



## Entrepreneurial Identity and Job Satisfaction: Unpacking the Parallel and Serial Mediating Roles of Hedonic and Eudaimonic Well-Being

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### ABSTRACT

Based on the theory of identity and the multidimensional well-being approaches, this paper discusses the effect of entrepreneurial identity on job satisfaction in terms of hedonic and eudaimonic well-being. We test a parallel and a serial mediation model with the use of the survey data of 500 Pakistani entrepreneurs in manufacturing, service, and retail industries with the help of structural equation modeling. The findings have shown that entrepreneurial identity is a positive predictor of direct and indirect job satisfaction. This relationship is mediated by hedonic well-being (positive affective experience) and eudaimonic well-being (meaning, growth and self-realization). Additionally, the evidence shows a positive chain of events in which the identity of the entrepreneur contributes to the growth of hedonic well-being that further contributes to the growth of eudaimonic well-being, which in turn leads to growth in job satisfaction. This paper enhances the understanding of entrepreneurship issues by combining identity theory with multidimensional well-being theories to explain the psychological processes involved in the development of entrepreneurial work attitudes. The results add to the growing body of literature on entrepreneurial well-being and emphasise the key role of identity in maintaining satisfaction in the context of uncertain venture.

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## 1. Introduction

Entrepreneurship has been revered to be an engine of innovation and economic growth, but it is also an intensely intimate activity that identifies the way people perceive themselves and the way they do their job. Current reports in the global context suggest that the entrepreneurial activity is growing in both developed and emerging economies, and the challenges of growing psychological demands and identity issues among founders are increasing (Global Entrepreneurship Monitor [GEM], 2023). With the growing entrepreneurial unpredictability, role fusion, and careerless job, defining how their entrepreneurial identity is transformed into job satisfaction via uniquely different versions of well-being has become an urgent question in the field of organizational psychology and identity studies. Entrepreneurial identity as the extent to which people internalize and realize the role of an entrepreneur as a core part of their self-conception has become a prominent notion in the identity theory and the literature of organizations (Fauchart & Gruber, 2011; Murnieks, Mosakowski, & Cardon, 2014). Based on the identity theory (Stryker & Burke, 2000), researchers are suggesting that cognition, affect and

behavior are influenced by identity centrality and identity enactment. The concept of identity in the context of entrepreneurship was associated with opportunity recognition, persistence, and venture performance (Cardon, Glauser, & Murnieks, 2017; Murnieks, Cardon, & Haynie, 2020). Similarly, the literature of well-being differentiates between hedonic well-being that is concerned with pleasure satisfaction and life satisfaction and eudaimonic well-being that is concerned with meaning, self-realization, and psychological functioning (Huta & Waterman, 2014; Ryan & Deci, 2001). In organizational settings, job satisfaction has been one of the focal points of work well-being and sustainability (Judge et al., 2017). Recent literature indicates that the well-being of entrepreneurs is not the same qualitatively as that of the salaried workers, which is usually more autonomous but also more stressful and volatile (Stephan, 2018). Nevertheless, the processes by which entrepreneurial identity influences job satisfaction are poorly understood, especially through specific levels of well-being. Now that the discipline has shifted to more psychologically complex conceptualizations of entrepreneurship, it is theoretically consequential and timely to combine identity theory with multidimensional well-being theories.

Although the issues of entrepreneurial identity and well-being have been of increased interest, none of the previous research has studied the two constructs in (or through) direct-effect model(s). Research has associated entrepreneurial identity with the success of ventures and their continuity (Cardon, Glauser, & Murnieks, 2017; Murnieks, Mosakowski, & Cardon, 2014), whereas other researchers have examined the subjective well-being or job satisfaction as an independent outcome of entrepreneurs (Stephan, 2018). Nevertheless, there has been little research that specifically conceptualizes hedonic and eudaimonic well-being as two mediating factors between job satisfaction and entrepreneurial identity. In addition, a large part of the available literature is based on the general well-being indicators and ignores the theoretical difference between pleasure-based and meaning-based experiences (Huta & Waterman, 2014). The recent invitations to leading journals highlight that the field requires more mechanism-oriented, integrative studies based on identity theory to disaggregate the effect of role identities on the attitudinal and affective outcomes (Ashforth & Schinoff, 2016; Pratt et al., 2016). In turn, this leaves a crucial gap in the knowledge about whether and how the entrepreneurial identity can positively affect job satisfaction by differentiated processes of well-being. It is important to fill this gap since the focus on sustainable entrepreneurship and the psychological sustainability of founders in volatile environments has been increasing (Stephan, 2018). The aim of the given research is to examine complex interconnections between entrepreneurial identity (independent variable), hedonic well-being and eudaimonic well-being (mediators) and job satisfaction (dependent variable) in a unified framework of identity (Ahmed, Azhar, & Mohammad, 2024; Mohammad, 2015). In particular, this paper intends to investigate the relationship between entrepreneurial identity and job satisfaction and determine whether the relationship between them is mediated by two types of well-being. The proposed study is based on the identity theory and the self-determination theory, and the aim of the research is to determine the psychological processes in which identity centrality and enactment can affect work-related attitudes.

