

*Successful entrepreneurs carry a personality trait that displays the psychological characteristics of internal locus of control, high self-esteem, propensity to take risks, tolerance of ambiguity, need for achievement and innovativeness.*

**Masters in Business Administration  
National College of Ireland, 2014**

Submitted by:	Patrick Flanagan
Student Number:	X12119911
Supervisor:	Dr. Jimmy Hill
Submission Date:	01 <sup>st</sup> September 2014

Submitted to the National College of Ireland, September, 2014

## **Abstract**

*Entrepreneurship is a specific career that carries with it challenges of various types. Entrepreneurs, who address these challenges and successfully achieve their goals, tend to have specific psychological characteristics as is the case with those who do not. The questions often asked: do these characteristics differ in entrepreneurs or is there a definite set of psychological variants evident in all entrepreneurs.*

*This leads to the research proposition 'Successful entrepreneurs carry a personality trait that displays the psychological characteristics of internal locus of control, high self-esteem, propensity to take risks, tolerance of ambiguity, need for achievement and innovativeness'.*

*This thesis indicates, from both primary and secondary research, that entrepreneurs have indeed a specific set of psychological characteristics.*

*The research presents literature from a range of academics, critically evaluating the research proposition. It then presents findings from the utilisation of data collected from a multi case study approach and from the literature review to prove the validity of the research proposition.*

*Through the multi case study approach mentioned previously, two entrepreneurs were studied using qualitative interview based research. The first case study was used both for information gathering purposes and as a pilot study before commencing research on the second case study.*

*All information gathered is analysed and presented to support the research proposition presented.*

# Declaration

## Submission of Thesis and Dissertation

### National College of Ireland

#### Research Students Declaration Form

(Thesis/Author Declaration form)

Name: Patrick Flanagan

Student Number: X12119911

Degree for which Thesis is submitted: Masters in Business Administration

#### Material Submitted for award

- a) I declare that the work has been composed by myself
- b) I declare that all verbatim extracts contained in the thesis have been distinguished by quotation marks and the sources of information specifically acknowledged.
- c) My thesis will be included in electronic format in the college Institutional Repository TRAP (thesis reports and projects).
- d) **EITHER** \*I declare that no material contained in the thesis has been used in any other submission for academic award.

**Or** \* I declare that the following material contained in the thesis form part of a submission for the award of

---

*(State the award and the awarding body and list the material below)*

Signature of research student: \_\_\_\_\_

Date: \_\_\_\_\_

## **Acknowledgements**

I would like to use this opportunity to thank a range of people that have assisted and supported my studies over the past two years and through this extensive research.

Firstly, I would like to thank my parents for all their support throughout my life and encouragement when I choose this journey to start this Masters in Business Administration.

I would like to thank my wonderful patient fiancée, who without all her encouragement and support I simply would not have got to this point.

I would like to thank also my sisters for all their support, help and interest.

I would also like to thank my supervisor Dr Jimmy Hill from the National College of Ireland.

I would like to also thank my work colleagues and my organisation for supporting me when I needed time off to rush assignments or ‘cram’ for exams.

Finally, I would like to sincerely thank my class colleagues over the past two years. This journey would definitely not have been possible without your great humour, great nights out and great personalities.

## Table of Contents

Abstract .....	1
Declaration .....	2
Acknowledgements .....	3
Chapter 1: Introduction .....	8
1.1 Chapter introduction .....	8
1.2 Purpose of the research .....	8
1.3 Chapter conclusion .....	9
Chapter 2: Literature Review .....	11
2.1 Literature review introduction .....	11
2.2 Definition of entrepreneur .....	12
2.3 Success and failure factors of a new enterprise .....	13
2.4 Psychological entrepreneurial characteristics .....	16
2.4.1 Need for achievement .....	18
2.4.2 Locus of control .....	21
2.4.3 Propensity to take risks .....	23
2.4.4 Tolerance of ambiguity .....	24
2.4.5 Self- esteem .....	24
2.4.6 Innovativeness .....	24
2.5 Conclusion of chapter .....	25
Chapter 3: Research Questions .....	30
3.1 Research questions .....	30
3.2 Dependant variable .....	31
3.3 Research statements .....	31
Chapter 4: Methodology .....	33
4.1 Methodology introduction .....	33
4.2 Research philosophy .....	33
4.2.1 Philosophical position of this research .....	35
4.3 Research aims and objectives .....	36
4.4 Research design .....	37
4.5 Research approach .....	39
4.6 Sampling .....	40
4.7 Method of data collection .....	41
4.7.1 Materials required for Interviews .....	42

4.7.2 Procedure for interviewing.....	43
4.8 Method of data analysis .....	44
4.9 Legitimation .....	44
4.10 Chapter conclusion .....	45
Chapter 5: Findings and Results .....	47
5.1 Chapter introduction.....	47
5.2 Profiles of case studies.....	47
5.3 Demographical characteristics .....	48
5.4 Psychological characteristics evident .....	48
5.4.1 Self-esteem.....	48
5.4.2 Need for achievement .....	51
5.4.3 Propensity to take risk.....	52
5.4.4 Locus of control.....	54
5.4.5 Innovation .....	55
5.4.6 Tolerance for ambiguity .....	55
5.5 Findings - open ended questions .....	55
5.6 Chapter conclusion .....	58
Chapter 6: Discussion and Conclusions .....	60
6.1 Chapter introduction.....	60
6.2 Psychological characteristics .....	60
6.2.1 Locus of control.....	60
6.2.2 Self-esteem .....	61
6.2.3 Propensity to take risks .....	61
6.2.4 Tolerance of ambiguity .....	61
6.2.5 Need for achievement .....	61
6.2.6 Innovation .....	62
6.3 Limitations and recommendations for future studies .....	63
6.4 Overall conclusion.....	64
Reference List.....	68
Appendix 1.1 – Letter of informed consent .....	78
Appendix 1.2 – Letter of informed consent (2).....	79
Appendix 1.3 – Rosenberg’s self-esteem assessment. ....	80
Appendix 1.4 – Rotter’s locus of control assessment.....	81
Appendix 1.5 – Oral questions for interview of entrepreneur .....	84

Appendix 1.6- Rosenberg’s self-esteem assessment for completion by business associates of entrepreneur. ....	86
Appendix 1.7 – Rotter’s locus of control assessment for completion by business associates of entrepreneurs.....	87
Appendix 1.8 – Questions for interviews with business associates of entrepreneurs.....	90
Appendix 1.9 – Full transcript from interview with second entrepreneur .....	92
Appendix 2.0 - Paraphrasing of interviews – second case study .....	97
Appendix 2.1 - Case study 1 – interviews paraphrased.....	100

---

## CHAPTER 1 - INTRODUCTION

---



## **Chapter 1: Introduction**

### **1.1 Chapter introduction**

An entrepreneur is defined as someone with the vision to make decisions that benefit an economy (Carland, 1992), (Ronstadt, 1984).

A significant amount of the literature available regarding entrepreneurs suggest that individuals involved in entrepreneurship have specific characteristics and come from a specific school of economic thought (McMullen & Shepherd, 2006).

Previous academics (Aspen, 2006), (Smallbone, 1991), (Indarti & Langenberg, 2005), (Bracker & Pearson, 1986), (Islam, et al., 2011) agree on eight success factors central to the success of an enterprise. These factors are personal characteristics, enterprise characteristics, management, product or service, customers, environment and internet, resources and strategy.

This study is undertaken to prove that specific psychological characteristics are evident in successful entrepreneurs. A qualitative analysis using a case study approach of research is presented proving that psychological characteristics, need for achievement, internal locus of control, propensity to take risks, tolerance of ambiguity, self-confidence and innovativeness are evident in successful entrepreneurs.

### **1.2 Purpose of the research**

The purpose of this research is to present findings to support the research proposition *‘Successful entrepreneurs carry a personality trait that displays the psychological characteristics of internal locus of control, high self-esteem, propensity to take risks, tolerance of ambiguity, need for achievement and innovativeness’*. The reasons for conducting this research are to identify the main psychological characteristics evident in successful entrepreneurs, to outline what business success is, and a deep personal passion for entrepreneurship.

### **1.3 Chapter conclusion**

This research will conclude from the primary case study conducted and the literature review presented that, successful entrepreneurs do carry a personality trait which displays the psychological characteristics of internal locus of control, high self-esteem, propensity to take risks, tolerance of ambiguity, need for achievement and innovativeness.

---

## CHAPTER 2 – Literature Review

---

## Chapter 2: Literature Review

### 2.1 Literature review introduction

Taking the research proposition ‘*Successful entrepreneurs carry a personality trait that displays the psychological characteristics of internal locus of control, high self-esteem, propensity to take risks, tolerance of ambiguity, need for achievement and innovativeness*’ this literature review is going to analyse the literature that currently exists in relation to entrepreneurs, business success factors and psychological characteristics associated with successful entrepreneurs. Definitions of an entrepreneur are presented and the main differentiator between an entrepreneur and a manager as identified by (McClland, 1961). The review will then investigate the success and failure factors associated with business as identified within the literature that exists on this topic. Islam, et al., (2011), Bracker & Pearson, (1986), Baker et al., (1993) the success factors are classified into ten main categories. Developing this further, this review then progresses to the psychological entrepreneurial characteristics as identified as a key success factor for an entrepreneur. On research of these psychological characteristics Bygrave, (1989), Robinson, et al., (1991), Shaver & Scott, (1991) identified six characteristics evidenced in successful entrepreneurs. These psychological characteristics identified are need for achievement, internal locus of control, tolerance for ambiguity, propensity to take risk, self-esteem and innovativeness.

This literature review presents an analysis of the literature in relation to each of the psychological characteristics and their link to entrepreneurs. Theories are presented on a number of these characteristics and their relationship to entrepreneurs.

