



## **Is there an Entrepreneurial Behavior that gives an Indication of what is identified as an Entrepreneurial Profile?**

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*Abstract: While other studies only engage on different topics independently, regarding entrepreneurial behavior, we suggest that there are similarities, between these topics, related to an entrepreneurial behavior, that indicates that there are connections that matches an entrepreneurial profile. This profile, indicated by society, is often referred to, as a rich, happy man in a suit [1]. Making an entrepreneurial profile does not only cover visual aspects or finance. The complexity of an entrepreneurial profile consists of far more, which has to be taken into account. Where other studies only rely on single topics within nature and nurture, this paper extends an entrepreneurial profile by investigating the influences of three different topics within nature and nurture; behavior, perspective and character. The data collection is based on one semi structured interview, including observations of an entrepreneur who started his company 7 years ago. Our research suggests that there are indications of a connection between nature and nurture, if these three topics; behavior, perspective and character, are connected.*

*Keywords: entrepreneurial profile; society profile; behavior, perspective, character*

## 1 Introduction and Objectives

Entrepreneurs are different. They have different values, gender, background, upbringing and reasons of becoming entrepreneurs. Our research suggests that there is a connection between already conducted research projects, regarding nature and nurture. Based on this, we believe that it is possible to create an entrepreneurial profile. Former research projects only focus on single topics within nature and nurture. We do not believe that it is possible to clarify who becomes entrepreneurs and why, dealing with only one aspect, such as background, personality, gender, prior knowledge or current situation. We believe that it is a necessity to include more aspects and view the entrepreneur as a whole.

## 2 Literature

There is a number of articles that form the basis and foundation for our research:

In the article *“Misfortune or mistakes? Cultural sensemaking of entrepreneurial failure”*, the findings show that entrepreneurial failures can be considered as a personal mistake or a “simple” misfortune. The entrepreneur that experiences failure can view the situation either way, it has to do with personality and view on life whether he “chooses” to perceive it as a misfortune or a mistake. The findings show that if the entrepreneur views failure or resistance as misfortune he is less likely to give up [2].

In the article *“Prior Knowledge and the Discovery of Entrepreneurial Opportunities”*, Scott Shane concludes that it is not only ability and willingness that determines whether or not one is able to discover an opportunity, but rather a person’s prior knowledge. One may be able to recognize an idea, but lack of prior knowledge will stop one from going into business [3].

In *“A hubris theory of entrepreneurship”* the authors describe how overconfidence, which is normally considered badly, supports entrepreneurs in their endeavors. The article, however, considers overconfidence in entrepreneurs as a value, since an entrepreneur has to strongly believe in his projects in order to succeed [4].

Hannan and Baron describes the importance of a company's Blueprint in the article *“Organizational Blueprints for Success in High-Tech Start Ups: Lessons from the Stanford project on emerging companies”*. They describe several types of blueprints a company can make use of in the structure of their company;

**FIGURE 2.** Typology of Employment Blueprints, Based on Three Dimensions

Employment Blueprint	Dimensions		
	Attachment	Selection	Coordination/Control
Star	Work	Potential	Professional
Engineering	Work	Skills	Peer/cultural
Commitment	Love	Fit	Peer/cultural
Bureaucracy	Work	Skills	Formal
Autocracy or Direct Control	Money	Skills	Direct

Some Blueprints are planned while other just happens, but they conclude that a company is more likely to succeed if the Blueprint is well thought through [5].

In “*Social Dimensions of Entrepreneurship, in The Encyclopedia of Entrepreneurship*” Shapero and Sokol explores the reasons of going into business. They investigate topics such as gender, cultural background, age and personal reasons in founders of newly started companies. They conclude that it is the negative push, in relation to influence and displacement, that more often calls a person into action, rather than the positive pull [6].

In the article; “*Counter-factual thinking and venture formation: The potential effects of thinking about “what might have been”*”, Baron examines the correlation between counter-factual thinking and the perception of success. Baron concludes that entrepreneurs who avoid counter-factual thinking are more likely to perceive the odds of success as higher than they actually are. Most entrepreneurs do not regret past events, can admit past mistakes and engage less in counter-factual thinking of past events than other persons [7].

