

# Entrepreneurial Personality: To Be or Not to Be an Entrepreneur

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## INTRODUCTION

Entrepreneurship has always been present in the course of human history, due to its inherent nature to create. In recent decades, this concept has become highly important, given the need to overcome constant and growing economic problems in different societies. Today, we can say that entrepreneurship is so essential and ingrained that it has itself become a culture: a way of thinking and acting oriented towards the creation of wealth through exploiting opportunities, the development of a global vision, balanced leadership, and taking calculated risks, whose result is the creation of value that benefits entrepreneurs, its enterprise, the economy and overall society.

Even so, many academics still ask, implicitly or explicitly, why we should study entrepreneurship. There are multiple ways to answer this question, and we synthesize them from three different perspectives: economic, social and academic. The Global Entrepreneurship Monitor (GEM) describes entrepreneurship as an increasing “world-wide phenomenon”. In the 90’s, an important business creation activity was developed, mainly in transitional economies, where the activity of the private sector was relatively new. Around the world, 9 out of 100 people of working age are involved in business activities, with approximately 300 million in the phase of creating a business venture. Due to this, the generation from the 21st century’s has also been labeled as *Generation E*, the most entrepreneurial since the Industrial Revolution (Kuratko, 2003).

Entrepreneurship is also an important source of employment for women, and there has been significant worldwide growth in women’s self-employment (Langan-Fox, 2005). A dominant trend in the 21st century is likely to be ethnic entrepreneurship, due to the free market, less restraining in the flow of people, and infrastructure development (Morris, Schindehutte, & Lesser, 2002).

Entrepreneurship can also greatly contribute in reducing poverty. Increasing the number and quality of entrepreneurs and business is probably one of the most useful ways to reduce poverty, since it creates employment, as well increases innovation and economic empowerment of people in low development countries with high unemployment rates. (Pick & Sirkin, 2010). These countries political systems are increasingly recognizing this, and have introduced several top-down programs to facilitate the creation of new businesses. These essentially refer to changes in laws and regulations in order to make easier the design and operation of business. Bottom-up programs have also been launched in an attempt to support

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entrepreneurs with either financial resources (micro-credits) or increase knowledge about business. Specifically, approaches that involve the supply of financial resources have received wide attention. Within the microcredit community, influential people, such as Nobel Prize winner Muhammad Yunus (Yunus, 1999), have argued that the provision of microcredit is enough to lift people out of poverty, but does not go beyond the training required to improve entrepreneurial skills. Although both, government programs and microloans for the low or no-income individuals are necessary, these institutional and economic strategies have often failed because they do not pay enough attention to the psychological dimensions of entrepreneurship (Chliova, Brinckmann, & Rosenbusch, 2015).

In summary, entrepreneurial activity represents one of the most important engines of economic growth, being the power behind the creation of any new company, growth of existing ones, and to a large extent, creation of employment. *Entrepreneurship has come to be perceived as an engine of economic and social development throughout the World*, or as Lazear (2002) states, “*the entrepreneur is the single most important player in a modern economy*” (p.1).

Additional to this economic and social interest, we must add those reflected by the academic field. Since the first course in entrepreneurship offered in 1947 by Myles Mace at the Harvard Business School, numerous historical events have solidified it as a growing interest. For example: the *First Conference on Small Business* at St. Gallen University in Switzerland, in 1948, and the *First Academic Conference on Entrepreneurship* that took place at Purdue in 1970. In 1974, at the Annual Meeting of the Academy, the *Interest Group on Entrepreneurship* was formed, and in 1987, the Entrepreneurship Division of the Academy of Management was formed. The first conference on “The State of the Art”, took place at Baylor University in 1980, which led to the publication of the *Encyclopedia of Entrepreneurship*, in 1982, the first of six volumes published to date. These events were followed by the publication of specific journals in the field: *Journal of Small Business Management* in 1963, *The American Journal of Small Business* in 1975, which would later be called *Entrepreneurship: Theory and Practice*, *Journal of Business Venturing* in 1985, *Entrepreneurship and Regional Development* in 1989, and so on. This explosion of events has not been matched, at least as we would like, by the dedication from the professorship into teaching and researching this field. The number of professors capable of devoting all their energy to teaching and research in this area continues to be limited, even though the prospects are good, given the increase in the course offerings on entrepreneurship at universities; from the 10 courses that were estimated in 1967, to the 1064 courses that are estimated nowadays.

To this day, we can affirm that this field of study no longer qualifies as emergent; it is no longer a promise, but a reality, a reality which is greatly established (Fayolle & Riot, 2016). Entrepreneurship is, therefore, a rapidly growing field of knowledge that is achieving better and greater social and scientific recognition.

## BACKGROUND

### Personality as a Determining Factor for Opportunity Development

There is a broad consensus, both in literature and practice, about the sequence on the process of creating business. This process begins by (1) recognizing an opportunity, which leads to (2) carry out a rigorous analysis of it, and ultimately results in (3) a business plan that gets implemented.

Opportunity recognition is understood as a process or processes through which individuals identify an opportunity. In this way, *recognition* constitutes a conceptually different stage from *exploiting* an op-

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