The research is likely to have a number of theoretical and practical contributions. It is theoretically significant as it empirically tests a mediation model that distinguishes between hedonic and eudaimonic pathways and thus provides more insight into the role of role identities in influencing work attitudes. The research addresses the needs of utilizing more interdisciplinary and mechanism-oriented models within the field of organizational psychology by combining identity theory with the current framework of well-being (Ashforth & Schinoff, 2016). It also contributes to the field of entrepreneurship scholarship by shifting the focus off the performance-based results and the anticipation of psychological sustainability and subjective experience (Stephan, 2018). In practice, the results can be useful to entrepreneurs, incubators, policymakers, and organizational consultants as they could be used to discover psychological levers that can improve job satisfaction. Knowledge about whether the effects of the entrepreneurial identity are better transmitted by the pleasure-based (e.g., enjoyment, positive affect) or the meaning-based (e.g., purpose, personal growth) experiences can be used to inform interventions that would help to produce strong and happy entrepreneurs. The proposed research will be limited to the investigation of the mediating functions of hedonic and eudaimonic well-being in the correlation between entrepreneurial identity and job satisfaction in a specific entrepreneurial sample (Ragmoun & Alfalih, 2025; Ragmoun, Alfalih, & Alfalih, 2017). It is not concerned with venture performance, financial performance, and macroeconomic indicators at large. Also, even though identity is complex, the current study is devoted to entrepreneurial role

identity, not multifaceted or overlapping identities (as gender, family or professional identity). Moderators at the cultural, institutional and industry-level are recognized to have the potential of influence but are out of the immediate scope of this study. By specifying these parameters, the study has conceptual clarity and preconditions the future research that is to investigate more mediators and contextual contingencies. Overall, putting the entrepreneurial identity in a dual-pathway well-being context, the proposed research aims to expand the theoretical knowledge base and provide empirically based information on how entrepreneurs can find satisfaction in their work. Since entrepreneurship is defining modern economies, it is not only an academic imperative but also a societal need to explain the psychological processes which perpetuate entrepreneurs.

## **2. Hypotheses Development and Conceptual Model**

### **2.1. Entrepreneurial Identity and Job Satisfaction**

The identity theory states that identity leads behavior as well as influences affective and attitudinal consequences through identity enactment and verification (Ashforth, Harrison, & Corley, 2008; Stryker & Burke, 2000). Identity-consistent behavior also increases feelings of authenticity and self-verification in persons when their entrepreneurial role plays a central role in their self-concept, which subsequently increases positive work attitudes. Centrality of identity empirically has been found to increase the levels of engagement, persistence, and affective commitment among entrepreneurs (Murnieks, Cardon, & Haynie, 2020; Murnieks, Mosakowski, & Cardon, 2014). In addition, job satisfaction, which is a positive evaluative judgment about a job (Judge et al., 2017), has also been found to be high when people have a congruence between the self-concept and the work role (Pratt et al., 2016). In terms of identity-theoretic approach, enacted and validated entrepreneurial identity in everyday work should result in an increased job satisfaction.

H1: In case entrepreneurial identity is high, then there will be higher job satisfaction.

### **2.2. Entrepreneurial Identity and Hedonic Well-Being**

Hedonic well-being indicates the achievement of pleasure, positive feelings and satisfaction with life (Ryan & Deci, 2001). Positive emotions occur when the performance of the role is congruent with salient self-meanings which create identity enactment (Burke & Stets, 2009). Entrepreneurs who have high identity centrality tend to have increased enthusiasm and positive affect due to autonomy and pursuing opportunities (Cardon, Glauser, & Murnieks, 2017; Stephan, 2018). As has been highlighted by the recent research, identity-congruent work settings lead to increased affective experiences and temporary happiness (Shepherd, 2022). Therefore, the identity of entrepreneurs is likely to predict hedonic well-being by affective rewards of self-verification.

H2: When entrepreneurial identity is high, then hedonic well-being will be high.