The chapter concludes on all the findings from this literature review analysing and concluding on the various views of theorists in each of their respective areas. In the conclusion the difference between an entrepreneur and a manager are reviewed and findings from (McClland, 1961) differentiating entrepreneurs from managers due to their risk propensity are presented. The conclusion analyses the findings of the literature on the success and failure factors associated with businesses. Further research is presented on the psychological characteristics of entrepreneurs and the findings of (McMullen & Shepherd, 2006), (Lumpkin, 1996), (Gartner, 1985).

Finally the conclusion indicates strong supportive evidence to suggest that *‘Successful entrepreneurs carry a personality trait that displays the psychological characteristics of internal locus of control, high self-esteem, propensity to take risks, tolerance of ambiguity, need for achievement and innovativeness’*.

## **2.2 Definition of entrepreneur**

Researchers in the past have not consistently defined what they mean by ‘entrepreneurs’ and as stated by (Kauffmann & Dant, 1998) this has resulted in difficulty analysing findings from different researchers. One of the first definitions of entrepreneurs was provided by (Mill, 1848) who stated that one of the separators between entrepreneurs and managers was risk taking. McClland, (1961) also stated that risk was essential for entrepreneurs and that the definition should centre on responsibilities and accountability. McClland, (1961) continues by presenting a theory that entrepreneurs should include both business founders and managers when studying entrepreneurs. In contrast (Schumpeter, 1934) stated risk is applicable to entrepreneurs and managers and that entrepreneurs have a psychological characteristic of innovation and venture creation. It is the ‘risk’ taking characteristic which makes the business owner distinguished as an entrepreneur (Schumpeter, 1934).

Researchers agree with (Schumpeter, 1934) defining entrepreneurs as individuals with the vision, commitment and determination to develop an idea from their thoughts to reality to create a new venture (Shane & Venkataraman, 2000). This study takes the view of (Schumpeter, 1934) defines entrepreneurs as ‘individuals who have a vision and commitment to develop an idea from thought to reality. Once the entrepreneur’s idea becomes reality it is necessary to understand what factors will influence its success or failure.

### 2.3 Success and failure factors of a new enterprise

Business success can be measured in many ways with the most popular method of measurement academically being financial worth (Boyer, et al., 2008). While growth and financial viability are important in a successful business they are not the only factors to consider (Boyer, et al., 2008). Hee Song, et al., (2012) states tangible success factors have dominated studies on the success of business enterprises and intangible factors have not been as dominant. Hee Song, et al., (2012) continues by stating it is important to acknowledge the two types of factors when studying the success factors of a business. Hee Song, et al., (2012) tangible factors are those that are easily measured whereas, intangible factors are those that are not so easily measured. Examples of tangible factors are finance; market, planning and intangible examples are partnerships, suppliers, skills and culture.

Davidsson & Benson, (2002) definitions and research on entrepreneurship focus on emergence. The suggestion is that entrepreneurship should focus more on the stages of start-up rather than the stages following start up. A review of the study found that research focuses on established business enterprises (Davidsson & Benson, 2002).

Boyer, et al., (2008) multiple sources on entrepreneurship recognise ten factors, which lead to business failure. These are as follows;

1. Inadequate planning.
2. Insufficient initial capital.
3. Poor market judgement.
4. Inadequate management skills.
5. Failure to use appropriate outside professional skills.
6. Poor marketing skills.
7. Over dependence on a single individual.
8. Poor understanding of capital requirements.
9. Poor timing of expenditure due to poor planning.
10. Expedient rather than reasoned decision-making.

Motwani, et al., (2002) defines critical success factors as '*factors needed to ensure a successful ERP project*'.

Aspen, (2006) conducted a study on the critical success factors for a start-up Enterprise and they concluded with the following fourteen factors.

1. Scaling up requires focus and planning.
2. Leadership and good management are essential.
3. Market knowledge is critical.
4. Marketing plan both active and pro-active is crucial.
5. Diversified and complimentary products or services are important.
6. Geographical expansion is critical.
7. Partnerships and mergers often play a key role in success.
8. Replication can be important but difficult.
9. Investment in technology.
10. Infrastructure investment.
11. Staff and management at specific points in the growth are vital.
12. Capital investment.
13. Legal and regulatory environment can be influential in success.
14. Funding environment is also crucial to success.

Smallbone, (1991) investigated problems faced by new start-ups and identified the two main areas of concern were raising finance and establishing a market and customer base.

Indarti & Langenberg, (2005) identified key success factors for small to medium enterprises to include characteristics of the entrepreneur, characteristics of the small to medium enterprise and the contextual elements of the small to medium enterprise development. Westhead, (1995) studied success factors of high tech firms, (Ghosh &

Kwan, 1996) conducted a cross national intersectional study on key success factors of small to medium enterprises in Singapore and Australia, (Bracker & Pearson, 1986) studied the factors of planning and financial performance of enterprises and (Baker et al 1993) studied business planning in high growth firms. Based on these findings (Islam, et al., 2011) classified these success factors into ten main categories.

1. Entrepreneurial psychological characteristics.
2. Characteristics of small to medium enterprise.
3. Management.
4. Products and services.
5. Customers and markets.
6. The way of doing business.
7. Resources and finance.
8. Strategy
9. External environment
10. Internet.

Taking these findings this dissertation researches the key psychological characteristics associated with successful entrepreneurs through the literature presented and qualitative research, concluding and recommending on the findings.



## 2.4 Psychological entrepreneurial characteristics

Enterprise needs entrepreneurship and this requires action (McMullen & Shepard, 2006). McMullen & Shepherd, (2006), Lumpkin, (1996), Gartner, (1985) entrepreneurship is a direct reflection of an individual's personal initiatives, which influence a system wide activity or change.

Since the (Bolton, 1971) report, there was an explosion of studies on the characteristics of business owners to establish if they are different to other members of the economically active population.

Carland, (1992) entrepreneurial characteristics are those of a risk taker, innovator, problem solver and high achiever. As cited in (Ronstadt, 1984) Joseph Schumpeter stated that entrepreneurs create ideas and use resources differently to achieve economic success. Drucker, (1974) states that, entrepreneurs possess vision to create the future. In an earlier book written by (Drucker, 1964) he presented the theory that entrepreneurs are crucial to changing stagnant bureaucracies into adaptive and aspiring enterprises.

Kilby, (1971), Stevenson, (1990) both conclude that to be an entrepreneur requires the action of pursuing a specific opportunity. Theorists concurring with this perspective have taken one of two forms. The first is a system level approach. This approach is fundamentally stating that the economic system generates entrepreneurs rather than entrepreneurs being born into it, whereas the second form is devoted to the individual creating opportunity in the economic system (McMullen & Shepard, 2006).

McMullen & Shepherd, (2006) in their research on entrepreneurs identified various attempts to characterise entrepreneurs. These attempts have led to three main economic schools of thought in relation to entrepreneurs from the late twentieth century. These are neoclassical, Austrian and behavioural schools of thought. McMullen & Shepherd, (2006) explore the theories on these further and citing from the work of (Shane & Venkataramann, 2000) present a theory that there is a tripartite between neoclassic, Austrian and psychological theories. McMullen & Shepherd, (2006) differentiate these theories by first defining an entrepreneur as a person '*that makes co-ordinated decisions under uncertainty*'. McMullen & Shepherd, (2006) continue by explaining that a neoclassical entrepreneur mathematically calculates the

maximum benefit from a risk by predicting the markets outcomes and makes a decision based on this calculation. McMullen & Shepherd, (2006) an Austrian entrepreneur understands opportunity discovery in the market process and the behavioural entrepreneur investigates the result of cognitive limitations providing direction for decisions.

McMullen & Shepard, (2006), Shane & Venkataramann, (2000) no specific theory of entrepreneurship exists and theories on entrepreneurs have been constructed under psychology theories resulting in the theoretical schools of thought.

Singer, (1990) entrepreneurs are finders, binders, grinders and minders. Finders create opportunity, binders collate a number of ideas together, grinders generate a new use for an existing product or service and minders copy current products. Krueger, (1998) identifies methods of assessment of entrepreneurs to help identify their schools of thought. Meyers-Briggs behavioural assessment is identified as critical to this. Other methods such as DISC assessment are presented as effective methods also.

Cunningham & Lischeron, (1991) identified six different major schools of thought, the great school person, classical school, management school, leadership school and the intrapreneur school of thought. This study views entrepreneurs as individuals with characteristics of unique values, attitudes and needs which drive them and differentiates them from non-entrepreneurs.

Lachman, (1980) people possessing the same characteristics as entrepreneurs are more likely to perform entrepreneurial acts than those who do not possess such characteristics. Another view is that of (Mitton, 1989) who describes entrepreneurs as people with specific psychological characteristics such as total commitment, a need for total control, a utilitarian view of right and wrong and a desire for challenge.

As discussed by (Churchill & Lewis, 1986) a vast amount of studies have been conducted regarding the psychological characteristics of entrepreneurs. Herron & Robinson, (1993) a great number of studies of entrepreneurial characteristics were conducted over the last number of years resulting in the main psychological characteristics associated with entrepreneurs being need for achievement, locus of

control, propensity to take risks, tolerance of ambiguity, self-esteem and innovativeness. These characteristics are included in this research because they are the most frequently recognised. Bygrave, (1989), Robinson, et al., (1991), Shaver & Scott, (1991) list achievement, innovativeness, control and self-esteem as psychological entrepreneurial characteristics.

