



The Multi-Level Dual-Sided Effects of Micro-Catering Entrepreneurship: Bright Side, Dark Side, and Tripartite Resilience Mechanisms

Shiyu Huang¹, Yu-Ting Lu², Ming-Chia Chen^{3*}

Overseas Education College, Fujian Business University, Fuzhou, China.

*Corresponding Author

Ming-Chia Chen

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Abstract: Entrepreneurship is widely celebrated as a core engine for economic innovation, personal autonomy, and social progress. However, existing academic literature often leans toward the unidirectional assumption that "entrepreneurship is inherently good," frequently overlooking the severe psychological, interpersonal, and organizational costs associated with entrepreneurial endeavors. Integrating Conservation of Resources (COR) theory, the Job Demands-Resources (JD-R) model, and multi-level entrepreneurial frameworks (encompassing individual, team, and organizational/societal levels), this study investigates the dual-sided nature of micro-catering entrepreneurship and its systemic adaptation mechanisms. Based on qualitative in-depth interviews and comparative case analyses of six micro-specialty restaurants in central Taiwan (five operational cases and one case transitioning from physical closure), this research reveals: (1) At the individual level, founders enjoy occupational autonomy and local attachment but suffer from extreme psychological strain, loneliness, over-investment, behavioral persistence/addiction, and constant operational anxiety; (2) At the team level, micro-catering ventures exhibit high human resource vulnerability, value misalignment, part-time staff integrity crises, and partnership fragility; (3) At the organizational and societal level, micro-catering generates positive social externalities through green dining practices (e.g., eco-chefs) and local ingredient sourcing, yet remains highly vulnerable to urban rent escalation, supply shocks, and platform commission pressure; and (4) Micro-catering ventures cross the "dark side" by constructing a tripartite resilience framework—comprising relational resilience (social trust density), operational resilience (micro-scale constraint design), and cognitive resilience (existential meaning-making). This study extends the theoretical boundaries of the dark side of entrepreneurship in service micro-enterprises and provides strategic guidelines for sustainable hospitality management.

Keywords: Micro-catering, Dark side of entrepreneurship, Multi-level analysis, Tripartite resilience framework, Conservation of Resources theory, Case study.

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1. Introduction

Entrepreneurship has long enjoyed celebratory stature in public policy, economic discourse, and management research, where it is extolled as an indispensable catalyst for industrial innovation, market dynamic efficiency, and individual economic self-determination (Cardon et al., 2012; Shepherd & Patzelt, 2017). Within the service economy, micro-catering entrepreneurship—characterized by low physical capital entry thresholds, hyper-localized customer engagement, and high operational agility—serves as a primary conduit for aspiring founders seeking to translate personal culinary passion and artisanal heritage into viable commercial enterprises (Hu et al., 2022; Song, 2021). However, dominant academic literature has historically operated under a pro-entrepreneurship bias, advancing the implicit assumption that entrepreneurial agency is intrinsically positive, harmonious, and value-accretive (Shepherd, 2019). This celebratory narrative frequently obscures the "dark side" of entrepreneurship: a complex spectrum of severe psychological strain, operational vulnerability, interpersonal conflict, and structural fragility (Hmieleski & Lerner, 2016; Morgan & Sisak, 2016; Stephan, 2018).

The imperative to investigate these dark-side phenomena has grown exceptionally urgent following macro-environmental disruptions such as the COVID-19 pandemic and subsequent inflationary shocks. Physical catering operators have faced compounding survival challenges, including sudden demand collapses, skyrocketing raw ingredient costs, rising urban rents, and severe labor shortages (Hu et al., 2022). While digital transformation and food delivery platforms have offered alternative revenue streams, micro-catering ventures—defined as independent catering entities employing fewer than five personnel and relying overwhelmingly on founder labor (Ministry of Labor, 2023)—face acute structural resource constraints. Founders in this sector typically execute a "one-person multi-role" operating model, simultaneously functioning as executive chef, general manager, financial controller, digital marketer, and frontline service staff. Under Conservation of Resources (COR) theory (Hobfoll, 1989; Shirokova et al., 2023), such extreme role overload accelerates continuous resource depletion, triggering chronic psychological strain, loneliness, emotional exhaustion, and behavioral persistence akin to entrepreneurship addiction (Kollmann et al., 2019; Spivack & McKelvie, 2018; Stephan, 2018; Wiklund et al., 2019).

Despite growing scholarly interest in entrepreneurial well-being and venture failure (Freeman et al., 2019; Hessels et

al., 2018), existing micro-catering research remains predominantly constrained by single-dimensional, success-centric paradigms. Studies frequently isolate technical success factors such as store location, menu pricing, or digital word-of-mouth marketing (e.g., Song, 2021; Su, 2010), while neglecting the multi-level dynamics through which individual psychological burdens, team interpersonal conflicts, and organizational environmental threats co-evolve. Furthermore, little empirical insight exists regarding how micro-catering founders navigate these compounding dark-side pressures through localized, dynamic adaptation mechanisms.

