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**A STUDY OF PERSON-
ENVIRONMENT FIT FOR
ENTREPRENEURSHIP IN CHINA**

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ABSTRACT

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This thesis examined certain characteristics of the fit concept for entrepreneurship in China. The analysis was based on person-environment fit theory, and the aim was to help entrepreneurs or companies whose business ideas are still in the seed stage to get a deeper insight into this issue from a psychological perspective.

The theory of entrepreneurship demonstrates that the factors influencing the success of entrepreneurship could be both external (economic situations, policy, competition levels) and internal (knowledge, skills, abilities, needs, traits, goals, values). However, in this study, the focus was on work environment and other external factors like economy or policy, were excluded. Moreover, based on the definition of person-environment fit, factors like family, cultural difference or community were excluded. This limitation of study does not mean denying that all factors are interrelated with each other i.e. culture and economics have shaped the characteristic of certain people in certain countries and area.

In this study both quantitative and qualitative research was applied by conducting in-depth interviews and an online survey in China. Subjective fit was applied in this research, which emphasizes a person's own perception of fit. By using regression analysis of the 218 respondents from more than 8 provinces, common patterns of PE fit for Chinese entrepreneurs were presented in the findings. Conclusions were made for entrepreneurs in different stages to help them get a holistic picture of choosing entrepreneurship as a career from a psychological perspective.

Keywords	P-E fit, P-V fit, Fit, Entrepreneurship, Entrepreneur
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Tässä opinnäytetyössä tutkittiin yrittäjyyttä Kiinassa yksilö-ympäristö yhteensopivuusteorian näkökulmasta, tavoitteena tarjota syvällisempää tietoa yrittäjille tai yrityksille, joiden liikeidea on vielä siemenvaiheessa.

Yrittäjyyden teoria osoittaa, että yrittäjyyden menestymiseen vaikuttavat tekijät voivat olla sekä ulkoisia (esimerkiksi taloustilanne, politiikka, kilpailutaso) että sisäisiä (esimerkiksi tieto, taidot, kyvyt, tarpeet, piirteet, tavoitteet, arvot). Tässä tutkimuksessa keskityttiin työympäristöön, joka ei sisällä taloustilanteen tai politiikan kaltaisia tekijöitä. Lisäksi ihmisen ja ympäristön yhteensopivuuden määrittelyn perusteella poissuljettiin sellaiset tekijät kuten perhe, kulttuuriero ja yhteisö. Tämä tutkimusrajaus ei kuitenkaan kiellä, etteivätkö nämä tekijät liittyisi toisiinsa, eli esimerkiksi kulttuuri ja talous ovat muokanneet tiettyjen ihmisten ominaisuuksia tietyissä maissa ja alueella.

Tutkimuksessa sovellettiin sekä kvantitatiivista että kvalitatiivista tutkimusmenetelmää, käyttäen syvähaastatteluita ja online-kyselyä Kiinassa. Tässä tutkimuksessa sovellettiin subjektiivisen yhteensopivuuden käsitettä, joka korostaa henkilön omaa käsitystä yhteensopivuudesta. 218 vastausta useammasta kuin kahdeksasta maakunnasta Kiinassa tulkittiin regressioanalyysin avulla. Analyysin tuloksena esitettiin yksilön ja ympäristön yhteensopivuustekijöitä, jotka sopivat kiinalaisille yrittäjille eri yrittäjyysvaiheissa, auttaen muodostamaan kokonaisvaltaisen, psykologisen näkökulman yrittäjyyden urasta.

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1 INTRODUCTION

With over 16.51 million new enterprises registered in 2016 in China (National bureau of statistics of China 2017), the issue of entrepreneurship has drawn much attention from scholars to individuals in the society. After reviewing the definitions of entrepreneurship which were made by antecedent scholars in different periods, Gordon, Natarajan & Arora (2009) concluded entrepreneurship as a process of undertaking various functions and then establishing an enterprise. The one who undertakes the most tasks is called entrepreneur. Usually, entrepreneurship starts from small business, like startups. Based on the nature of entrepreneurship, namely there is no limitation to any class, community, region or age, the charm of it is self-explanatory. However, the potential risk of starting up a business is underestimated by many people. Therefore, it is critically important to know the entrepreneurs' attitude toward entrepreneurial activities.

Person-environment (P-E) fit, is the match study between individuals and work environment. It has been a research topic of industrial and organizational psychologists (Kristof-Brown, Zimmerman & Johnson 2005). Scholars are more and more concentrated on this field, and P-E fit has raised the attention of recruiters, job seekers and incumbent workers in the business world (Kristof-Brown 2000). Entrepreneurship, as a choice of career, is beloved by many people especially college students in China. However, the failure rate also demonstrates that entrepreneurship may not suit for everyone. Combining with P-E fit theory, this research is to describe the characteristics of P-E fit on entrepreneurs when they choose entrepreneurship as a career. Moreover, this study is for entrepreneurs or people who are still in the initial phase to get a deeper insight on this issue from a psychological perspective.

1.1 Research Problem and Objectives

The aim of this research is to find out the characteristics of P-E fit on entrepreneurs in Chinese entrepreneurial environment. The focal group of this research is the entrepreneurs in the early stage and suggestions will be made for Chinese entrepreneurs based on findings from the interviews and survey, which will explain this topic from psychological perspective. To solve the research problem, more objectives are set:

(1) To generally describe entrepreneurial environment in China and the characteristics of Chinese entrepreneurs.

(2) To describe the main characteristics of P-E fit in the study of entrepreneurship.

1.2 Main Concepts

Basic concepts on P-E fit are explained in this study to better understand the practical use of this theory in entrepreneurial environment. Fit is an abstract concept, which is difficult to measure due to its subjectivity. Conceptualizing fit helps entrepreneurs to deal with complex situations such as stress and withdrawal behavior.

Supplementary fit means a person fits into an environment where another person within the same work environment may possess similar characteristics. Complementary fit, which emphasizes person and environment interact with each, could be divided into two aspects. From the view of environment, demand-ability fit is applied. It demonstrates that people's ability (i.e., aptitudes, skills, training, time and energy) should meet the demand of the work environment (i.e., job requirement, role expectations, group and organizational norms). From the view of person, the concept of needs-supplies fit (Caplan 1987) or supplies-values fit is employed, in which personal need (i.e., food, shelter, money, social involvement, and the opportunity to achieve) can be satisfied by the supplies of the work environment (i.e., extrinsic and intrinsic resources and rewards). The constructs of need-supplies fit and demand-ability fit are widely used in this research especially in the research part.

Six conceptualizations of P-E fit level (value congruence, goal congruence, personality congruence, interest congruence, needs-supplies fit and demands-abilities fit) are applied in the research part as the main characteristics of P-E fit. Whereas, the concept of each component is modified and interpreted by researcher in certain circumstances. Consequences of P-E fit are presented based on previous studies. This helps to understand the psychological behaviour of the entrepreneurs.

2 ANALYSIS OF PERSON-ENVIRONMENT FIT

With analyzing from multiple aspects of work environment, P-E fit could be divided into person-vocation fit, person-job fit, person-organization fit and person-group fit (Jansen & Kristof-Brown 2006). The focal part of this research is person-vocation fit, other levels of P-E fit will be discussed to get a holistic picture of this issue. Hence, this section is divided into two parts. The first part is to review where research on P-E fit theory has been and where it is going in general. The second part is focus on P-V fit theories.

2.1 Introducing Person-Environment Fit Theory

Person-environment (P-E) fit has been conceptualized in various ways. In its most general sense, P-E fit can be defined as the congruence, match, similarity, or correspondence between the person and the environment. Kristof-Brown et al. (2005) defined person-environment (P-E) fit as the compatibility between an individual and a work environment that occurs when their characteristics are well matched. On the other hand, P-E fit is fundamentally based in interactional psychology, which argues for "relationship between the individual and the environment" (Magnusson 1990). The concept of P-E fit can be defined more narrowly, which could be seen as a specific type of person and environment interactions. Personal characteristics include individuals' biological or psychological needs, values, goals, knowledge, skills, abilities or personality; environmental characteristics refer to work environment only, which are consisting of intrinsic or extrinsic rewards, organizational values or other work environmental conditions (Cable & Edwards 2004).

P-E fit theory provides a useful conceptual framework for understanding how individual and environment constructs could combine to have positive outcome. (Edwards, Caplan & Harrison 1998). With more scholars devoted in this field, P-E fit is on its way to be more comprehensive and specified.

Over the decades of PE fit research, four types of fit which can also be called as four levels are widely studied based on the work environment: (1) Person-vocation (P-V) fit is the broadest level of P-E fit. Based on vocational choice theory, which demonstrates the matching between various career paths and individuals' needs, abilities and interest,

P-V fit demonstrates that specific types of person are required for different type of vocations. (2) Person-job (P-J) fit is widely used in recruitment and selection research, which emphasizes the congruence between a person's characteristics and the roles within the job they play. Hence, DeRue and Morgeson (2007) labelled it more specifically as "person-role fit". (3) Person-organization (P-O) fit demonstrates the congruence between person and organization climate (i.e., organizational value). (4) Person-group (P-G) fit, in which group refers to a specific work group, such as peers or team members. (Kristof-Brown & Guay 2011)

2.1.1 Supplementary and Complementary Fit

Based on different definitions of environmental factors, Muchinsky & Monahan (1987) identified two different forms of fit: Supplementary fit and complementary fit.

Supplementary fit, can be described with the key term "similarity". A person fits to an environment where another person within the same work environment may possess similar characteristics. This idea is closely related to Schneider's Attraction-selection-attrition (ASA) model (1987), which states that person with similar patterns are easily to be attracted to, selected by and retained in the same organization or work palaces. This ASA model will be further discussed.

Complementary fit, can be described with the key term "make whole". Simply put, it states person and environment interact by fulfilling each other's need. From the view of environment, demand-ability fit is applied. It demonstrates that people's ability (i.e., aptitudes, skills, training, time and energy) should meet the demand of the work environment (i.e., job requirement, role expectations, group and organizational norms). From the view of person, the concept of needs-supplies fit (Caplan 1987) or supplies-values fit is employed, in which personal need (i.e., food, shelter, money, social involvement, and the opportunity to achieve) can be satisfied by the supplies of the work environment (i.e., extrinsic and intrinsic resources and rewards).