Ardichvili examines in “*A theory of entrepreneurial opportunity identification and development*”, who becomes entrepreneurs and why. He focuses on entrepreneurs who have been a part of multiple businesses. He believes that the process of opportunity recognition and development, leading to business formation, is influenced by five factors;

- Prior knowledge and information asymmetry.
- Social networks.
- Personality traits.
- Entrepreneurial alertness.
- Type of opportunity itself.

He reaches the conclusion that, in the end it comes down to being the right person, at the right place, at the right time, with the right set of skills [8].

*“Is the tendency to engage in entrepreneurship genetic?”* is a project where researchers try to clarify if entrepreneurship is genetic or not. They state that many aspects of human behavior are influenced by genes, such as;

- Personality.
- Attitudes.
- Intelligence.
- Interests.

They find it strange why nobody, before them, has examined if genetic factors influence, why some become entrepreneurs and other do not. Results indicate that there are genetic factors that influence the person, and therefore make some people more likely to engage in entrepreneurial activities than others [9].

*“Impact of childhood experiences on the development of entrepreneurial intentions”*, explores the determinants of entrepreneurial intentions. They focus on the attitude towards business start-ups, given from the impact of childhood experiences. They conclude that the attitudes towards entrepreneurship are influenced by other variables than family background in business. Childhood experiences are therefore important factors, when starting up a business [10].

These papers, working with different aspects of entrepreneurship, provide a good foundation of investigating an entrepreneurial profile. They look into different sub elements within entrepreneurial behavior, and there is a link between these research papers, providing the research with an overall view of an entrepreneur. These papers deliver the basic framework of our pre-understanding during the preparation of the interview guide, and the development of an entrepreneurial profile.

### **3 Methodological considerations**

Due to limited time and resources only one interview was conducted. A positivistic-inductive approach was chosen throughout the research, assuming that this interview illustrates an entrepreneurial profile, which reflects the majority of entrepreneurs.

According to Hans-Georg Gadamer, the father of hermeneutics, everybody has a pre-understanding and a pre-judgment to everything in one's own conceptual world [11]. We too, had a pre-understanding and pre-judgment towards the interviewee as an entrepreneur. By being aware of this, before and during the interview, it was less likely that we influenced the interviewee, and thereby forcing him to say what we want to

hear, rather than letting him interpret the questions himself. This was done in order to ensure the most honest overall view of the interviewee.

From a literature review the main attributes on entrepreneurial profiling was identified. With the attributes identified, a semi-structured interview was designed. In the end, the theoretical and empirical findings were confronted.

The empirical data was collected by conducting a semi-structured depth interview primarily with open questions. The interviewed entrepreneur was selected and appointed by a senior researcher of the Saxion University of Applied Sciences, School of Business, Building & Technology. This provided us with no influence in the decision-making and selecting process.

Since the work was conducted under the assumption that entrepreneurial profiling is possible, the interview guide was developed based on research papers, investigating and describing sub elements within entrepreneurship.

All three members of the research group were present during the interview, which was recorded. One member was introduced as the head interviewer, and the two other members' primary task was to observe the interviewee, and keeping an extra eye on the interview guide. This was done to ensure that useful and valuable data was collected. In order to gather extensive data, which was not covered by the prepared interview guide, additional follow-up questions were necessary. Besides the interview transcript, the observations that were obtained, during our interview, complement the empirical data collection.

## **4 Findings**

The Research indicates that both genetics and childhood experiences have an impact on the change of a person engaging into entrepreneurship [9, 10]. The interviewee comes from a family where the parents used to own a bar, and now he himself has a cocktail event business, also supported by the influence of prior knowledge [3, 8]. Research on genetics was not conducted, but there are tendencies suggesting that genetics cannot be ignored. The interviewee has several entrepreneurs in his immediate and extended family, even persons he is not in contact with, but he knows that there are entrepreneurs in the family. This shows that not only immediate family influences if one decides to start a business, thus supporting the theory of genetic influence.