#### **2.4.1 Need for achievement**

McClelland, (1961) need for achievement, is a key success factor influencing entrepreneurship over the years and a central characteristic of entrepreneurs. McClelland, (1961) continues to identify that it is believed, an individual with a high desire to achieve is more likely to behave entrepreneurially. Robinson, et al., (1991) strengthens, McClelland's theory by stating that from all the psychological characteristics associated with entrepreneurs, need for achievement is the most recognised historically. Johnson, (1990) reported that regardless of the methodology of major studies conducted on psychological characteristics of entrepreneurs, the majority of them concluded that need for achievement is a characteristic evident in entrepreneurs.

Holland, (1985) in his theory of vocational choice, states that individuals are attracted to careers with characteristics close to their psychological characteristics and therefore entrepreneurs are more likely to pursue high achieving careers. McClelland, (1961) prior to Holland's theory of vocation but further support for this theory suggests that individuals high in achievement motivation are more likely to target a career with control on outcomes, direct and immediate feedback and reasonable levels of risk.

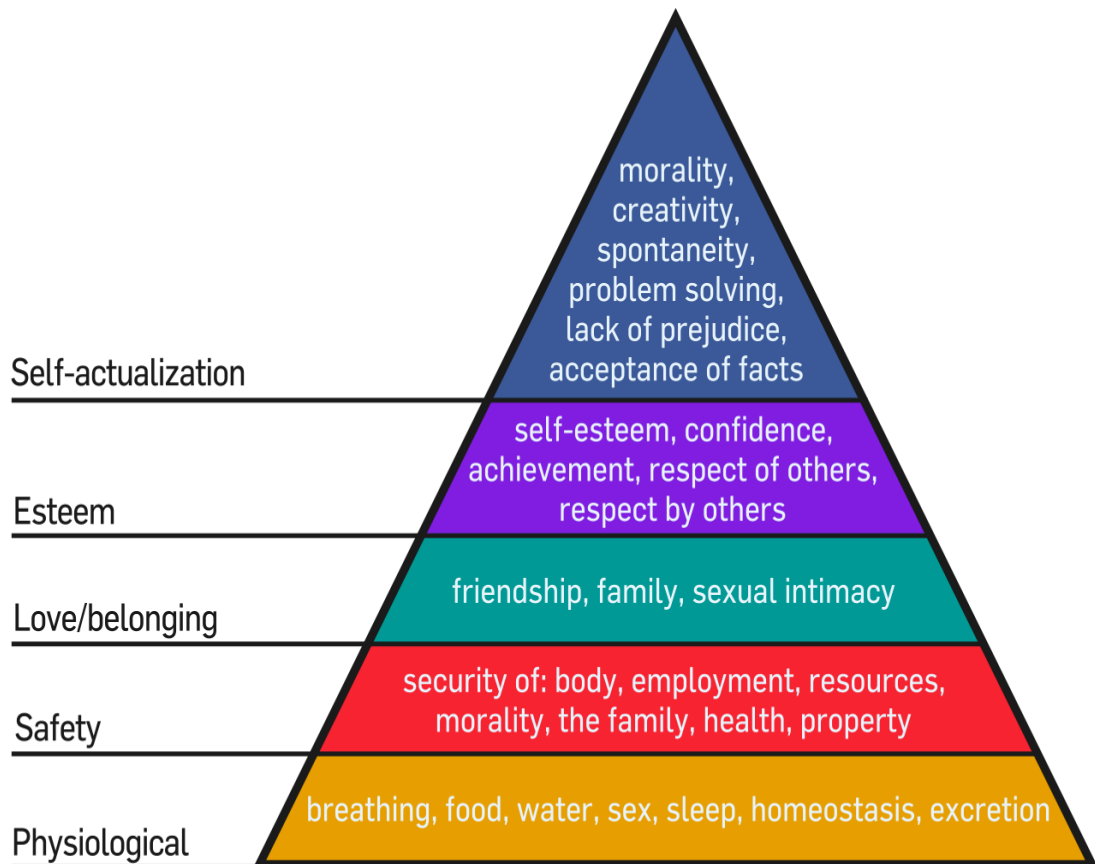
Holland, (1985) presents a theory of vocation, that interaction with work environment and psychological characteristics reflect on performance. He suggests that an individual with a career fitting to their psychological characteristics results in better performance in their roles. McClelland, (1965), McClelland, (1961) stated that need for achievement is related to successful performance of an entrepreneur.

Maslow, (1970) first introduced his theory of need in 1954. In this theory Maslow developed a hypothesis that everyone has needs and he divided these needs into five different levels of physiological, safety, love/belonging, esteem and self-actualisation relating them to job satisfaction. Maslow states that employee's needs,

relate to the satisfaction of their job and that this ultimately relates to their performance (Maslow, 1970).

Maslow's theory is shown in a triangular diagram showing the needs of the five different levels that he identified (Maslow, 1970).

**Fig: 2.1 – Maslow's hierarchy of needs**



Source: (Wikimedia, 2014)

The lowest need on the bottom of the triangle in fig 2.1 is the basic primary needs of an individual. These are as shown in the diagram, needs such as water, food and sleep (Maslow, 1970).

The next level is the need for safety and security. This as Maslow states is the need for structure, law and order (Maslow, 1970).

The third level is the need for love or belonging. Maslow, (1970) discusses how once an individual has had their first two needs met the next thing they need is a need for belonging to a group. Maslow, (1970) states that once the belonging need is addressed an individual's self-esteem immediately starts to increase and therefore their performance, results in the individual looking for greater respect of themselves. This fulfils their next need identified by (Maslow, 1970) and these four needs are classified as the deficiency needs. Maslow, (1970) explains that when a person reaches these needs, they then become restless to try to fulfil the fifth need of self-actualisation.

Maslow, (1970) explains that self-actualisation is the need for an individual to become everything they believe they can become. Maslow, (1962) when the first four needs have been achieved, the fifth need of self-actualisation is increased significantly. Maslow, (1962) growth is continued and the more an individual achieves the more they want and that this self-actualisation need can never be achieved.

#### 2.4.2 Locus of control

There are six primary theories at the core of many empirical studies conducted in the area relating to locus of control. These are the self-efficacy theory of (Bandura, 1977), casual attributions theory of (Weiner, 1974), learned helplessness theory of (Seligman, 1975), perception of control theory of (Langer, 1983) personal causation theory of (De Charms, 1968) and the more popular theory of locus of control of (Rotter, 1954, 1966). Where the first five theories do not directly relate to locus of control they are very closely linked despite their differing theoretical basis (Stickland, 1989); (Skinner, 1995); (Lefcourt, 1976). This close link is that all these theories are interested in seeking to explain the degree to which individuals believe they can create success or failure (Peterson & Stunkard, 1989).

Locus of control is linked to the fact that a person has either a belief that their success or failure is linked to internal or external factors (Rotter, 1971). This concept of locus of control was first developed by Julian Rotter in 1966. Rotter, (1971) uses the historical research of cognitive theories, in his 1954 social learning theory; a social personality theory that describes an individual in terms of their tendencies to link success and failure to internal or external factors. The development grew as some individuals ignored reinforcement contingencies (Rotter, 1971). Rotter, (1971) the extent to which a person believes they can control their success or failure is referred to as a belief in internal control reinforcement. On the other hand, a belief that a person, is controlled by luck, fate or powerful outside factors, is referred to as a belief in external control of reinforcement. Rotter, (1971) hypothesised that people with an internal locus of control were more likely to become high achievers than those with an external locus of control. Rotter, (1966) the foundation to the social learning theory, is the phenomena that a person's personality is highly dependent on interaction in a meaningful work environment. Rotter, (1966) in order to study an individual's locus of control, it is necessary to study the individual and the environmental stimuli. This resulted in the integration of two main theories of psychology the stimulus response theory and the cognitive theories into a single theory.

#### *2.4.2.1 Locus of control and working life*

When looking at the link between a person's locus of control and working life it is crucial to mention an assumption that a person's locus of control can be adjusted, which is supported by many researchers such as (Hansemark, 2003) (Phares, 1976).

The theory of locus of control introduced by (Rotter, 1971) supports the hypothesis that individuals with an internal locus of control (internals) are more inclined to seek a high level of job satisfaction. This is further supported by (Spector, 1982) who presents the case that a person with an internal locus of control will leave a dissatisfying job if they are not receiving faster promotion and better pay thereby increasing their job satisfaction. Spector's hypothesis is supported by research from (Rothmann,2000); (Muhonen & Torkelson,2004); (Spector,1986); (Peterson,1985); (Garson & Stanwyck,1977); (Newton & Keenan,1990).

An extensive resource of research supports the hypothesis that a relationship exists between cognitive ability and job performance (Hunter & Hunter, 1984) and from this it is proposed that locus of control is very important to job performance. Lefcourt, (1976) individuals with an external locus of control (externals) have a stronger requirement for structured work plans and they do not question tasks. Internals prefer less structure, opportunity to question regarding tasks, allowing them to understand the benefit of the tasks, before enthusiastically carrying out the task. The proposed relationship between locus of control and job performance is supported by research from (Broedling, 1975), (Spector, 1982). Spector, (1982) supports the theory that locus of control and motivation are associated in an organisational setting and he suggests that alongside the association with job satisfaction, locus of control is equally as important to motivation in the work place.

Lefcourt, (1976) researchers support the phenomenon that locus of control is closely linked to life stress and in particular external control is linked to stress and depression. Lefcourt, (1976) continues to state that job stress is linked to the relationship between an individual and the working environment. From all the extensive research that exists on work stress there is significant support for the theory that gaining control of the situation results in reduced stress levels (Frese, 1999), (Karasek & Theorell, 1990).

### 2.4.3 Propensity to take risks

Knight, (1967), Drucker, (1985) entrepreneurship is directly related to risk taking by the entrepreneur. Drucker, (1985), Knight, (1967) a person that starts a successful business, becoming an entrepreneur, requires specific characteristics and that risk is ultimately needed to achieve this. McCarthy, (2000) entrepreneurs may alternate between being risk prone to risk adverse and that their vision to identify a gap in a market along with their risk of time and capital is what makes them entrepreneurs.

