

5 Characteristics of a Entrepreneurs

Passion & Motivation

Your demonstration of passion and motivation will determine your success in any entrepreneurial venture. From building and implementing a prototype, to pitching your idea to venture capitalists, success is a function of passion and determination.

Risk Taking

Entrepreneurs are risk takers ready to dive deep into a future of uncertainty. But not all risk takers are successful entrepreneurs. What differentiates a successful entrepreneur from the rest in terms of risk? Successful entrepreneurs are will to risk time and money on unknowns, but they also keep resources, plans and bandwidth for dealing with "unknown unknowns" in reserve. When evaluating risk, a successful entrepreneur will ask herself, is this risk worth the cost of my career, time and money? And, what will I do if this venture doesn't pay off?

Adaptability & Flexibility

It's good to be passionate or even stubborn about what you do. But being inflexible about client or market needs will lead to failure. Remember, an entrepreneurial venture is not simply about doing what you believe is good, but also making successful business out of it. Market needs are dynamic: changes are a recurring phenomenon. Successful entrepreneurs welcome all suggestions for optimization or customization that enhances their offering and satisfies client and market needs. A product you develop for yourself alone may qualify as a hobby, but a product for the market should satisfy market needs.

Being Prepared to Take the Exit

Not every attempt will result in success. The failure rate of entrepreneurial ventures is very high. At times, it is absolutely fine to take the "practical" exit route and try something new, instead of continuing to make sunk cost investments in the same venture. Many famous entrepreneurs weren't successful the first time around. But they had the serenity and foresight to know when to cut their losses.

Money Management

It takes time to get to profitability for any entrepreneurial venture. Till then, capital is limited and needs to be utilized wisely. Successful entrepreneurs realize this mandatory money management requirement and plan for present and future financial obligations (with some additional buffer). Even after securing funding or going fully operational, a successful businessman keeps a complete handle on cash flows, as it is the most important aspect of any business.