

Characteristics of Entrepreneurs

The characteristics of an entrepreneur that contribute to success are the result of his achievement motivation. The characteristics of achievement motivated persons as identified by McClelland have been discussed in the chapter on "Future of Entrepreneurship in India." A successful entrepreneur must be a person with technical competence, initiative, good judgement, intelligence, leadership qualities, self-confidence, energy, attitude, creativeness, fairness, honesty, tactfulness and emotional stability.

1. *Mental ability*: Mental ability consists of intelligence and creative thinking. An entrepreneur must be reasonably intelligent, and should have creative thinking and must be able to engage in the analysis of various problems and situations in order to deal with them. The entrepreneur should anticipate changes and must be able to study the various situations under which decisions have to be made.

2. *Clear objectives*: An entrepreneur should have a clear objective as to the exact nature of the business, the nature of the goods to be produced and subsidiary activities to be undertaken. A successful entrepreneur may have the objective to establish the product, to make profit or to render social service.

3. *Business secrecy*: An entrepreneur must be able to guard business secrets. Leakage of business secrets to trade competitions is a serious matter which should be carefully guarded against by an entrepreneur. An entrepreneur should be able to make a proper selection of his assistants.

4. *Human relation ability*: The most important personality factors contributing to the success of an entrepreneur are emotional stability, personal relations, consideration and tactfulness. An entrepreneur must maintain good relation with his customers if he is to establish relations that will encourage them to continue to patronise his business. He must also maintain good relations with his employees if he is to motivate them to perform their jobs at a high level of efficiency. An entrepreneur who maintains good relations with customers, employees, suppliers, creditors and the community is much more likely to succeed in his business than the individual who does not invest in maintaining these relations.

5. *Communication ability*: This ability pertains to communicate effectively. Good communication also means that both the sender and the receiver understand each other and are being understood. An entrepreneur who can effectively communicate with customers, employees, suppliers and creditors will be more likely to succeed than the entrepreneur who does not.

6. *Technical knowledge*: An entrepreneur must have a reasonable level of technical knowledge. This is the one ability that most people are able to acquire if they try hard enough.

An entrepreneur who has a high level of administrative ability, mental ability, human relations ability, communication ability and technical knowledge stands a much better chance of success than his counterpart who possesses low levels of these basic qualities. Brilliant men with first class degrees from university hesitate becoming entrepreneurs because the one thing they cannot be taught is coping with human emotions.

Robert D. Hisrich has identified a few more capabilities or personal characteristics that an entrepreneur should possess. According to him, the entrepreneur must have an adequate commitment, motivation and skills to start and build a business. The entrepreneur must determine if the management team has the necessary complementary skills to succeed. Some key characteristics of a successful entrepreneur are:

Motivator: An entrepreneur must build a team, keep it motivated and provide an environment for individual growth and career development.

Self-confidence: Entrepreneurs must have belief in themselves and the ability to achieve their goals.

Long-term Involvement: An entrepreneur must be committed to the project with a time horizon of five to seven years. No ninety-day wonders are allowed.

High energy level: Success of an entrepreneur demands the ability to work long hours for sustained periods of time.

Persistent problem-solver: An entrepreneur must have an intense desire to complete a task or solve a problem. Creativity is an essential ingredient.

Initiative: An entrepreneur must be able to set challenging but realistic goals.

Moderate risk-taker: An entrepreneur must be a moderate risk-taker and learn from failures.

These personal traits go a long way in making an entrepreneur successful. However, no entrepreneur possesses total strength. In such cases, he acquires and/or associates and thus strengthens his enterprise.