### **2.3. Entrepreneurial Identity and Eudaimonic Well-Being**

Eudaimonic well-being focuses on self-realization, self-growth, and meaning (Huta & Waterman, 2014). According to identity theory, roles that are internalized also help in producing a sense of purpose and continuity (Stryker & Burke, 2000). Entrepreneurship makes possibilities of autonomy, mastery, and impact, which are the primary focuses of eudaimonic functioning (Stephan, 2018). It is empirically observed that identity-driven entrepreneurs enjoy stronger meaning at work and psychological well-being (Murnieks, Cardon, & Haynie, 2020). Thus, the eudaimonic well-being should be positively predicted by entrepreneurial identity.

H3: In case entrepreneurial identity is high, then, eudaimonic well-being will be greater.

### **2.4. Hedonic Well-Being and Job Satisfaction**

These findings are always relevant in organizational psychology where positive affect is correlated with job satisfaction (Judge et al., 2017). Hedonic well-being signifies pleasurable affective conditions that determine judgments of work of evaluation. The more often entrepreneurs feel pleasure and positive emotions, the higher the chances they will make a positive evaluation of their work (Stephan, 2018). Therefore, job satisfaction should be increased directly by hedonic well-being.

H4: Job satisfaction will be greater in case hedonic well-being is high.

## **2.5. Eudaimonic Well-Being and Job Satisfaction**

The stronger job satisfaction and organizational commitment has been associated with eudaimonic well-being, meaning, and self-realization (Huta and Waterman, 2014). Work purpose leads to a long-term satisfaction as opposed to short-lived affect (Allan et al., 2019). When entrepreneurs see their activities as a purposeful activity, they are likely to be evaluated positively about their work.

H5: With high eudaimonic well-being, the high level of job satisfaction will be observed.

## **2.6. Hedonic Well-Being and Eudaimonic Well-Being**

Hedonic and eudaimonic well-being have a positive relationship although they are conceptually different (Ryan & Deci, 2001). Positive affect can expand thinking and enable the meaning-making (Fredrickson, 2001). To a greater extent, enjoyable interaction in an entrepreneurial situation can transform into more profound satisfaction and development (Shepherd, 2022).

H 6: When hedonic well-being is high, it will be followed by higher eudaimonic well-being.

## **2.7. Mediation Hypotheses**

According to the identity theory, role identities have a distal effect mediated by affective and cognitive processes (Ashforth, Harrison, & Corley, 2008). In line with this, hedonic and eudaimonic well-being can be used to mediate the relationship between entrepreneurial identity and job satisfaction. Entrepreneurial identity leads to positive affect (hedonic well-being) which improves positive job evaluations.

H7: When there is an increase in hedonic well-being, which is caused by entrepreneurial identity, and there is an increase in job satisfaction, which is caused by hedonic well-being, then there will be a mediation of hedonic well-being between entrepreneurial identity and job satisfaction.

On the same note, entrepreneurial identity fosters meaning and self-realization (eudaimonic well-being) that consequently enhances job satisfaction.

H8: When entrepreneurial identity has a positive effect on eudaimonic well-being, and eudaimonic well-being has a positive effect on job satisfaction, the eudaimonic well-being will mediate the correlation between eudaimonic well-being and entrepreneurial identity, and eudaimonic well-being and job satisfaction.

