again. Written failures become action points for improvement. They update their policies through a platform called OneTrust and have weekly meetings to discuss, for example, marketing-related standards. The respondent enjoys writing everything down, and his team has a system for all projects, using the same system, policies, and standards around the clock. He further describes the process used, highly inspired by Agile and Scrum methodologies:

“We have learned a lot from Agile and Scrum methodologies. Every day we have ‘sprints’. We talk for 10 minutes about our main project. Everyone in the team and product owners attend the meeting and share

what they did yesterday, if there is an error in the system, what they plan to do today, etc. If there is an error, we write it down in the system. We keep track of all 'bugs' and prioritize them based on urgency. After 10 minutes of sprint for our main project, we have 15 minutes for other projects we are working on. We don't use more than 30 minutes in total.

We also have weekly marketing coordination meetings and weekly leadership meetings. We have coordination meetings every Monday, starting with the core and development teams, followed by all marketing and leadership group meetings. We have a weekly system where we check and update everything.”

Where Respondent 11 recognizes the importance of learning from failure, Respondent 2 provides a concrete example of how this can be achieved in practice. By creating a structured system for analyzing mistakes and continuously improving processes, Respondent 2's organization seems equipped to avoid repeating the same errors in the future. This process only takes him around 30 minutes a day.

As we have seen earlier, Respondent 11 has seen the importance of learning from failure, even though he has not structured this. He brings the internalized and structured views together and says:

“Of course, You can learn from failures without reflecting on them because it's painful to fail... So the body remembers it, and the mind remembers it. But even more powerful, I think, is if you reflect on it and try to analyze it and extract lessons from the mistakes that are made.”

In this, he seems to imply that both internalized and structured analysis can bring learning, but the structure might bring more value.

4.5 Failure as a Strategy to Innovate

Most respondents are concerned with learning from failure. Few of them are, however, strategic in using failure to innovate. Three of them replied that they had never worked systematically with that. One of the reasons being *'I'm intuitive, I don't work like that'* (Resp 4), and another being that so many mistakes come to the entrepreneurs that creating them strategically is not desired; *"I think you would be very ballsy to do that* (Resp 10). Others know that innovation sometimes springs from mistakes, even though they do not work with it systematically.

“I try things even though I know they can go wrong. I'm a gut-feeling person, intuitively oriented. But if I'm going to do something new, I have to find out something I didn't know I could. Then I have to try something new. That can come out of failure.” (Resp 8)

Lastly, Respondent 6 shares the importance of keeping the eyes on the goal, but being flexible to change the path and to learn from hinders on the way:

“I've made many mistakes. As an entrepreneur, I try to change the direction of the product when I make a mistake and get feedback. In the military, we say that we can't plan everything. When the operation starts, you land in nothing. It's a new session. You have to think about the plan, the goal, but you have to adjust everything into the plan again. I've made many mistakes, but I always try to keep flying towards the goal.”

Failure is not consciously used as a tool to innovate, but most of the serial entrepreneurs stay open-minded when a mistake happens and see how it can lead to new outcomes.

4.6 The Complexity of Learning from Failure

In Chapter 4, we have explored the respondents' various methodologies for learning from failure, including identification, analysis, and deliberate experimentation. However, the complexity of learning from failure is evident from the perspectives shared by several respondents.

One of the complexities lies in the challenge of identifying failure. Mistakes can have diverse causes, making determining a common denominator for failure difficult. As Respondent 1 puts it, “What is a failure made of?”. This emphasizes the intricate nature of defining failure and understanding the factors that contribute to it.

We have earlier seen how respondent 10 describes the process of learning from failure as intricate. Recognizing that we are not robots, the complexity of our individual experiences adds difficulty to extracting valuable lessons from failure and applying them effectively:

“People in this world who became a success can say ‘wow, it was a success.’ Well, we didn't expect it. It seems everyone's trying to identify the cluster of things that came together at the right time for it to ‘boom’ and

succeed. Some of those clusters have to do with failures, so sometimes people want to know, 'okay, how can I have the right ingredients of failure for it to 'boom' and succeed?' I don't know if that's easily sussed out because we humans are so complex." (Resp 10)

She further elaborates on this complexity and asks if the learnings from failure can be quantifiable:

"Danny Meyer talks about his hiring process. He claims 51% is personality traits and 49% formal qualifications - it's quantifiable. Maybe it is similar when learning from failure? Parts of it can be quantifiable; I didn't do a reference check or follow a certain process, which led to failure. However, I think 51% of the 'human side' is really interesting, and that's the most complex and important side to it all."

Respondent 10 asks whether only parts of the failure are quantifiable, but that the "human side" is the most complex and crucial aspect of the process.

Further, Respondent 11 suggests that learning from failure is more complex than learning from success and, as a result, prefers to focus on studying success factors. He references Tolstoy's statement that happy families are all alike, while unhappy families are each unhappy in their unique way. Tolstoy notes that functional families tend to have certain common characteristics, such as parents being together, eating together, and having good financial management. Dysfunctional families, however, can fail in various ways, such as accumulating debt, engaging in gambling, or experiencing infidelity. The respondent implies that it is hard to study failures as there can be many factors, which supports his earlier reasoning that he spends most of his time studying success factors.

These insights collectively underline the complexity of learning from failure and raise important questions about its feasibility as a straightforward process.

4.7 What is Needed to Learn from Mistakes?

At the end of each interview, the serial entrepreneurs were asked what they would have found helpful to learn from their failures. Some shared that they had lacked help from others. Respondent 1 shared that he *"realized that I have to create my success and that I received very little help from others."* Others had more help. The response can be categorized into seven main areas. Some needs are related to structural learning, such as learning through case studies, institutionalized learning, and accelerator programs. Others are more relational, such as having a

mentor and networks. The summary below outlines these categories and further elaborates on them.