Having a bachelor degree in “Small Business and Retail Management” and “Commence Entrepreneurial and small Business Operations” provide him with extensive knowledge in starting a business. On top of this, he started working in a bar at the age of thirteen, additionally providing him with further prior knowledge, making him capable of starting his own cocktail event business [3, 8]. Through this job he gained experiences in arranging cocktail events, knowledge he made use of when starting his own business. Furthermore, business contacts he gained through his work, asked him to do private

workshops for them, encouraged him to start on his own, thus pulling him into action [6].

Moreover, research indicates that persons who avoid counter-factual thinking is more likely to perceive the odds of success as higher than they actually are, thus making them more likely to engage in entrepreneurial experiences [7]. The interviewee does not engage in counter-factual thinking, but tends to see everything as learning experiences. Even an event that could have had a huge impact on the survival of the business is not considered as an entrepreneurial mistake or as failure [2].

The interviewee explains how strongly he believes in his company and himself, and our observations support this statement. He is a man who exudes overconfidence and drive, which is considered a value, since these features support an entrepreneur in his endeavors [4].

The interviewee sees himself as a hardworking man and expects his employees to do the same, thus engaging in a commitment Blueprint [5]. He will go far for his employees, but expects hard work and commitment in return. This Blueprint was not planned, but turned out that way. He explains that the choice of Blueprint came naturally in the starting up process. From our observations we can see that the interviewee does not meet the expectations of the society's understanding regarding the attire of an entrepreneur [1]. The interviewee is not a man who is always wearing a suit. He does, however, seem like a very happy man, and as he describes himself in five words; "Still going strong with fun".

## **5 Discussion**

Considering the three different topics within nature and nurture; behavior, perspective and character, an entrepreneurial profile of the interviewee matches the findings of the research papers, investigating and describing sub elements within entrepreneurship. Even though we did not conduct any genetic research; we believe that there are tendencies that support genetic influence. The interviewee has several entrepreneurs in his bloodlines, which could indicate that the importance of genetics cannot be ruled out. It can be discussed whether one interview is enough to base this statement on, or if it is a coincidence.

Every family has different ways of nurturing, which means that every entrepreneur has a different upbringing and values. And still, a lot of people choose to become entrepreneurs. The reason of becoming an entrepreneur or not, can therefore be influenced by the genetic aspect. But even though the upbringing is different from family to family, the encouragement can also have a significant influence. One can argue that encouragement is a part of the upbringing and therefore similarities occur in character and behavior, ruling out the influence of genetics. This makes it hard to conclude if nature or nurture has a significant influence on whether children of entrepreneurial parents or families become entrepreneurs or not.

All research papers, which our research is based on, are mainly studies conducted in the United States of America. This research, conducted in The Netherlands, support the findings in America. One can argue that since these countries have several cultural similarities, it makes sense that the findings are similar. But if conducted in other countries with bigger differences in culture, one might get a different result. It is therefore unclear if an entrepreneurial profile is continental or worldwide.

In this part of the world, the general understanding of an entrepreneur is a rich, happy man in a suit [1]. In spite of this, now a days it is both common and recognized that women are entrepreneurs, whereas in other countries this is not yet acceptable. It can be discussed if the society's understanding of an entrepreneur influences the profiling, or if this understanding will change in the future as the society is changing. And again, will this profiling then be different in other societies with different understandings? On the other hand, does the society's understanding and profiling have anything to do with each other? It can be stated that when a society's understand an entrepreneur as a man, women might be less likely to engage in entrepreneurship, but it might not make any difference for men.

## **6 Conclusion**

As mentioned earlier, entrepreneurs are different. There are variations in personalities and upbringing and different reasons of becoming an entrepreneur. We find that there are indications that point in the direction of a connection between nature and nurture. We believe that it is possible to link former research projects into an entrepreneurial profile in the western part of the world. But if it is possible to draw parallels to e.g. Asian countries, is unclear.

## **7 Limitations**

In this study only one individual entrepreneur was interviewed. To make a complete comprehensive entrepreneurial profile that gives an indication of the influence of combining behavior, perspective and character, a bigger sample size is needed with cultural diversity. To complete the profile, other genetic results could underline the nature part in entrepreneurial profiling and is recommended in further research because of the importance of combining nature and nurture.

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