To bridge these critical theoretical and empirical gaps, this study adopts a multi-level theoretical framework integrating individual, team, and organizational/societal dimensions of entrepreneurial bright and dark sides (Shepherd, 2019; Shepherd & Patzelt, 2017; Stephan, 2018). Grounded in qualitative in-depth case studies of six representative micro-specialty restaurants in central Taiwan (Changhua region), this paper addresses three primary research questions:

- **RQ1:** What specific "bright side" motivators and "dark side" pressures manifest across the preparation, startup, and operational stages of micro-catering entrepreneurship?
- **RQ2:** How do psychological, interpersonal, and structural challenges interact across the individual, team, and organizational/societal levels to jeopardize venture survival?
- **RQ3:** Through what specific adaptation mechanisms do micro-catering entrepreneurs develop resilience to mitigate dark-side costs and achieve sustainable operations or strategic transformation?

2. Literature Review

2.1 Multi-Level Dual-Sided Framework of Entrepreneurship

Entrepreneurship is inherently dual-sided, encompassing simultaneous processes of value creation and personal/organizational destruction (Shepherd, 2019; Shepherd & Patzelt, 2017). To comprehensively capture these dual-sided dynamics, recent theoretical advancements advocate for a multi-level perspective examining outcomes across three nested analytical tiers: the individual, team, and organizational/societal levels (Baron et al., 2015; Stephan, 2018; Wiklund et al., 2019). Table 1 synthesizes this multi-level dual-sided framework.

Table 1: Multi-Level Dual-Sided Theoretical Framework of Entrepreneurship

Level of Analysis	Bright Side / Value Creation	Dark Side / Costs & Hazards	Representative Literature
Individual Level	Occupational autonomy, self-actualization, converting interest into career, personal brand identity, flexibility.	Severe psychological strain, entrepreneurial loneliness, over-investment, health impairment, sleep strain, fear of failure, addiction.	Cardon et al. (2012); Freeman et al. (2019); Hessels et al. (2018); Kollmann et al. (2019); Morgan & Sisak (2016); Spivack & McKelvie (2018); Stephan (2018); Wiklund et al. (2019)
Team Level	Emotional support, complementary skill sets, shared mission, high team cohesion, collective efficacy.	Affective conflict, goal misalignment, knowledge hiding, team disintegration, moral disengagement, broken trust.	Breugst & Shepherd (2015); Hmieleski & Baron (2009); Jafari-Sadeghi et al. (2022); Qin et al. (2022); Scheaf & Wood (2022)
Organizational & Societal Level	Local economic vitality, green sustainability practices (eco-chefs), culinary cultural diversity, community attachment.	High bankruptcy risk, extreme resource scarcity, rent squeeze, supply chain vulnerability, ethical deviance, operational disruption.	Baron et al. (2015); Hu et al. (2022); Kibler et al. (2018); Shirokova et al. (2023); Tacke et al. (2023)

At the individual level, while entrepreneurship offers high self-determination and opportunities to express creative identity (Cardon et al., 2012), founders face intense demands that frequently exceed personal coping capabilities. Stephan (2018) and Hessels et al. (2018) highlight that entrepreneurs suffer disproportionately from physiological strain, anxiety, and work-family conflict. Morgan and Sisak (2016) explore how the tension between ambition to succeed and fear of failure distorts decision-making under high uncertainty, while Spivack and McKelvie (2018) document behavioral persistence patterns akin to entrepreneurship addiction. Kollmann et al. (2019) empirically demonstrate that entrepreneurial stressors directly induce sleep strain, impairing executive cognitive functions and venture performance. Furthermore, the isolation inherent in ultimate executive accountability fosters "entrepreneurial loneliness" (Freeman et al., 2019; Wiklund et al., 2019).

At the team level, co-founding arrangements are intended to provide complementary resources and social buffering. However, Breugst and Shepherd (2015) demonstrate that affective conflicts frequently erupt when co-founders experience goal divergence under financial pressure. Hmieleski and Baron (2009) observe that team-level regulatory misalignments dramatically increase venture mortality, while Jafari-Sadeghi et al. (2022) note that knowledge hiding within entrepreneurial teams severely undermines collective problem-solving. At the organizational and societal level, micro-enterprises contribute vital social capital and localized eco-innovations

(Kibler et al., 2018; Shirokova et al., 2023). Yet, their extreme liability of smallness renders them exceptionally susceptible to environmental turbulence, rent exploitation, and operational shocks (Baron et al., 2015; Hu et al., 2022; Tacke et al., 2023).

2.2 Management Dilemmas and Dynamic Resilience in Micro-Catering

Micro-catering ventures represent highly specific operational settings characterized by severe resource poverty and intimate dependence on founder human capital (Ministry of Labor, 2023). Unlike corporate chain restaurants equipped with standardized operating procedures (SOPs), dedicated HR departments, and deep financial buffers, micro-catering survival depends almost entirely on the founder's adaptive coping mechanisms (Hu et al., 2022). Applying Conservation of Resources (COR) theory (Hobfoll, 1989; Shirokova et al., 2023), when external shocks threaten the venture's survival, founders must dynamically conserve, mobilize, and reconfigure psychological, social, and operational resources.