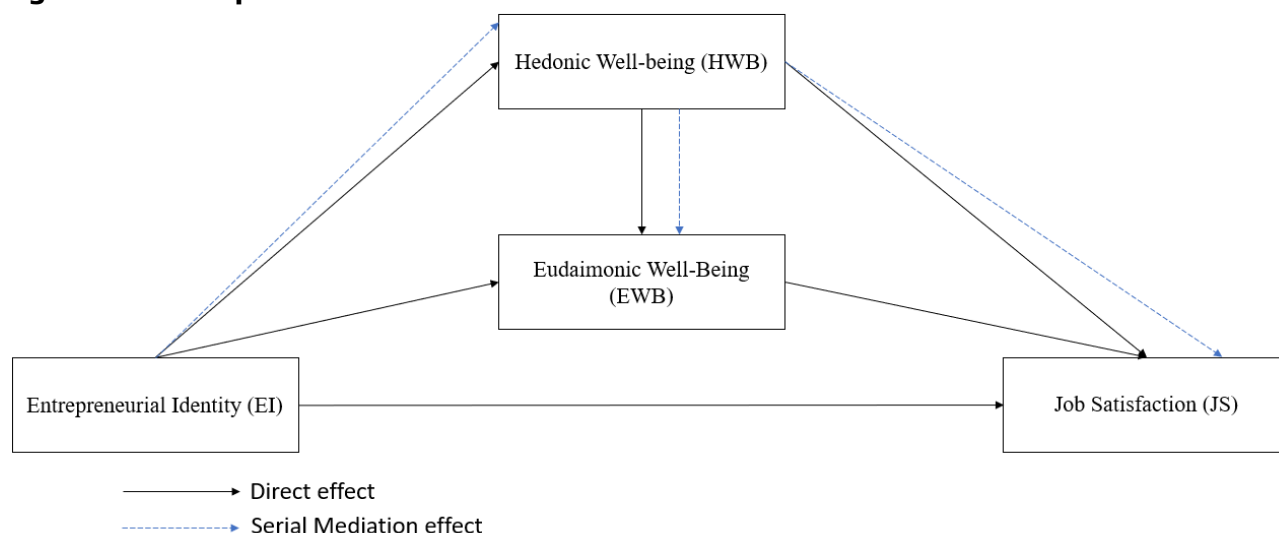
H9: An increase in hedonic well-being with a corresponding increase in entrepreneurial identity and correspondingly increase in eudaimonic well-being implies that hedonic well-being will mediate the correlation between entrepreneurial identity and eudaimonic well-being.

H10: Entrepreneurial identity has a greater impact on job satisfaction due to hedonic and eudaimonic well-being simultaneously, which means that dual mediation will be observed.

## **2.8. Serial Mediation Hypothesis**

Based on the identity theory and broaden-and-build theory (Fredrickson, 2001), the entrepreneurial identity has the potential to improve the hedonic well-being, which then leads to improvement of eudaimonic well-being, and then job satisfaction increases.

H11: appropriately, in case entrepreneurial identity positively influences hedonic well-being, which then positively influences eudaimonic well-being, and eudaimonic well-being positively influences job satisfaction, hedonic and eudaimonic well-being will mediate the relationship between entrepreneurial identity and job satisfaction serially.

**Figure 1: Conceptual Model**

The given conceptual model places the entrepreneurial identity in the position of an independent variable that determines the job satisfaction in both direct and indirect ways. Hedonic well-being and eudaimonic well-being are parallel and there is an extra sequence linking hedonic to eudaimonic well-being. The model combines identity theory with multidimensional well-being models to determine the analysis of identity enactment into affective and attitudinal outcomes in entrepreneurship.

### 3. Methodology

#### 3.1. Data Collection and Sample

The data were gathered among business people who are in operation in Pakistan and in various industries such as manufacturing, services, and retail business. The context of Pakistan is theoretically relevant because of the growing entrepreneurial environment, institutional complexity, and heterogeneous environment of small-businesses. The consideration of identity-based mechanisms in this context would increase the external validity of entrepreneurship studies that are conducted primarily in the Western environment (Stephan, 2018).

The design used was a cross sectional survey. The method of data collection included online as well as face to face administration of the questionnaires to enhance the accessibility and minimize the bias of coverage (Dillman, Smyth, & Christian, 2014). Convenience sampling was utilized whereby we contacted 550 entrepreneurs with the help of business networks, local chambers of commerce, start-up communities, and even professional contacts. The eligibility criteria entailed the respondents being founders or co-founders who were actively engaged in the running of their ventures. The cover letter to the survey provided the reasons why the study was conducted and showed that the participation was voluntary. Respondents were assured that all their identifiable personal data would be taken out before data analysis and that they would maintain a high level of confidentiality of their response. Involvement meant informed consent. Ethics issues were considered according to the set of rules of research with human subjects (American Psychological Association [APA], 2017). The participants were made aware that they could leave at any moment without any repercussions and that the data were safely stored and only accessed by the research team.

Out of the 550 entrepreneurs contacted, 500 of them sent usable self-report questionnaire back making the response rate to be 90.9. These surveys that included a large number of missing responses were filtered out before the actually analysis was carried out. The concluding sample has considerable diversity in terms of demographic factors and representation of the industry. The questionnaire was divided into two parts. The demographic data, such as age, gender, education level, industry sector, and work experience as an entrepreneur, was gathered in the first part. The second part contained multi-item scales of validated entrepreneurial identity, hedonic well-being, eudaimonic well-being, and job satisfaction.

