

2. The Entrepreneur

Do born entrepreneurs exist?

"An entrepreneur is like an artist, a musician, a sportsman, he/she has a series of inborn characteristics, if no one discovers and encourage them, they are likely to be useless."

Pérez (2005)

What does being an Entrepreneur mean?

For there to be entrepreneurship in companies there have to be entrepreneurs to make it happen.

Dornelas (2001) defines an entrepreneur as someone who makes things happen, who is ahead of facts and who has a vision for the future of the company.

He is then "the person who destroys the existing economic order by introducing new products and services, by creating new forms of organisation or by exploiting new raw materials" (Joseph Schumpeter, 1949).

*"Some look at things as they are, and ask: Why?"
"I dream of things that never were and ask why not?"*

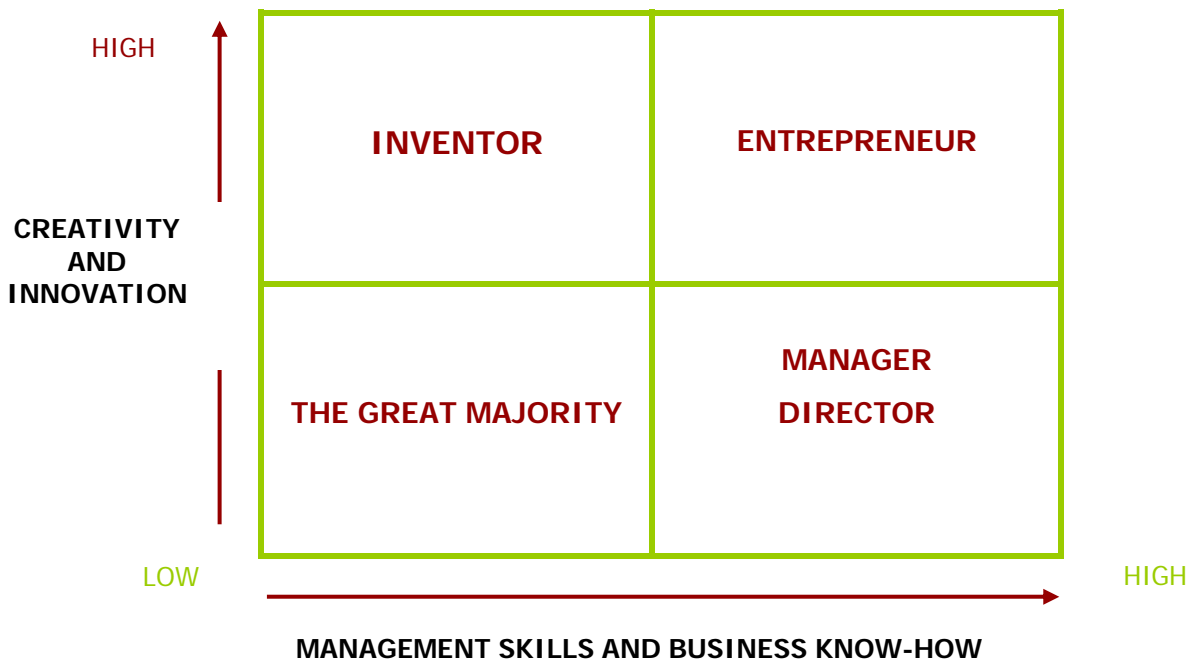
Bernard Shaw

These words powerfully express the poetic elegance and essence of the spirit of entrepreneurs, as those who are able to understand and interpret needs and problems, to conceive solutions, to turn dreams and ideas into reality, to innovate and to take risks.

Any definition of entrepreneurship/entrepreneur will contain at least the aspects given below:

- Initiative to create/innovate and passion for what he/she does;
- Creative use of the available resources in order to change the social and economic environment he/she is surrounded by;
- Acceptance of taking risks and of the possibility of failure;
- Perseverance, determination and ambition.

Who is the entrepreneur?



The entrepreneur is an administrator, who differs from traditional managers or executives; he/she is a visionary. Therefore, when an organization grows, entrepreneurs usually find it difficult to take everyday business decisions, as they are more concerned and familiar with the strategic aspects.

Filion (1997) sees the difference between a manager and an entrepreneur as lying in the fact that "managers are geared towards the organisation of resources, whereas entrepreneurs are geared towards the definition of contexts".

