



## Entrepreneurs are Not Born nor Made

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**Abstract:** This paper attempts to answer the question are entrepreneurs born or made? Entrepreneur is the one who is a risk taker and gets involved in such business activities, whose results are uncertain. From this definition comes the noun: Entrepreneurship which evolves the learning process as well as education. The answer therefore takes two arguments; one based on the internal factors such as personality traits or intellectual characteristics such as extroversion and introversion. While the made view of all the entrepreneurs is supported by external factors such as attitudes and behaviour. Finally, one can conclude that entrepreneurs are neither made purely nor born.

**Keywords:** Entrepreneurship, entrepreneurs, personality, identification, genetic, psychobiology of personality, individual differences, business and organizational learning, motivation and positive reinforcement, organizational learning, Education.

### 1. INTRODUCTION

To answer this question one must go through a definition of the word entrepreneur, and the entrepreneurship. Understanding of these two words will help in answering this question. In this regard we'll go through a brief history of this word entrepreneur and know what it actually meant at the time of its origin. Entrepreneur is a French word, and it actually meant the economic literature. Entrepreneur is the person who is a risk taker and gets involved in such business activities, whose results are uncertain (Cantillon, 1755). However, the definition of the word entrepreneur was altered later in early twentieth century, and became the one which defines an innovative attitude of an individual. This new definition supported the concept of innovation into the business world, and differentiated an entrepreneur from a person who is just running a business, which is quite traditional in its nature (Schumpeter, 1936). Afterwards, the terms entrepreneur and the entrepreneurships were purely used for the persons and businesses, which has an essence of creativity in their existence, which are just after developing new ways of production of goods and services, trying on forming new sort of markets and new form of firms to facilitate the sustenance of their businesses in the market.

The term entrepreneur is taken as a little complex one in terms of its definition, as the word itself is derived from entrepreneurship, which helps in defining it, and gives it a completely decipherable structure. Entrepreneurship itself is defined by the other words, like creativity, innovation, aptitude, etc. which lead to the creative actions of an individual, which has a direct impact on an individual's life as well as on their society. It is also defined by its objective of producing or doing something new and something unique to develop a new identity in the society for any new business entity, via keeping its characteristics alive, which put their impact on its existing functions.

### 1.1 Entrepreneurship

Entrepreneurship suggests the risk taking attitude of an individual which involves every sort of cost, from time consumption to struggle of coming up with an effective and efficient strategy of doing business, which could overcome the social, intuitive and financial risks, and give an inner satisfaction along with a monetary reward, if, the newly created strategy of developing something succeeds (Peters, 1998).

Both the terms innovation and entrepreneurship don't suggest having just an excellent idea in an individual's mind, however they need an effort to put that idea into action as well. They need a proper discussion over the sort of idea, and a proper examining of the validity of that idea. In order to do so, team work is appreciated as it will do better in assessing the validity of the idea, and giving it a new form which could become applicable, and reduces the monetary loss. While discussing an idea many



weaknesses show up in the structure of that idea which needs to be eliminated to avoid losses (Bessant, Tidd, 2007). In doing this, a particular behaviour of an individual is required; this defines him as a risk taker, and the one with the courage to manipulate the social and economic structures, in order to get himself an environment of bringing his ideas into action. Also, he must be aware of all the risks and must have the courage to face them if they ever show up in his path (Peters, 1998).

## 1.2 Entrepreneurs

The definition of entrepreneur has been modified with passage of time in accordance to the world's changing economical structures. The definition of the entrepreneur during the middle ages was related to the occupation, but, later the modified definition of entrepreneur refers more to the notions of creativity, risk taking and creation of wealth. This concept of entrepreneur defined the relation of the word with an individual. This definition is in accordance to the reviewed structure of business studies (Peters, 1998).

Nowadays, the term entrepreneur is not only confined to male gender it also refers to women as entrepreneurs (Purdy, 2005). There was a time when women were only confined to their homes; they were not allowed to do anything except their household chores or playing the roles of mothers and wives. They were not even given the choice of expressing their disagreements towards various issues. However, in this era they are more powerful, independent and have the right of spending their lives on their own terms. They are also capable of expressing their views regarding various matters either they are of political, social, educational or economical nature. But still there could always be a debate on the comparison of men and women being entrepreneurs (Brindley, 2005). On the behalf of this comparison many views on entrepreneurship by women have come into scenario which argues that women are weak entrepreneurs and lack the basic traits which should be there in a good entrepreneur, like, they are not risk takers, they cannot face various challenges, they are emotional and are unable to take quick decisions in chaotic situations. Therefore, there could be no guarantee for a women being a good entrepreneur (McClelland, Swailet al, 2005).