**Table 1: Demographic Characteristics of the Sample (N = 500)**

| Variable                   | Category          | Frequency | Percentage (%) |
|----------------------------|-------------------|-----------|----------------|
| Gender                     | Male              | 335       | 67.0           |
|                            | Female            | 165       | 33.0           |
| Age                        | Below 30 years    | 105       | 21.0           |
|                            | 31–40 years       | 215       | 43.0           |
|                            | 41–50 years       | 125       | 25.0           |
|                            | Above 50 years    | 55        | 11.0           |
| Education                  | High School       | 80        | 16.0           |
|                            | Bachelor's Degree | 240       | 48.0           |
|                            | Master's Degree   | 145       | 29.0           |
|                            | Doctorate/Other   | 35        | 7.0            |
| Industry                   | Manufacturing     | 175       | 35.0           |
|                            | Services          | 210       | 42.0           |
|                            | Retail            | 115       | 23.0           |
| Entrepreneurial Experience | Below 5 years     | 135       | 27.0           |
|                            | 6–10 years        | 205       | 41.0           |
|                            | 11–15 years       | 105       | 21.0           |
|                            | Above 15 years    | 55        | 11.0           |

### 3.2. Measures

All construct measures were taken under the established and well-tested scales in the entrepreneurship and organizational psychology studies. Otherwise, the responses were filled in using a five-point Likert scale with a range of 1 (strongly disagree) to 5 (strongly agree). The scale created by Parker (2016) was used to measure entrepreneurial identity. This indicator reflects how much people think of the product of entrepreneurship as the core of their self-concept and personal identity. The instrument measures identity internalization and role centrality in the entrepreneurship domain. Statements like, being an entrepreneur is an important part of who I am are some of the sample items. This scale has been shown to have satisfactory reliability and construct validity in previous studies on an entrepreneurial sample. The hedonic well-being was determined through a 7 item scale modified on Warr (1990), which evaluated the affective experiences at work. This scale measures positive emotional conditions like enthusiasm, happiness and enjoyment of work activities. The respondents gave the degree of experiencing these feelings according to their role as an entrepreneur. The measure by Warr has been widely applied in occupational well-being studies and shown to possess a high psychometric.

An 8-item scale based on Psychiatric Well Being framework created by Ryff (1989) was used to measure eudaimonic well-being. The scale captures dimension of meaning, personal growth, self-acceptance as well as purpose in life as it is perceived in the course of work engagement. The statements that the respondents rated included intentional and valuable involvement in their entrepreneurship pursuits. The framework offered by Ryff is considered to be a pillar of measuring the eudaimonic functioning and has shown a good reliability and validity irrespective of the cultural setting. The level of job satisfaction was determined by the Job Satisfaction Survey (JSS) used by Spector (1985). The scale reflects general evaluative views of one of his or her job. The instrument has been highly tested among occupational type groups and cultural backgrounds. An increase in score means increased satisfaction with their entrepreneur job.

## 4. Data Analysis

The analysis of data was done with IBM SPSS Statistics 27.0, IBM AMOS 28.0, and SmartPLS 4.0 to be able to assess the measurement and structural models robustly. At first, descriptive statistics and Pearson correlation coefficients were calculated with the help of SPSS to check the means of entrepreneurial identity (EI), hedonic well-being (HWB), eudaimonic well-being (EWB), and job satisfaction (JS). These pre-data analyses gave a data distribution overview and inter-construct relationship. Then, the measurement model was evaluated with the help of covariance-based structural equation modeling (CB-SEM) and AMOS 28.0 where covariance-

based structural equation modeling was used to measure reliability (Cronbachs alpha) and validity (convergent validity, discriminant validity) according to established guidelines (Hair Jnr et al., 2010; Kline, 2023). After obtaining a satisfactory measurement model fit, SEM was used to test hypothesized structural relationships with respect to direct, indirect and serial mediation. To further strengthen the strength of results, partial least squares structural equation modeling (PLS-SEM) was performed with the help of SmartPLS 4.0 which is specifically appropriate in the case of complex mediation models and research based on prediction (Hair et al., 2022). The resampling-based bootstrapping were used to determine the significance of path coefficients and indirect effects. The analytical approach is made more rigorous and credible with the combined use of PLS-SEM and CB-SEM.

#### 4.1. Results

##### 4.1.1. Descriptive Statistics and Correlation Analysis

Table 2 presents the means, standard deviations, and Pearson correlation coefficients among entrepreneurial identity (EI), hedonic well-being (HWB), eudaimonic well-being (EWB), and job satisfaction (JS). As shown, entrepreneurial identity was positively and significantly correlated with hedonic well-being ( $r = .48$ ,  $p < .01$ ), eudaimonic well-being ( $r = .55$ ,  $p < .01$ ), and job satisfaction ( $r = .46$ ,  $p < .01$ ). Both hedonic and eudaimonic well-being were also positively associated with job satisfaction ( $r = .52$  and  $r = .60$ , respectively,  $p < .01$ ). These results provide preliminary support for the hypothesized relationships and justify proceeding to structural equation modeling.