2.1.2 Consequences of Person-Environment Fit

Schenider (1987) and Harrison (2007) pointed out that fit could create negative outcomes as well, including excessive homogeneity, rigidity, stasis, and stagnation. Moreover, the importance of positive consequences of misfit could not be ignored

(Chatman, Wong & Joyce 2008). More generally, Kristof-Brown & Guay (2011) concluded five consequences of P-E fit. Namely affective outcomes, stress and strain, performance, withdraw behavior and additional outcomes (See Figure 1).

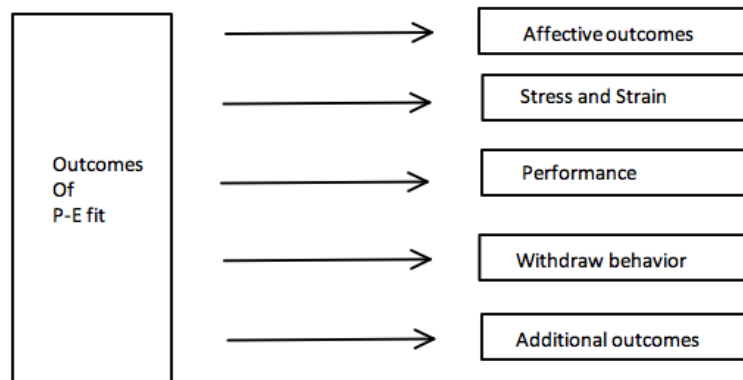


Figure 1. Outcomes of P-E fit (Kristof-Brown & Guay 2011)

Affective outcomes: A broad range of attitudes have been examined by scholars, which related P-E fit with job satisfaction, organization commitment, and intent to quit. Parker (2007) concluded job satisfaction as a pleasurable or positive emotional state that results from one's appraisal of one's job or job aspects. Job satisfaction is mostly predicted by person-job fit, particularly, for complementary need-supply fit in which the need of the person is met by work environment (Kristof-Brow, Zimmerman & Johnson, 2005). Additional attitudes like organization commitment, feeling of cohesion with the team and satisfaction with coworkers are examined in precedent studies as well.

Stress and strain: Edwards, Caplan & Harrison (1998) defined stress as a subjective appraisal indicating that supplies are insufficient to fulfill the person's needs. As noted previously, this definition suggested that stress occurs when complementary needs-supplies fit is missing, in which insufficient supplies may occur as a consequence of unmet demands. Caplan (1980) defined strain as deviations from normal functioning. There are three aspects of strains, which are physiological strains (i.e., blood pressure), behavioral symptoms of strain (i.e., smoking) and psychological strains (i.e., dissatisfaction and anxiety).

Performance as an outcome is the concern of various managers and organizations. Usually managers will assume the workers with high fit will have good performance,

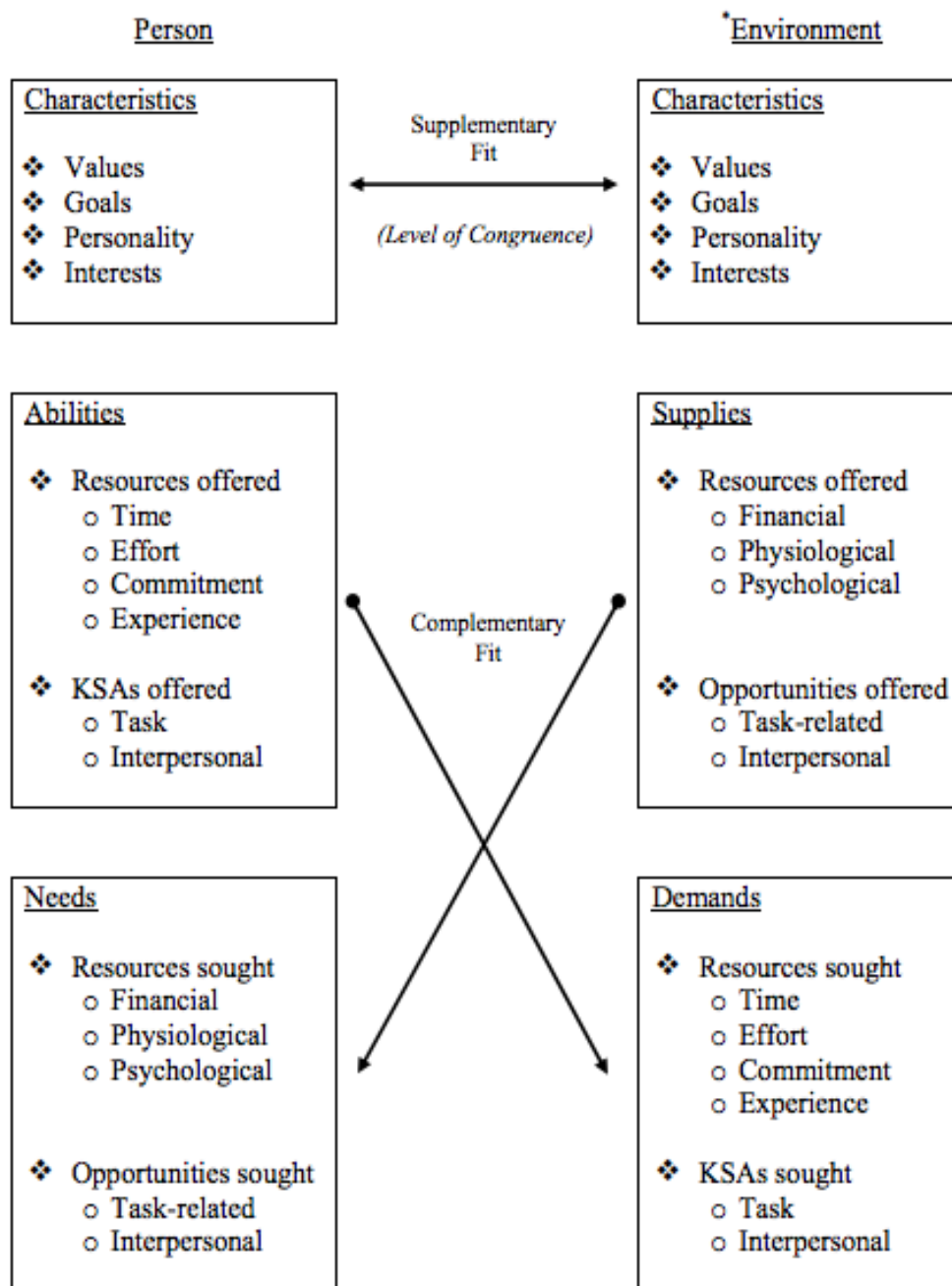
whereas the workers with low fit will have poor performance (Kristof-Brown & Guay 2011). As to define performance, two types of performance can be further explained, which are task-related performance and contextual performance. Task-related performance can be closely related to specific tasks undertaken by employees. Whereas, contextual performance is directly linked to organizational mission, therefore, extra effort may be needed. And in many studies, it is closely related organizational citizenship behavior.

Withdraw Behaviors: In many case, the withdraw behaviors are reported as the intentions to quit. Unlike the reaction of stress and strain, which is usually concluded as coping and defense. The intentions to quit may be an extreme situation to quit a job or change to another career. In entrepreneurial environment, withdraw behavior represents the intention to quit from a business established by the entrepreneurs. The forms of quitting from entrepreneurship can be various like selling existing business or change to another field. Withdraw behaviors are described as a negative in my studies, however, in some situations, closing or transferring of business can make up for a loss. Therefore, the intention to quit can not be generally described as irrational choice. And the psychological impact should be discussed in particular settings.

Additional outcomes: Tierney, Farmer & Graen (1999) pointed out when both employees and supervisors have congruences and high levels of intrinsic motivation, the employees' creativity is the highest. In return, creativity enhances efficiency at work. Another interesting finding of P-E fit outcome is the career success. Since the physical environment is unchangeable, the way people behave could make big differences on the outcome. For entrepreneurs, especially when they are still in the seed and growth stage, entrepreneurs' performance directly links to his business. The influence of personal characteristics for the business is significant.

2.1.3 Conceptualizations of P-E Fit Levels

Even though fit has been conceptualized in many ways (Edwards 1991; Holland 1997; Kristof-Brown 1996), six conceptualizations of fit (See Figure 2) are widely discussed within fit theory, namely value congruence, goal congruence, personality congruence, interest congruence, needs-supplies fit and demands-abilities fit (Kennedy 2005).



*Represents general organizational (PO fit), occupational (PV fit), and job (PJ fit) attributes.

Figure 2. Conceptual distinctions between supplementary and complementary fit perspectives (Kennedy 2005)

Value congruence is a conceptualization based on the supplementary fit perspective (Kristof-Brown 1996). It is widely studied within the scope of P-O fit, example is studying the congruence of employees' value and the organization's value. In

entrepreneurial environment, value congruence is closely related to the nature of the business. One will stay longer in a field where he or she has a sense of belonging.

Goal Congruence is also a common topic in the field of P-O fit, which is defined as the congruence of employees' goals with the other counterparts within which the organization functions like peers and leaders. In entrepreneurial environment, goal congruence is interpreted as match between personal development goal and company development goal. More specifically, entrepreneurs' attitude toward choosing entrepreneurship as a career choice is different. For the ones who start their own business only for certain needs (i.e., money, shelter, food, social status), their personal development goal can be very different from their company's mission and goal.

Personality congruence defines the fit as the congruence between the characteristics of an individual and the organizational climate. Based on Holland's theory, personality type is one important criteria to choose a suitable job. In the Chinese context, personality type will have influence both internally and externally. Different personality types of entrepreneurs tend to have different reactions in the same situation, it will further lead to different decision-making approaches. Externally, personality type will influence the relationship with customers or business partners. Moreover, Chinese businessmen tend to think highly of personal relationship, therefore, personality type is widely discussed in this study.

Interest congruence is defined as the congruence between an individual's interest and the interests of others in the occupation (Holland 1997). Holland Occupational Themes (1973) are the underlying theoretical backup of interest congruence. For entrepreneurs, the initiatives of their business may be or may not be in line with their personal interest. One charm of choosing entrepreneurship as a career is that one can choose to start a business out of interest. Previous studies also suggested that one will stay longer in a working place when he or she finds a interest congruence.

Need-supplies fit refers to individual's need (e.g., money, social status, shelter). Supplies refer to the environmental supplies (e.g., financial, psychological resources). Fit occurs when the environment provides what the individual needs.

In demands-abilities fit, demand refers to what a job, organization, vocation requires (e.g., knowledge, ability, skill, time, effort), abilities refer to what an individual

possesses. Fit occurs when individual meet the requirement of the job, organization and vocation.