WHAT IS NEEDED TO LEARN FROM FAILURE?	THE QUOTE THAT REPRESENTS THE VIEW	COMMENT
Learning through Case Studies	<i>"I have learned quite a bit through case studies. When someone has put together a white paper of a situation, then I have been able to extract context from it." (Resp 2)</i>	Processed cases might make it easier to learn.
Having a Mentor	<p><i>"A mentor would help me. Someone who had knowledge and who could give feedback." (Resp 3)</i></p> <p><i>"We got a mentor from Innovation Norway. Back then you could apply for mentor support, which means that you got capital to work with a person from the business community. It was helpful"(Res 5)</i></p> <p><i>"I have several mentors that I speak with regularly." (Resp 11)</i></p>	Shows the importance of having a mentor. Some have the experience of it; others lack this experience.
Institutionalizing Learning	<p><i>"I believe our business would benefit from having a more systematic process in place... Maybe we should have a failure lunch once a month. Where we ask 'what mistakes have we made in the last month, and what can we learn from them'. How do we utilize the mistake and go from a reflection to becoming a part of the strategy and process? That's where I think the goldmine lies. (Resp 11)</i></p> <p><i>"It's about discussing things in a forum, in plenum. And there are very few forums" (Resp 1)</i></p>	Several respondents discussed whether institutionalizing learning would make learning easier.
Close Relationships	<p><i>"I talk to my wife and selected friends. And then I have several mentors."</i></p> <p><i>"I've always talked a lot with my wife, she became an advisor because she also knows me personally. But then, in larger startups, I told the team around me who I am. The more confident I became as a person, the more I dared to go in early and say who I am as a person. Where are my biases and strengths?"</i></p>	Several shared the importance of having close relationships. This highlights the significance of trust as a key factor, wherein one is known at their core.
Network	<p><i>"Yeah, I use people I know. I call friends in the same industry and bounce ideas off them. I use my network. When covid hit... no one had experienced it before. I talked to some others who operated in the same industry. Having a network of go-to people is important. This world - there is a lot of unpredictability.. I don't think it would have helped to read up on it." (Resp 4)</i></p> <p><i>"As an entrepreneur, it's very useful to be part of a community of entrepreneurs who have some experience and where you can ask questions. What VAT code is it? Which accounting system do you use? Then it's very useful to ask, in other words, learn from others." (Resp 8)</i></p>	Society is unpredictable, and it is hard to read up on everything. Therefore, having a network of people supporting one another is crucial.
Conversation	<p><i>"This (interview) was great! It gives me an understanding of my own journey. I know that some people find some principles in a book, copy them, and talk to their mentor about it. But for me, learning happens in the interaction between me and the coach/mentor, where I share something and then the mentor comes back with some input - just like we're doing now. And then it gives me such an 'aha moment' that wouldn't have happened if I hadn't had that conversation." (Resp 7)</i></p> <p><i>"Conversation. Reflection. Just the fact that we are talking now makes me more aware." (Resp 8)</i></p>	The interviews highlighted the importance of reflection and conversation. Many highlighted that the interview itself was of help to them.
Accelerator programs	<i>"Incubator, network, and getting access to people who know what they're doing and can be door-openers" (Resp 5)</i>	Accelerator programs were most mentioned among the respondents. See the chapter below for more details.

Accelerator programs were the topic that was discussed the most among the respondents. We will therefore delve deeper into that area.

4.7.1 Accelerator Programs and Diversified Support

The quotes from respondents who have participated in accelerator programs suggest that such programs can provide valuable benefits to startups when learning from failure. For instance, one respondent noted:

“If it hadn't been for Google WeStart, my company wouldn't have been registered today. It was a kick in the rear. It gives a kind of security. You get your business idea validated by others who have perhaps done similar things before.”

The program seemed to give important validation and support. Similarly, another respondent found the community of similar startups in the accelerator useful:

“When I started my second startup, I entered into a community with other companies at the grassroots level in the portfolio of FERD Social Entrepreneurs, and I found it very useful.”

However, the effectiveness of accelerator programs seems to depend on the level of engagement and collaboration among participants, as noted by Respondent 1. While some participants may be very open and share much information, others may be more guarded and keep their cards close to their chest, creating a dynamic that can affect the program's overall success. According to this respondent, *“They really have to want to collaborate.”*

Furthermore, the relevance of the program's content may vary depending on the industry or specific needs of the participant, as seen in the case of a third respondent who wished to have gained more practical knowledge on budgeting and accounting. As this respondent noted,

“I wish I had gained much more knowledge, pure knowledge, on budgeting and accounting. But in 2019, someone from Ferd helped us. It was fantastic. I got a budget and thought, if I had gotten this in the beginning, I would have managed things very differently.”

On the other hand, Respondent 3 found the program to be beneficial due to the commonality of their business with others in the same industry, noting that

“there's a huge difference between different startups. I learned from those in the same industry.”

Despite these challenges, the network created through the program can be a valuable source of support and learning. For example, a respondent noted that they regularly communicated with other participants and had physical meetings with “buddy companies” to share experiences and learn from each other.

According to this respondent,

“We have many good relationships with companies in Impact Startup. Every month we call each other and discuss how things are going. What's happened? I try to understand what can happen on the road for us too. What have they learned, and what can we do through their process? I learn from my network all the time. We also have physical meetings every other month with buddy companies via Impact Startup.”