**Table 2: Means, Standard Deviations, and Correlations Among Study Variables (N = 500)**

| Variable                         | M    | SD   | 1   | 2   | 3   | 4 |
|----------------------------------|------|------|-----|-----|-----|---|
| 1. Entrepreneurial Identity (EI) | 3.89 | 0.64 |     |     |     |   |
| 2. Hedonic Well-Being (HWB)      | 3.76 | 0.68 | .48 |     |     |   |
| 3. Eudaimonic Well-Being (EWB)   | 3.94 | 0.61 | .55 | .58 |     |   |
| 4. Job Satisfaction (JS)         | 3.81 | 0.66 | .46 | .52 | .60 |   |

$p < .01$ .

##### 4.1.2. Structural Equation Model Analysis

Structural equation modeling (SEM) was conducted using IBM AMOS 28.0 to test the hypothesized relationships among the constructs. Additionally, SmartPLS-4 was employed to verify robustness using PLS-SEM procedures.

##### 4.1.3. Model Fit Testing

The hypothesized four-construct model demonstrated good fit to the data. The fit indices were within acceptable thresholds:  $\chi^2/df = 2.41$ , CFI = .95, TLI = .94, IFI = .95, RMSEA = .053, and SRMR = .041. These values meet recommended criteria (CFI and TLI  $\geq .90$ ; RMSEA  $\leq .08$ ; SRMR  $\leq .08$ ), indicating satisfactory model fit.

##### 4.1.4. Path Analysis

The structural model results are presented in Table 3. Entrepreneurial identity had a significant positive effect on hedonic well-being ( $\beta = .42$ ,  $p < .001$ ) and eudaimonic well-being ( $\beta = .50$ ,  $p < .001$ ). Both mediators significantly predicted job satisfaction. Hedonic well-being positively influenced job satisfaction ( $\beta = .27$ ,  $p < .001$ ), and eudaimonic well-being had a stronger positive effect on job satisfaction ( $\beta = .41$ ,  $p < .001$ ). The direct effect of entrepreneurial identity on job satisfaction was reduced but remained significant ( $\beta = .18$ ,  $p < .01$ ), suggesting partial mediation.

**Table 3: Structural Path Estimates**

| Path      | Estimate | SE  | C.R. | p    | Standardized Estimate |
|-----------|----------|-----|------|------|-----------------------|
| EI → HWB  | .43      | .05 | 8.60 | .000 | .42                   |
| EI → EWB  | .51      | .06 | 8.50 | .000 | .50                   |
| EI → JS   | .19      | .06 | 3.17 | .002 | .18                   |
| HWB → JS  | .29      | .04 | 7.25 | .003 | .27                   |
| HWB → EWB | .51      | .07 | 7.60 | .000 | .35                   |
| EWB → JS  | .44      | .05 | 8.80 | .006 | .41                   |

$p < .001$ : Note: Entrepreneurial identity (EI), Hedonic well-being (HWB), Eudaimonic well-being (EWB), Job satisfaction (JS)

#### 4.1.5. Mediation Effect Testing

Bootstrapping (5,000 resamples) was used to test indirect effects. The mediation results are shown in Table 4. The indirect effect of entrepreneurial identity on job satisfaction via hedonic well-being was significant ( $\beta = .11$ , 95% CI [.07, .16],  $p < .001$ ). Similarly, the indirect effect via eudaimonic well-being was significant and stronger ( $\beta = .21$ , 95% CI [.15, .28],  $p < .001$ ). The serial mediation effect (EI  $\rightarrow$  HWB  $\rightarrow$  EWB  $\rightarrow$  JS) was also significant ( $\beta = .06$ , 95% CI [.03, .10],  $p < .01$ ), further supporting the proposed parallel and serial mediation framework.