Despite some confusion on the concept of entrepreneur, there are some **Myths** about him, as for example (José Dornelas, 2005):

- **Myth 1** – There are born entrepreneurs, they are born to be successful.

Fact:

- While most entrepreneurs are born with a certain level of intelligence, successful entrepreneurs build up relevant skills, experiences and contacts;
- The capacity of getting the “vision” of situations and the pursuit of opportunities is perfected over the years.

- **Myth 2** – Entrepreneurs are “gamblers” who take very high risks

Fact:

- They take calculated risks;
- They avoid unnecessary risks;
- They share risk with others;
- They divide risk into “smaller parts”.

- **Myth 3** – Entrepreneurs are “lone wolves” and cannot work in a team

Fact:

- They are great leaders;
- They create teams;
- They develop excellent working relations with colleagues, partners, customers, suppliers, among others.

Profile of an Entrepreneur – 15 Characteristics of an entrepreneur

- 1. Entrepreneurs are visionaries** – he/she can picture the future of the business and life and, most importantly, is to be able to make his/her dreams come true.
- 2. Entrepreneurs make decisions** – he/she does not feel insecure, does know how to make the right decision at the right time, especially when times are hard, this is the key to their success.
- 3. Entrepreneurs make the difference** – he/she turns something hard to define (i.e. an abstract idea) into something concrete and working: the possible turns into reality. The entrepreneur knows how to bring value to the services and products they place on the market.
- 4. Entrepreneurs know how to exploit opportunities to the full** – for most people, good ideas are those who introduce something new by luck or accident. The visionar (the entrepreneur) sees good ideas are things that everyone can see, but in which other people can see no business opportunity, according to the data and information available. The entrepreneur is an opportunity-spotter: he/she is inquiring, creative, pays attention to information, as he/she knows: the more the knowledge, the better his/her alternatives.
- 5. Entrepreneurs are determined and dynamic** – he/she commits totally to his/her job. The entrepreneur overcomes obstacles, with an unrivalled will to “make ir happen”. They implement non-conformism with routine.
- 6. Entrepreneurs are dedicated** – he/she commits to 24 hours/day – 7 days/week business. The entrepreneur is a worker who is able to find the energy even when there are problems on the way.
- 7. Entrepreneurs are optimists and passionate about what they do** – he/she loves his/her job, this is why they are always inspired and determined. The entrepreneur is the best seller of his/her products and services.

- 8. Entrepreneurs are independent and build their own destiny** – he/she usually wants to be leading change and in control of his/her own destiny. The entrepreneur wants to create something new and determine each step.
- 9. Entrepreneurs build and lead teams** – he/she has a rare sense of leadership, is respected and admired by their peers. The entrepreneur knows how to value, stimulate and reward the colleagues, building a team according to his/her characteristic.
- 10. Entrepreneurs are good at networking** – he/she can easily build up a network of contacts, which will help them, inside and outside the company, with customers and suppliers, among others.
- 11. Entrepreneurs are organised** – he/she knows how to rationally get and allocate material, human, technological and financial resources getting the best out of them.
- 12. Entrepreneurs plan, plan, and plan** – a successful entrepreneur plan each step, from the first draft of the business plan to its presentation to his/her chiefs and investors, always based on their strong business vision.
- 13. Entrepreneurs have knowledge** – he/she is eager to know and learn as the greater his/her mastery of a business branch, the better the chance of success;
- 14. Entrepreneurs take calculated risks** – this is the entrepreneur's best-known characteristic. A true entrepreneur is someone who takes calculated risks and handles them, assessing the chances of success. Taking risks is directly related to challenge, which is a very stimulating aspect of his/her activity.
- 15. Entrepreneurs create value for society** – the entrepreneur uses his/her intellectual capital for creating value for society, through job creation, economy power and innovation always using creativity in order to find solutions to improve people's lives.

Having described the main characteristics of an entrepreneur, we now propose a questionnaire for assessing the profile of the "entrepreneur candidate".

QUESTIONNAIRE

Adapted - Source: Empresa Jovem Europeia, Ciudad Industrial del Valle del Nalón, Spain

Which are your qualities?

If you want to find out which ones, please answer honestly to following.