Bullough and Renko (2013) and Uy et al. (2013) demonstrate that "psychological resilience"—the dynamic capacity to rebound from adversity, uncertainty, and failure—serves as the primary behavioral engine enabling entrepreneurs to sustain effort during crises. However, individual resilience alone is insufficient; it must be coupled with social network support (Shirokova et al., 2023) and

operational flexibility to successfully counteract dark-side pressures.

3. Research Methodology

3.1 Qualitative Multiple-Case Study Design and Purposive Sampling

To explore the intricate, multi-level processes through which micro-catering founders experience dark-side pressures and deploy adaptation mechanisms, this study adopts a qualitative, multiple-case study design (Yin, 2018). The case study method is particularly appropriate for answering "how" and "why" questions within complex, real-world organizational contexts where boundaries between

phenomenon and context are not clearly evident (Patton, 2015; Yin, 2018).

Purposive sampling was conducted in central Taiwan (specifically the Changhua region), selecting six distinctive micro-specialty catering ventures operating across diverse culinary concepts, organizational structures, and operating tenures. To capture the full spectrum of entrepreneurial outcomes and avoid survivor bias, the sample includes five active operational cases (several holding green restaurant and eco-chef certifications) and one case that underwent strategic physical closure due to severe labor and health bottlenecks (Table 2).

Table 2: Background Data and Entrepreneurial Characteristics of Case Restaurants

Case ID	Cuisine Feature / Concept	Staff Scale & Structure	Tenure	Entrepreneurial Motivation & Key Traits
Restaurant A	Japanese Specialty (Special Grilled Chicken Thigh)	Founding Couple (Husband: Kitchen; Wife: Front)	> 10 Years	Craftsmanship-oriented; alleyway location; pursuit of stability and family balance.
Restaurant B	Italian Cuisine (Local Mantis Shrimp integration)	3 Founding Partners + Part-time Staff	> 5 Years	Tourist destination; lifestyle operation; highly cohesive pandemic response.
Restaurant C	Euro-French Cuisine & Handcrafted Bread	Chef Owner + Wife (Part-time support)	~ 3.5 Years	Rebirth case (rebuilt after catastrophic fire); exceptional psychological resilience.
Restaurant D	Fusion Cuisine / Green Restaurant (Eco-Chef)	4 Family Members (Couple & Relatives)	~ 3.5 Years	Counter-trend pandemic startup; promoting eco-friendly farming & healthy lunchboxes.
Restaurant E	Italian Cuisine / Green Restaurant (Eco-Chef)	1 Full-time Owner + Weekend Part-timers	> 5 Years	Hometown returnee startup; contracting with small farmers; strict natural ingredient pledge.
Restaurant F	Traditional French Cuisine (Partnership)	Owner (Front) + French Partner (Kitchen)	Closed	French culinary study background; physical store closed due to partner health and labor bottlenecks.

3.2 Data Collection, Triangulation, and Content Validity

Data collection was executed between August 2025 and February 2026. Primary data were gathered via semi-structured, in-depth interviews with restaurant founders and key operating partners. Each interview session lasted between 90 and 120 minutes, was digitally recorded with

formal informed consent, and transcribed verbatim yielding over 180,000 words of transcript data. To ensure content validity and construct rigor, the interview protocol was subjected to rigorous expert panel review comprising seven senior academic scholars and industry executive chefs (Table 3).

Table 3: Expert Panel Reviewers for Construct and Content Validity

Expert Name / Title	Institutional Affiliation	Expertise Domain / Review Role
Prof. Chen	Dept. of Hospitality Management, University	Hospitality Management & Qualitative Research Design (Internal Reviewer)
Associate Prof. Shi	Dept. of Hospitality Management, University	Hospitality Service Quality & Consumer Behavior (Internal Reviewer)
Associate Prof. Lin	Dept. of Hospitality Management, University	Menu Planning & Entrepreneurial Operations (Internal Reviewer)
Assistant Prof. Lin	Dept. of Hospitality & Tech University	Micro-entrepreneurship & Chain Restaurant Operations (External Reviewer)
Executive Chef Yang	Renowned Specialty Restaurant, Taichung	Culinary Arts & Menu R&D Practice (Industry Expert)
Executive Chef Lin	Renowned Specialty Restaurant, Changhua	Local Ingredient Sourcing & Kitchen Management (Industry Expert)
Executive Chef Liu	Renowned Tourism Restaurant, Nantou	Hospitality Operations & Cost Control (Industry Expert)

To achieve data triangulation (Patton, 2015), secondary qualitative data were systematically collected, including official social media pages (Facebook, Instagram), Google Business customer reviews, media coverage, menu archival records, and onsite participant observation notes. Data analysis followed thematic coding procedures (Yin, 2018), progressing from initial open coding to axial coding across multi-level theoretical constructs.

4. Case Analysis and Empirical Results

4.1 Comprehensive SWOT Synthesis of Micro-Catering Cases

Cross-case evaluation highlights that micro-catering ventures derive core competitive strengths from founder craftsmanship, product differentiation, and high customer emotional attachment. Conversely, structural weaknesses stem from severe labor deficits, capital constraints, and extreme dependence on founder physical stamina (Table 4).