Stewart, (1996) carried out studies on risk taking in entrepreneurs. In this research Stewart identified that a wide range of risk taking instruments were used, with the Jackson Personality Inventory (JPI) (Jackson, 1976) and the Kogan-Wallach Choice Dilemma questionnaire (CDO) (Kogan & Wallach, 1964) instruments being identified as the most popular.

Stewart, (1996) hypothesises that support is greatest for a higher propensity in risk taking by entrepreneurs.

Brockhaus, (1980) using the choice dilemma questionnaire examined the risk propensity of entrepreneurs defining them as owners and managers of a business. Brockhaus, (1980) conducted a comparison test of three groups of individuals. He researched the entrepreneurs, managers associated with them, that were long term managers of over three months and managers that were associated to the entrepreneurs that were short term managers of fewer than three months. Brockhaus, (1980) concluded that the propensity of entrepreneurs to take risks, was no greater than that of the other individuals in the research (Steward, 2013).

Masters & Meier, (1988) replicated the (Brockhaus, 1980) study, by examining fifty people that were either business owners or managers. Masters & Meier, (1988) found that there was no difference in risk propensity between entrepreneurs and managers (Steward, 2013).

Carland, et al., (1995) carried out an extensive study on the topic of risk taking among entrepreneurs using the Jackson Personality Inventory. This study researched 114 entrepreneurs, 347 small business owners and 387 managers. The (Carland, et al., 1995) study revealed that the three sample groups studied had different levels of risk propensity with the entrepreneurs displaying the highest level of risk. Carland, et



al., (1995) also studied the demographics of the samples and concluded that the older entrepreneurs displayed a lower level of risk than the younger groups (Steward, 2013).

#### **2.4.4 Tolerance of ambiguity**

Hunter, (2000) ambiguity is a situation that occurs when there is '*no clear interpretation of a phenomena or set of events*'.

Kets De Vries, (1977) states that most ambiguous situations are a threat or a risk, entrepreneurs will tolerate the ambiguity and work positively, whereas non entrepreneurs will not work positively. O'Gorman & Cunningham, (1997) supports this phenomenon by stating that an individual that can handle the stress that is associated with an ambiguous situation is most likely to be a successful entrepreneur. Teoh & Foo, (1997) further supports this theory by stating that any entrepreneurs that have a high propensity for risk, results in them having a greater tolerance for ambiguity and are therefore more successful entrepreneurs.

#### **2.4.5 Self- esteem**

Defined by (Oxford, 2014) self-esteem is '*confidence in one's own worth or abilities; self-respect*'.

Douglas & Shepherd, (2000) present a theory that an individual that believes they have the skills, knowledge and experience to succeed with a new venture are motivated to take on the challenges of a new business and succeed. Kolvereid, (1997), Krueger & Brazeal, (1994), Forbes, (2005) support the theory that self-esteem and successful entrepreneurship is closely related in a positive way.

#### **2.4.6 Innovativeness**

Amabile, (1997) a new innovative firm is always the result of a creative idea of an entrepreneur. Schumpeter, (1942) in his theory on economic innovation and business cycle first presents the notion of 'creative destruction' when explaining economic growth. Stevens & Burley, (1997) innovative ideas are common but successful ones are rare and valuable. Alongside this (Baum, et al., 2007) explains that the skills used by entrepreneurs to turn these ideas into successful businesses are not well understood. Wallas, (1926) first introduced a theory on creativity in 1926, presenting it as a four stage process of preparation, incubation, insight, and verification.

Amabile, (1983) later researched the components that created managerial creativity such as creativity skills.

To date the amount of research material available relating to creativity and successful entrepreneurs and how they use this creativity is limited (Baum, et al., 2007).

## **2.5 Conclusion of chapter**

This literature review started by looking at the definitions in the literature of entrepreneurs. Mill, (1848) presented one of the earliest definitions for an entrepreneur explaining that risk taking is the main difference between an entrepreneur and a manager. McClland, (1961) motivational needs theory states that risk is essential for entrepreneurs and this distinguishes them from managers. It is presented that researches are in agreement with (Schumpeter, 1934) definition of entrepreneurs as people with vision, commitment and drive to develop an idea from concept to reality.

The next area of literature review focused on the success and failure factors associated with entrepreneurs. Boyer, et al., (2008) explains that wealth and growth are not the only success factors for a business. Hee Song, et al., (2012) presented a theory that tangible and intangible factors are all factors of success but intangible factors such as partnerships and skills have not been a source of dominance in the field of research.

Looking at the failure factors associated with a business (Boyer, et al., 2008) recognised ten factors that lead to business failure. Aspen, (2006) concluded in their study the top ten factors associated with business success. Indarti & Langenberg, (2005) identified three success factors for a successful business. Following these findings (Ghosh & Kwan, 1996), (Bracker & Pearson, 1986), (Baker et al 1993) as cited by (Islam, et al., 2011) categorised the top ten success factors for a business. One of these success factors is the psychological characteristics of the entrepreneur (Islam, et al., 2011) and this is what this dissertation researched.

The literature review progressed into the psychological characteristics of an entrepreneur and presents work from (McMullen & Shepard, 2006); (Lumpkin, 1996); and (Gartner, 1985) in relation to what an entrepreneur is and how their

success is a direct reflection of their personal initiatives. Works from (Kilby, 1971) and (Stevenson, 1990) are presented in relation to their research on entrepreneurs concluding that to be an entrepreneur requires the action of pursuing a specific opportunity. Works from (McMullen & Shepherd, 2006) presented, show that they identify various characteristics of entrepreneurs, linked to three schools of thought from the late twentieth century. (McMullen & Shepherd, 2006); (Shane & Venkataramann, 2000) state that there is no specific theory on entrepreneurship and theories relating to entrepreneurship all fall under psychology theories. Six major schools of thought are related to entrepreneurs by (Cunningham & Lischeron, 1991) and these studies view entrepreneurs as individuals with specific psychological characteristics. Works from other theorists such as (Churchill & Lewis, 1986); (Herron & Robinson, 1993) all researched the psychological characteristics of entrepreneurs. Finally in this section it emerges that researchers have found that six main characteristics exist in entrepreneurs and these are identified as internal locus of control, high self-esteem, propensity to take risks, tolerance of ambiguity, need for achievement and innovativeness (Bygrave, 1989), (Robinson, et al., 1991), (Shaver & Scott, 1991).

The literature review then presents literature specific to these six psychological characteristics and how they directly link to an entrepreneur. Research from (McClland, 1961) is presented and his theory that need for achievement is the most recognised characteristic associated with a successful entrepreneur. Other researchers such as (Holland, 1985); (McClland, 1961) state that individuals are attracted to careers relating to their psychological characteristics.

This brings the literature review to the research of (Maslow, 1970) and his model of hierarchy of need. In this model it is presented that all individuals have needs and there are five levels of need. The five levels of need are discussed with the first four as presented by (Maslow, 1970) being called the deficiency needs. Research from (Maslow, 1970) is then presented in relation to the fifth level of need, that of self-actualisation. This level of need is presented as the level an individual gets to when they want to achieve what they believe they can achieve. This is their highest level of achievement and (Maslow, 1970) also suggests that this level can increase as the person grows.

Literature is then presented on the six primary theories relating to locus of control. Rotter, (1966) is the more popular theory presented, relating to entrepreneurship. In this theory it is displayed that an individual can have an internal or external locus of control (Rotter, 1966). Rotter, (1971) an individual with an external locus of control believes that luck and fate are linked to success whereas an individual with an internal locus of control believe that individuals achieve their own success and luck has nothing to do with it. Theories on locus of control and working life relationships are presented from (Rotter, 1966) and the theory that those with an internal locus of control are more likely to achieve better in working life is also presented (Rotter, 1971).

Literature relating to (Knight, 1967), (Drucker, 1985) is presented with them both stating that; propensity to take risks is related to an entrepreneurs success. McCarthy, (2000) entrepreneurs can alternate between being risk prone and risk adverse. Research was presented by (Brockhaus, 1980) showing that there was very little difference in risk propensity between entrepreneurs and managers however later research by (Carland, et al., 1995) which is identified as more extensive research concluded that entrepreneurs and managers have a propensity to take risk but that entrepreneurs displayed a higher level than managers.

The literature then looked at an entrepreneur's tolerance for ambiguity. Ambiguity was defined by (Hunter, 2000) as '*no clear interpretation of a phenomena or set of events*'.

Kets De Vries, (1977), O'Gorman & Cunningham, (1997) all support the theory that entrepreneurs will work positively in an ambiguous situation as opposed to non-entrepreneurs.

Self-esteem is the next area that the literature looks at and works from (Douglas & Shepherd, 2000) are presented with their theory that entrepreneurs with high self-esteem will be successful in business.

Finally the last psychological characteristic identified, that of innovation is presented. Research from (Amabile, 1997), (Schumpeter, 1942) are presented which all support the theory that all entrepreneurs successfully start from a creative idea.

This literature review shows that extensive research has been carried out in relation to entrepreneurs, success of businesses and the psychological characteristics of successful entrepreneurs. The research led to a stage where six psychological characteristics are identified as being those possessed by successful entrepreneurs.

---

## CHAPTER 3 – RESEARCH QUESTIONS

---

## Chapter 3: Research Questions

### 3.1 Research questions

Evidence from literature shows there are key critical success factors to the success of a business (Hee Song, et al., 2012), (Boyer, et al., 2008), (Davidsson & Benson, 2002). These factors were categorised into ten categories during the literature review. One of these success factors identified is that of the entrepreneur's psychological characteristics (Islam, et al., 2011).