The quotes suggest that while accelerator programs can offer significant benefits, participants must be fully engaged and collaborative to reap the total rewards. The relevance of the program's content and the industry commonality of the participants can also impact its effectiveness. The network created through the program can be a valuable source of support and learning.

We have seen that accelerators have been a helpful support in the journey of many of the entrepreneurs. Still, Respondent 6 shares that it is not one answer to how they receive help to learn from failure. Rather, he claims he *“always needs help along the way”*. He further shares his process:

“We had one incubator initially. Now we have another incubator that we use for business development. We have also established an advisory board with four people who help us. I always miss professional competence, but I try to reach professional competence through incubators, accelerators, advisory boards, and board members.”

In this context, there is a prevailing attitude that assistance is consistently required at different stages of the entrepreneurial journey, taking on diverse shapes and forms. It is understood that the specific support needed may vary from one stage to another or in different scenarios.

This concludes the analysis chapter, where we have explored the respondents' definition and attitude toward failure, their process of identifying and analyzing failure and using failure as an innovation strategy. Furthermore, we have examined the complexities of learning from mistakes and the specific learning needs of entrepreneurs. This chapter forms the foundation for the coming discussion, where we will further explore the findings and discuss their implications.

5 Discussion

This thesis aims to investigate how serial entrepreneurs learn from failure. To address this broad problem statement, the study is divided into three sub-research questions. These sub-questions explore how failure is perceived, identify actions taken to learn from failure, and suggest actions that could be implemented to facilitate learning from failure. This chapter will combine theory and empirical findings from the research to discuss these research questions and ultimately answer the problem statement.

5.1 How do Serial Entrepreneurs Perceive Failure?

The first research question asks how serial entrepreneurs perceive failure. To understand this, it is helpful to see how they define failure. Most of the respondents define failure as a deviation from expected results, in line with Cannon and Edmondson's (2004) definition. They highlight that there are different types of failures, including financial, interhuman, and external causes that lead to failures, such as COVID-19.

However, we have observed that two respondents question the definition. The definition assumes that deviations from expected results are negative. In contrast, the examples provided by the respondents, such as farmers' luck and the recycling machine, demonstrate that deviations can be positive. These examples include winning the lottery despite pressing the wrong button on the recycling machine or the farmer's son avoiding military service due to a broken foot. This raises the question of whether failure, in the cases above, lies in having narrow expectations and a limited view of the desired outcome rather than in the deviation itself.

Argyris (1976) sheds light on this discussion through his theory on single-loop and double-loop learning. Learning resulting from failure appears to be a single-loop learning process. Failure creates opportunities for making improvements within existing frameworks. On the other hand, questioning whether the expected results were correct resembles double-loop learning, which involves reframing underlying beliefs. This is particularly applicable when deviations turn out to be positive. With this in mind, there may be a possibility to challenge the desired outcome.

Cannon and Edmondson (2004) briefly point out that deviations from expected results also can have positive implications and present learning opportunities. However, their discussion remains limited as they focus primarily on negative outcomes, citing the “unique psychological and organizational challenges associated with learning from them” (p. 300). Consequently, it appears that Cannon and Edmondson (2004) do not explore *what* can be learned from positive deviations regarding single-loop and double-loop learning and how these deviations can contribute to reframing underlying beliefs. This perspective seems to represent an opportunity to gain further insights into how entrepreneurs can benefit from learning from failure, even when the deviation is positive.

5.1.1 Death and Resurrection

We have further explored the respondents' attitudes toward failure. Respondents have different attitudes toward failure, with some seeing it solely as a positive experience and a learning opportunity, while others view it as a negative and hurtful experience.

Cannon and Edmondson (2004) discuss social barriers that inhibit learning from failure (p. 302). Some respondents agree that failure is associated with pain and therefore tend to conceal it from others. A natural question arises from this perspective: *Can an entrepreneur still succeed even if their startup fails?*

While a few respondents acknowledge the presence of social barriers that inhibit proper learning from failure, most serial entrepreneurs are not significantly affected by these barriers. Their outlook on failure differs from the prevailing perspective presented by Cannon and Edmondson (2004). A majority of the respondents do not feel shame associated with their failures. They have a realistic and reconciled relationship with failure, which is not attached to shame. They acknowledge the negative aspects of failure but recognize its natural occurrence and potential for growth and learning. This aligns with Cannon and Edmondson's (2004) definition of inescapable outcomes resulting from risk-taking (s.300).

Although mistakes are generally unwanted, respondents perceive failure as an integral aspect of the development process, with one respondent describing it as a “death and resurrection - in a sweet union.” Within this perspective, it is evident that death itself is not inherently beautiful. Failure can be painful; however, the

natural cycle encompassing failure, learning, and eventual success possesses a certain beauty. The pain of failure acts as a catalyst for action and growth. As Respondent 5 stated, “It takes mistakes to learn, grow, and move forward.” Cope (2011) supports this notion, asserting that failure may help entrepreneurs improve their businesses and recover from setbacks.

Sarasvathy (2012) adds to this approach and argues that entrepreneurs can achieve success despite experiencing firm failures. Rather than avoiding failure, successful entrepreneurs incorporate it as a valuable learning experience within their business portfolios. Failure equips them for future success. Consequently, failure is not viewed as a final outcome but as a steppingstone to success.