Table 4: SWOT Matrix Synthesis Across Six Micro-Catering Case Ventures

Case	Strengths (S)	Weaknesses (W)	Opportunities (O)	Threats (T)
A	Unique proprietary flavors; deep local roots with highly loyal regulars.	Remote alleyway location; spatial constraints; inconspicuous signage.	Transitioning to reservation system; maintaining stable income and food quality.	Declining birth rate dropping local university student population; intense market rivalry.
B	Prime tourist spot location; highly cohesive co-founding partner team.	Sharp tourist decline during pandemic; heavy fixed labor overhead.	Developing frozen takeaway packs; rotating menu every 3 weeks for freshness.	Rapid emergence of new regional competitors; market dispersion.
C	Prime downtown location; chef's exquisite French culinary skill & handcrafted bread.	Aging electrical wiring bitten by rodents triggering catastrophic fire; heavy debt.	Extremely high customer loyalty; warm "coming home" dining atmosphere.	High rent pressure; transitional family labor strain during spouse's childbirth.
D	Eco-chef certification; integration of local eco-friendly organic produce.	Low initial brand awareness; public green dining awareness needs education.	Designing eco-lunchboxes for local hospital & school delivery markets.	Located in downtown dining battleground; price sensitivity among mainstream diners.

Case	Strengths (S)	Weaknesses (W)	Opportunities (O)	Threats (T)
E	Hometown exclusivity; direct farm contracts & strict green pledge.	Sole operator model; capacity bottlenecks; extreme physical fatigue.	Rising consumer health awareness; green restaurant policy subsidies.	Remote transportation & parking limitations constraining non-local clientele.
F	Authentic French culinary heritage; active Google Maps & FB engagement.	High part-time turnover; lack of employee cohesion; integrity breach.	Pivoting to online dessert orders & private culinary instruction model.	Partner health collapse & family bereavement forcing physical store closure.

4.2 Multi-Level Empirical Findings: Bright vs. Dark Side Dynamics

In Figure 1, empirical analysis reveals that micro-catering entrepreneurship operates across three interconnected levels, balancing positive motivators ([+]) against destructive dark-side burdens ([−]).

(1) Individual Level: Psychological Resilience vs. Dark-Side Trauma. While all founders initiated ventures seeking occupational autonomy and creative expression (Cardon et al., 2012), all experienced severe psychological strain and physical depletion (Stephan, 2018). Restaurant C suffered a catastrophic electrical fire caused by rodent damage less than two years after launch: "Experiencing something like this was truly exhausting physically and mentally... but we sold our Taipei house and my wife's dowry, spending 5 million NTD to rebuild. Customer spiritual support was the anchor that kept us alive." (Founder, Restaurant C). Similarly, Restaurant F's owner faced the severe blow of a co-founder's health collapse and family deaths, forcing physical store closure. These empirical observations corroborate Stephan (2018) and Kollmann et al. (2019): without psychological resilience, dark-side stressors rapidly lead to venture termination.

(2) Team & HR Level: Human Resource Vulnerability and Integrity Crises. Micro-catering ventures suffer from extreme human resource fragility. Due to thin margins, operators rely on part-time staff who frequently demonstrate low organizational commitment. Restaurant F experienced severe ethical deviance: "A reserved specialty cake went missing. When confronted, the part-time worker casually stated they gave it to a friend... They exhibited zero cohesion or moral accountability." (Owner, Restaurant F). This aligns with Qin et al. (2022) and Scheaf and Wood (2022) regarding moral disengagement in entrepreneurial settings. Conversely, Restaurant B leveraged strong partner trust and emotional bonding to navigate pandemic lockdowns without layoffs, illustrating how team social capital buffers dark-side shocks (Breugst & Shepherd, 2015; Hmieleski & Baron, 2009; Shirokova et al., 2023).

(3) Organizational & Societal Level: Green Sustainability vs. Environmental Vulnerability. Micro-catering generates positive social value through green dining practices, eco-chef certifications, and direct farm sourcing (Restaurants D & E) (Kibler et al., 2018). However, these noble societal contributions are constantly squeezed by commercial liabilities, including downtown commercial rent spikes, platform commission fees, and supply chain shocks (Hu et al., 2022; Tacke et al., 2023).