For the above six conceptualizations of fit, not all could be applicable to any types levels of fit. For value congruence and goal congruence, there is no indication that they have been used in person-job fit or person-vocation fit. For personality congruence, there is no indication that it has been used in person-vocation fit. For interest congruence, there is no indication that it has been used in person-job fit or person-organization fit. Whereas, for both need-supplies and demands-abilities fit, they could be both used in person-vocation, person-job and person-organization fit.

Table 1. Conceptualizations of P-E fit levels (Kennedy 2005)

Conceptualization	Fit perspective	P-J Fit	P-O Fit	P-V Fit
Needs-Supplies Fit	Complementary	✓	✓	✓
Demands-Abilities Fit	Complementary	✓	✓	✓
Value Congruence	Supplementary	?	✓	?
Goal Congruence	Supplementary	?	✓	?
Personality Congruence	Supplementary	✓	✓	?
Interest Congruence	Supplementary	?	?	✓

✓= Indicates research conducted using conceptualization

?= Indicates conceptualization is not theoretically plausible

2.2 Reviewing Person-Vocation Fit Theories

Person-vocation (P-V) fit represents the broadest level of P-E fit, and various theories related to this will be discussed like Holland's theory, work adjustment theory, ASA model and Person-environment fit theory of stress. "Person" in this research refers to entrepreneurs and "environment" refers to the entrepreneurial environment. Therefore, the focal part of this research is on the person-vocation (P-V) fit.

2.2.1 Holland's Theory

Holland (1959) pointed out that people develop a stable personality over time, he determined six personality type also known as RIASEC model. (See Table 2)

Type one is the realistic type model. The key terms can be described as practical, scientific and methodological. Realistic personalities like concrete, hands-on activities. These people have some common features, like the willingness to use tools, engagement in operational work, the ability of combining theory with practice. They prefer specific tasks. However at some point they lack social skills, therefore they usually like to work alone.

Typical occupations for this type of person are skill-based type of job, such as technical occupations (computer hardware personnel, photographers, drafters, mechanical assemblers) and skilled occupations (carpenters, chefs, technicians, repairman, farmers, general labor).

Type two is the investigative type model. The key terms of this type are rational, analytical and inquisitive. Investigative personalities enjoy rational thinking and problem solving. They like creative, challenging work. In the meanwhile, they are not very fond of program tasks which have already been fixed. Besides, they have the characteristics of intelligence, rational sense, curiosity, precision, criticism, etc. Typical occupations such as the laboratory staff, chemists, biologists, sociologists, engineering designers, physicist, programmer, doctor and system analyst are attracted to them.

Type three is the artistic type model. They are creative, expressive and intuitive. Artistic personalities value self-expression and originality. They have a special artistic talent and personality. They prefer to combine the use of text, sound, motion and color to express

their thoughts and feelings of beauty. They are willing to create novel and unusual artistic achievements, and eager to show their personality, passion and impulse.

At work, they are willing to think independently as much as possible, and they do not like to be dominated by others. They enjoy self-expression, and enjoy writing, music, art, and drama. Suitable jobs for them are artistic ones such as writer, artist, dancer, musician, poet, cartoonist, actor, theatre director, composer, conductor, director, literature and art commentator; radio talk-show host, drawer, artist etc.

Type four is the social type model. The main characteristics of this type are caring, generous and cooperative. Social personalities enjoy helping others. They like social interaction, social issues, and have the ability to teach others. They enjoy meeting people and making new friends, at the same time, they are concerned about social problems, and are eager to play their role in social responsibility and social morality. They are suitable for consulting, training, counseling, counseling work such as teachers, nurses, administrators, health care workers, managers of the basic clothing service industry, welfare personnel, social workers, pastors, and psychological consultants.

Type five is the enterprising type model. They are ambitious, assertive and enthusiastic. Enterprising personalities use their interpersonal skills to persuade others. Enterprising personalities use their interpersonal skills to persuade others. They are fond of adventure, competition, and usually full of energy. The pursuit of power, authority, and material wealth is their appetite. They prefer leadership and are keen on competition, risk-taking, doing things with a strong purpose, therefore, they like leading and dominating others.

This type of person often want to manage and inspire others to achieve organizational or personal goals. Typical jobs for them are business administration, government officials, business leaders, sales staff, lawyers, political movement leaders, marketing personnel, marketing or sales managers, public relations staff, buyers, investors, television producers and insurance agents.

Type six is the conventional type model. They can be described as efficient, organized and detail-oriented. Conventional personality types prefer systematic procedures and organization. They tend to do things step by step. However, they lack flexibility,

conservativeness, obedience, self-suppression, lack imagination, modesty, regularity, perseverance.

They can process the data in a meticulous and orderly way. Therefore, they are the best fit for jobs such as accountants, bank tellers, bookkeeping, administrative assistants, secretaries, file clerks, traffic wardens, tax specialists, typists, office clerks, secretaries and clerks, librarian, tourist, foreign trade clerk, keeper, postman, auditor, personnel, etc.

Table 2. RIASEC model (Holland 1959)

RIASEC Model	
Personality Type	Characteristics
Realistic	Practical, scientific, methodological
Investigative	Rational, analytical, inquisitive
Artistic	Creative, expressive, intuitive
Social	Caring, generous, cooperative
Enterprising	Ambitious, assertive, enthusiastic
Conventional	Efficient, organized, detail-oriented

2.2.2 Theory of Work Adjustment

Dawis, Lofquist & Weiss (1964) developed the theory of work adjustment (TWA). The theory proposes that a person will stay longer in one job when there is congruence. Specifically, TWA demonstrated that if a person's abilities, needs, and values match the components of the workplace environment (i.e., ability requirements), then job satisfaction and satisfactoriness happen. Tenure (longevity on the job) is the result of satisfaction and satisfactoriness in return.

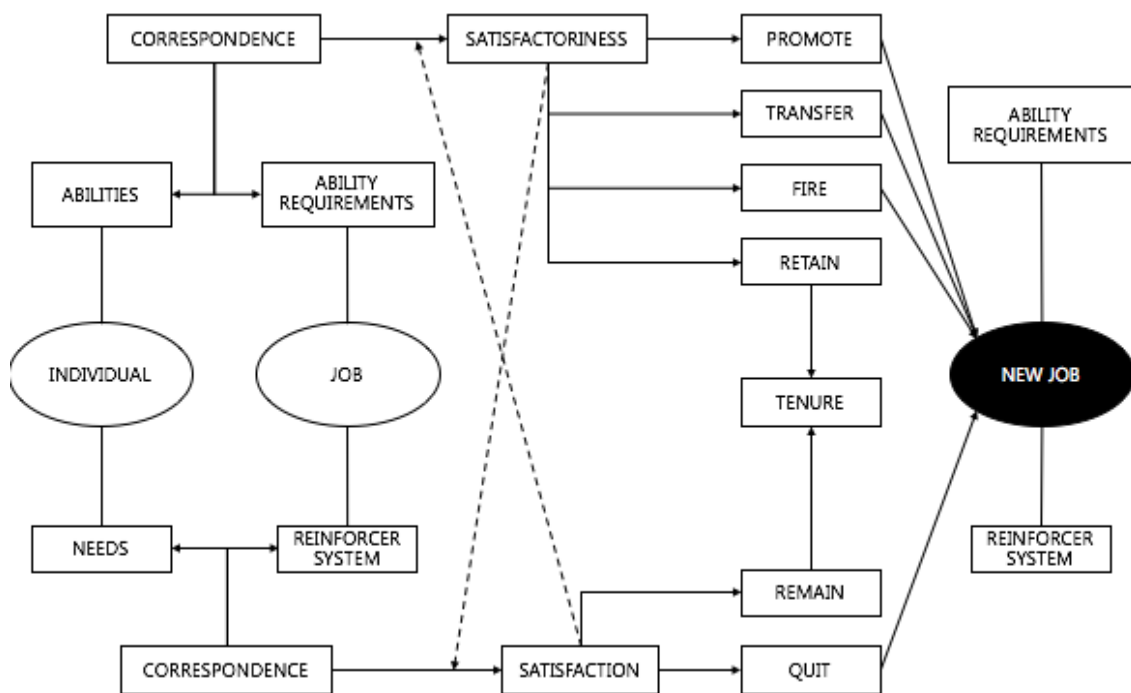


Figure 3. The Minnesota model of work adjustment (Dawis 1960)

People may change their jobs for many reasons, but there are just few fundamental reasons, such as unsatisfactory. In the theory of work adjustment, satisfaction is very significant which is related to psychological feelings. Satisfaction is subjective. However, when combining satisfaction with need, some common behavior can be tracked.

The theory of work adjustment is closely associated with Maslow's hierarchy of needs. Physiological needs mean the needs of keeping survival and producing offspring. Safety needs mean the needs of receiving protection and preventing them from being hurt and threatened, and belonging needs and love needs show people's desires for being accepted, loved, encouraged and supported. As for self-esteem needs, it is a kind of needs that represents desire for getting and maintaining self-esteem. Self-actualization needs mean the requirements of individual growth and development, fully giving a play of people's potential and achieving ideal. In the process of working, Maslow's hierarchy of needs nearly includes all the requirements of people. Salaries are used to provide for their families and employment contracts provide safety and autonomy for employees. Ideal and suitable positions in companies can make people feel comfortable and proud because the jobs give them glory and corresponding respect of status. All of them are linked to people's satisfaction. Satisfaction studied in TWA is in line with complementary fit, which is widely discussed in P-E fit.

2.2.3 Person-Environment Fit Theory of Stress

The core premise of P-E fit theory is that stress arises from misfit between the person and environment. Harrison (1985) gave definition to stress as that stress arises when: (1) the environment does not provide adequate supplies to meet the person's needs; or (2) the abilities of the person fall short of demands that are prerequisite to receiving supplies. Stress is not the consequence of person or environment solely, but rather by their fit or congruence with each other. In this regard, stress theories and P-E fit theory is complementing each other in many cases.

Stress arises from misfit between person and environment, in which a set of outcome including efforts to resolve P-E misfit will arise (Edwards et al. 1998). Coping is a mechanism with the efforts to improve objective P-E fit, by changing the objective person or environment, such as adaptation. Defense entails efforts to enhance subjective P-E fit by cognitive distortion of subjective person and environment without changing their counterparts (French 1974).