**Table 4: Bootstrapped Mediation Effects (5,000 Samples)**

| Path                                                    | Effect Type     | Estimate | Lower | Upper | p    |
|---------------------------------------------------------|-----------------|----------|-------|-------|------|
| EI $\rightarrow$ HWB $\rightarrow$ JS                   | Indirect        | .11      | .07   | .16   | .003 |
| EI $\rightarrow$ EWB $\rightarrow$ JS                   | Indirect        | .21      | .15   | .28   | .001 |
| EI $\rightarrow$ HWB $\rightarrow$ EWB                  | Indirect        | .06      | .03   | .10   | .004 |
| HWB $\rightarrow$ EWB $\rightarrow$ JS                  | Indirect        | .18      | .06   | .29   | .002 |
| EI $\rightarrow$ HWB $\rightarrow$ EWB $\rightarrow$ JS | Serial Indirect | .56      | .47   | .65   | .004 |

$p < .001$ : Note: Entrepreneurial identity (EI), Hedonic well-being (HWB), Eudaimonic well-being (EWB), Job satisfaction (JS)

## 5. Discussion

In line with the identity theory and earlier studies, the present results reveal that the direct impact of entrepreneurial identity on job satisfaction is significant and positive. This finding is consistent with the theoretical viewpoints that indicate that the internalization and enactment of the entrepreneurial role leads individuals to have a sense of self-congruence and meaning at work, which subsequently facilitates the evaluative judgments of the job (Ashforth, Harrison, & Corley, 2008; Stryker & Burke, 2000). Entrepreneurial identity indicates a self-defining belief to a role that involves autonomy, purpose, and self-expression, each of which has been associated with positive attitudes to work (Cardon, Glauser, & Murnieks, 2017). The recent research on well-being also contributes to the notion that role identification does not only have an impact on the psychological functioning but is also relevant in the form of increased satisfaction brought about by the coherent sense of self and long-term involvement in the work (Wiklund et al., 2019). The direct effect is a highlight of the significance of identity congruence in describing why certain entrepreneurs experience high levels of job satisfaction even with the job stressors and uncertainties intrinsic in entrepreneurial ventures. The profound indirect means of hedonic as well as eudaimonic well-being is an expansion of the literature as it illuminates the psychological processes by which entrepreneurial identity determines job satisfaction. Hedonic well-being, which is a positive affect and subjective pleasure conceptualized, plays the mediating role in which identity congruence increases positive affective experiences, leading to an increase in job satisfaction. This result aligns with more extensive studies in the field of entrepreneurial well-being that focus on the role of positive affective conditions in promoting subjective work satisfaction (Ryan & Deci, 2001; Stephan, 2018; Wiklund et al., 2019). It is important to note that hedonic well-being embodies evaluative and affective elements of satisfaction that in many cases are indicative of the experiential reactions to autonomy and task engagement among the entrepreneurs.

The identity, job satisfaction relationship also strongly mediates through eudaimonic well-being which highlights the importance of meaning, development, and psychological operations in maintaining work satisfaction. Eudaimonic experiences are related to greater psychological satisfaction and self-realization and are very salient in entrepreneurial situations where autonomy and mission are of critical importance (Ryff, 1989; Stephan, 2018). According to previous studies, entrepreneurs are more likely to derive a sense of meaning and personal growth in work, which has more effective implications on continued job satisfaction than brief affective moods (Stephan, 2018; Wiklund et al., 2019). The current research supports the idea that multidimensional well-being models are the way forward in entrepreneurship research by empirically validating these differentiation mediation pathways, which show that entrepreneurial identity moderates job satisfaction in both affective (hedonic) and meaning-based (eudaimonic) ways (Huta & Waterman, 2014; Ryan & Deci, 2001; Stephan, 2018). In addition to parallel mediation, this



paper offers evidence to demonstrate a sequential mediation according to which entrepreneurial identity positively influences hedonic well-being that, in turn, positively influences eudaimonic well-being, and ultimately leads to increased job satisfaction. This chain is indicative of a process by which positive affect (hedonic experience) expands cognitive and motivational mechanisms enabling closer involvement in work that enables growth, purpose and self-realization (Fredrickson, 2001). The broaden-and-build theory states that positive emotions increase the thought-action repertoires of individuals, and it is a process of psychological resource formation over time, especially when it comes to venture creation and entrepreneurial persistence.

This serial pathway is empirically proposed to be the case since hedonic experience can be viewed as a proximal predictor of momentary satisfaction that subsequently structurally supports more enduring, eudaimonic processes that have a deep impact on overall job attitude. Researchers have been pointing out that eudaimonic well-being includes certain dimensions that do not only intersect with hedonic well-being but can also be fostered through affective experiences in the work situations (Wiklund et al., 2019). In the context of entrepreneurship, where meaning and engagement are essential to sustaining and resisting in the long term, the interaction between hedonic and eudaimonic experiences can be especially powerful in determining job satisfaction. In that way, the identified chain mediating mechanism of the present research contributes to the further development of the knowledge about the role of the combined impact of short-term affective states and long-term psychological functioning in the transmission of the effects of identity on job satisfaction. Taken all together, these results underscore the complicated mechanisms involved between entrepreneurial identity and job satisfaction in that both affective and meaning-based well-being are core psychological mechanisms in the relationship. The insights can add value to entrepreneurship research by expounding on the complexities of well-being experiences and effects on entrepreneurial attitudes and results.

