

Examining the Qualities of an Entrepreneur: A Selective Study

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ABSTRACT: With the thought of identifying the opinion of post graduate aspirants on the Qualities of an entrepreneur, the paper has conducted an empirical research. To achieve this objective, suitable research design is applied on a sample of 63 of 90 using simple random sampling. After testing normality by Shapiro test, one sample t-test, Welch two sample t-test and ANOVA are used for analyzing the effect of Gender, Age and Education Qualification respectively on the opinion of respondents towards the qualities of an entrepreneur, using R 3.2.1 version. Respondents opine that all 22 Entrepreneurial qualities are needed, irrespective of their demographics.

Keywords: *Exploratory Research; Descriptive Research; Shapiro-Wilks Normality test; Parametric Test*

1. INTRODUCTION

Today, almost all the major universities in India like nineteen Indian Institute of Management (IIMs) offering Post graduate Diploma in Management (PGDM) (Basu, 2014), Jawaharlal Nehru Technological University (JNTU) associates offering a subject on Entrepreneurship for MBA students, naming a few are creating awareness on Entrepreneurship for the upcoming youth. Even the Department of Science and Technology (DST) is also offering a subject for Diploma students naming “Industrial Management and Entrepreneurship (IME)” for awakening the young talents at that level. The government is not only providing support by making it a part of their academics, but also supporting the young graduates with initiatives like Start-Up Village in Vijayawada. This information has ignited an idea to know the understanding of young talents regarding the Qualities of an Entrepreneur.

2. LITERATURE REVIEW

The section covers the fundamentals of Entrepreneur, Entrepreneurship and different qualities exhibited by previous literature.

2.1 Definition of an Entrepreneur

Entrepreneur is a word derived from a French Word “*Entreprendre*” that means “to undertake”. By dividing the word in to two parts as “Entre” and “preneur”, the literal meaning goes like “between-taker” or go-between. Cantillon expressed that “Entrepreneur is a person who acts as an intermediary (go-between) in transformation”.

According to the literature, it is said that the word “entrepreneur” appeared first in 1253. Later, the word slowly got its prominence in 1500 and 1600 and at present it is identified as “enterprise leader” (Fillon, 2011).

Schumpeter defined Entrepreneurs as “the one who exploit through their technical or organizational innovation” (Eroglu & Picak, 2011).

2.2 Definition of Entrepreneurship

Several definitions are provided by management professionals and by researchers. Some of the prominent one are discussed here. The National Knowledge Commission has provided an explanatory definition for Entrepreneurship (Goswami, Dalmia, & Pradhan, 2008). The definition is as follows;

“ Entrepreneurship is the professional application of knowledge, skills and competencies and/or of monetizing a new idea, by an individual or a set of people by launching an enterprise de novo or diversifying from an existing one (distinct from seeking self employment as in a profession or trade), thus to pursue growth while generating wealth, employment and social good”.

As expressed above, the modern management guru, Peter Drucker expresses that “*Entrepreneurship is all about Risk*” (Eroglu & Picak, 2011).

One of the famous Economist, Joseph Schumpeter explained Entrepreneurship as a “Creative Destruction”.

2.3 Qualities of an Entrepreneur

There are several qualities identified by the researchers to be possessed by an Entrepreneur. One of the reports has stated twelve (12) essential characteristics of an Entrepreneur. They are confident, feels a sense of ownership, able to communicate, passionate about learning, team player, system oriented, dedicated, grateful, optimistic, gregarious, a leader by example, and not afraid of risk and success (Action Coaching, 2015).

The other report has come up with almost similar but with a different terminology towards the qualities of an Entrepreneur. They are passionate, visionary, Energetic and driven, self-starting and decisive, calculated risk-taker, multitasked, resilient and determined, focused, resilient and determined, focused, result-oriented, persuasive, leadership, and lucky (Qualities of an Entrepreneur, 2015).