This study researches the psychological characteristics of successful entrepreneurs to investigate the research proposition that successful entrepreneurs carry a personality trait that displays the psychological characteristics of internal locus of control, high self-esteem, propensity to take risks, tolerance of ambiguity, need for achievement and innovativeness.

#### **Research Proposition:**

**Successful entrepreneurs carry a personality trait that displays the psychological characteristics of internal locus of control, high self-esteem, propensity to take risks, tolerance of ambiguity, need for achievement and innovativeness.**

Flanagan, (2014) Ambiguity is the *“doubt about meaning: a situation in which something can be understood in more than one way and it is not clear which meaning is intended”*.

To remove ambiguity the following definitions are presented on entrepreneurs, success factors of a business and psychological characteristics.

Ronstadt, (1984) an entrepreneur is a person that creates ideas to increase economic success. Drucker, (1974) says the entrepreneur, has the vision to create the future.

Motwani, et al., (2002) defines critical success factors as factors needed to ensure a successful project.

### **3.2 Dependant variable**

Authors in the past have measured success in many different ways (Hee Song, et al., 2012). This demonstrates that there are many different viewpoints and approaches to measuring success in entrepreneurship and business (Lucky, 2011). For example work from (Kumar, 1990), (Akhouri, 1979), (Rao, 1986) measure success using three main parameters: average percentage of net profit per annum achieved during the last three years, rate of growth of turnover during the last three years and the level of diversification during the past three years.

From this research it is evident, success criteria are required. From the authors work referenced, a successful business is measured using two parameter criteria:

- Successfully running for two years or more.
- Employing staff alongside the entrepreneur.

It is intended not to include profit figures due to the fact that most start-up companies struggle to make a profit in their first few years operating (Berry, 2006).

### **3.3 Research statements**

From the literature review and the above framework, the following research statements are derived:

1. Successful entrepreneurs possess an internal locus of control.
2. Successful entrepreneurs possess a high level of self-esteem.
3. Successful entrepreneurs have a propensity to take risks within acceptable ambiguity levels.
4. Successful entrepreneurs are innovative and have a high need for achievement.



---

## CHAPTER 4 – METHODOLOGY

---

## **Chapter 4: Methodology**

### **4.1 Methodology introduction**

This chapter looks at the research philosophy and methodology proposed to establish the characteristics of a successful entrepreneur. Alongside these, details of any assumptions relating to the philosophy and methodology will be presented and a critical analysis of the research methodology identified for this study. The chapter starts out with the philosophical aspect of the methodology. Information on the research aims and objectives is presented. Following from the aims and objectives, a discussion on the research design is delivered. The next step in the chapter will be a presentation of material relating to the research approach taken by the author in this study. Sampling and the sampling process used by the author in this research will be explained. A section on the data analysis follows and a section on legitimisation of the data. Following these sections the chapter concludes with an overall summation of all information presented throughout the chapter.

### **4.2 Research philosophy**

A philosophical perspective is important for understanding the various aspects of the research. Two dimensions need to be presented and assumptions relating to these dimensions. These are the nature of society and the nature of science (Burrell & Morgan, 1979). The nature of society has two different sides, that of regulatory or radical. Regulatory is the view that society works rationally and is unified, known as modernism. The radical view is that society is in constant battle as humans fight to free themselves from domination by social society also known as post modernism (Burrell & Morgan, 1979).

Nature of science takes two approaches to research, that of subjectivity or objectivity (Burrell & Morgan, 1979). Both outlooks carry four assumptions, ontology, epistemology, human nature and methodology and as stated by (Burrell & Morgan, 1979) researchers will find these assumptions significant. Burrell & Morgan, (1979) the four assumptions are four different views. Gill & Johnson, (1997) objectivists believe that the World is full of phenomena whereas subjectivists believe the World is socially constructed.

The philosophical debate further develops by looking closer at the four assumptions with considerable literature available on all. Literature available talks about the ontology debate that looks at the nature of reality and whether it is an objective nature or a product of an individual's mind (Burrell & Morgan, 1979). The next assumption is epistemology which concerns the study of nature and how information is communicated to individuals. Various literatures support the fact that science is based on an assumption that reality is objective and knowledge is available and can be communicated to others. There are two categories on epistemology, positivism is the category used for researchers that look for regularities among subject cases and anti-positivists are researchers that believe that the only way to get a view of a phenomenon is through the point of view of the individuals directly involved (Burrell & Morgan, 1979).

The human nature debate is the next assumption and this is the debate about the effects of the environment on the individual. Again there are two views on this, subjectivists and objectivists. Objectivists believe that a person's actions are determined by the environment within which they live or work and the alternative view, the subjectivists, is that the person's actions are a response to the environment but are self-directed (Burrell & Morgan, 1979). The final assumption is the methodology debate which views the methodology as the researchers 'tool-kit'. This debate like the others also has two view points, ideographic and nomothetic methodology approaches (Lee, 1991). The ideographic approach or subjective approach requires the researcher to get insider knowledge of the subject being researched through researching the individuals directly involved. The nomothetic approach or objective approach is based on a more mathematical quantitative approach to the research.

Researchers can take the subjective or objective approach and depending on which approach they use will influence their methodology according to (Burrell & Morgan, 1979). The choices taken by the researcher on each of the first three assumptions presented earlier will decide on the methodology most suitable for the study. However (Easterby Smith, et al., 2002) states that a researcher can choose a methodology of mixed approaches if they believe it will give better results.

#### **4.2.1 Philosophical position of this research**

This research is adopting the position of subjectivity. This researcher feels that subjectivity is possibly evident in all research. This researcher believes that individuals being investigated can only give their interpretation of the events being asked about and that the interviewer can only interpret in the way they feel is the most appropriate way. Therefore it is believed that the subjective approach is a suitable approach for this research. This is resulting in a qualitative research approach being the preferred approach and in line with literature reviewed the more suitable for a subjective research piece.

In relation to epistemology it is believed that a direct experience of the subject will give a stronger reflection of their characteristics than an indirect observation of the subject being studied.

In conclusion of these assumptions and looking at the methodology, this study believes in anti-positivist assumptions on ontology, epistemology and human nature and therefore as mentioned earlier a qualitative method of primary research is selected to gather information on a selected case study of entrepreneurs, to capture the characteristics of the entrepreneurs through direct interviewing with the entrepreneurs and a number of their close business associates.

### 4.3 Research aims and objectives

#### **Aim:**

The aim of this study is to collect valid and reliable information from successful entrepreneurs that set up an enterprise more than two years ago and identify their psychological characteristics.

#### **Objectives:**

Within the broad aim, the research has a number of specific objectives:

- To understand that a successful entrepreneur has an internal locus of control.
- To understand that a successful entrepreneur has a need for achievement.
- To understand that a successful entrepreneur has a propensity to take risks.
- To understand that a successful entrepreneur has a high tolerance for ambiguity.
- To understand that a successful entrepreneur has high self-esteem.
- To understand that a successful entrepreneur is creative and innovative.

This empirical study will investigate the characteristics of two entrepreneurs that have successfully started a business for a period greater than two years using a case study research approach.

The first case will be used as a pilot study to identify any problems or issues with the qualitative method of data collection used. This will be a smaller case study and where it is a pilot study before the larger case study, information gathered in this study will be used as a comparison to the information gathered on the main case study that will be researched.

#### 4.4 Research design

Designing a plan for the collection and analysis of information is known as the research design (Zikmund, 1997).

It is important to select a research design that is suitable for collecting the information required. There are various methods of research design from exploratory research, descriptive research to explanatory research. Alongside these various methods of design, is the fact that each method is equally as capable and there is no method inferior (Hakim, 2000). The issue is to decide which research is the more suitable for the situation.

**Table 4.1 Research Design Approaches**

	<b>Exploratory Research (What?)</b>	<b>Descriptive Research (When, where and who)</b>	<b>Explanatory Research. (How, Why?)</b>
<b>Data Type</b>	Qualitative	Qualitative or Quantitative	Quantitative
<b>Aims</b>	To explore, chart, identify.	To describe quantify	To establish cause and effect.
<b>Nature of variables</b>	Unknown, undocumented.	Known associations and documented	Known exactly, clearly and supported.
<b>Degree of formality</b>	Relatively little	Some to extensive	Highly mathematical.
<b>Data</b>	Literature review, Expert surveys, Focus groups, In-depth interviews, Projective techniques.	Literature reviews, surveys, observations and panels.	Literature review, expert surveys, experiments, surveys and observations
<b>Sample size</b>	Small	Small to large	Large
<b>Question types</b>	Probing, response driven	Some probing, interviewer driven, tests and or generates.	No probing
<b>Hypothesis</b>	Generates, develops	Tests and generates, develops	Tests