Despite several respondents, in line with Sarasvathy, perceiving death and resurrection as a natural and, at times, “a sweet union,” not all of them thrive when faced with the failure of their startups. It has been observed that some respondents have struggled in the aftermath of their failures. For instance, one respondent shares that she has yet to recover from the challenges encountered during the Covid-19 pandemic fully, while another expresses uncertainty about whether the “deep wear marks” left by failure were ultimately worthwhile. These 'deaths' entail deep pain that cannot be disregarded. This sentiment aligns with Baumars and Starbucks (2005) assertion that failure can carry negative connotations and become synonymous with loss of face (p.283). Furthermore, research suggests that failure adversely affects one's self-image (Eskreis-Winkler & Fishbach, 2019) and can lead to emotional and financial setbacks (DeTienne, 2010). Nevertheless, despite the hardships, the respondents have persisted and embarked on subsequent successful ventures. This has occurred despite not viewing the failure as a valuable learning experience, as Sarasvathy (2012) characterizes it. This indicates their adeptness in handling advisory matters, as we will delve into in the next sub-chapter.

5.1.2 Resilience

We have seen that the entrepreneurs largely demonstrate a natural and constructive attitude toward failure. The reason is that they are “hit in the face with mistakes” (Resp 3), or in other words, they are often exposed to them. This resembles the theory of experiential learning. As the entrepreneurs experience

failure, they have to face them, and new learnings are formed. New ideas are reformed through action, experience, and reflection (Kolb, 1984; Schou et al., 2022).

Research indicates that serial entrepreneurship exhibits higher performance levels due to accumulated knowledge from past failed experiences (Laufente et al., 2022; Sarasvathy, 2012; Ucbasaran et al., 2010). Cope (2011) argues that these improvements are closely linked to effective venture management. This raises the question of whether this enhanced performance is based on practical learnings from previous ventures, such as developing effective financial models or implementing successful hiring processes, or if success stems from a developed ability to handle adversity.

The respondents' data reveals that serial entrepreneurs apply some practical learnings from their past mistakes. The most frequently encountered failures among entrepreneurs are related to team dynamics and financial difficulties. Respondents also acknowledge the application of their past learnings, such as implementing structured approaches and enhancing hiring and commercialization efforts, in their current ventures.

On one side, concrete learnings are evident, but on the other hand, many respondents struggle to explicitly pinpoint specific lessons that have been reapplied in new settings. The commonly used phrase is “it is in my spine,” implying that the learnings have become ingrained and are reflected in their actions. In light of this, failures appear to contribute to the personal growth of the entrepreneurs, although not necessarily in a systematic way. The failure is experienced, and learning comes out of that, despite a lack of systematic reflection as proposed by the experiential learning theory (Kolb, 1984).

The respondents have learned to persevere through adversity and compare this to the process of building muscle. “That's resilience, really,” as Respondent 11 states. The quote echoes Laufente et al. (2019), who talks about resilience as the ability to bounce back from failure and overcome adversity. They further argue that resilience is a key factor in the success of serial entrepreneurs. They explain that as serial entrepreneurs approach failure with acceptance, they cultivate

resilience, which becomes instrumental for future success in terms of increased psychological capital.

Several of the interviewed serial entrepreneurs share their experiences of gradually accepting and embracing failure as they gain more experience. They have developed a type of resilience toward failing. In this context, it can be inferred that the respondents' success lies in the resilience learned from failure rather than in a concrete set of practical knowledge that is reapplied in the next venture. This stands in contrast to Cannon and Edmondson's (2004) approach to learning from failure, which emphasizes using practical tools to extract learnings from failure to apply them directly in future endeavors. This contrast suggests that learning can occur through conscious reflection (as suggested by Kolb 1984, Cannon and Edmondson 2004), but it can also lead to resilience through unconscious adaptation when facing adversity.

5.1.3 Learning from Others' Failures

Cannon and Edmondson (2004) point out that knowledge sharing across teams and organizations is vital in learning from failure. The data question the effectiveness of this and asks whether the respondents learn from others' mistakes in the same way as their own.

Most respondents believe that personal experience is necessary for effective learning and that hearing about others' mistakes is not as impactful. We have seen that resilience is an important part of the entrepreneurial journey and that this resilience is mostly developed through firsthand experience. Feeling it “on your own skin,” seems to make the lessons more vivid and essential for effective learning among the respondents. It also increases the urgency to learn. An example of this is provided by Respondent 7, who repeatedly heard stories from other entrepreneurs emphasizing the importance of building a solid team. However, he failed to act on this advice until it was too late, resulting in team difficulties that ultimately led to him leaving the startup. Respondent 8 shares a similar story, stating that they did not apply their financial knowledge until they encountered failure in that specific aspect of their startup. Only then did they recall and apply their knowledge in their subsequent startup. The respondents

have therefore made it clear that while learning from others is valuable, its total value is realized when one gains personal experience.

However, some respondents acknowledge that learning from others' mistakes is possible. In this case, the motivation and willingness to learn become essential for the recipient of knowledge. The respondents' experiences with accelerator programs highlight this point. Entrepreneurs typically join these programs with specific needs for assistance and motivation to learn, which can be fulfilled through practical teachings or networking with other entrepreneurs facing similar situations. Some respondents mentioned the significant benefits they derived from practical lessons on budgeting and accounting, while others maintained regular communication with fellow entrepreneurs to exchange experiences. Another respondent emphasizes that one of the most valuable aspects of such networking and sharing failures is the reassurance of not being alone. It provides comfort and support and helps alleviate the stigma associated with failure. While Cannon and Edmondson (2004) imply that the goal of learning from failure is to avoid its repetition, this perspective implies that preventing failure is not the ultimate objective. Instead, the goal is to understand that failure is a natural part of the entrepreneurial journey and should not be stigmatized. This understanding can aid in bouncing back from adversity and building resilience, as discussed in section 5.1.2.

One respondent prefers learning from others' success, as it is believed that all successful practices have evolved from previous failures. The respondent's approach is to "Pick up inspiration here and there, learn to put together something unique". This aligns with Schumpeter's (1934) definition of innovation as a novel combination of existing resources (p.65). Thus, learning from others' success might be easier than learning from their mistakes.