The other resource has exhibited thirteen more qualities of an Entrepreneur. They are solution oriented, strong self-belief, tenacity, innovative opportunistic, passionate, calculated risk-takers, expertise, focused, good communicators, impatient, strong leaders, and resourceful (Key Traits of a Successful Entrepreneur, 2015).

By considering all the above sources about twenty two variables (means Qualities) are shortlisted for the present paper to examine the opinion of respondents towards them as a major objective of the study. The twenty two variables are having basic education, creative, hard-worker, dedication, risk-lover, confident, feels sense of ownership, possess excellent communication, passionate about learning, team player, system oriented, grateful, optimistic, gregarious (i.e., expressive), leader by example, daring, positive attitude, resourceful, committed, dependable, objective and Knowledgeable.

3. OBJECTIVES OF THE STUDY

The present paper is focusing on two major objectives.

- i. To examine the opinion of respondents towards the qualities of an Entrepreneur.
- ii. To analyze the affect of demographics on the opinion of respondents towards the qualities to be possessed by an Entrepreneur.

4. HYPOTHESES OF THE STUDY

The hypothesis drawn for meeting objective 1 is as follows;

- i. **Null Hypothesis (H_0):** Respondents opine that all the Expressed Qualities are not needed for an Entrepreneur ($\mu=87$).

Alternative Hypothesis (H_a): Respondents opine that all the Expressed Qualities are better needed for an Entrepreneur ($\mu>87$).

The hypotheses drawn for meeting the objective 2 is as follows;

Three hypothesis are drawn separately as three demographic variables are involved in the analysis namely gender, age, and educational qualification.

Hypothesis for Gender:

- ii. **Null Hypothesis(H_0):** There is no statistically significant affect of Gender on the opinion of respondents towards the Qualities of an Entrepreneur.

Alternative Hypothesis (H_a): There is a statistically significant affect of Gender on the opinion of respondents towards the Qualities of an Entrepreneur.

Hypothesis for Age:

- iii. **Null Hypothesis(H_0):** There is no statistically significant affect of Age on the opinion of respondents towards the Qualities of an Entrepreneur.

Alternative Hypothesis (H_a): There is a statistically significant affect of Age on the opinion of respondents towards the Qualities of an Entrepreneur.

Hypothesis for Education Qualification (EdQ):

iv. **Null Hypothesis (H_0):** There is no statistically significant affect of Education Qualification on the opinion of respondents towards the Qualities of an Entrepreneur.

Alternative Hypothesis (H_a): There is a statistically significant affect of Education Qualification on the opinion of respondents towards the Qualities of an Entrepreneur.

In order to meet the above objectives by placing respective hypothesis, the following research methodology is adopted by the researcher.

5. RESEARCH METHODOLOGY

Initially, a method of literature review of exploratory research is used for reaching the objectives and for framing the hypothesis and to design a survey instrument with 22 variables. Thereby Cross sectional survey method of descriptive research is used to conduct the final survey. For conducting the final survey, a particular college is selected with a population of 90 post graduate aspirants wherein a sample of 74 is determined to whom the schedules were provided using inverse hat methodology of simple random sampling. In return, sample of 63 schedules out of 74 are filled by the researcher those went for further analysis, because few of them couldn't provide the complete information.

After collecting the data, the normality of data is tested using Shapiro Wilk Normality test, which is feasible to test the normality when the sample size is between 3 and 2000. Once the data is proved to be normal, one sample t-test is used for meeting the first objective. To meet the second objective, Welch two sample t-test is used as the data of is not meeting an assumption of homogeneity of variances for analyzing the affect of Gender and Age on the opinion of respondents on the qualities of an Entrepreneur. Finally, ANOVA is used to examine the affect of Educational Qualification (EdQ) of respondents on their opinion towards the qualities of an entrepreneur. The entire data analysis is done in R 3.2.1 version. The results are as follows.