Though all the above mentioned definitions of entrepreneur define the term in more or less similar way, but still there are some restrictions in them, which refer to the fact that entrepreneurs cannot be found in every field, like education, medicine, law, engineering social work, etc. These definitions refer to some common and most essential traits of an individual, like organizing, creativity, risk taking and ability of making wealth, Peters (1998).

## 1.3 Entrepreneurship and Learning Processes

In the present state of the economy, it is highly recommended that the management of a business is concerned about its knowledge of present era, and is educated about the economical and social advancements of the field in which it is dealing. The process of attaining knowledge should be continuous and be in the form of learning for a firm to be able to sustain in a highly competitive environment (Franco, Haase, 2009).

An organizational learning is consisted of three basic knowledge development stages: creation, dissemination and the application (Albach and Jim, 1998, law and Nagai, 2008). An organization is required to attain such knowledge, which is useful in carrying out its various business activities, and also helps the organization to be a good problem solver in times of need (Junior and Vasconcelos, 2004). All the existing studies of organizational learning asses the validity of learning in large enterprises, despite of the significance of micro and macroeconomic levels of learning. However, entrepreneurship, because of its nature, has developed a space in the studies of organizational learning, Rae and Carswell (2011).

## 1.4 Entrepreneurship and Education

In many countries, the importance and necessity of entrepreneurship education has been a subject of interest and constantly promoted as the requirement of providing the necessary expertise to those students who wish to establish their own ventures grows but so does their confidence in its success. More and better methods have come forward for entrepreneurs who seek to market their products,



services as well as technological processes which have been newly brought into the industry. But for this to succeed, they demand careful excogitation and innovation and that's where the entrepreneur educators step in making sure these goals are achieved and their tactics soundly executed in the field and a part of this is their mental development involving new venture creation by entrepreneurial attitudes and behaviours. The new and superior grades of entrepreneur education are also a factor in the rising demand for acquiring further understanding on perceptions regarding their entrepreneurial intentions (Bird, 1988; Krueger, Reilly and Carsrud, 2000) which is the job of entrepreneur educators (Shaver and Scott, 1991).

With regards to the activity of the entrepreneur development, students and researchers have studied on the significance of self-efficiency beliefs (Boydandozikis, 1994) and have come to believe on the better use of intentions and self-efficacy indicators of entrepreneur education programs and how productive they have been (Botha, Nieman and Vuuren, 2006; Cox, Mueller and Moss, 2002; Fayolle, Gailly and Lassas-Clerc, 2005a, 2005b). We reason that entrepreneur education has not been the best and comprehensive for the minds of the students and the educators, it is true that the same line of research has helped eradicate the void amidst entrepreneurship theory and practice regarding both educators and researchers. But so far the problems which students encounter are concerned, the venture creation process should contain planning which is the main focus but also how the entrepreneurial intentions can be improved on the concept of self-efficacy.

The base on which people make their decision, assessments or judgements are called entrepreneur cognitions which comprise of venture creation, opportunity evaluation and growth (Mitchell, 2002). The theory driven as well as empirically robust mechanisms has been possible by the growing body of cognition research. This has been a productive way of helping build a richer rather deeper understanding of how feasible the opportunities are by the entrepreneurial intention process and recognizing it. The study suggests that vital input to the research of entrepreneurship is possible because cognition has the potential for it (Allinson, Chell and Hayes, 2000; Baron, 1998; Mitchell, 2002; Mitchell, 2007). The area of information processing styles is one such contribution.

## **2. Entrepreneurs are born.**

Personality traits or intellectual characteristics such as extroversion, introversion, aggressive behaviour, attention deficit disorder, superego, anxiety, attitudes, self-efficacy, and achievement motivation are oft heredity since they progressed from the parents and grandparents to their progeny because the advocates who sought similarity as those who viewed similar intelligence were in favour of this idea. The born trait assumption has sought evidence that these qualities are passed from parents to their children. The personality of the individual is a product of his heredity and it is responsible for shaping the outline of the person which has been proved by a recent study (Narayanasamy, Rasiah and Jacobs, 2011). The greatest thing about it is that those theoretical researchers who have compared relation of biology with the phenomenon of personality that heredity is a part of what traits the person bears are the first of their kind (Eysenk, 1967-1990) besides it also came to knowledge that the human brain consists of two sets of neural mechanisms, excitatory and inhibitory (Maltby, Day and Macaskill, 2010).

Personality trait to biological model specifically the extroversion/aroused was also introduced by him. When the reinforcement sensitivity theory was introduced (Gray, 1970, 1981, 1987), the similar theory of Eysenk sought support from it. The theory that personality variables to psycho-physiological and neuro-psychological process lacked sufficient biological proof regarding personality development (Mathews and Gilliland, 1999) which involved two set of hypothesis: measures of the autonomic nervous system and measures of the central nervous system.

