

THE ENTREPRENEUR AND SELF ASSESSMENT

Who is an entrepreneur?

To answer this question without going too deeply into the academic, theoretical and technical jargons we shall simply define an entrepreneur from two main perspectives: a **functional perspective** ie *what the entrepreneur does*, and an **indicative perspective**, i.e. *what the attributes of an entrepreneur are*. Economic theorists such as Richard Cantillon, Joseph Schumpeter and Jean-Baptiste Say, are protagonists of the functional approach, while Economic historians like David Ricardo, Adam Smith, and several of the English classical economists have adopted the indicative approach.

Functional Perspective

From the functional perspective most economists agree that the following functions are attributable to the entrepreneur: - *Co-ordination* and *organisation* of resources, *risk-bearing*, *arbitrage* and *innovation*,

Schumpeter identifies five different types of innovation:

- the introduction of a new good
- introduction of a new method of production
- opening of a new market (especially for exports)
- conquest of new source of new material
- creation of a new type of industrial organisation

Those who perform any of these functions are entrepreneurs whether they are independent businessmen or businesswomen, or the dependant employees of a company such as managers or directors.

Indicative Approach.

Essentially this approach describes the entrepreneur by the attributes with which he or she may be recognised e.g. his or her legal status, his or her contractual relations with other parties, his or her position in society e.t.c. Most entrepreneurial qualities are to some extent innate and instructive. In a research carried out by Acher & Co (Behavioural Event Interview), nine competencies, which were significantly more characteristic of successful than average entrepreneurs were identified. These attributes were grouped into three categories- **Proactivity**, **Achievement orientation** and **commitment to others**.

THE ENTREPRENEURIAL ASSESSMENT

Studies of **successful entrepreneurs** reveal common characteristics- family backgrounds, experiences, motivations, personality traits, behaviours, values, and beliefs. Assess yourself and see how you fit into these patterns?

ARE YOU AN ENTREPRENEUR? SELF ASSESSMENT:

Please answer the following questions as honestly as possible then score your answers.

1. Are your parents immigrants?
2. Were you a top student at school?
3. Were you enthusiastic about participating in group activities in school e.g. enjoyed group activities-clubs, team sports, double dates etc.
4. Did you prefer to be alone as a youngster?
5. Did you start enterprises during childhood e.g. lemonade stands, family newspapers, greeting card sales or run for elected office at school ?
6. Were you stubborn as a child?
7. Were you a cautious youngster?
8. Were you daring or adventuresome as a youngster?
9. Did you often have the faith to pursue different paths despite the opinions of others? Did the opinions of others matter a lot to you?
10. Were you often tired of a fixed daily routine?
11. Do you really enjoy work and are willing to work overnight?
12. Are you willing to work as long as it takes with little or no sleep to finish a job?
13. Do you generally enjoy your type of work so much you move from one project to another - non-stop? When you complete a project successfully, do you immediately start another?
14. Are you willing to use your savings to finance a project?
15. Would you be willing to borrow from others?
16. If your business should fail, would you immediately start working on another?
17. Or would you immediately start looking for a job with a regular pay cheque?
18. Do you believe being an entrepreneur is risky?
19. Have you put your long-term and short-term goals in writing?
20. Do you believe you have the ability to handle and deal with cash flow in a professional manner?
21. Are you are easily bored?
22. Are you an optimist?

For scoring and assessment, see later articles.

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