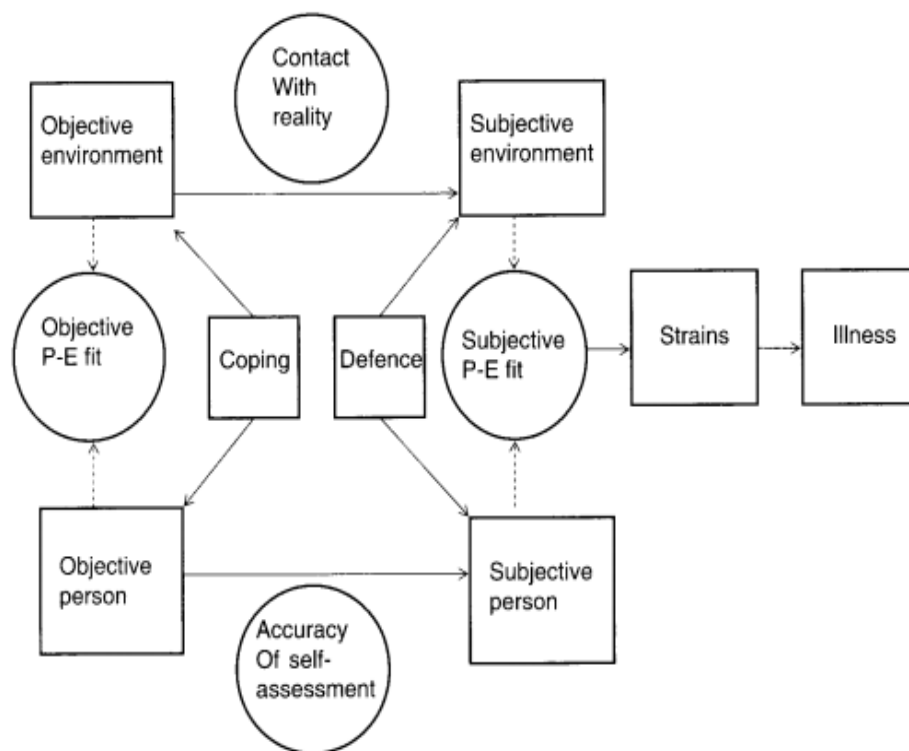


Figure 4. Model of stress (Kristof-Brown & Guay 2011)

2.2.4 Attraction-Selection-Attrition Model

Schneider (1987) introduced the attraction-selection-attrition (ASA) model by examining the relationship between the degree of variability in personality characteristics and organizational tenure. The homogeneity of the personality characteristics within the corresponding workplace environment is the key finding.

The main three processes of ASA model are attraction, selection and attrition (See Figure 5). More specifically, attraction stage is employees attracted to the job, selection stage is Employers select employees, attrition is the departure by employees who are not congruent with the work environment.

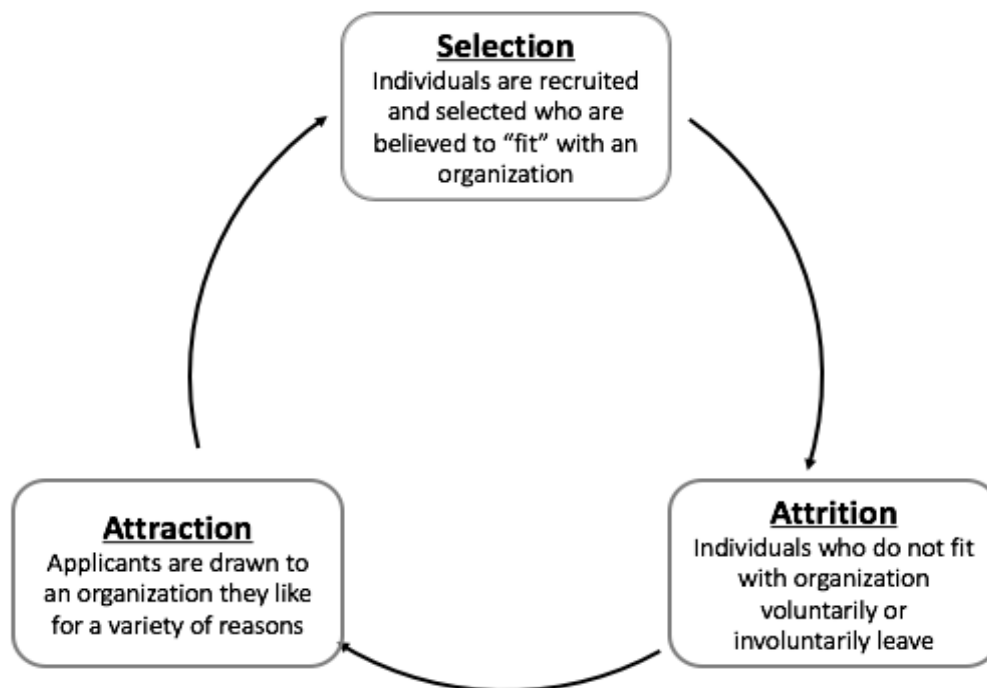


Figure 5. ASA model (Madigan 2010)

Attraction is the first stage of Attraction-Selection-Attrition (ASA) model. The attraction factors such as company culture, the payment and welfare will be evaluated by job seekers.

The second stage is about the selection. When a company evaluates whether the job applicator is suitable for the recruitment position, the judgment is based on the applicator's working experience as well other abilities. Only when the need of the company can be satisfied by the applicants, further evaluation will be made. This concept is in line with complementary fit, which demonstrates demand-ability fit. If the decision of employment is right after concluding the employee is suitable for the position, the employee will stay and make contributions, which makes a win-win situation for both, but unfortunately sometimes the employee's working performance proves that it is wrong for both sides. In such condition, the company and the employee will have to move forward to the attribution stage.

In the third or the last step, Attrition is the consequence of individuals' misfit with the organization. More specifically, the individual might feel the organization can not meet his or her prospect for their career development plan. It could be low salary, no promotion, insufficient training etc. The dissatisfaction may come from the individual

or the organization, either side will choose to find someone or some company more suitable for themselves.

On the other hand, it can also be another way around. The company may not be satisfied with the individual's working performance, and decides to find someone else so as to make the organization work smoothly and properly.

For positive aspects, in the end of the result, it will create homogeneity in the workplace. In this regard, Schneider (1987) also proposed that when changes are needed within an organization, the process should start with personnel. However, homogeneity is not positive in any circumstances. Schneider (1987) and Harrison (2007) also pointed out that excessive homogeneity could have negative outcomes within an organizations as well.

3 INTRODUCING OF THE ENTREPRENEURSHIP IN CHINA

Over the past two decades, the entrepreneurship has grown at an exponential rate, especially with the implementation of the ‘reform and opening up policy’ in 1978. With the decentralization and deregulation policies, more and more private sectors get involved and have contributed to more than half of the GDP for China (China Statistical yearbook, 2016). With the support of the government, it was reported that about 70% of Chinese people involved in the survey were willing to choose the entrepreneurship as a career (GEM, 2007). People are passionate about this issue which has brought about positive outcomes to the economy. However, with the high failure rate, people should be quite careful in making decisions when choosing to become an entrepreneur. In the chapter, it is concerned with the brief overview on the development of the entrepreneurship in China with the end to gain an insight of the entrepreneurial environment as well the Chinese entrepreneurs concerning the Chinese characteristics in entrepreneurship. At the very beginning, it is concerned with the general introduction of the entrepreneurship and entrepreneurs which will lay the foundation for the study.

3.1 Introduction of the Entrepreneurship As a Process

Gordon et al. (2009) concluded that the entrepreneurship was a process involving various functions to be undertaken in the establishment of an enterprise. Venkataraman (1997) defined the entrepreneurship as ‘what the entrepreneurs do’. (i.e., entrepreneurial activities). It is acceptable that the development of the entrepreneurship mainly consists of three stages including the seed, growth and maturity. Broadened by Shanghai SME association (2005), five of the elaborated stages are applied.

The first stage is the production of the business at the very beginning. In this stage, the entrepreneurs may have only one business idea and the team has not been fully established. The stage is mainly characterized by developing product without good sales or margins. For the entrepreneurs, they will need the initial investment or finance to proceed their business. The first stage usually lasts for three months or one year.

The second stage is concerned with the development of the business when the company may be registered, and there has been established team with a settled business plan. A sample product(service) should be made during this period. However, there is still no

sales and profits created in this stage. For the entrepreneurs, they may call for a series A round investment lasting from 1 year to 1.5 years.

The third stage is concerned with the expanding development. In this stage, the company will begin to gain revenues from the service and the product they provide. In this stage, the company may still need a series B round investment due to its needs for more cash flow. In the stage, the profits may be unstable which will last from 2 years to 3 years.

The fourth stage is the critical stage for the enterprises to expand their market and the scale. Another round of investment is still needed in this stage, whereas the profits may already be made due to its cash flow. The enterprise should take certain amount of market share at this moment, which will usually last from 2 years to 3 years.

The fifth stage is the mezzanine stage, in which the enterprise becomes mature and has accounted for a certain market share in the industry. The mezzanine fund may require the share structure to be adjusted. What is more, the entrepreneurs should set a long-term development goal for the company.

3.2 History and Development of the Entrepreneurship in China

The Chinese entrepreneurship development could be divided into three periods. The first period is from 1978 to 1992. The second period is from 1992 to 2000. The third period is since 2000 until today. The first period is mainly characterized by the emerging of the private enterprise. The second period is featured with the rapid growth of the non-profit sectors and the decreasing importance of the state-owned enterprises (SOEs). The third period is mainly characterized by the supportive and encouraging policies and the private investment.

The first period has two major characteristics including the emerging and rising of the TVEs as well as the emerging private enterprises. Luo, Tan & Schenkar (1998) defined TVEs as all those rural non-state enterprises subordinate to the townships or village governments operated collectively. Liang (2006) pointed out the TVEs are always owned by the town, villages, individual household or even the joint ventures with strong support from the government, for which it is popularized. Another characteristic is the emerging private enterprises. During the late 1970s, the movement of 'up to mountains

and down to villages' in the cultural revolution came to an end. Lots of young people went back to the rural areas and contributed to a lot of work force in those places.

The second period from 1992 to 2000 witnessed the rapid growth of non-public sectors and the decrease of the importance of the state-owned enterprises (SOEs). In 1992, Deng Xiaoping, the general architect of Chinese reform, called for deepening the transition to a socialist market economy in the famous "South Tour". Anderson, Li, Harrison & Robson (2003) mentioned that the government carried out a series of reforms and policies which have provided necessary foundations for the development of both SOEs and private firms.

Since 2000, increasingly supportive and encouraging policies have been issued to channel private investment. With over 16.51 million new enterprises registered in 2016 in China (National bureau of statistics of China, 2017), China has become one of the most dynamic markets for entrepreneurship in the world.