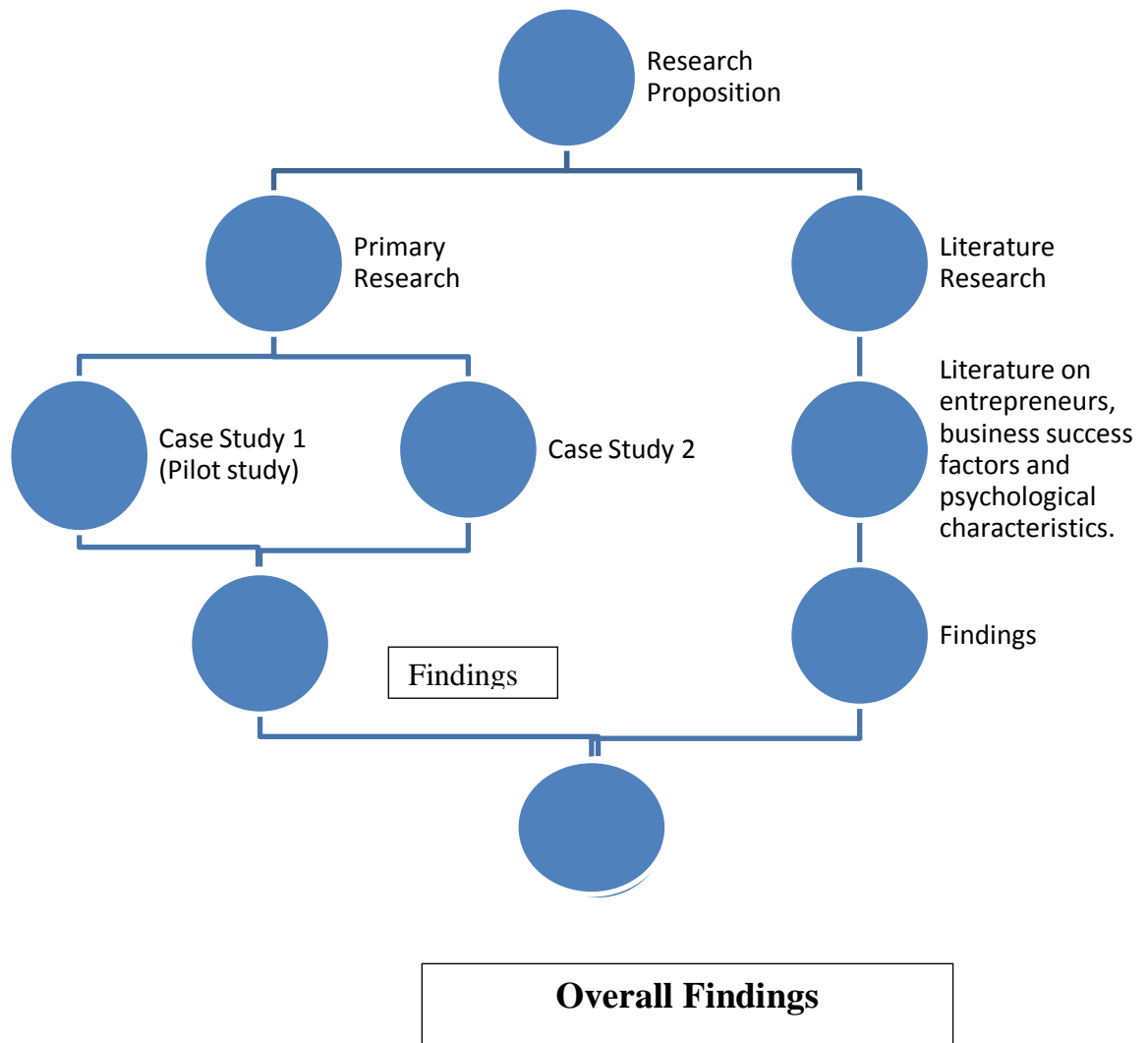
Source: (Domegan & Fleming, 2000)

In summary of table 4.1 presented, exploratory researches is about understanding something, descriptive is about quantifying and explanatory research is about the cause and effect of something. Domegan & Fleming, (2000) presented this

categorisation of the key features of the different research approaches to help understand the methods and assist in choosing a suitable method. Considering this table and the proposition this research is investigating, it is decided that an exploratory research is the most suitable. This study will use multiple case studies with in-depth interviews to explore the characteristics of a successful entrepreneur.

**Fig: 4.1 Research approach taken**

The following table represents the research design and approach taken in this study.



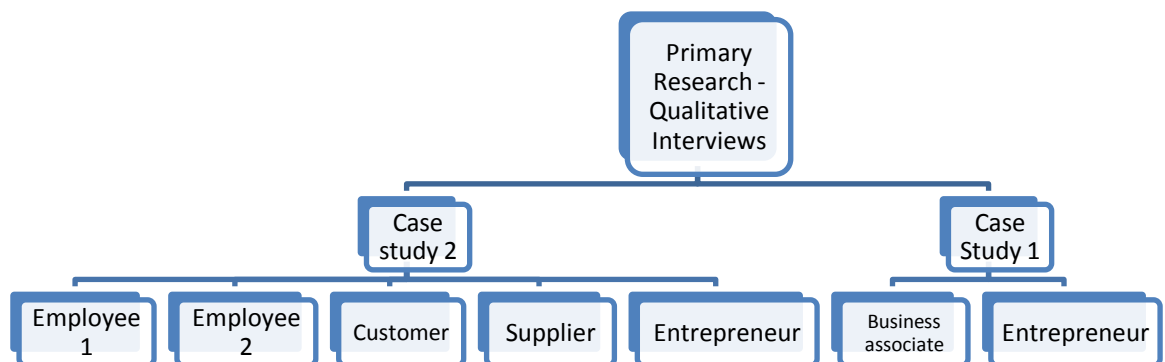
## 4.5 Research approach

There are many very relevant and suitable approaches that could be used for this research. A case study approach is adopted to gather the information required for analysing the characteristics of a successful entrepreneur. The reasoning for this approach is based on a number of key factors:

- The research questions being analysed in this study are exploratory in nature and requires an approach that will allow the researcher to dissect the information to find suitable information (Yin, 2003)
- When researching current subjects, events can occur that the researcher has no control over. It is therefore a preferred option to choose a case study methodology (Yin, 2003) which gives the researcher more flexibility to handle these unexpected potential events.
- Yin, (2003) case study method allows the research to be conducted in the subject setting and therefore possibly gaining more accurate information.
- A case study method allows a more in-depth analysis of the subject than possibly other research methods.

**Fig 4.2 Case study research approach**

The following table represents the case study research carried out.





## 4.6 Sampling

The process of deciding on the case studies for investigation is one that was not based on a mathematical or probability basis. This research needs an information rich case to investigate and it was with this in mind that the process started selecting suitable purposeful cases rather than a random sampling process being used. Therefore, criteria based sampling was used for selection of suitable cases.

The next stage in the process was to consider access to each individual case identified. A number of cases were considered for the research and a number of attempts were made to include the cases first identified. However, the first two cases approached did agree to participate but were unavailable within the timeframe the researcher had available to interview. It was therefore decided to move to the next cases chosen. Cases were not chosen in preference and gender consideration was given before selection. Originally the first two cases were that of a male and female but unfortunately they were unavailable and the second two cases were both male. The criteria for selection was the following, in business for longer than two year, started their own business, employees working for the entrepreneurs, consistency using customers and suppliers and availability of participants.

The first case study, where valuable information was obtained was a pilot study and the information will be relevant for comparison purposes, this case was not as extensive as the second with an interview of one close business associate of the entrepreneur.

The second case study is an in-depth interview with the entrepreneur and an interview with two employees, a supplier and a customer gaining a perception of the entrepreneur's psychological characteristics in this case. In total five individuals were identified in the second case study and two in the first for interviewing.

## 4.7 Method of data collection

Having analysed the data collection methods as those identified in table 4.1 earlier for exploratory research, the method of data collection is identified as one of two methods, focus groups or in-depth interviews. On review of each of these methods in-depth interviews is the decision taken for this study. This decision is based on the following reasons:

- One to one setting will give more natural and detailed information rather than a group setting where participants might worry about how they would sound in the group.
- One to One interviewing is easier to schedule with less disruption to the participants because the interviewer will create availability to suit the participants.
- It is believed that a larger understanding of the individual's characteristics can be achieved by one to one settings rather than focus groups in this particular research.
- The participants will be in their own environment and are possibly more comfortable for participating than having them in an independent group setting.

As stated by (Burgess, 1984) an interview is an appropriate method to gather information through a controlled conversation. Burgess, (1984) states that it is often the situation when gathering information, particularly from an entrepreneur who is always busy, that an in-depth interview is easier to arrange than a focus group.

#### 4.7.1 Materials required for Interviews

The following materials were used to carry out the study.

1. An informed consent agreement letter for use before the interview.
2. An informed consent agreement letter for use at the end of each interview.
3. The Rosenberg self-report self-esteem questionnaire.
4. The Rotter's internal versus external locus of control forced choice format questionnaire.
5. Pens for completion of questionnaires.
6. A suitable venue for the interviews.
7. A voice recorder to record the interviews.
8. A set of questions for interviewing the participants.

#### 4.7.2 Procedure for interviewing

Prior to participating in the study all participants were contacted directly by the researcher and requested to participate. This communication outlined the purpose of the study being undertaken and that anonymity would be maintained throughout the process of all participants. It was also explained that the interview included two questionnaires and this would take place in a controlled environment. At this stage in the process, it was explained to all participants that the purpose of the study was on entrepreneurship and not the entrepreneur's characteristics. This method was decided to try and gather information as true to the characteristics of the individual as possible. The first letter of informed consent shows this.

At commencement of the interviews, participants were presented with the first letter of informed consent. This was read to each participant and consent asked to record the interview. It was explained to the participant that all interviews recorded would be deleted on completion of the transcripts.

Once the participants were happy to proceed and had signed the letter of consent, the interview process began. The Rosenberg self-esteem questionnaire was issued first to each participant as this was the shortest of the questionnaires with ten questions to complete. Rotter's locus of control questionnaire was then presented and the participants then completed this questionnaire. All participants were offered the option to have the questionnaire read to them or to read through and complete it on their own.

The next stage in the process was the structured interview. In the first case study (the pilot study) the participants were asked eight questions with some closed questions and some leading questions. In the second case study the participants were asked thirteen questions. It is important to clarify, all business associates were asked to complete and answer questions of their view of the entrepreneur in each case study. Once all questions were answered each participant was presented with the second letter of informed consent. At this point in the process it was explained to each participant that the study is on the characteristics of the entrepreneur and not entrepreneurship. It was explained that this piece of information was excluded from the original letter of informed consent to try to gather unbiased information relating to the entrepreneurs characteristics, without participants knowing this was the

information required. Participants were offered at this stage in the process the option to have all material excluded if they felt unhappy about the process.