The placement of electrodes on the scalp to analyse the undergoing electrical activity of the brain happens to be the first procedure of assessing the EEG and the wave format is the one in which it is illustrated in. For the analysis of the activity associated potential, the other method for the evaluation is ERP. Compared to the first method, all of the elements are identical except the response stimuli to the



environments is not calculated, whereas the first mentioned method assesses the brain's electrical output.

Facts have also surfaced to point in favour of the hypothesis of behaviour and character attributes and entrepreneurship. The proof has been derived from the parent's unequal behaviour with siblings, the observations regarding these inequalities and from these activities of unequal behaviour, their consequences have led to the result that genetic sources are the basis of this dissimilar behaviour. The cross-fostering investigation applicable on animals is similar to the adoption investigations conducted on humans. The surroundings are variable for the adoptee when compared to the biological parents and siblings who also have related genes. On the other hand, there is a similarity of surroundings and genes among the adoptive parents and siblings as compared to the adoptee. If the adoption has taken place at a very early stage, then the association between the characteristics of the adoptee and the biological parents can be additive genetic reasons can be verified. Extensive proof has been researched and found related to born-ness for example entrepreneurship is applicable on the child who has acquired the characteristic of intelligence from his/her real parents but if the family in which the adopted child is integrated in exhibits a non-existent response to academics, accordingly the adopted child will not exhibit the potential of success that he/she has in case he/she had been integrated into a family which laid more emphasis on academics and had more admiration regarding intelligence.

We can conclude that the people who hold the ideology of characteristics being determined by birth do have some sound reason and proof from investigations that are the basis of their beliefs as mentioned. The proof that has been mentioned is not only applicable on personal characteristics but also regarding a few behavioural characteristics, for example the similarity of individual and social conducts existing between the relatives. But for the people that support the determination of characteristics by birth, it must also be added that the entire sum of individual and social characteristics are not determined on the identical level. There exists differentiation in the levels of determination (i.e. height, blood pressure and Intelligence) that happen to be more influenced by the factor of heritage than social attitudes, interest or various other individual characteristics.

The Cattell's 16 PF theory has divided the individual characteristics into small numbers to make them more convenient and there is a number of supporters that are in favour of heritage defining the characteristics.

The effects of Freudian theory are thought to be one of the most foremost determinant regarding behaviour and characteristics. According to this theory, there are elements which are the determinants of our conduct and we are not conscious of them. The reasons of these forces are based as being forces that we are unaware of.

The supporters of the characteristics [i.e. (Allport, 1921, 1961), (Cattell, 1965) and (Eysenck, 1967, 1970)] are the most important backers of the ideology of the characteristics and their influence on the characteristics of an individual. Introversion – Extraversion is a renowned theory conceptualized by Eysenck that is derived on the grounds of two kinds of characters. The 'Big Five' was formulated by Cattell. The 16 PF dimension of personality was used and it is condensed from it. The theory of birth determining character was backed by all three of them. There are basically two hypotheses that form the basis of this theory. The first one is that over the course of time, the elements of a personality are non-changing comparatively. Secondly, the characteristics exhibit endurance with reference to the surroundings.

### **3 Entrepreneurs are made**

The main assumptions and theories supported by individuals arguing that a person's characteristics, qualities, behaviour and other aspects of one's personality are driven by factors including one's will, atmosphere, background, experiences etc. These factors build one's characteristics for instance, Attitudes and beliefs, amour-propre, motivation, self-adequacy, enthusiasm, self-control, entrepreneurship and so on (Shefsky, 1994). Shefsky's main reason behind the enduring this concept is that individuals are not born with the quality of entrepreneurship rather they are actually built. Shefsky attempted to demonstrate in the entire book that the qualities of entrepreneurship in an individual are





derived from one's efforts, novelty and devotion towards a job that they are intending to achieve accomplishment in. The whole book was based on this theory.

Starting from Watson (Watson, 1924) to Skinner (Skinner, 1953), numerous supporters of this theory for instance Shefsky; were associated with behaviourism and its encompassing learning theories. Bandura (Bandura, 1977) was also among the promoters of this theory. Once Watson said that if he by any means gets a dozen of young children he could have build them from a genius and smart person to anything else he willed. This statement meant that an individual, his characteristics and qualities are built with his atmosphere and surroundings. The impact that could bring a change can only be the conduct and activities noticed (Skinner, 1953). All conducts and attitudes were examined and learned in his learning model. Moreover, if he illustrated three important learning concepts: Operant Conditioning, Positive Reinforcement, Negative Reinforcement. This theory was exercised on pigeons, in order to prove this theory as a realistic measure. The pigeons were taught with a chain of procedures, this concluded them to fly to the literal outcome. However, it was concluded from this experiment that comparatively pigeons learned faster than rats. In the course of learning cognitive procedures, Bandura was recognized as a momentous and considerable theorist who achieved a major position in it.