The decentralized and deregulation policy favored the development of Chinese entrepreneurship. The popularization of entrepreneurship brings out more severer competition to entrepreneurs than ever before. With the history of confusionism, which emphasized the interest of family, group, country, the Chinese entrepreneurs have the characteristic of relationship ties.

4 RESEARCH METHODOLOGY

With the aim to get an insight into the entrepreneurial environment in China from the viewpoint of entrepreneurs, in-depth interviews will be applied with companies in different stages. In addition to these interviews, the on-line survey consisting of 13 questions will be used to explore the issue of main characteristics of P-E fit in the entrepreneurial environment. Moreover, in order for research data to be of value and of use, reliability and validity of the research will be explained in this section.

4.1 Methods and Data Collection

The empirical study is conducted in China. The research method applied in this study is a combination of both qualitative and quantitative methods. Qualitative research is to explore the meaning of a particular issue. Quantitative research is to examine the relationship between two variables. In this study, three in-depth interviews will be conducted with three Chinese entrepreneurs. One is with the CEO of Wuhan Sanhe Construction Company through Skype. The other two are conducted face-to-face in Wuhan with the CEO of Yawenxuan Culture Limited Company and the future owner of a cafeteria respectively. In addition to these interviews, a survey is conducted to collect data from China. The primary data of the study is from the in-depth interviews in China and on-line survey. In addition, a set of secondary data combined with the primary data to enhance the understanding of the application of fit theory in entrepreneurship, which are government public data, authorized information in related forums, course materials and so forth.

In this case, Wuhan Sanhe Construction Company is chosen for the in-depth interview based on the following criteria. (1) This company, funded in 2016, is in the early stage of its development, which is a good match of the scope of this studying. On the other hand, as one of listed companies in “Top-10 Most Interesting Energy Startups in China” held by EnergySpin Forum in Vaasa, this company has a promising future for its state-of-art team, creative business model and a few other factors. (2) Currently, this company has few regular employees, their performance relies largely on the CEO’s decision. Therefore, when it comes to the study of fit between entrepreneurs and its corresponding environment, the relationship is easier to be interpreted by excluding factors like employee-employer relationship, subordinate-supervisor relationship and so

forth. Based in the fact that this company has been running for less than one year, some important financial index is still missing, therefore, in this study, the detailed business performance data can not be given.

The other two companies selected for in-depth interview for the reason of their representativeness as well as their distinctions with each other. Firstly, for their representativeness, the owner of the cafeteria with no work experience shares the same pattern with the 'college student entrepreneurs', which accounts for a large number of entrepreneurs in China. Whereas, the CEO of Wuhan Yawenxuan Culture Limited Company has more than 10-year experience before his own business. His knowledge as well as other experience have a big influence on his decision-making process when choosing entrepreneurship as a career. Secondly, the distinctions are obvious within these three entrepreneurs. They are in different stages of their business. This arrangement is done intentionally to enhance the validity and reliability of the research.

The survey consists of 13 questions, questions 1 to 4 focus on the characteristics of the respondents, which are business stages, types and entrepreneurs' personality types. Questions 7 to 13 appear in the form of 5 scales. By using scale questions, the responses are easily quantifiable and subjective to computation of some mathematical analysis.

4.2 Reliability and Validity

Joppe (2000) defines reliability as the extent to which the result is consistent over time and an accurate representation of the total population under study. And if the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable. As for validity, it determines whether the research measures what it is intend to explore. Simply put, does the research instrument allow researchers to hit "the bull's eye" of the research objectives (Joppe 2000). Researchers generally determine validity by asking a series of questions, and will often look for the answers in the research of others.

Reliability refers to the repeatability of findings. Two test rounds of the survey were done, and certain modifications were made during the process to make sure the research is repeatable in different areas and different times.

Validity refers to the credibility or believability of the research. The validity of this research can be reflected in two aspects. First is the design of the questionnaire. The last question in the questionnaire ‘Are you satisfied with current situation’ can be described as the measurement of the P-E fit in general. Current situation represents the general condition of the business, whilst the entrepreneurs’ perception of fit is reflected by using the word of ‘satisfaction’, which could be seemed as a congruence with the work environment. Moreover, value congruence, goal congruence, personality congruence, interest congruence, needs-supplies fit and demands-abilities fit are applied in the questionnaire, which are the six main characteristics of the P-E fit.

Secondly, with the aim to conduct a survey with validity, multi-channels of sources are used to collect data. One source of the company list is from the nomination on Most Interesting Energy Startups In China, which took place at EnergySpin Forum during Vaasa EnergyWeek 2017. In the meanwhile, other samples are collected through the network with Hubei University of Technology and Wenhua College as well as the network of Yang Gui, the CEO of Sanhe Construction Company. The 218 valid responses are gathered mainly from 8 provinces in China, as presented in Figure 6. Thereupon, the findings are based on the data which covers most parts of China and from different fields.

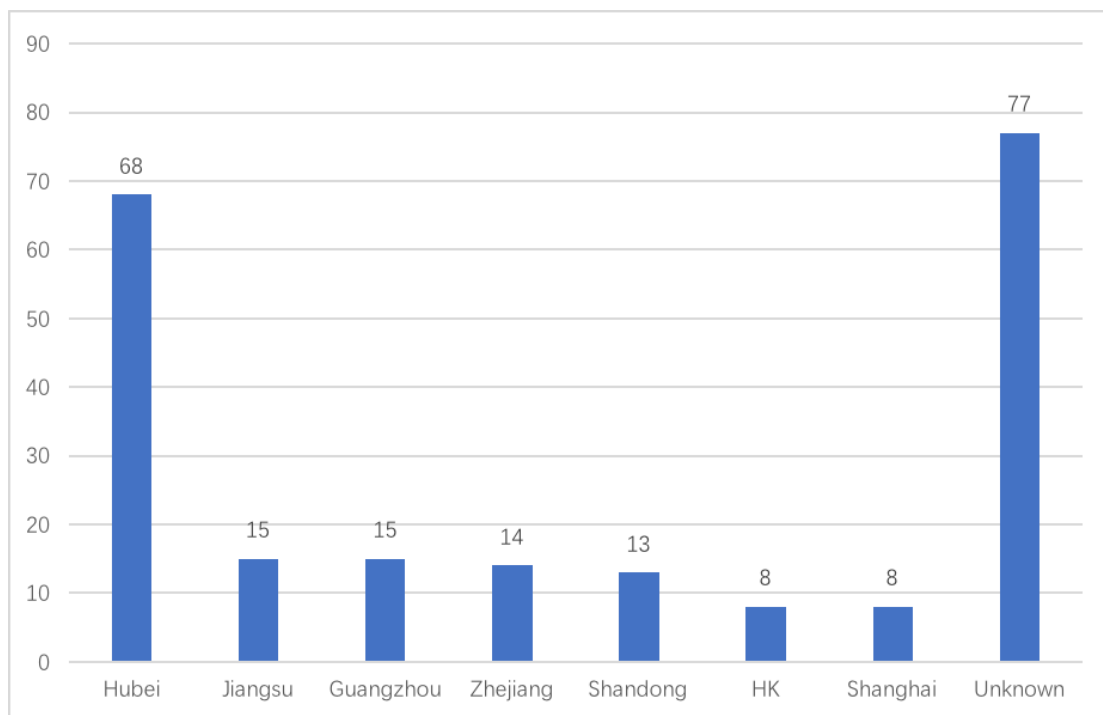


Figure 6. Regional distribution of respondents

There are certain limitations of this research as well. Chuang & Lin (2005) had debated the validity of P-E fit theory in China. They concluded that most of the vocational choice theories are from the culture of individualism in Western countries, whereas in China, Confucianism emphasizes the interest of the whole family, group, countries. All the theories applied in this research are based on western traditions, when they are applied to Chinese entrepreneurs, they share some common patterns, whereas, it cannot be denied there are distinctions as well. However, in this research, the difference of epistemology will not be discussed.

Another limitation is the amount of respondents. Using 218 responses to make the conclusion of the shared pattern of Chinese entrepreneurs has certain limitations. Moreover, from the analysis of the data (See Figure 6), half of the respondents are located in Hubei province. Since different provinces have distinctions, the bias of the respondents in Hubei province will influence the result of the research. Therefore, the findings and conclusions for China as a whole will be influenced in certain ways.

4.3 Measuring the Fit

One basic distinction central to P-E fit theory is between objective and subjective representations of the person and environment (Edwards et al. 1998). Objective person refers to the actual existence of a person, whereas subjective person refers to the person's perception of himself. Analogously, objective environment refers to the physical evidence independent from person's own perception, whereas subjective environment refers to person's perception of its situation and events.

In this sense, it is easy to understand two types of PE fit constructs. Subjective P-E fit, which studies the fit between subjective person and subjective environment. Objective P-E fit, which studies the fit between objective person and objective environment (Edwards et al. 1998).

Based on the continuum of P-E fit conceptualizations, two distinctive approaches are adopted, namely direct measures and indirect measures (Kristof-Brown & Guay 2011). The key difference between indirect to direct approach lies in the different attitude toward person's perception of fit. In direct measurement, measures ask an individual to report own perception of fit, questions, such as "do you think you have a good fit with your job?", are being asked directly to examine the fit between these two variables. In this sense, subjective fit is studied in this approach. Whereas in indirect measurement, individuals or interviewees are never asked about the fit directly, instead, P factors and E factors are studied separately, data are interpreted by the researcher to study fit between these two afterwards. In this sense, subjective fit is reported in this approach.

In this study, through two test rounds of the survey, direct measurement is adopted, which is in line with the objective of this research to find out characteristics of the fit in entrepreneurship. Ahmad (2010) proposes that in the future, P-E fit studies should use objective (as opposed to subjective) measures of the environment, in order to avoid numerous methodological problems, however, cause and effect of the fit is not the focal part of this research, therefore, this aim has set the tone of this research to focus on the perception of the respondents of its own. Respondents are being asked directly about how they feel about fit from different perspectives.

4.4 Data Analysis

Based on the survey, two main characteristics of the respondents can be concluded. First is their similarity. All 218 respondents are entrepreneurs. This is controlled by the channels being used in this study. Second is their discrepancy. It is reflected in four ways.