Never (1); Hardly ever (2); Sometimes (3); Often (4); Always (5)

I – OBSERVING AND EXPLORING

1. I am interested in everything innovative and distinctive

1	2	3	4	5
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2. I inquire to see if what I'm told is accurate and complete

1	2	3	4	5
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3. I look for information for my projects

1	2	3	4	5
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4. I learn from experience – good and bad

1	2	3	4	5
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5. I approach problems from several points of view

1	2	3	4	5
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II – CRITICAL AND CREATIVE SENSE

1. I sit down and start to dream

1	2	3	4	5
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2. I look for a lot of solutions for problems

1	2	3	4	5
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3. I give ideas to other people when asked

1	2	3	4	5
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4. I try to find out if my ideas are viable before implementing them

1	2	3	4	5
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5. I go ahead with the projects I believe in, without worrying about others

1	2	3	4	5
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III – TAKING RISKS

1. I only gamble if I am sure to winning

1	2	3	4	5
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2. I prefer small risks to big ones

1	2	3	4	5
---	---	---	---	---

3. I think businesses that don't change are boring

1	2	3	4	5
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4. I give up when I am losing

1	2	3	4	5
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5. I try to do things, even when I am not sure that I can do them

1	2	3	4	5
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IV – DECISIONS AND RESPONSIBILITIES. I...

1. I do everything possible to carry through all the decisions I make

1	2	3	4	5
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2. I ask for advice and I myself make the final decision

1	2	3	4	5
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3. I take good decisions

1	2	3	4	5
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4. I admit honestly when I made a mistake and I put it right

1	2	3	4	5
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5. I try to put my thoughts into practice

1	2	3	4	5
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V – COMMUNICATION

1. I deal with strangers easily

1	2	3	4	5
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2. I am persuasive in my arguments

1	2	3	4	5
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3. I am fascinated by meeting different people

1	2	3	4	5
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4. I am very good at writing

1	2	3	4	5
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5. I like people to take me seriously and see that I can do things

1	2	3	4	5
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VI – INSPIRING AND MOTIVATING

1. I set achievable targets

1	2	3	4	5
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2. I make sure that everything is well organised

1	2	3	4	5
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3. I feel that people consider me when I am part of a team

1	2	3	4	5
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4. I help other people when asked

1	2	3	4	5
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5. I focus more on people's virtues than on their weaknesses

1	2	3	4	5
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VII – PLANNING AND ORGANISING

1. I get it right, when I work out how long I will need to do something

1	2	3	4	5
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2. I am well-organized with my papers and documents

1	2	3	4	5
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3. I am a good manager of my money

1	2	3	4	5
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4. I have personal projects in my head and I have thought about carrying them out

1	2	3	4	5
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5. I like organising activities

1	2	3	4	5
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VIII – DETAILED, ORGANISED WORK

1. I work following all the steps, in order to get a good final result

1	2	3	4	5
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2. I carry out my duties very carefully and precisely

1	2	3	4	5
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3. I don't suggest work just because I find it easier and I finish everything on time and properly

1	2	3	4	5
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4. I finish tasks ahead of time, without their quality being harmed

1	2	3	4	5
---	---	---	---	---

5. I finish something once I've started it

1	2	3	4	5
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IX – PERSEVERANCE AND VITALITY

1. I am really pleased and energised by the activities I pursue

1	2	3	4	5
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2. I spend free time with activities that will "recharge my batteries"

1	2	3	4	5
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3. I comply with any rule imposed to me

1	2	3	4	5
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4. I have the physical and mental strength to finish everything I start

1	2	3	4	5
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5. I enjoy the changes in my life

1	2	3	4	5
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Once filled in the questionnaire, please sum the points related to each entrepreneurial skill:

ENTREPRENEURIAL SKILL	TOTAL
▪ I – Observing and Exploring	
▪ II – Critical and Creative Sense	
▪ III – Taking Risks	
▪ IV – Decisions and Responsibilities	
▪ V – Communication	
▪ VI – Inspiring and Motivating	
▪ VII – Planning and Organising	
▪ VIII – Detailed, Organised Work	
▪ IX – Perseverance and Vitality	

NOW please find out your profile:

Entrepreneurial Skills	5	10	15	20	25
I – Observing and Exploring					
II – Critical and Creative Sense					
III – Taking Risks					
IV – Decisions and Responsibilities					
V – Communication					
VI – Inspiring and Motivating					
VII – Planning and Organising					
VIII – Detailed, Organised Work					
IX – Perseverance and Vitality					