## **6. Conclusion**

This paper has explored the effect of entrepreneurial identity in job satisfaction based on both hedonic and eudaimonic well-being of a sample of Pakistani entrepreneurs. In line with the identity and well-being theories, not only did the entrepreneurial identity positively affect the job satisfaction but also had a strong indirect influence through both types of well-being. Notably, the hedonic well-being offered an affective linkage through which identity enhanced satisfaction, and eudaimonic well-being reflected more psychological satisfaction that enhanced job satisfaction further. The large chain mediation effect shedding light on a dynamic process in which accrued positive affective experiences feed into meaning-oriented functioning reinforced the perspectives of broaden-and-build on psychological resources development. This study helps shed more light on the motivational and affective processes that maintain an entrepreneurial persistence and satisfaction because it elucidates these pathways. By so doing, it not only broadens the literature to multidimensional model of explanation but also provides integrative information regarding the manner in which internalized role identities are converted into long term work attitude in entrepreneurial settings.

### **6.1. Limitations and Future Research Directions**

Although they offer new insights, a number of limitations provide a way forward in future research. The first limitation of the study is that it is cross-sectional and this prevents a causal conclusion. Though the results of structural equation modeling can be regarded as evidence that the hypothesized directions are accurate, the issue of the chronological sequence of identity, well-being, and job satisfaction is unclear. The experience-sampling and longitudinal designs have been highlighted as valuable in the previous research to understand the dynamic relationship between well-being and work attitude across time (e.g., (Stephan, 2018) meta-analytic requests longitudinal data). These designs would enable more impactful causal claims and study of within-person changes in hedonic and eudaimonic experiences as they change over the course of entrepreneurial careers. The sample size of Pakistani businesspersons can be considered as geographically diverse, but the results are not to be generalized in all cultural and economic situations. In the recent reviews, it has been pointed out that the well-being research on entrepreneurship is mostly based in the Western context, and there is little investigation on the well-being concept under emerging and developing economies, which restrict conceptual sensitivity to how institutions and cultural contexts deterministically influence well-being processes (e.g. there is a need to develop more contextualized theoretical frameworks). The next

question that should be considered in future studies is how institutional legitimacy, cultural values, and socio-economic resources make the identity well-being, job satisfaction moderated.

Though the identity theory and self-determination conceptualizations were used in this study, the concept of entrepreneurial well-being is multicausal in nature, with antecedents and moderators that go beyond identity centrality. The meta-analysis data points to the fact that personal, work, social, and contextual antecedents have a differing impact on positive well-being outcomes (e.g. hedonic vs. eudaimonic), which can be attributed to the fact that single theoretical perspectives might be inadequate to explain the complexity. A combination of job demands-resources models, psychological capital, social capital, and contextual stressor models should be incorporated in future research to formulate comprehensive models to indicate how resources, risks, and identity interact to produce well-being and satisfaction. Self-report measures were used in the current study but at a single time. The well-being of an entrepreneur is not static, but it depends on business cycles, financial uncertainty and on personal life events. The methods for sampling experience in the future might be experience sampling methods (ESM) or diary designs to provide more temporal information than measure-only designs by capturing intra-individual variation in hedonic and eudaimonic states. Moreover, it is possible to avoid the common method bias by adopting multi-informant designs (e.g., partner or team report) and enhance the overall validation of psychological constructs. Our model involved direct and mediating mechanisms at the expense of possible moderators. Recent studies indicate that e balance, work life psychological capital, mindfulness and the organization or societal support structures could be influential in determining the identity-to-well-being outcome relationship. Future research may experiment with these moderators to disaggregate in what cases and who entrepreneurial identity has the strongest association with well-being and satisfaction. An example is construct such as mindfulness which has been hypothesized as supporting psychological functioning and resilience, but there is limited literature on its moderating effects on identity well-being pathways. Lastly, multi-level methods, i.e. focus on both individual experiences and macro-level factors (economic shocks, labour market dynamics, or regulatory changes) that could be interacting with psychological processes to determine satisfaction outcomes would be beneficial to the research of entrepreneurial well-being.

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