Firstly, the respondents are in different stages of their business. The data is presented in Figure 9. 42.7% of the respondents are still in the seed stage, the term seed suggests that they are still in very early stage of their start-ups, in which they may still only have an initial idea to start up. Followed by early stage, which accounts for 26.1% of total respondents. These two subsamples suggested that most of the respondents of this research are operating in the early stage. In this study, the entrepreneurs in the later and maturity stages are not being excluded for the reason to get a holistic picture of this issue. And their experience is of great referencial value for new comers.

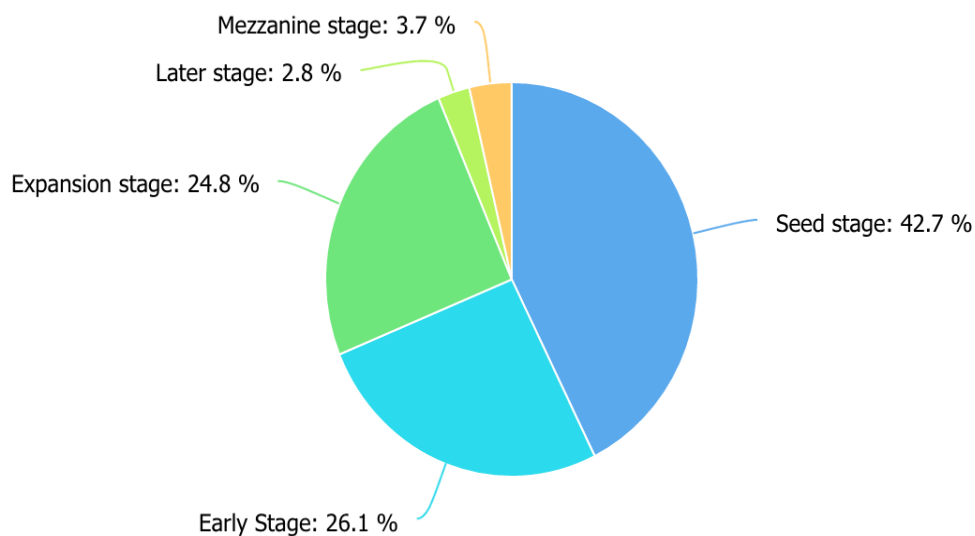


Figure 7. Different stages of business

Secondly, the fields they are engaged in is broad (see Figure 8). To get an in-depth understanding of their performing environment, elaborative descriptions were applied in the survey. The division of their business scope is from the categories given by National bureau of statistics of China. 22% of the respondents were engaged in trade, wholesale, retail and leasing industry, which represents the biggest share in this survey. Followed by IT and internet related industry, which accounts for 19.3%. The smallest amount of respondents operated in the energy related field. This is in line with the entrepreneurial status' quo in China as already noted before. With certain entry barriers on energy, transportation and agriculture, individuals have relatively easier access to business like wholesales and services. Moreover, the requirements of background knowledge for entrepreneurs are lower in the filed of wholesale and retail comparing to other technology-based industry. These two reasons can be combined to explain different shares of business scopes.

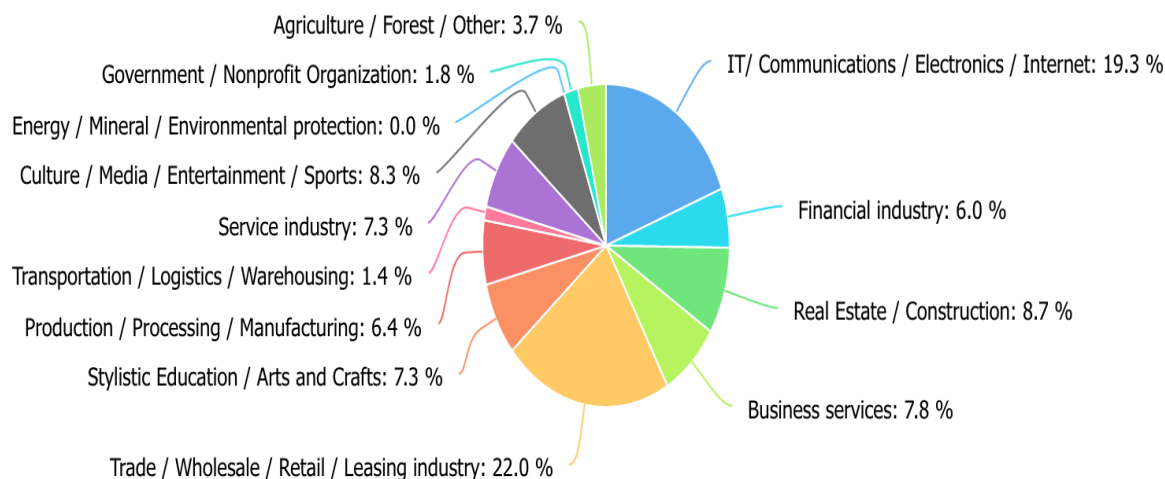


Figure 8. Division of business scope

Thirdly, the types of their customers are diversified (see Figure 9). 63.3% are “B2C” type, which means they sell products or services directly to consumers. Entrepreneurship usually starts with small business. What is more, China as one of the largest market in the world with the largest population, B2C type of business is of great potential to make a remarkable profit in Chinese market. What should be noticed is that C2C business takes a large amount as well in this research. ‘Daigou’ is a unique phenomenon in China, which is the main reason for C2C type to be the second largest group of respondents of this research. Daigou is a channel of commerce in which an overseas person purchases commodities for a customer in mainland China. Since the tax on the luxury product could be 30% to 40%. A lot of Chinese customers will choose to purchase from an individual who lives abroad or travels abroad temporarily to purchase their wanted items. Daigou sales across sectors build up a total of \$15 billion per year. Another reason behind this phenomenon is the safety concern for certain product especially after the incident of Sanlu milk powder. They mainly use the social media channels to get contact with the customers like Wechat, Weibo and QQ. When they purchase the product on behalf of another customers, they earn profit from the difference with the price they buy and the price they sale.

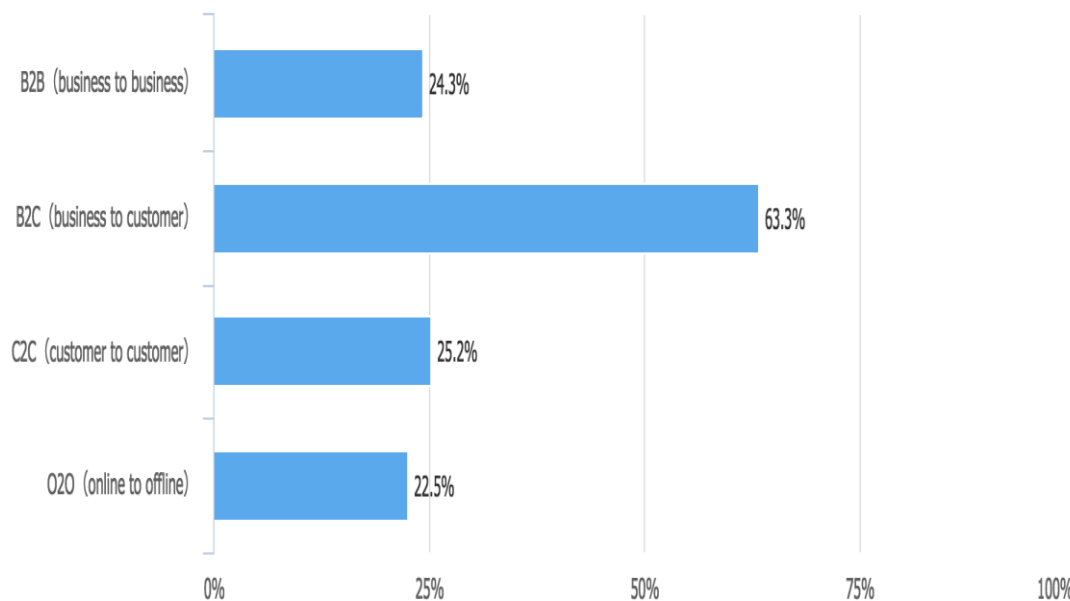


Figure 9. Different business types

Fourthly, the personality types of the entrepreneurs are diversified. Question 4 was based on Holland Occupational Themes, which refers to a theory of vocational choice based upon personality type. Enterprising type of person could be described as ambitious, assertive and enthusiastic, which only accounts for 8.7% of respondents in the survey, whereas realistic type of person has the largest share of respondents, which can be described as practical, scientific and methodological. Chuang et al. (2005) pointed out that Chinese tend to be neutral and avoid extreme situations. It may be the reason why enterprising type is the smallest group, which have the characteristics like ambitious and assertive.

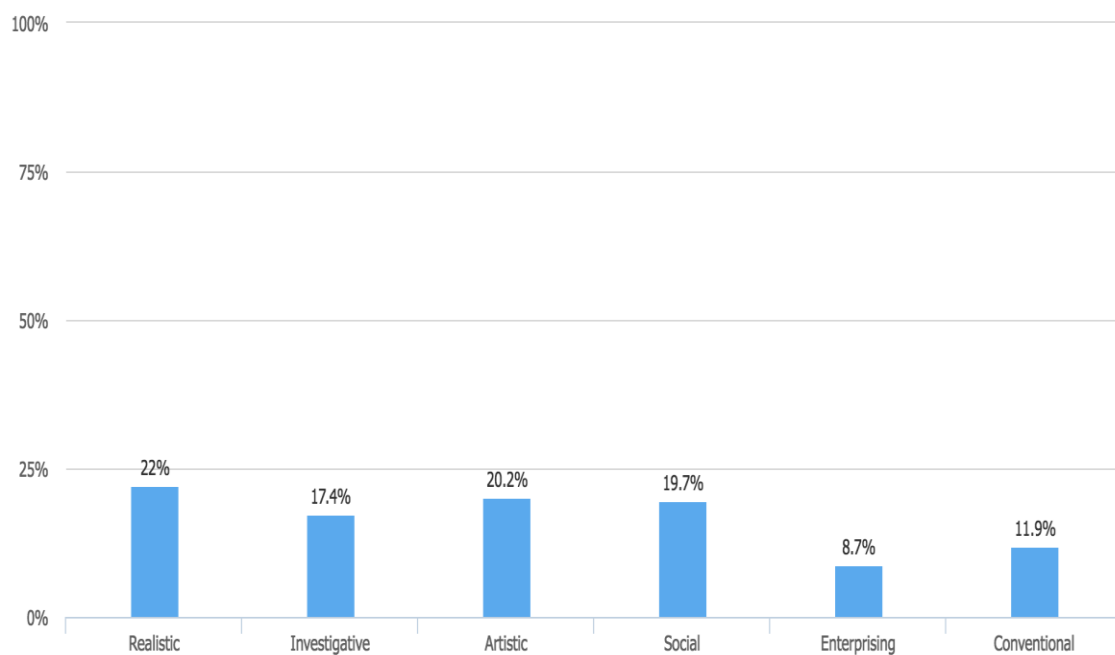


Figure 10. Distributions of different personality types

In this research, detailed relationship like the best types of person for a specific type of business is not discussed. Within the entrepreneurial environment, there are distinctions between different industries as well. The initiatives of being an entrepreneur are mainly discussed, despite the influence of different career path, certain common characteristics can be concluded in general for choosing entrepreneurship as a career. For the positive side, choosing entrepreneurship as a career gives relatively flexible working time. For the negative side, it is challenging and demanding for entrepreneurs.

