

The Individual

Entrepreneur



Is there an exact

Entrepreneurial Profile

in terms of characteristics and background?



Locus of Control

A quality indicating the sense of control that a person has over his life.

Internal Locus of Control

Believing that one's success depends on one's own efforts.

External Locus of Control

Believing that one's life is controlled more by luck or fate than one's own efforts.

Entrepreneurial Feelings

Feelings of Independence and Need for Achievement

- ✓ . Need for Independence signifies the feeling of being one's own boss and is one of the strongest needs of an entrepreneur.
- ✓ . Need for Achievement is derived from McClelland's Need Theory, which states that a person with a high need for achievement is driven by the desire to succeed and measures that success against a personal standard of excellence.
- ✓ Need for Power

Entrepreneurial Feelings

Risk Taking

- ✓ *Starting a new venture involves putting at stake money, hard work and lots of time.*
- ✓ *This involves a certain amount of risk as success is not guaranteed and all efforts and resources could go wasted.*
- ✓ *Only a person willing to risk it all, can succeed.*

Entrepreneurial Background and Characteristics

Childhood Family Background

- ✓ A child's future occupation is shaped by what kind of environment he or she has at home.
- ✓ Being the first born is also believed to have some effect on the self-confidence of the person and ability to start a new venture.
- ✓ If a parent is an entrepreneur then it's natural that the child will find it easy to become one as well.
- ✓ Their support is also a deciding factor in the success of the entrepreneur.

Birth Order

Parents Occupation

Social Status

**Relationship with
parents**



Entrepreneur Statement

“My father was so consumed by the venture he started and provided such a strong example, it never occurred to me to go to work for anyone else”.

Entrepreneurial Background and Characteristics

Education

- √. There are numerous success stories of entrepreneurs who were high school dropouts.
- √. But most of the entrepreneurs have some kind of higher education to their credit.
- √. It is not necessarily business related education but is enough for the entrepreneur to better understand his business and define new ways to grow it.

Entrepreneurial Background and Characteristics

Personal Values

- ✓. An entrepreneur has a very distinct set of values that make him break off from conventional practices and start his own venture.
- ✓. Values like: superior product quality; quality service to the consumers; flexibility to adapt to change in the market; high caliber management; and honesty and ethics in business practices, define an entrepreneur's mind frame.

Entrepreneurial Background and Characteristics

Age

- ✓. *It is necessary that an entrepreneur begins the new venture at a time when he has the maximum amount of energy – experience - financial support*
- ✓. *The optimal age for such activity would be somewhere from the age of 22 to the age of 45.*
- ✓. *At this time a person has the right amount of stamina and experience.*

Entrepreneurial Background and Characteristics

Work History

✓. The work history of a person is one of the major factors in prompting a person to start a new business.

Lack of opportunities- frustration & boredom



Motivate 2 launching new venture

✓. If the person was not satisfied with his past experience, then he might find it easier to come up with good business practices that suit his taste and yield the kind of results that he wants.

✓. And what he has learnt from his experience may also help him in growing the business.

Motivation

- ✓. Every entrepreneur is motivated by one thing or the other when starting a new venture.
- ✓. The motivational force helps the person overcome all the problems associated with the business and guides him towards the achievement of his goals.
- ✓. This motivation could be making money or being independent of others and being one's own boss.

Support Systems

Professional Support Network

Entrepreneurs need advice and counsel throughout the establishment of the new venture which can be obtained from

✓. *Mentors*

Expert in field- Advising buddy

✓. *Business associates*

Self employed- Consultants, lawyers etc

✓. *Trade associations*

New developments & provide overall industry data

✓. *Personal affiliations*

Shared hobbies-sporting events-clubs
(source of referrals, advice)



The Top 10 Characteristics Today's Entrepreneurs possess:

- Recognize and take advantage of opportunities
- Resourceful
- Creative
- Visionary
- Independent thinker
- Hard worker
- Optimistic
- Innovator
- Risk taker
- Leader





Thank
you