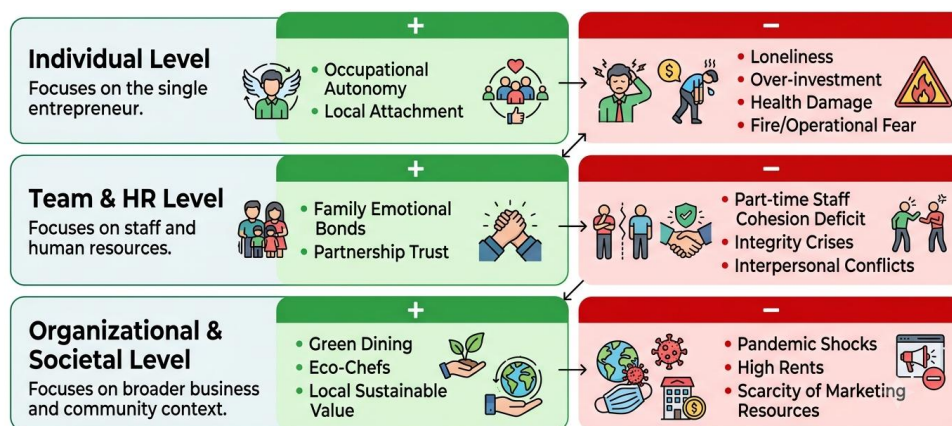


Figure 1: Multi-Level Dual-Sided Framework and Adaptive Mechanisms in Micro-Catering Entrepreneurship

4.3 Case Adaptation Mechanisms: A Tripartite Resilience Framework

To cross the entrepreneurial dark side, case restaurants constructed a Tripartite Resilience Framework comprising three co-evolving dimensions:

(1) Relational Resilience: Converting Scarcity into Social Trust Density. Micro-catering operators cultivate deep relational ties with regulars and local food producers, transforming transactional customer relationships into shared community stewardship (Shirokova et al., 2023). Restaurant D transformed eco-lunchbox delivery into a relational contract with local schools and hospitals, turning community trust into an unbeatable competitive moat.

(2) Operational Resilience: Micro-Scaling and Deliberate Constraint Design. Case operators reject indiscriminate growth in favor of controlled micro-scaling. Restaurants A and E implemented strict reservation-only systems (e.g., limiting service to 12 seats per session). This deliberate constraint eliminates food waste, caps physical workload, and insulates operations from demand volatility (Baron et al., 2015; Tacke et al., 2023).

(3) Cognitive Resilience: Existential Anchoring and Adaptive Disengagement. Founders reframe success away from mere financial expansion toward craftsmanship, family balance, and existential meaning (Souitaris et al., 2026; Uy et al., 2013). For Restaurant F, closing the physical storefront was not framed as catastrophic failure, but as "adaptive disengagement" (Shepherd, 2019)—pivoting core competencies into online dessert instruction and private art teaching.

To empirically quantify the adaptation capacity of each micro-catering venture, the aggregated evaluation scores across two primary dimensions—Relational Resilience (\$X\$-axis) and Operational + Cognitive Resilience (\$Y\$-axis)—and their classified development stages are presented in Table 5. As shown in Table 5, Cases A (\$0.80, 0.90\$), E (\$0.70, 0.85\$), and D (\$0.90, 0.70\$) exhibit high resilience scores across all dimensions, placing them firmly within the 'Success Cases' stage [cite: 1, 2]. Conversely, Case C (\$0.60, 0.75\$) reflects high operational and cognitive adaptability following its post-fire reconstruction, representing the 'Resilient Recovery' stage, while Case F (\$0.50, 0.60\$) exemplifies a 'Strategic Pivot' through its transition to online operations

Table 5: Cross-Case Resilience Scores and Development Stages

Case ID	Relational Resilience Score	Operational + Cognitive Resilience Score	Classified Resilience Stage
Case A	0.80	0.90	Success Cases (High Sustained Resilience)
Case E	0.70	0.85	Success Cases (High Sustained Resilience)
Case D	0.90	0.70	Success Cases (High Sustained Resilience)
Case C	0.60	0.75	Resilient Recovery (Post-Disaster Rebirth)
Case F	0.50	0.60	Strategic Pivot (Adaptive Disengagement)
Case B	0.40	0.50	Early Stage (Consolidating Foundations)

In summary, micro-catering ventures do not rely on isolated coping tactics; rather, they construct a systemic adaptation architecture that links individual, team, and community resources. As illustrated in Figure 2, the overall framework diagram of the triple-resilience adaptation mechanism maps out how individual psychological resilience, team

relationship resilience, and community operation resilience interlock as three key pillars. This integrated framework demonstrates how micro-entrepreneurs dynamically reconfigure their resources to neutralize multi-level dark-side pressures and restore operational stability.