#### **4.8 Method of data analysis**

All data was transcribed and analysed taking relevant information and inputted into an excel spreadsheet to show the results. The questionnaires were used to establish locus of control and self-esteem of the entrepreneurs.

The next stage in the analysis was the gathering of the information from the questions used in the interviews. These questions were designed to establish if the entrepreneurs demonstrated a propensity to take risks, a tolerance for ambiguity, a need for achievement and innovative characteristics.

All the data collected was then imported into Microsoft excel and a series of tables developed.

#### **4.9 Legitimation**

Lincoln & Guba, (1985) state that a researcher should try to ensure that all data collected during research is credible and a researcher should do everything in their power to ensure this happens.

This study has tried to achieve the highest possible standard of credibility by following the following procedure when collecting data.

- Running a small pilot case study to test the questionnaires, interview questions and process before conducting the larger case study.
- By asking the interviewees in the pilot study for any recommendations to improve the process after they completed their interviews.
- By reading back all notes taken during interviews to ensure they are happy with their responses to questions.
- Allowing time at the end of all interviews for interviewees to change any of their answers.
- By carefully transcribing and analysing all data gathered to ensure all answers are correctly recorded.

- Deciding not to explain at the beginning of all interviews to the participants that the information being gathered was on the psychological characteristics of the entrepreneur. This ensured that a truer interpretation of the entrepreneur's characteristics was possibly achieved and therefore the case study has possibly returned better outcomes.
- By carrying out all interviews in the entrepreneur's place of business. This ensured they remained comfortable and therefore this possibly made them answer more honestly.

#### **4.10 Chapter conclusion**

This chapter presented the philosophical debate and the assumptions taken during this research. The aim and objectives of the research were then presented alongside the research design and approach. The chapter then moved onto the sampling and the process of selection of the participants. A detailed description of the data collection was presented explaining that a combination of questionnaires and interview questions specific to psychological characteristics were used to gather the information required. Finally a description of the data analysis was discussed and the efforts of the researcher to ensure the data gathered is credible and interpreted correctly.

---

## CHAPTER 5 – FINDINGS AND RESULTS

---

## **Chapter 5: Findings and Results**

### **5.1 Chapter introduction**

In the previous chapters it was presented that a multi-case study was chosen as the most suitable method of data collection for this study. It was discussed that a pilot case was studied first to ensure that the method of data collection was suitable and the questions were all relevant to the subject. After the first case study was conducted a number of changes were introduced with the most significant being additional extra open ended questions. It was realised on analysis of the first case study data that extra open-ended questions might give more details on the characteristics of the entrepreneur.

This chapter will give a brief profile of the case studies that were researched. It will also give a demographic background of the entrepreneurs, including the gender of each.

The chapter will then present details on the psychological characteristics evident in the entrepreneurs from the research carried out directly on these individuals and the psychological characteristics perceived by the business associates of the entrepreneurs. This information will be compared and as in the proposition in this study, it will be presented that the entrepreneurs display characteristics of internal locus of control, a propensity to take risks, a tolerance for ambiguity, high self-esteem, innovativeness and a need for achievement.

### **5.2 Profiles of case studies**

The first case study examines an entrepreneur in business for the past 14 years. Having developed the business to a now profitable enterprise that employs up to 10 full-time staff, plans are also in place to progress to expand the business further. The business is software development, supplying software and services to the corporate professional industry such as accountants and solicitors.

The second case study is on an entrepreneur who successfully started a business four years ago and has been growing it since. It is a professional media production company. It now employs up to five people. This business is also a start-up business and has been growing steadily each year. It is now in a stage of increased growth



with contracts secured for a number of national TV stations to commission and produce documentaries.

### **5.3 Demographical characteristics**

Each entrepreneur is in the age range of 30-45 years. They are both in business for a period greater than two years and both began their respective businesses from a start-up stage.

### **5.4 Psychological characteristics evident**

It is the intention to present in this section the results from the study of the six different psychological characteristics under each specific characteristic.

#### **5.4.1 Self-esteem**

The Rosenberg questionnaire was used as a tool to investigate the self-esteem levels of the entrepreneurs. This questionnaire is a validated questionnaire and particularly in psychology it has proven its reliability in psychology tests and is well recognised. The following marking scale was used to analyse the questionnaire.

- For items 1,2,4,6,7: Strongly Agree=3, Agree=2, Disagree=1, and Strongly Disagree=0.
- For items 3,5,8,9,10: Strongly Agree=0, Agree=1, Disagree=2, and Strongly Disagree=3.

The scale ranges from 0-30, with 30 indicating the highest score possible (Maryland, 2014).

The results for the Rosenberg self-esteem questionnaire from each entrepreneur returned the following findings.

**Table 5.1 Results from Rosenberg’s self-esteem questionnaire**

<b>Rosenberg's self-esteem Questionnaire</b>		
<b>Questions</b>	<b>Scoring Entrepreneur 1</b>	<b>Scoring Entrepreneur 2</b>
1	3	3
2	3	2
3	3	2
4	2	2
5	3	3
6	2	3
7	2	2
8	2	3
9	3	2
10	3	3
<b>Total</b>	<b>26</b>	<b>25</b>

Case study 1

**Table 5.2 Results from Rosenberg’s self-esteem questionnaire**

This table shows the result of the business associate of entrepreneur 1 and their interpretation of the entrepreneur.

<b>Rosenberg's self-esteem Questionnaire</b>		
<b>Questions</b>	<b>Scoring Entrepreneur 1</b>	<b>Business Associate of Entrepreneur 1</b>
1	3	3
2	3	2
3	3	2
4	2	2
5	3	3
6	2	3
7	2	2
8	2	3
9	3	2
10	3	3
<b>Total</b>	<b>26</b>	<b>25</b>

The findings for entrepreneur 1 from table 5.1 show that a score by the entrepreneur of 26 indicates a high self-esteem and a score of 25 by the business associate indicates they have a perception of high self-esteem of the entrepreneur. The highest score on this scale is 30. Based on this, a scoring of 25.5 on average from the case study determines self-esteem of 85% on the scale. This is a very high score indicating the entrepreneur to have the characteristic of high self-esteem.

#### Case study 2

This scoring of entrepreneur 2 indicates a high scoring for this entrepreneur averaging 89% as in table 5.3 below. This is from the perspective of the individual and the close business associates.

**Table 5.3 Results from Rosenberg’s self-esteem questionnaire**

<b>Rosenberg's self-esteem Questionnaire Entrepreneur 2</b>					
<b>Questions</b>	<b>Scoring Entrepreneur 2</b>	<b>Employee 1</b>	<b>Employee 2</b>	<b>Customer</b>	<b>Supplier</b>
1	3	2	3	3	3
2	2	2	3	2	3
3	2	2	3	3	2
4	2	3	3	2	2
5	3	3	3	3	3
6	3	3	3	3	3
7	2	3	3	3	3
8	3	3	3	3	2
9	2	3	3	2	3
10	3	3	3	2	2
<b>Total</b>	<b>25</b>	<b>27</b>	<b>30</b>	<b>26</b>	<b>26</b>

<b>Average</b>	<b>26.8</b>
----------------	-------------

**89%**

Presented to this point is information collected from the questionnaires and the closed questions in the interview. As previously mentioned after the pilot case study was complete the structure of the interview for the second case study was changed. Five open ended questions were included to gather further evidence in relation to the possible characteristics of the second entrepreneur and further support the evidence collected in the first section of the interviews.

#### 5.4.2 Need for achievement

As presented in the literature review (Maslow, 1970), there are five levels of an individual's needs. In the interview questions, 5 and 6 ask about their target in life and where they see themselves in five year's time on a scale of 1 to 10. This question is designed to get an understanding of what level they see themselves on the Maslow scale and where the business associates see the entrepreneurs. Results from these questions are presented in the following table.

#### Case Study 1

**Table 5.4 Maslow's hierarchy of need**

<b>Case study 1 Questions 5 &amp; 6 - Need to achieve</b>		
<b>Rating allocated</b>	<b>Entrepreneur</b>	<b>Business Associate</b>
Question 5	6.5	6
Question 6	8	8

Taking the results presented above and averaging all four figures results in an average of 7.12. The question asks the individual to rate the entrepreneur between 1 to 10, allocating a rating of two points to each level. Therefore a scoring of 0-2 equates to level 1, 2-4 equates to level 2, 4-6 equates to level three, 6-8 equates to level four and 8-10 equates to level five.

Therefore, this average rating of 7.12 shows that the entrepreneur is on the fourth level of the Maslow hierarchy of needs. Alongside this method of analysis of these questions, if the scoring is taken separately for each question by each individual all the scores fall into the 6-8 scale which also indicates that the entrepreneur is on the fourth level of the Maslow hierarchy of need further supporting the first analysis of these results.

## Case Study 2

**Table: 5.5 Maslow's hierarchy of need**

<b>Case study 2 Questions 5 &amp; 6 - Need to achieve</b>					
<b>Rating allocated</b>	<b>Entrepreneur</b>	<b>Employee 1</b>	<b>Employee 2</b>	<b>Customer</b>	<b>Supplier</b>
Question 5	5	6	6	6	6
Question 6	8	9	8	8	8

Taking these results and averaging the answers results in an average of 7. This indicates that entrepreneur in case study two is on the fourth level of the Maslow Hierarchy of need. Analysing all these results separately however does show that the entrepreneur does not see their own score on level four. Instead they scored themselves on level three with a rating of five. However, all of their business associates marked them on the fourth level of the hierarchy of need and all marked for the future at a higher level indicating that the entrepreneur has a need to achieve higher than where they are currently.

