

Entrepreneurship & Negotiations

Entrepreneurs are born not made

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Nowadays, we often speak of all successful people, those who have made fortunes and the richest people in the world.

Each time, we forget to tell us the why and the how. Is it only a daddy's boy? Has he studied more than others, in a better school? Or is it simply a gift of nature, something innate?

Seeing the career of any businessman, we should consider every time: BORN or MADE?

Before answering this question, we define two types of people: entrepreneurs and businessmen. Then we'll see how one differs from the other then we can really tackle the main question. Finally we conclude with an investigation on the matter and a surprising experience.

The word "entrepreneur" is a loanword from French. In French the verb "entreprendre" means "to undertake," with "entre" coming from the Latin word meaning "between," and "prendre" meaning "to take." An entrepreneur is a person who has possession of an enterprise, or venture, and assumes significant accountability for the inherent risks and the outcome. It is an ambitious leader who combines land, labor, and capital to often create and market new goods or services.

In the otherside a "businessman" is someone who is employed at usually a profit-oriented enterprise, or more specifically, someone who is involved in the management at any level of a company.

Behind its two identical definitions some may hide a very big difference: the character.

The entrepreneur is a person whose character traits are:

- According to **David McClelland** (1961), the entrepreneur is primarily motivated by a need overflowing with achievements. It is driven by "the need to build."
- **Collins and Moore** (1970) studied 150 entrepreneurs and concluded that they were tough, pragmatic and driven by the need for independence and achievement. They are reluctant to bow to authority.
- **Bird** (1992) sees entrepreneurs as mercurial and unpredictable, that is to say, prone to insights, intense brain activity, and disappointments, they are ingenious, resourceful, cunning, opportunistic, creative, and sentimental.
- **Busenitz et Barney** (1997) defend the fact that entrepreneurs may be overconfident or that they generalize too easily.
- According to **Cole** (1959) there are four types of entrepreneur: the innovator, the inventor who calculates, the too optimistic promoter and the organizations builder.
- **Burton W. Folsom, Jr.** distinguishes what he calls the political entrepreneur who seeks to benefit his business by using its political influence to obtain favors and agreements with the government from the market entrepreneur seeking profits without staking his influence.

To summarize, we can say that entrepreneurs:

- Know who they are.

- Has a strong need to achieve.
- Believe they have what it takes to build a business.
- Believe in themselves.
- Are optimistic.
- Are visionary
- Are passionate
- Are energetic.

All these traits are very specific and relate to a general sense. From my point of view, it is clear that all these traits are innate. How could you teach someone to be optimistic or to be opportunistic or creative? I do not think this is possible.

In terms of skills, I would put the entrepreneur and the businessman on an equal footing, but it's clear that what makes one succeed and the other stagnate reside in the personality of each.

The research, commissioned by O2, was carried out to determine whether entrepreneurship is a matter of nature or nurture. I am going to quote a summary of the survey :

“According to the poll of over 500 small companies, education had little impact on the road to success for many, with just 14% of those surveyed placing significant emphasis on the importance of their formal education on their business achievements and less than a third (31%) had studied business or for a specific business qualification.

Whilst over two thirds (67%) recognised the importance of life experience and previous employment in nurturing these qualities, the research indicates that these traits are inherent rather than learnt. Six out of ten entrepreneurs (60%) launched their first business by the age of thirty and on average had spent less than ten years in the work place before venturing out on their own.

In terms of starting up their own business, less than a fifth (17%) received direct financial backing from their families and cited that family connections had not helped them get a foot up on the career ladder.”

Another experience, very entertaining but one of the most serious has been conducted by the prestigious Stanford University. They conducted a research project where they gave to a 4 year old children marsh mellows and told them that if they waited 10 minutes before eating them, that they could have a second one.

Some children ate the marsh mellows, some children waited, and some children “pseudo ate” their marsh mellows by licking them.

Thirty years, later, they followed up this study to evaluate how these children performed in life. Those children that waited the 10 minutes statistically had happier marriages, higher paying jobs,

had progressed further professionally, and also had the highest percentages of entrepreneurial activities.

This shows very well at which point entrepreneurs are not looking for the short-term financial gratification or rewards of material possessions, but rather look forward with a long term view building, growth, and development. It also confirms that your character in your childhood determines in a way your future and your life.

To conclude, I can say that this investigation and this experience shows how well a contractor is BORN and not MADE. All the traits that make a successful entrepreneur are things you can't teach. And even if we could do, some people may be natural entrepreneurs and immediately open a business, others will have studied and trained long and hard before doing so, and while each may enjoy some success, neither will be as successful as the person who possesses the inherent qualities.

Finally, I conclude with this quotation from Greg Watson (a private serial entrepreneur), which shows that an entrepreneur is not content to be a businessman, but goes a way more further:

***“Entrepreneurs have a need to achieve; and once having done so,
they need to do it all over again.”***

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