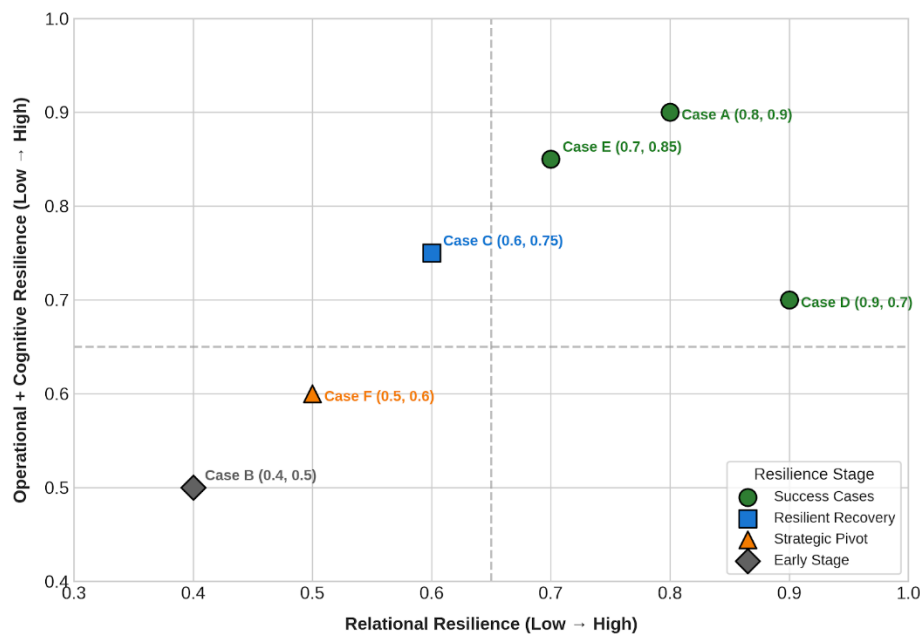


Figure 2: Overall Framework Diagram of the Triple-Resilience Adaptation Mechanism

5. Discussion

5.1 Theoretical Dialogue on the Multi-Level Dual-Sided Nature of Entrepreneurship

The empirical findings of this study directly engage with and advance the contemporary literature on the "dark side of entrepreneurship" (Hmieleski & Lerner, 2016; Shepherd, 2019; Stephan, 2018). While traditional hospitality literature frequently over-indexes on optimistic growth metrics and strategic location selection (e.g., Su, 2010), our multi-level analysis demonstrates that micro-catering entrepreneurship is a high-tension arena where individual self-actualization is constantly counterbalanced by severe psychological and structural hazards. By applying Conservation of Resources (COR) theory (Hobfoll, 1989; Shirokova et al., 2023) and the Job Demands-Resources (JD-R) perspective, this study reveals how micro-catering founders experience continuous resource drain across analytical levels.

At the individual level, our findings validate Stephan's (2018) and Kollmann et al.'s (2019) assertions regarding the extreme mental health burdens borne by micro-founders. The "one-person multi-role" operational reality induces acute sleep strain, loneliness, and emotional exhaustion (Freeman et al., 2019; Wiklund et al., 2019). Under severe uncertainty, founders frequently experience cognitive conflicts between ambitious growth and fear of operational failure (Morgan & Sisak, 2016), leading to non-rational behavioral persistence akin to entrepreneurship addiction (Spivack & McKelvie, 2018). When faced with catastrophic events—such as Restaurant C's rodent-induced fire—the absence of organizational slack means that operational crises instantly convert into individual psychological trauma. This

extends Shepherd's (2019) processual dark-side framework by illustrating how micro-service contexts amplify founder vulnerability due to the total absence of structural buffering.

At the team level, this study contributes to the literature on co-founding dynamics, team alignment, and ethical deviance (Breugst & Shepherd, 2015; Hmieleski & Baron, 2009; Qin et al., 2022; Scheaf & Wood, 2022). Our evidence shows that human resource fragility in micro-catering is not merely an operational scheduling headache, but an existential threat rooted in moral disengagement and affective conflict. The theft incident in Restaurant F exemplifies how part-time staff's lack of organizational identification leads to ethical breaches that directly undermine founder psychological well-being. Conversely, as Breugst and Shepherd (2015), Hmieleski and Baron (2009), and Shirokova et al. (2023) posit, high team trust, complementary regulatory focus, and shared vision (as demonstrated by Restaurant B) act as essential socio-emotional shields against macro-environmental shocks.

To systematically map the multi-level dark-side hazards against their empirical manifestations and dynamic coping strategies, an integrative theoretical synthesis is detailed in Table 6. As summarized in Table 6, dark-side hazards operate distinctively across analytical tiers at the individual level, cognitive resilience mitigates extreme psychological strain and sleep depletion; at the team level, relational resilience buffers against part-time staff integrity breaches and affective conflicts; and at the organizational level, operational resilience protects the venture from urban rent squeezes and macro-environmental shocks.

Table 6: Integrative Multi-Level Theoretical Constructs & Empirical Adaptation Matrix

el of analysis	Core dark-side hazards (JD-R demands)	Empirical manifestations (Taiwanese micro-catering context)	Resilience adaptation levers (JD-R resources)
Individual level	Chronic psychological strain, sleep deprivation, loneliness, entrepreneurial addiction, fear of failure	Post-fire reconstruction debt (Case C); physical exhaustion under sole-operator model (Case E)	Cognitive resilience: existential reframing (“vocation-as-vocation”), adaptive disengagement, mindfulness
Team & HR level	Part-time staff integrity breaches, high turnover, affective conflict, co-founder health collapse	Theft of reserved product by casual staff (Case F); forced closure due to partner illness (Case F)	Relational resilience: family-like emotional bonds, regulatory alignment, internship partnerships with vocational institutions
Organizational & societal level	Urban rent extraction, pandemic demand shocks, platform commission pressure, supply chain vulnerability	Downtown rent pressure amid declining student demographics (Cases A, C); tourist flow collapse (Case B)	Operational resilience: reservation-only micro-scaling, value-chain shortening, eco-lunchbox B2B pivots

Note: This matrix synthesizes empirical patterns with COR theory (Hobfoll, 1989) and JD-R modelling to illustrate how micro-enterprises offset structural liabilities through layered resource mobilization.