Bandura stated that there are three interfacing features which affected an individual: Personal Factors, Behavioural factors, Environmental Factors.

One of the foremost contributions recently made by Bandura is concept of Self-Efficacy which is recognized as the most influential concept the procedure of self-regulatory.

It was concluded by (Shefsky, 1994) that, " You can become an entrepreneur no matter what your IQ, genetic pattern, physical abilities or disabilities, sibling birth order, or gender". He further said that only a true will and aspiration to learn is required along with being attentive and vigilant with the teachings given, for enhancing oneself to be a successful entrepreneur. He suggested two ways to memorize the learning's being given:

There is no as such big deal or something unexplainable in becoming an entrepreneur. There are countless contingencies around you to avail, so uncover the switch helps you illuminate the way.

Some researchers further investigated and concluded the hypothesis that entrepreneurship is actually an organizational approach. These researchers were among the promoters of the theory of entrepreneurship (Franco, Hasse, 2009). This concept of organizational approach is based upon three main phases of learning's which illustrates the interface of the various phases of learning's' which are namely; Individual, Groups and Organizational.

Various proofs and researches from a number of important theories of psychology including social learning's' and behavioural learning's' to corporate and economical learning's which gave means of study and proofs initiating from ground of research till the labs all showing that entrepreneurs are built by a person's personal will and effort such as a novel, inventive and a passionate person. In Waterford News and Star on The 3rd of November 2011, the most recent example of this research was shown ( among the lead entrepreneurs is Waterford City based Julie Colclough, the founder of manufacturing and Supply Chain Services Company Euro base, based in the Industrial Estate).

#### 4. CONCLUSIONS

An extremely big problem has been considered while observing the two parallel theories (born or made traits specifically entrepreneurs). To decide that whether which is the most reasonably and sensibly acceptable theory is a matter to be analysed and conversed using scientific approach in detail. From the preceding conclusions made in the decisions it was verified and conformed that there are 50% compelling supports from both the sides and they are have a further likeability of being so. This issue seems quandary due to the reason because there are numerous people who believe that personality traits like smartness, intellectualness, attitudes, similarities, resemblance, entrepreneurship and other characteristics are actually inherited as they have valuable studies and supports from analysis of researching of twins or siblings along with various labs where nerve and physiological rage or



depiction can be estimated, monitored and examined. On the other hand, the group who believes that personality traits in an individual are built in accordance with its surrounding environment also comply to give acceptable evidences which have been researched and shown in the previous researches.

An individual cannot support one party of this theory to be right while the other part as wrong; due to the fact that both of them have given their conclusions with support of the scientific researches and evidences. So, we can come to the conclusion that both of the concepts show similarity and certain interface among them.

Bouchard (Bouchard, 1994) carried out a research illustrating the connection and interface between separated in disguisable twins. The research was based upon their ways, characteristics, smartness, attitudes, hobbies and interests, intelligence, blood pressure and their height as well.

The following results came to the picture:

SOCIAL ATTIT	0.3-0.4
VOC. INTERESTS	0.4-0.5
PERSONALITY	0.5-0.6
IQ	0.7-0.8
BLD. PRESSURE	0.6-0.7
EEG ALPHA%	0.8
HEIGHT	0.8-0.9
R MZ TWINS-APART 'Correlations, data from (Bouchard,1990)	

The data collected based upon the above facts illustrated the consequences of the surrounding atmosphere and heritability on their every characteristics. For instance, heritability influences person's intelligence by 0.7, 50% of the characteristics in one's personality are inherited. On the other hand, it was examined that interests related to professionalism and communal attitudes share a very little amount of percentage of the inherited personality traits. However, some affection of genetics is shown as well.

However, after conducting extensive research and studies on the genetically inheritance of personality traits applying all kinds of twins on self-report characteristics or personality tests, it was demonstrated that that around only 30% to 50% (average 40%) proportion of personality traits are inherited while the remaining are because of the non-shared environmental factors (Polminetal, 1997). Similar scorings are capitulated by the other examining bodies as well.

It was also concluded that researches done on non-twins did not show such high capitulations of heritability. The possible reason behind this can be non-stabilizing hereditary mechanisms interface.

Muller argued that it is not that effortless and simple to become an entrepreneur (Muller, 2007). It was stated that women have more features and required ability to become victorious entrepreneurs. However, they should possess the talent, skill and capability of discovering and recognizing opportunities and the associated risk involved. They also need to be practical and creative (Narayanasamy, 2011).

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