In Chapter 5.1, we have observed that while some respondents hold complex sentiments towards their past mistakes, the majority readily acknowledge failure as an essential catalyst for learning. Despite this prevailing perspective, assessing whether this positive attitude translates into tangible actions remains crucial. Which actions do serial entrepreneurs use to learn from failure? This question will be further explored in Chapter 5.2.

5.2 Which Actions are Identified to Enable Learning from Failure?

We are further looking at the second research question, asking what actions are identified to enable learning from failure. Cannon and Edmondson (2004) stress the importance of identification, analysis, and deliberate experimentation as tools to learn from failure (p.314). Two distinct approaches emerge when exploring whether the respondents use these tools: the internalizing approach and the systematic one.

The internalizing approach, embraced by most respondents, emphasizes intuition, gut feeling, and hands-on experience. The serial entrepreneurs rely on their memory and practical learning application rather than formalized tools. Many acknowledge the significance of analysis but do not apply it. They attribute the intuitive approach to their personal characteristics, as analysis “goes against the entrepreneur's personality” (Resp 2). These patterns are seen to be challenging to change, often leading to recurring mistakes. While all eleven interviewees agree that failures should not be repeated, only one has structures to prevent it.

The second approach is the systematic approach. Methodologies such as lean, scrum, and agile are mentioned in this context. Two of the respondents draw inspiration from the aviation industry. While one respondent acknowledges their method of learning from failure, the other, a former pilot, has successfully applied this methodology to their startup. They provide concrete examples of a structured system for analyzing mistakes and continuously improving processes. Failures are documented, discussed in weekly meetings, and transformed into action points for improvement. The learning is formally recorded in their policies.

When examining the two approaches to learning from failure, a question arises: *Is one of these approaches the ‘right’ one?*

The literature on learning from failure suggests that a systematic approach is preferred. Cannon and Edmondson (2004) propose an approach involving identification, analysis, and deliberate experimentation. Lean, Agile, and Scrum theories all emphasize experiential learning, action, experience, and reflection (Schou et al., 2022). Cannon and Edmondson (2004) even cite pilots in the aviation industry as inspiration for their systematic approach to learning from

failure. They argue that organizations with formal debriefing processes and knowledge sharing are more likely to improve their processes and prevent future failures (p. 306). Considering this, it appears that the structured approach is the preferred one.

On the other hand, 10 out of 11 respondents adhere to the internalized approach. All of them have managed multiple businesses, with their current ventures thriving. Despite lacking a systematic approach, these respondents have effectively overcome setbacks. Respondent 4 exemplifies this perspective, acknowledging her knowledge of systematic approaches but finding them ineffective due to a mismatch with her personal characteristics. She emphasizes, *“I absorb knowledge, process it, and use it, but I’m not very systematic. I use my intuition. That intuition now has a basis of experience,”* (Resp 4). This statement presents a compelling argument for the internalized approach, highlighting that while it is intuitive, it is rooted in extensive experience. The description somewhat resembles speaking a mother tongue. The analogy emphasizes that one internalizes knowledge and skills through practice and familiarity without relying on explicit tools or a conscious understanding of the process.

Respondents also lean toward the internalized approach due to the complexity of learning from failure. They find it difficult to pinpoint the factors that facilitate learning and prevent repeated mistakes, as each new scenario presents different challenges. One respondent expressed that the situation would be different if everyone were robotic and able to calculate the mistakes made in one scenario and apply them to the next. Since the context constantly changes, it becomes challenging to reapply previous learnings from failure to similar situations in the future and expect success. The respondent acknowledges the complexity of learning from failure, suggesting that certain learnings are quantifiable while others are more subjective and challenging to measure. This raises the question of what it means to learn from failure when external factors constantly change. Despite the existing research discussing factors that impede learning from failure, such as lack of reflection, support, resources, and attributing failure to external factors (Eggers & Song, 2015; Ucbasaran et al., 2010), the question of complexity receives limited attention in the theoretical framework.

Dutta and Crossan (2005) outline a learning process encompassing both internalized and structured aspects. The framework of the 4 I's: intuition, interactions, improvisation, and institutionalization. Most respondents heavily rely on the intuition aspect described by Dutta and Crossan, identifying opportunities through hunches, gut feelings, and tacit knowledge, as described above. Drawing on their prior experiences, as Respondent 4 articulates, they have developed an intuitive sense and can recognize patterns as external events unfold. Several respondents have also engaged in interactions and improvisation, building social networks through their experiences and learning through trial and error. However, only a few of the respondents actively practice the final step in the learning process, which is institutionalization. This involves implementing formal systems and structures, including incentives, culture, and procedures, to support learning and foster innovation. This aligns with Cannon and Edmondson's (2004) perspective, which emphasizes the significance of overcoming social barriers to learning from failure and constructing technical and structural frameworks to facilitate effective learning (p. 300).

With this understanding, it becomes evident that valuable learning can occur through the internalized approach, characterized by intuition, interactions, and improvisation. However, while the respondents make significant strides in learning from failure through this approach, many stop before reaching the final step. The internalized and structured approaches do not seem to be opposing forces but rather different steps in the learning process. To enhance entrepreneurial learning opportunities, there seems to be inherent value in taking the 'final step' to systematize and institutionalize the learning process. As highlighted by Respondent 11, while learning from failures without reflection can be retained in one's body, actively reflecting on these experiences is likely to have a more significant impact.