5.2 Debunking Hospitality Myths: Relational and Operational Resilience over Physical Location

Second, this study challenges classical hospitality management paradigms which assert that "location, location, location" is the singular determinant of catering success (Su, 2010). Cases A and E demonstrated remarkable tenures (>10 and >5 years, respectively) despite operating in secluded alleyways or remote rural townships. In line with Kibler et al. (2018) and Song (2021), in the contemporary digitalized landscape, authentic product differentiation, green restaurant pledges, and high relational trust completely transcend physical geographical disadvantages.

Furthermore, our empirical analysis reveals that micro-catering ventures achieve long-term viability not through aggressive expansion, but through "deliberate constraint design" (Baron et al., 2015; Tacke et al., 2023). By enforcing reservation-only models, capping daily seating capacity, and directly contracting with local eco-farmers, case operators deliberately restrict operational scale to preserve psychological health, product excellence, and environmental integrity. This finding directly challenges growth-centric entrepreneurship paradigms, supporting Kibler et al. (2018) in establishing that "micro-scale intentionality" represents a highly sustainable, resilient business model for service micro-enterprises.

5.3 Synthesizing the Tripartite Resilience Framework: Processual and Generative Dynamics

Third, this study advances resilience literature (Bullough & Renko, 2013; Shirokova et al., 2023; Uy et al., 2013) by conceptualizing resilience not as a static personality trait,

but as a multi-layered, co-evolving system. Individual psychological resilience (cognitive reframing), team relational resilience (social trust density), and community operational resilience (micro-scale agility) form a mutually reinforcing generative engine.

When an external crisis erupts, cognitive resilience provides existential grounding (Souitaris et al., 2026; Uy et al., 2013), enabling founders to interpret adversity as a call for strategic adaptation rather than personal failure. This cognitive clarity facilitates relational mobilization (Shirokova et al., 2023), allowing founders to rally customer and community support. Relational density then enables operational reconfiguration (e.g., pivoting to direct B2B lunchbox delivery or frozen packs), which stabilizes revenue and reduces daily operational friction. This positive feedback loop effectively counteracts resource loss spirals (Hobfoll, 1989), allowing micro-enterprises to convert dark-side pressures into sustainable bright-side value. Figure 3 resolves the central paradox of micro-entrepreneurship: how can ventures lacking formal resources achieve sustainability? The answer lies not in resource accumulation, but in resource circulation—a self-reinforcing cycle where each resilience layer regenerates the others, ultimately converting the “dark side” of extreme vulnerability into the “bright side” of authentic, locally rooted viability.

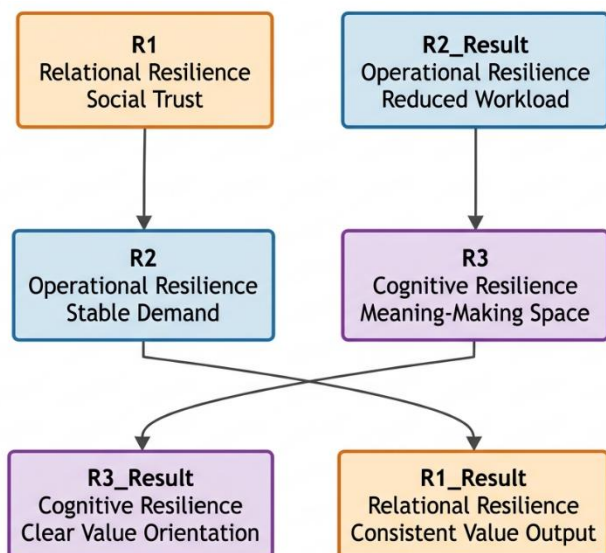


Figure 3: Three-Layer Causal Cycle Diagram of Resilience Mutual Construction

6. Conclusions and Implications

6.1 Research Conclusions

Grounded in a multi-level dual-sided theoretical framework, this study conducted an in-depth qualitative investigation of six micro-specialty catering ventures in central Taiwan. The primary research conclusions are summarized as follows:

- (1). Micro-catering entrepreneurship represents a complex double-edged sword: while offering high occupational autonomy and local social attachment, it imposes severe dark-side costs including chronic psychological strain, loneliness, health impairment, and extreme human resource vulnerability.
- (2). Human resource fragility and ethical deviance among part-time staff represent primary operational bottlenecks that directly threaten physical store survival, reinforcing the necessity of socio-emotional team alignment.
- (3). Relational trust density built through genuine social media engagement, green dining pledges (eco-chefs), and localized ingredient sourcing enables micro-catering ventures to overcome marketing resource scarcity and physical location disadvantages.
- (4). A Tripartite Resilience Framework—synthesizing relational, operational, and cognitive resilience—serves as the primary adaptive architecture enabling micro-founders to cross the entrepreneurial dark side and achieve long-term sustainability or graceful strategic transformation.

These empirical evaluations provide structured backing for the dynamic trajectories illustrated in Figure 4.