5 EMPIRICAL FINDINGS

Two aspects of findings are concluded in this section. Firstly, the main findings from company interviews will be discussed. Secondly, the result of regression analysis of 218 respondents will be presented as well to show the main findings from the on-line survey.

5.1 Findings from The Interviews

The findings from the interviews with three CEOs in China have referential value for other entrepreneurs. And the focal part of these three interviews is to get a big picture of the entrepreneurial environment in China in general. Entrepreneurs in different stages tend to have different insight into this issue. By interviewing with three CEOs, the findings will be more comprehensive and the referential significance could be enhanced.

5.1.1 Company in Seed Stage

The first interview was conducted face-to-face in Wuhan with the owner of a cafeteria which is still in the seed stage. The owner was in the process of finding good locations for her shop. Semi-structured interview was applied. The questions being interviewed in this research mainly focused on the respondent's value, goal, personality, interest, need and ability.

The owner used an old Chinese saying 'favorable climatic, geographical and human conditions' to describe her attitude towards entrepreneurship. As she further explained, no matter how favorable situation one is in or how excellent he or she is, only when all these advantages are in congruence with the environment, positive outcome will happen. This concept of the respondent is in line with the P-E fit theory, which demonstrates the importance of the match between person and environment.

At the end of the interview, the interviewee expressed her dissatisfaction with the current entrepreneurial situation in China, for which she described it as 'saturation condition'. Therefore, she further concluded that the ones who possess the ability to work under pressure would be a good fit to work as entrepreneurs in China.

5.1.2 Company in Growth Stage

This interview was conducted by open questions. The kick-off question was “How is your business going at this moment?” which then led to varieties of questions and answers concerning about the CEO’s personal feeling about entrepreneurship. The advantages of conducting open-question interview are threefold: (1) Respondents can answer in detail and clarify their answers. (2) Unanticipated findings can be discovered. (3) concerning the nature of this study, free talk helps interviewee to better express their deeper feelings, therefore, the accuracy of the result is enhanced.

Two main conclusions can be made from the interview. Firstly, entrepreneur is unconscious of misfit. During the 25-min Skype interview, the frequency of negative words is much higher than positive words. However, when being asked directly like “do you feel in some aspects of your entrepreneurial career, there is a misfit?” respondent was not sure about this. It may be the reason that respondent was not able to systematically analyze his personal feeling in the entrepreneurial environment, moreover, it could also be the reason that ‘misfit’ is a negative word, which the respondent tried to avoid intentionally.

Secondly, positive attitude is a general result from multiple congruences. The CEO has a strong personality type, who can be described as a social type and is good at networking. He concluded that nearly 90% of his projects are done through his own social networking with business partners. However, he was still under a lot of stress due to overloading task as an entrepreneur. Even though it may be concluded that he possesses a personality congruence, another fit is missing in his circumstances, which lead to stress and strain as the result of his misfit in other parts of entrepreneurship.

5.1.3 Company in Maturity Stage

The third interview was conducted in Wuhan face-to-face with the CEO of Wuhan Yawenxuan Culture Limited Company. This company was funded in 2011. It deals with transactions between art related products like paintings. Semi-structured interview was applied. The questions being interviewed in this research were mainly about the respondent's value, goal, personality, interest, need and ability.

In conclusion, there are three main findings. Firstly, the respondent shows certain characteristics in line with theory of vocational choice. He described himself as an investigative type of person, which can be described as rational, analytical and inquisitive. The interviewee described his cautiousness with choosing the right person on board, which can have a positive impact on his business. He concluded his cautiousness with recruiting as a result of his personality type. He used an old Chinese saying to describe his principle of selection: 'It's easier to raise the devil than to lay him.' In this regard, his personality of cautiousness has brought about certain positive outcomes to his business.

Secondly, when asking 'what makes him satisfy with his choice of choosing entrepreneurship as a career the most', the respondent concluded that it met with his personal needs like achieving success and gaining recognition, which could be concluded as complementary needs-supplies fit.

Thirdly, the interview ended up with the question on evaluating the entrepreneurial environment in China and what type of people will be the best fit for entrepreneurship. Based on the interviewee's 10-year working experience, he demonstrated that from his viewpoint, Chinese people cherish human relationships like family ties and friendship, he described this characteristic as a coin which has two sides. Entrepreneurship is hard, psychological and physical support from others makes a great difference for entrepreneurs. On the other hand, it will influence efficiency when one has no choice but to choose their partners closer to him due to family ties or friendship rather than choose the ones who give the best offer.

5.2 Findings from The Survey

By using regression analysis of 218 responses, main findings will be presented. Regression analysis is a process of test the relationships between variables. It helps to understand how the dependent variable changes when other independent variables are varied. In addition to that, cross analysis of the satisfaction level in different stages are presented in this section as well to explore the psychological behaviour of entrepreneurs in different stages.

5.2.1 Regression Analysis of The Characteristics of P-E Fit

The survey consisted 13 questions, designed to explore which conceptualizations of fit have the strongest influence on entrepreneurs' overall satisfaction. As noted previously, a direct approach was adopted in this research, 'Are you satisfied with the current situation' was asked at the end of the questionnaire which was to suggest the overall P-E fit level of the respondents. Satisfaction here was as a symbol of fit. Person and environment were included simultaneously to show P-E fit. Questions 7 to 12 represented the six variables in this research, which were based on six different conceptualizations of P-E Fit level, namely value congruence, goal congruence, personality congruence, interest congruence, needs-supplies fit and demands-abilities fit. The main analytical approach is regression analysis by using SPSS, which is to estimate the relationships among variables.

Table 3. Model-fitting degree

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.736a	.541	.526	.772

a. Predictors: (Constant), Ab, St, Go, Ac, In, Va, Pe

St = stress

Va = value

Go = goal

Pe = personality

In = interest

Ac = achievement

Ab = ability

Sa = satisfaction (The dependent variable)

The F statistic of the regression equation model is 35.730, and its significance is 0.000, which is less than 0.05, indicating that the regression equation model has significance, and the model has a certain interpretation.

Table 4. ANOVA

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	147.393	7	21.056	35.370	.000b
	Residual	125.016	210	.595		
	Total	272.408	217			

a. Dependent Variable: Sa

b. Predictors: (Constant), Ab, St, Go, Ac, In, Va, Pe

According to the fitting degree index of regression equation model, R squared is 0.541, and the adjusted R squared is 0.526, which indicates that the fit degree of model is good, and the model has good coherence with data. (See Table 4)

Table 5. CoefficientsCoefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1	(Constant)	-.243	.305		
	St	.001	.049	.001	.982
	Va	-.006	.077	-.005	.941
	Go	.093	.061	.094	.127
	Pe	.232	.075	.212	.002
	In	.081	.071	.074	.255
	Ac	.160	.071	.144	.025
	Ab	.413	.083	.366	.000

a. Dependent Variable: Sa

According to the regression equation model coefficient chart (See Table 5), Stress (St) has a regression coefficient of 0.001 and its significance is 0.982, which is more than 0.05, indicating that Stress (St) has no significant effect on the dependent variable satisfaction (Sa), so, the variable of stress has no significant effect on the satisfaction of entrepreneurs. Value (Va) has a regression coefficient of -0.006 and its significance is 0.941, which is more than 0.05, this indicates that Value (Va) has no significant effect on the dependent variable Satisfaction (Sa). This means that the variable of value has no significant effect on the satisfaction of entrepreneurs. Goal (Go) has a regression

coefficient of 0.093 and its significance is 0.127, which is more than 0.05, indicating that Goal (Go) has no significant effect on the dependent variable satisfaction (Sa). That is, the variable of goal has no significant effect on the satisfaction of entrepreneurs.

Personality (Pe) has a regression coefficient of 0.232 and its significance is 0.002, which is less than 0.05, this indicates that the regression coefficient is significant at the significance level of 5%. Therefore, personality has a significant positive effect on the dependent variable satisfaction (Sa). So, the more suitable for entrepreneurship the personality is, the higher the entrepreneurial satisfaction would be. Interest (In) has a regression coefficient of 0.081, and its significance is 0.255, which is more than 0.05, indicating that Interest (In) has no significant effect on the dependent variable satisfaction (Sa). So, the variable of interest has no significant effect on the satisfaction of entrepreneurs. Achievement (Ac) has a regression coefficient of 0.160 and its significance is 0.025, which is less than 0.05, this indicates that the regression coefficient is significant at the significance level of 5%, thus Achievement (Ac) has a significant positive effect on the dependent variable satisfaction (Sa), that is, for the individual, the more needs are fulfilled by environment, the more there is satisfaction towards entrepreneurship. Ability (Ab) has a regression coefficient of 0.410 and its significance is 0.000 which is less than 0.05, meaning that the regression coefficient is significant at the significance level of 5%. So ability (Ab) has a significant positive effect on the dependent variable satisfaction (Sa). That is, for individuals, the stronger the entrepreneurial ability is, the higher the level of satisfaction would be.

5.2.2 Findings from Cross Analysis of P-E Fit in Different stages

It can be concluded that for the enterprise in early and expansion stage, the respondents' satisfaction is relatively higher (See Figure 11). Whereas for the enterprise in the seed stage, the respondents' satisfaction show the feature, which has a relatively neutral attitude toward satisfaction. In the later stage, none of the respondents expressed the feeling of 'very unsatisfied', and the answers are decentralized comparing to seed, early and expansion stages. In general, the satisfaction level is continually increasing from the seed to expansion stage, whereas the expansion stage is the turning point when the satisfaction level begins to go down.