In conclusion, both approaches yield valuable learning outcomes from failure, but the structured approach appears to unlock the most significant potential for extracting meaningful insights. However, it is important to recognize that learning from failure is not a universal concept that can be applied uniformly in every situation. Rather, it involves complex factors where some parts can be

quantifiable, and others cannot. Still, as long as there are quantifiable aspects to learning from failure, there seems to be value in extracting that learning.

With this understanding as a foundation, what can be done to learn from failure where it is possible to extract learning? We will delve into this further in the next chapter.

5.3 What Actions Can be Implemented to Facilitate Learning from Failure

We have now looked closer at how serial entrepreneurs perceive failures and which actions are identified to enable learning from failure. We will now see what action can be implemented to facilitate learning from failure. Below are findings identified both in literature and with the respondents. These are split into two categories: structured learning and network-related actions. The section ends with a reflection on whether all factors are universal to each of the entrepreneurs.

5.3.1 Structured Learning

In Chapter 5.2, we discussed the internalized and structured process. While acknowledging the value of the internalized approach, it was concluded that many serial entrepreneurs could enhance their learning by incorporating a structured learning process. Thus, the first recommended action to facilitate learning is implementing a structured learning process, referred to as institutionalization by Dutta and Crossan (2005). In the following section, we will highlight several factors that can support this.

Cannon and Edmondson (2004) have devised a process for learning from failure. Typically, the most significant hurdles in deriving lessons arise from social barriers, wherein individuals feel too embarrassed to identify their failures. However, this was not the case for most of the interviewed serial entrepreneurs. Instead, technical barriers pose the most significant challenges. These barriers refer to an absence of procedures and systems that record and disseminate failures (Cannon & Edmondson, 2004, p. 302). We will therefore examine the framework and assess how it can benefit the serial entrepreneurs, considering their personal experiences in the field.

Identification. The respondents generally use sporadic reflection as their primary

tool for identification and analysis, asking questions in retrospect, such as why, how, and what could have been done differently. Cannon and Edmondson (2004) underscore the significance of establishing routines for early failure identification, as minor failures can serve as ‘warning signs’ and prevent subsequent scandals. To operationalize this concept, they propose developing systems that capture and organize data to detect anomalies (p. 312). Such systems can take the form of technical frameworks or be implemented through daily stand-up meetings, as one respondent exemplified. In this approach, the team shares their completed tasks, plans, and challenges daily, facilitating effective identification of failures.

Analysis. After identifying the failure, the subsequent step involves analysis. Respondents typically contemplate the scenario and inquire about the factors contributing to the failure. However, there is a potential to derive greater value from these learnings. Thorough analysis is crucial to avoid incorrect conclusions (Soyer & Hogarth, 2023).

To address the technical barriers the respondents encounter, implementing structured formal sessions following specific guidelines can facilitate effective failure analysis (Cannon & Edmondson, 2004, p. 312). Based on the respondents' insights, the following steps offer potential approaches:

1. Conduct a stand-up meeting where each employee reviews their daily tasks and identifies past mistakes or potential future pitfalls.
2. Engage in team discussions to identify the reasons behind the failure and explore potential mitigation strategies.
3. Document action points derived from the analysis and integrate them into future tasks.
4. Update standards and employer handbooks if necessary, ensuring their accessibility and visibility to all organizational members.

Some respondents mention lack of time as a hindrance to this process. Yet, one respondent demonstrates that this can take only 30 minutes a day, saving time in the future as it captures the early warning signs of failure. The key is to organize the process in a way that makes it easy to accomplish.

While there are perceived advantages to structuring the learning process, it is essential to recognize that several respondents highlight their personal characteristics as a hindrance to establishing such a system. However, this very

trait has enabled many of these entrepreneurs to take risks and reach their current level of success. It becomes crucial to balance embracing one's personal traits and acquiring new skills to enhance their venture's success. Cannon and Edmondson (2004) emphasize the benefits of assigning a dedicated individual to oversee adherence to the guidelines mentioned above (p. 312). By delegating this responsibility to a team member, considerations can be made for both individual traits and the need for structure. Each entrepreneur should adapt these guidelines to suit their specific business context, with the primary objective being to formalize a set of procedures to be followed.

Deliberate experimentation serves as a proactive approach to learning from failure, wherein ideas and hypotheses are systematically tested within a controlled environment (Cannon & Edmondson, 2004, p. 312). Most respondents are interested in learning from failure, but none use failure as a strategic tool for innovation. While some acknowledge that innovation can emerge from mistakes, they predominantly refrain from adopting this approach due to perceiving it as high risk. Paradoxically, the essence of experimentation lies in quickly testing ideas within a safe setting, thereby providing validated feedback to avert failure, increase chances of success and prevent the wastage of time and resources (Martin, 2002; Ries, 2011; Schou et al., 2022). A respondent vividly exemplified the value of deliberate experimentation, recounting her experience with adopting a lean approach, where she realized she could have saved NOK 200,000. Initially, she had not engaged in such experimentation due to time constraints but later acknowledged that the time invested would have been worthwhile.

The respondents also refrain from deliberate experimentation due to the complexity of learning from failure. There seems to be a lack of knowledge of how to experiment properly, breaking elements down and testing them on a small scale. Cannon and Edmondson highlight that the primary barrier to deliberate experimentation is a lack of expertise in experimental design (Cannon & Edmondson, 2004, p. 312). Consequently, there seems to be value in learning how to run pilot projects efficiently. This mirrors the effectuation approach, leveraging existing resources, testing them, and making informed decisions in uncertain and complex environments (Sarasvathy, 2001, p. 245). Therefore, deliberate experimentation seems to be an important tool to learn from failure.