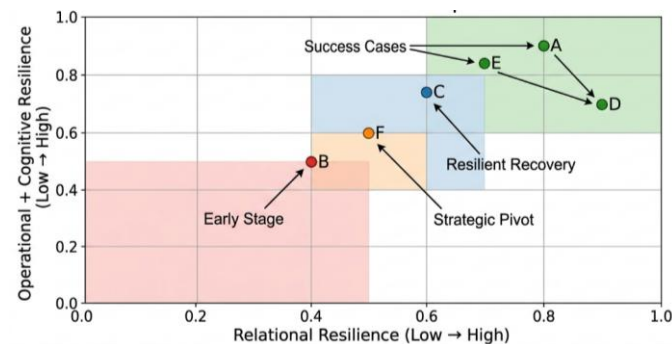


Figure 4: Comparative matrix diagram of cross-case resilience evolution

6.2 Theoretical and Academic Contributions

This study advances the international small business and entrepreneurship literature in three interrelated ways, each aligned with ISBJ's commitment to theorising the lived realities of micro-enterprises under constraint.

First, we de-essentialise the pro-entrepreneurship bias prevalent in small business research.

While policy and scholarly narratives routinely celebrate entrepreneurial autonomy and local value creation (Shepherd, 2019; Wiklund et al., 2019), our multi-level analysis foregrounds the cumulative toll exacted on micro-founders. By documenting behavioural persistence akin to entrepreneurial addiction (Spivack & McKelvie, 2018), sleep strain (Kollmann et al., 2019), and moral disengagement among casual staff (Qin et al., 2022), we provide a theoretically grounded account of the “dark side” that moves beyond anecdotal descriptions of founder stress. This empirically rich perspective responds to ISBJ's call for nuanced understandings of how resource poverty shapes entrepreneurial experience.

Second, we reconceptualise resilience as a dynamic, multi-layered system rather than a static individual trait.

Building on COR theory (Hobfoll, 1989; Shirokova et al., 2023), we demonstrate that sustainable adaptation in micro-catering emerges from the recursive interplay of cognitive, relational, and operational resilience. Crucially, we show that these layers are not modular coping tactics but co-evolving resource reservoirs: cognitive reframing enables relational mobilisation, which in turn facilitates operational reconfiguration. This processual view extends Shepherd's (2019) notion of “processual resilience” into the micro-enterprise domain and offers a transferable framework for understanding how small firms adapt under chronic resource deficit.

Third, we redefine sustainable micro-enterprise viability by introducing the concept of deliberate constraint design.

In contrast to growth-oriented prescriptions, our cases reveal that longevity is achieved not through scale expansion but through the intentional limitation of operational scope—reservation-only service, direct farm-to-table linkages, and capped seating capacity. This finding challenges dominant assumptions in small business strategy and aligns with Kibler et al.'s (2018) emphasis on moral legitimacy and local embeddedness. We contribute a theoretically grounded alternative to the “scale-or-fail” paradigm, illustrating how micro-founders convert apparent liabilities (small size, geographic remoteness) into strategic assets through relational density and operational discipline.

Collectively, these contributions reposition micro-catering not as a marginal niche but as a theoretically generative setting for studying how extreme resource constraints shape entrepreneurial action—a core concern of ISBJ's readership.

6.3 Practical and Managerial Implications

For aspiring and practicing micro-catering entrepreneurs, this study offers pragmatic strategic guidance:

(1). Financial and Hardware Risk Buffering: Maintain at least 6 to 12 months of unencumbered operating capital reserves. Rigorously inspect facility hardware (e.g., electrical wiring safety in heritage buildings) and secure comprehensive business interruption insurance to guard against catastrophic force majeure events (as in Case C).

(2). Strategic HR Restructuring: Transition away from reliance on transient part-time labor. Establish formal institutional internship partnerships with university hospitality departments, or implement strict reservation-only systems to cap daily service volume within manageable human limits.

(3). Brand Differentiation via Green Pledges: Actively integrate local farm produce and pursue eco-chef/green restaurant certifications (Ministry of Health and Welfare, 2019). Differentiated ethical value creates pricing power and insulates ventures from predatory price competition.

6.4 Policy Implications and Future Research Directions

Policy Implications: Governmental micro-enterprise support agencies (e.g., Ministry of Labor, 2023) should expand assistance programs beyond financial micro-loans to encompass entrepreneurial psychological mental health counseling, safety hardware audit subsidies, and collaborative marketing platforms for local green dining entities.

Research Limitations: While our findings are grounded in the Taiwanese micro-catering context—characterized by low capital thresholds, dense social networks, and post-pandemic structural shocks—the tripartite resilience framework may travel to other resource-constrained micro-

enterprise settings, particularly in informal or semi-formal service sectors across East Asia.

Future Research Directions: First, future research can employ quantitative, longitudinal survey designs across larger samples of micro-catering enterprises to test the mediated relationships between founder psychological capital, green certifications, and customer lifetime value. Second, comparative cross-regional studies comparing urban high-rent districts versus rural tourism townships will further illuminate contextual boundary conditions governing the entrepreneurial dark side.

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