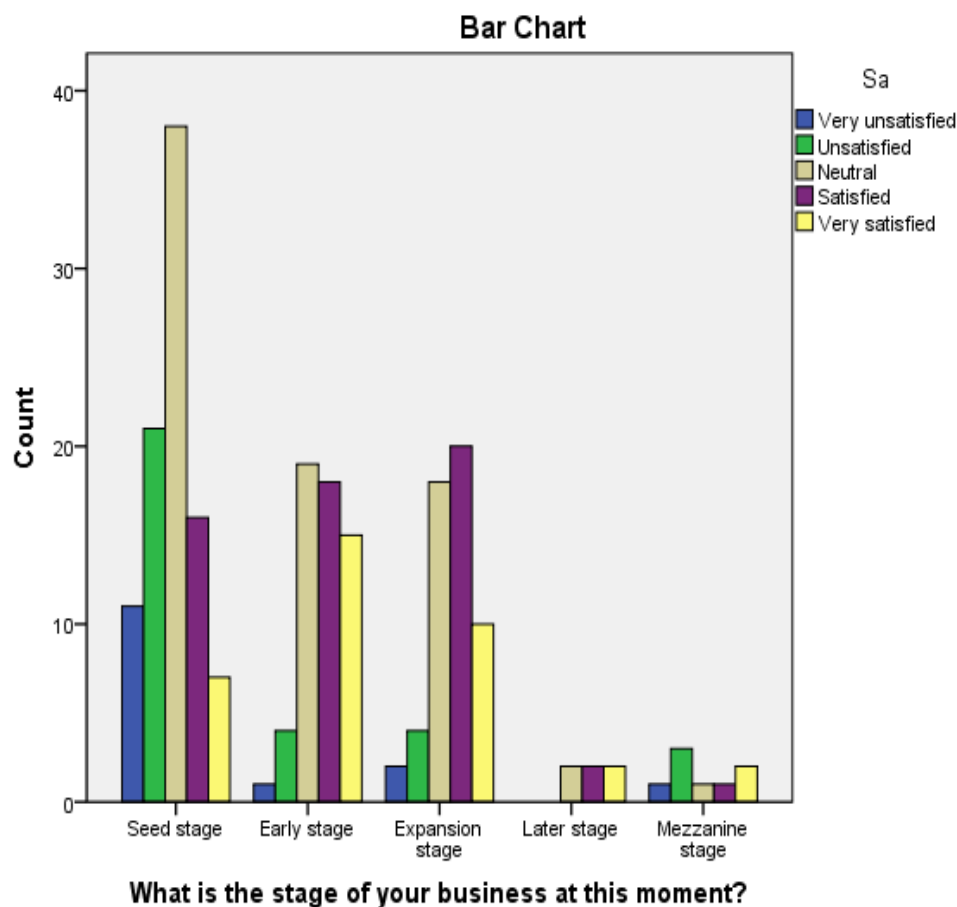


Figure 11. Cross-analysis of satisfaction in different stages

From a psychological perspective, seed stage is agreed by many to be one of the toughest period for entrepreneurs. Anxiety and stress cause certain negative influences on entrepreneurs emotionally. When there are certain evidence of business going to the right track, positive emotions are showing up along with this change. Andreeen (2007) defined market fit is the degree to which a product satisfies a strong market demand. When talking about market fit, many agreed that it is one of the key turning points of business. Only when one finds a market fit, will his business have the chance to survive in the market place. The positive outcome of market fit is not only restricted to the business, from the view of entrepreneurs, market fit will bring positive emotional outcome as well like satisfaction.

6 CONCLUSION

Entrepreneurship is an elusive construct, in this study, a simplified concept is adopted, which is to treat entrepreneurship as a career choice. Work as an entrepreneur has its own traits, correspondingly, P-E fit in the entrepreneurial environment has its own characteristics as well.

6.1 Summarizing The Main Results

When looking at the survey results, large number of the respondents are still in seed stage, which suggested they may only carry a business idea at this moment and may not start systematic entrepreneurial activities have not started yet. The second biggest group of respondents are the ones in the early stage. In this regard, the result of the research may be biased to entrepreneurs in the early or seed stage. Relatively more entrepreneurs in this survey are in trade and Internet related industry. This is in line with the entrepreneurial situation in China. B2C types of business were in the dominant position in the survey, but C2C type was another large group due to the big amount of 'Daigou' in China. The number of respondents' personality types distributions were relatively equal despite some small distinctions.

In terms of the company interviews, three conclusions could be made. Firstly, need-supplies fit can be claimed as the key point which makes them feel satisfied with their entrepreneurial process. Complementary need-supplies fit means that need could be satisfied by the environment. Need here refers to individual's need (e.g., money, social status, shelter). Supplies refer to the environmental supplies (e.g., financial, psychological resources).

The second conclusion can be made based on their evaluation of Chinese entrepreneurial environment. In general, the characteristics of Chinese entrepreneurial environment could be described as competitive and relationship-tied. The third conclusion is related to their suggestions on what types of person could be the best fit to be as an entrepreneur. In summary, people with adventurous attitude and ability to work under stress will be the fit for entrepreneurs based on Chinese unique entrepreneurial environment.

Based on the survey, there are two main findings from the survey, which to address the research problem. Firstly, it was found that personality congruence, need-supplies fit and demands-abilities fit are the main characteristics of the P-E fit in entrepreneurship. Personality congruence in this survey refers to the match between personality type and choosing entrepreneurship as a career. As described in the interviews, need-supplies fit is the key point of meeting with P-E fit as an entrepreneur. By regression analysis of 218 samples, for the individual, the more a need fulfilled by the environment, the more satisfaction is related to entrepreneurship. For demands-abilities fit, the stronger the entrepreneurial ability is, the higher P-E fit level would be. Secondly, it can be concluded from the survey that for the enterprise in early and expansion stage, the respondents' satisfaction was relatively higher. Based on the previously introduction of the characteristics of different entrepreneurial stages, it could be seen that from early to expansion stage, is the beginning stage of making profits. Correspondingly, this will bring positive psychological influence on entrepreneurs as well which enhance their satisfaction or P-E fit.

6.2 Suggestions For Entrepreneurs and Future Studies

For entrepreneurs in the seed stage, with the favourable policy in China and easy access to financial support, it is easy to start a new business. Based on the nature of entrepreneurship, it is attractive to many people. The findings suggested entrepreneurial environment in China is competitive and relationship-tied. Personality type also has significant relationship with P-E fit. By rational analysis of the environment and personal conditions and whether they match, it is important for entrepreneurs to think twice before getting involved. On the other hand, based on the findings of the research, the satisfaction rate for entrepreneurs is relatively low in the seed stage. However, it should be noted that when coming to the stage of growth, the satisfaction rate begins to go up. Thereby, the ability to overcome stress and take pressure is essential to go through this period smoothly. With more theories and literature focusing on 'market fit', entrepreneurs have the tendency to make light of the influence of psychological factors. P-E fit is for entrepreneurs to look at this issue from a psychological perspective so as to analyze their emotions systematically and help them better understand their emotional evokes. Thereupon, for entrepreneurs, it is essential to be aware of the psychological effect during their entrepreneurial experience.

For entrepreneurs in the stage of early and growth, the attitude toward P-E misfit is essential. The importance of positive consequences of misfit should not be ignored. Receiving, analyzing and responding to fit is a natural process, the essential part for entrepreneurship is the reaction toward misfit, since misfit could bring about a series of negative outcomes such as stress and strain. Even more, it will affect their decision-making process and intention to quit. Holding a positive attitude towards fit is not equal to tolerance of misfit, it is a path toward taking actions effectively to achieve P-E fit. By conceptualizing fit, it will help entrepreneurs to deal with more complex situations such as stress and strain. What is more, the roles of an entrepreneur are dynamic from the seed stage to maturity. Entrepreneurs could be the ones who do the same job as their employees, they could be the ones who hire workers, they could be the ones who define the vision and mission of the company. Taking different responsibilities is demanding from an individual's perspective. Correspondingly, the P-E fit is dynamic in their situation, therefore it is not a easy task to achieve fit in a general level. Doing a comprehensive evaluation of the current situation to figure out the missing part could be a good solution. P-E fit theory in this sense provides a useful conceptual framework for understanding how individual and environment constructs could combine to have positive outcome.

For future studies, entrepreneurship is a growing research area, more comprehensive study could be introduced to this field. Different from other career choices, entrepreneurship has its own traits and pattern. With more entrepreneurs showing up in less developed countries such as China, P-E fit for their field could better help them to deal with stress and psychological effects.

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APPENDICES

APPENDIX 1 THE QUESTIONNAIRE

1. What is the stage of your business at this moment?

- A. Seed stage
- B. Early stage
- C. Expansion stage
- D. Later stage
- E. Mezzanine stage

2. What is the nature of your business?

- A.IT/ Communications / Electronics / Internet
- B.Financial industry
- C.Real Estate / Construction
- D.Business services
- E. Trade / Wholesale / Retail / Leasing industry
- F. Stylistic Education / Arts and Crafts
- G.Production / Processing / Manufacturing
- H.Transportation / Logistics / Warehousing
- I. Service industry
- J. Culture / Media / Entertainment / Sports
- K.Energy / Mineral / Environmental protection
- L. Government / Nonprofit organization

M. Agriculture / Forest / Other

3. What is the type of your company?

- A. B2B (Business to Business)
- B. B2C (Business to Customer)
- C. C2C (Customer to Customer)
- D. O2O (Online to Offline)

4. Which one of the following is your personality type?

- A. Realistic
- B. Investigative
- C. Artistic
- D. Social
- E. Enterprising
- F. Conventional

5. Are you feeling stressful at this moment?

No stress 1 2 3 4 5 Very stressful

6. When facing stress, what choice will you most likely to make?

- A. Change yourself or the environment
- B. Accept current situation without changing anything
- C. Intend to quit

7. Do you agree that your personal value can be achieved by starting up your business?

Strongly disagree 1 2 3 4 5 Strongly agree

8. Do you agree that your personal development goal is in line with the goal of your company?

Strongly disagree 1 2 3 4 5 Strongly agree

9. Do you agree that your personality type is a good fit for entrepreneurship?

Strongly disagree 1 2 3 4 5 Strongly agree

10. Do you agree that what you are doing now is what you like to do?

Strongly disagree 1 2 3 4 5 Strongly agree

11. Do you agree that starting up your business has met your personal need (goal, money, social status etc.)

Strongly disagree 1 2 3 4 5 strongly agree

12. Do you agree that your personal skills match the requirement of an entrepreneur?

Strongly disagree 1 2 3 4 5 strongly agree

13. Are you satisfied with your current situation?

Very unsatisfied 1 2 3 4 5 Very satisfied