5.3.2 Network-Related Factors

When conversing with the respondents, networking was their most desired course of action for learning from failure. Only a few mentioned the need for additional knowledge related to learning from failure, as their primary focus was connecting with fellow entrepreneurs who had undergone similar experiences. The purpose of such networking was not merely to avoid future failures but rather to seek support during the process of trial and error. Ucbasaran et al. (2010) emphasize the significance of external support in facilitating effective learning from failure. The following are some of the network-related factors that were expressed as desired by the respondents.

Close relationships. Many respondents emphasized the importance of having close relationships, which underscores the significance of trust as a crucial factor. These relationships enable individuals to be known deeper than being ‘the founder’.

Having a Mentor was missed by many. The respondents claimed that having a mentor is beneficial for learning from failure, as they can provide knowledge and feedback based on their previous experience.

Network. Having a solid network of peers and fellow entrepreneurs in the same industry was mentioned to be invaluable for bouncing ideas off of, learning from their experiences, and seeking advice on specific issues or challenges that arise. These relationships can provide practical, real-world knowledge and insights that might not be available through research or formal training. Sarasvathy (2012) argues that networks are one of the factors that allow serial entrepreneurs to make better decisions amidst uncertainty.

Conversation. The interviews highlighted the importance of reflection and conversation to bring learning out of their mistakes. Ucbasaran et al. (2010) argue that lack of reflection impedes failure recognition and the opportunity to learn from it.

Accelerator program. Some respondents found accelerator programs useful due to the community and network created through them, which offered opportunities to learn from others in the same industry. However, the program's effectiveness

depends on the level of engagement and collaboration among participants. The relevance of the program's content and the participant's specific needs also play a role. Despite these challenges, the network created through the program can be a valuable source of support and learning for participants.

The above points show the importance of community and might be a call to create networks where relationships, mentoring, honest conversation, and being matched with entrepreneurs in the same setting as you are in the center. While some have mentioned the need for financial knowledge and support in team dynamics, programs aimed at entrepreneurs might benefit from focusing more on the relational aspects. Despite their experience, serial entrepreneurs still require a supportive community.

5.3.3 Does One Size Fits All?

Through the interviews conducted with the respondents, it has become evident that the needs of entrepreneurs vary based on their personalities, experiences, and situations.

Respondent 6 highlighted the significance of receiving assistance in the process of learning from failure, emphasizing the continuous need for support. The respondent also mentioned how their needs vary depending on the circumstances. One size does not seem to fit in all situations. There have been instances where they required the support of incubators, while in other seasons, advisory boards, board members, or accelerators played a crucial role. This underscores the notion that a single tool for learning from failure may not be suitable in all situations. Thus, it appears essential to have a diverse range of tools in the toolkit appears essential. Some of these tools fall under structured learning, like identification, analysis, and deliberate experimentation. Others are network-related, including more relational aspects and the opportunity to reflect with others. Additionally, internalized tools, such as resilience, play a significant role in facing and overcoming failure. As one respondent mentioned, some learnings from failure are quantifiable, while others are more human in nature. Therefore, entrepreneurs require a toolbox that encompasses the complexity of this process.

6 Conclusion

This thesis aims to address the problem statement: How do serial entrepreneurs learn from failure? To answer this, three research questions were explored: 1) How do serial entrepreneurs perceive failure? 2) Which actions enable learning from failure? 3) What actions facilitate learning from failure? The findings will be summarized to conclude the thesis and address the problem statement.

Regarding the perception of failure, most respondents define it as a deviation from expected results (Cannon & Edmondson, 2004). However, two respondents challenge this definition, suggesting that failure may stem from having narrow expectations of the expected results. Single-loop and double-loop learning (Argyris, 1976) are discussed to reframe underlying beliefs.

The attitudes of serial entrepreneurs towards failure are further explored. While social barriers may hinder learning from failure, most respondents have a realistic and reconciled relationship with it. The process of failure and learning is described as a "death and resurrection," emphasizing that although failure is unwanted, it is natural and creates an opportunity for learning and growth. In alignment with Sarasvathy (2012), most respondents agree that an entrepreneur can succeed even if the startup fails. However, even a successful entrepreneur can carry the loss from previous failures with them. Death hurts. Resilience is highlighted as a trait developed through experiencing and accepting failure, which becomes instrumental for future success (Laufente et al., 2019). Concrete learnings from past failures partly contribute to enhanced performance and practical aspects of venture management. However, these learnings primarily manifest as ingrained actions, forming resilience that respondents describe as being "in my spine." This process is akin to building muscle. Failures contribute to the personal growth of entrepreneurs, even though systematic reflection may be lacking.

Experiencing failure firsthand is considered more impactful for learning than knowledge sharing. However, learning from others' mistakes is recognized, mainly through structured programs or networking with fellow entrepreneurs. The goal of learning from failure is not only to avoid repetition but also to understand

that failure is a natural part of the entrepreneurial journey that should not be stigmatized.

Despite the interest expressed by most respondents in learning from failure, only a few possess strategic tools to do so effectively. Two distinct approaches are observed: the internalizing approach and the systematic approach. Most follow an internalizing approach, relying on intuition, practical application, and hands-on experience. A minority adopts a more systematic approach, utilizing Lean, Scrum, and Agile methodologies to institutionalize the learning process. While a systematic approach is favored in the literature (Cannon & Edmondson, 2004; Schou et al., 2022), most respondents prefer the internalized approach, citing their extensive experience and intuitive decision-making as compensatory factors.