6. RESULTS & DISCUSSION

Initially, the collected data is tested for normality using Shapiro Wilk Normality test. The Null Hypothesis states that the "Data is Normal". The resultant value of p is 0.5982. As a rule of thumb, p-value should be above 0.05 to accept Null Hypothesis. As the value of Shapiro test i.e., $0.5982 > 0.05$, the test do not reject the Null Hypothesis. It concludes that the data is normal means normally distributed. The theory states that if the data is normally distributed, parametric tests can be applied. Thereby, the parametric tests are applied by testing the normality, wherever it is needed.

Objective 1: *To examine the opinion of respondents towards the qualities of an Entrepreneur.*

One sample t-test is used for knowing the overall opinion of respondents towards the acceptance of 22 qualities to be possessed by an Entrepreneur. The p-value of the t-test is $0.003 < 0.05$, states that the test do not accept the Null Hypothesis (i.e., first hypothesis), means

that the respondents opine that all the 22 qualities are better needed for an Entrepreneur. The sample mean is greater than assumed population mean (i.e., $90.21667 > 87$). Therefore, it can be concluded that the obtained result is more valid.

Objective 2: *To analyze the affect of demographics on the opinion of respondents towards the qualities to be possessed by an Entrepreneur.*

In order to meet this objective, three variables are addressed here namely Gender, Age and Education Qualification. Three separate hypotheses are framed for examining the affect of these three variables on the opinion of respondents towards the possession of these 22 qualities by an entrepreneur. First, the affect of gender is studied by using Welch two sample t-test, as it is found that the two samples (male and female) are not having homogeneity in their variances by Bartlett's test of Homogeneity of variances (i.e., $p\text{-value} = 0.048 < 0.05$). The p-value of Welch test i.e., $0.1818 > 0.05$, indicates that the test do not reject the second Null Hypothesis that there is no change in the opinion of male and female on the possession of 22 qualities by an Entrepreneur. Both opine that all the qualities are needed for an Entrepreneur.

Further, the Age variable is tested on the data. As the respondents belong to only two categories, again the Welch two sample t-test is used for analyzing the affect of Age variable on the opinion of respondents towards the qualities of an entrepreneur. The resultant p-value i.e., $0.1922 > 0.05$ indicates that there is no affect of age variable on the opinion of respondents towards the possession of qualities by an entrepreneur. The result does not reject the third Null Hypothesis.

Finally, the affect of respondents background Educational Qualification (EdQ) on the opinion of possession of entrepreneurial qualities, is tested using Analysis Of Variance (ANOVA), as there are three categories identified by survey in EdQ. The results do not reject the final Null Hypothesis (i.e., fourth hypothesis). The p-value is $0.464 > 0.05$, states that there is no change in the opinion of respondents with different educational background. All the respondents with different educational background also opine the same that all the 22 Qualities are needed for an entrepreneur.

Overall analysis of three demographic variables concludes that they are not affecting the opinion of respondents towards the possession of 22 qualities by an Entrepreneur. There is no affect of demographic variables.

Note: R-commands used in the paper are, `mean()`, `Shapiro.test()` for normality testing, `t.test(var, mu= value, alternative= "greater or less or two.sided")` for welch test, `aov()` for ANOVA. For using Shapiro test, *moments* package should be downloaded in R.

7. FINDINGS

The major findings of the study are as follows. They are

- i. All the respondents agreed that all the 22 qualities are required for an Entrepreneur.
- ii. Even the demographic variables could not affect the opinion of respondents towards the acceptance of 22 qualities of an Entrepreneur.

Gender, Age, and Education Qualification variables could not affect the opinion of respondents towards the possession of 22 qualities of an Entrepreneur.

8. FUTURE SCOPE OF RESEARCH

The present paper is confined to only 22 qualities of an Entrepreneur; the qualities can further be extended based on the literature support. Further, the study can be extended to other colleges too. Even, the qualities can be established as a scale, for e.g., Entrepreneur Qual scale by considering more sample and by using Exploratory factor analysis, which can be useful for future researches.

9. CONCLUSION

The present paper exhibits an outcome that all the 22 qualities considered by the survey should be accepted as qualities to be possessed of an Entrepreneur, irrespective of their gender, age and educational background.

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