The data shows that learning from failure is a complex process. We have also seen that failures can lead to learning retained in one's body without further reflection. Nonetheless, systematically extracting learning from the quantifiable aspects of failure has shown to hold value. Taking the “final step” to systematize and institutionalize the learning process can enhance entrepreneurial learning opportunities (Dutta & Crossan, 2005). We have observed that this is feasible considering both individual traits and the requirement for structure. While respondents generally hold a positive attitude toward failure, moving beyond a positive perspective and utilizing strategic tools to extract valuable lessons from it appears necessary. The final research question aims to give implications for practice, providing tools to learn from failure strategically.

Actions to facilitate learning from failure are explored, falling into two categories: structured learning and network-related factors. Implementing a structured learning process, establishing routines for failure identification, and conducting structured analysis sessions are recommended. Deliberate experimentation is also emphasized (Cannon & Edmondson, 2004). On the network side, close relationships, mentors, strong peer networks, and conversations are highlighted as valuable resources. Accelerator programs are mentioned as beneficial for creating networks and learning opportunities.

Entrepreneurs' needs vary based on personal traits, experiences, and situations, making a one-size-fits-all approach unsuitable. Serial entrepreneurs require various tools, including structured learning processes, network-related support, and internalized tools like resilience.

In conclusion, serial entrepreneurs learn from failure by perceiving it as an opportunity for growth, developing resilience, leveraging firsthand experience, and adopting a combination of internalizing and systematic approaches. By further embracing these actions, entrepreneurs can extract valuable insights from failures and foster a culture where “death and resurrection” exist in, if not sweet, a natural union.

6.1 Future Research

This thesis has provided insights into how serial entrepreneurs perceive and learn from failure. However, knowledge gaps still require further exploration in this field. This section highlights four areas for future research.

One important area for future research is the role of networks in facilitating learning from failure. While considerable research has been conducted in the field of entrepreneurship and networks, there remains a gap in understanding the significance of learning from failure in this context. The findings of this thesis suggest that serial entrepreneurs seek networking and community over practical know-how when it comes to learning from failure. To deepen our understanding, future research should investigate the types of networks and network-related factors that contribute most significantly to learning from failure. This can provide valuable insights into how entrepreneurs can effectively leverage their networks to enhance learning from failure.

Another important area for future research is the integration of structured and internalized learning approaches. While structured learning processes are often emphasized in the literature, this thesis has revealed that many serial entrepreneurs face challenges in implementing these due to personal traits and time constraints. Thus, it would be beneficial to explore further how serial entrepreneurs effectively combine structured learning processes with intuition, experiential learning, and practical application of lessons learned. By shedding

light on these aspects, future research can guide entrepreneurs in developing learning strategies that collaborate with their characteristics and time constraints.

Similarly, complexity was a key aspect explored in the thesis. It became clear that the intricate nature of elements related to learning from failure makes it challenging to follow a structured learning process. The constant change of external factors compounds this complexity. The theoretical framework gives limited attention to this. Future research could benefit from a better understanding of the complexities surrounding successful learning from failure.

An additional area for future research is investigating positive deviations from expected results. Existing theories predominantly concentrate on adverse outcomes and the difficulties associated with learning from them. Therefore, there is an opportunity to explore learnings from positive deviations and how they contribute to reframing the understanding of expected results.

By exploring these areas, future research can contribute to developing practical tools and strategies that enhance entrepreneurial learning from failure.

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Appendix 1 - Interview guide

Introduction (5 min)

- Thank the respondent for participating.
- Introduce myself.
- **Purpose of the interview:** Master's thesis - exploring what the startup sphere can learn from how serial entrepreneurs learn from failures.
- **Anonymity:** Both you and your organization will remain anonymous. I'm not looking for the right answers from you. I just want to gain insight into your thoughts and experiences.
- Information and consent regarding the use of recordings.
- **Time:** The interview will take a maximum of 60 minutes.
- Do you have any questions before we begin?

Main Questions (45 min)

Warm-up:

- Can you tell me a bit about yourself and where you currently work?
- Which other startups have you been involved in?
- What led you to transition from your previous startup to the one you're in now?

Attitude towards failure:

- When I say "failure," what comes to your mind?
- What are the most negative/positive aspects of making failures?
- How do you define failure?
- Do you try to avoid failures?
- Are there permissible and impermissible failures?

Learning from failures:

- What do you do to learn from failures?
- What obstacles prevent you from learning from failures?
- Can you tell me about a situation where you didn't achieve the desired outcome?
- What caused it to turn out differently than you wanted?

- What did you learn the most from this experience?
- What steps did you take to change your behavior to achieve the desired outcome?

Identification:

- How do you identify failures?
- When do you pay attention to failures (small/big)?
- Can you describe a situation where you discovered and addressed a failure?
- How did you address it?
- What emotions did it create?
- Who was involved?

Analysis:

- What do you do specifically to extract learning from failures?
- Can you tell me about a situation where you actively sought to learn from your failures?
- What happens to the learning afterward? Is it written down? Shared with others?
- Can you describe a lesson you learned from a previous startup that has changed your approach to activities?
- Can you describe what it takes for you to be motivated to analyze the failures you've made?

Failures as an Innovation Strategy (10 min)

- Do you intentionally use failures to innovate? What does that look like, if applicable?
- Can you tell me about a situation where failures were used to create something new, and how did that unfold?

Learning from One's Own failures vs. Others':

- Do you feel that you learn as much from others' failures as you do from your own?
- Can you describe a situation where you learned from others' failures and used them to change your actions?

- Do you share the lessons you've learned from your failures with people outside your startup? How do you do this?

What's Needed to Learn from failures?

- Can you tell me about a situation when something or someone helped you extract learning from your failures?
- What would you need to make extracting learning from your failures easier?

Conclusion (5 min)

- Could you summarize what you think is the most essential aspect of what we discussed today?
- Is there anything else you would like to add?
- Thank you very much for your contribution!