### **5.4.3 Propensity to take risk**

Questions two, three and four of the interview are directly related to taking risk. These questions were designed with closed answers to try to determine if the entrepreneur is risk adverse or a risk taker.

Question 2 has two choices which if chosen demonstrate characteristics of risk adverse and two choices that demonstrates risk taker characteristics. It also has a fifth option that possibly demonstrates risk neutral depending on the response if any alternative is given or this could demonstrate innovativeness.

Question 3 has three choices, two choices that show the individual has the characteristic of being a risk taker and one choice that shows the individual to be totally risk adverse.

Question 4 has three choices with one choice displaying the actions of a person that is a risk taker and two choices displaying the actions of a risk adverse individual.

The following table represents the data collected from questions 2, 3 and 4 displaying the entrepreneur's propensity to take risks.

**Table: 5.6 Risk Propensity**

<b>Case study 1 - Risk Propensity</b>		
<b>Question</b>	<b>Entrepreneur 1</b>	<b>Business associate</b>
2	RA	RT
3	RA	RA
4	RT	RT

RA = Risk Adverse

RT = Risk Taker

In this study the results from questions two to four show a mix of indicators to suggest risk adverse and risk taker. The divide between the answers is fifty per cent risk adverse and fifty percent risk taker.

Case study 2

**Table 5.7 Risk Propensity**

<b>Case Study 2 - Risk Propensity</b>					
<b>Question</b>	<b>Entrepreneur 1</b>	<b>Employee 1</b>	<b>Employee 2</b>	<b>Customer</b>	<b>Supplier</b>
2	RN	RT	RA	RT	RA
3	RT	RT	RT	RT	RT
4	RT	RT	RT	RT	RT

RA = Risk

Adverse

RT = Risk Taker

RN = Risk

Neutral

The results of questions 2,3, and 4 in the second case study return a result of risk taker in twelve answers. Two answers show the entrepreneur to be risk adverse and one answer demonstrates the individual to be risk neutral. This is a more conclusive result on the entrepreneurs risk propensity in comparison to case study 1 which was inconclusive.

#### 5.4.4 Locus of control

Rotter’s locus of control questionnaire was used to measure locus of control. The following scale is used to score the questionnaire (MCCC.edu, 2014).

**Score one point for each of the following:**

2. a, 3.b, 4.b, 5.b, 6.a, 7.a, 9.a, 10.b, 11.b, 12.b, 13.b, 15.b, 16.a, 17.a, 18.a, 20.a,

21. a, 22.b, 23.a, 25.a, 26.b, 28.b, 29.a. Total Score = 23.

A high score (15-23) = External Locus of Control

A low score (1-15) = Internal Locus of Control

Case study 1

**Table 5.8 Rotter’s locus of control questionnaire**

<b>Rotter’s locus of Control Questionnaire – Entrepreneur 1</b>		
	<b>Entrepreneur 1</b>	<b>Business associate 1</b>
<b>Total Score</b>	3	6

In case study one, the entrepreneur as shown in Table 5.8 (above), presented scores low in his own questionnaire and his business associate also scored him low with an average of 4.5 indicating a characteristic of internal locus of control.

**Table 5.9 Rotter’s locus of control questionnaire**

<b>Rotter’s Locus of Control - Entrepreneur 2</b>					
	<b>Entrepreneur 2</b>	<b>Employee 1</b>	<b>Employee 2</b>	<b>Customer</b>	<b>Supplier</b>
<b>Total Score</b>	8	6	3	6	3
<b>Average</b>	<b>5.2</b>				

In case study two the findings in table 5.9 deliver a score of 5.2 which indicates psychological characteristics of an internal locus of control.

### 5.4.5 Innovation

During the interview of closed questions and questionnaires innovativeness was not evident. There was opportunity for innovative thinking included in question two with an option for ‘none of the above’ and opportunity to elaborate. However, the first entrepreneur avoided this choice and the second did pick this choice but did not elaborate in detail what he would do exactly and therefore did not display an innovative response.

### 5.4.6 Tolerance for ambiguity

In the first section of questions, there is included an open ended question on change. Both entrepreneurs like change with the second case study stating that he “absolutely loves change.”

## 5.5 Findings - open ended questions

The following findings are presented in the tables below, displaying what evidence was sourced during the open ended questions. These were questions 7 – 13 inclusive.

**Table 5.10 Locus of control**

<b>Characteristic: Internal Locus of Control</b>			
<b>Criteria that demonstrate characteristic:</b> Own boss, control of decisions, control of future destiny, hard worker.			
<b>Question</b>	<b>Criteria evident</b>	<b>Direct evidence of criteria from interview</b>	<b>Individual</b>
1	Work hard to achieve	<i>“I never found it hard to work hard to achieve”.</i>	Entrepreneur case study 2
10	Control of own life	<i>“The idea of being my own boss”</i>	Entrepreneur case study 2
12	Control of future	<i>“The future is essentially in your own hands”</i>	Entrepreneur case study 2



**Table: 5.11 Self-esteem**

<b>Characteristic: High Self Esteem</b>			
<b>Criteria that demonstrates characteristic:</b> Belief in own innovative idea, fearless of future, fearless of risk, faith in self-potential, confidence, determination, Good decision making.			
<b>Question</b>	<b>Criteria evident</b>	<b>Direct evidence of criteria from interview</b>	<b>Individual</b>
9	Confidence, determination.	<i>"Gained confidence from freelance work and knew I could do it"</i> .	Entrepreneur case study 2
10 (a)	Makes good decisions	<i>"Entrepreneur makes good decisions"</i> .	Employee 1 case study 2
10 (a)	Makes good decisions	<i>"Definitely makes good decisions"</i> .	Employee 2 case study 2
10 (a)	Makes good decisions	<i>"Delivers quality which requires sound decision making"</i> .	Customer case study 2

**Table 5.12 Risk Propensity**

<b>Characteristic: Risk Propensity</b>			
<b>Criteria that demonstrate characteristic:</b> Risk taking activity, Calculates risk, Investor, new ventures, positive thinking of future ventures.			
<b>Question</b>	<b>Criteria evident</b>	<b>Direct evidence of criteria from interview</b>	<b>Individual</b>
1	Risk taken on starting a business	<i>"I was made redundant and decided to take the risk on a business"</i> .	Entrepreneur case study 1
11	Positive thinking of future	<i>"Don't think negatively of future"</i>	Entrepreneur case study 2
11 (a)	Calculated risk	<i>"Calculated risk taker"</i> .	Employee 1 case study 2
11 (a)	Takes chances	<i>"Takes chances successfully"</i> .	Employee 2 case study 2

**Table 5.13 Tolerance for ambiguity**

<b>Characteristic: Tolerance for Ambiguity</b>			
<b>Criteria that demonstrate characteristic:</b> Looking positively on future, discussing the future, fearless, acceptance of change, excited, opportunistic and innovative.			
<b>Question</b>	<b>Criteria evident</b>	<b>Direct evidence of criteria from interview</b>	<b>Individual</b>
7	Fearless	<i>"TV contract being successful. This made me feel exhilarated"</i> .	Entrepreneur case study 2
7	Opportunistic	<i>"I turned my anger into an opportunity and decided to start my own business "</i> .	Entrepreneur case study 1
7	Loved the change	<i>"Change this year brought about change and (name) just loved it"</i> .	Employee 1 case study 2
7	Loved change	<i>"Witnessed (name) going through good and bad times and they loved the change"</i> .	Employee 2 case study 2
8	Likes change	<i>"In business ya absolutely"</i> .	Entrepreneur case study 2
8	Embraces change	<i>"Don't like change but I embrace change"</i> .	Entrepreneur case study 1
8	Likes change	<i>"Feels he likes change"</i> .	Business associate of entrepreneur 1
8	Loves change	<i>"He absolutely loves it"</i> .	Employee 1 case study 2
8	Definitely liked change	<i>"He wouldn't be where he is if he didn't like change"</i> .	Employee 2 case study 2
8	Definitely liked change	<i>"I'm my opinion he definitely likes change"</i> .	Supplier case study 2
13 (a)	Positive about future	<i>"Always excited about what's possibly coming for them"</i> .	Employee 1 case study 2

**Table 5.14 Need to achieve**

<b>Characteristic: Need to achieve</b>			
<b>Criteria that demonstrates characteristic:</b> Plans for the future, never finished thinking of new ideas, energetic about work to push for more, targets for life, reason to carry on achieving.			
<b>Question</b>	<b>Criteria evident</b>	<b>Direct evidence of criteria from interview</b>	<b>Individual</b>
9 (a)	Energy	<i>"He is full of energy"</i> .	Employee 1 case study 2

**Table 5.15 Innovation**

<b>Characteristic: Innovative</b>			
<b>Criteria that demonstrates characteristic:</b> New ideas, critical thinking, other businesses operating, ideas to improve in work methods/technology.			
<b>Question</b>	<b>Criteria evident</b>	<b>Direct evidence of criteria from interview</b>	<b>Individual</b>
12 (a)	New ideas	<i>“He talks about different ways to do things”.</i>	Employee 1 case study 2
12 (a)	New ideas	<i>“He is always looking at new ideas”.</i>	Employee 2 case study 2
12 (a)	New technology	<i>“He enquires about new technology”.</i>	Supplier case study 2
12 (a)	Ideas for production	<i>“He is very creative with delivering a quality product”.</i>	Customer case study 2
13	New ventures	<i>“We are about to get into something very interesting”.</i>	Entrepreneur case study 2

## 5.6 Chapter conclusion

Presented in this chapter are the findings from the interviews and questionnaires conducted in both case studies. As previously mentioned, case study one was a pilot study and on review of this study, an extra section of open ended questions were included in case study two to gather further evidence of the psychological characteristics of the entrepreneur.

In conclusion of these results which will be further detailed in the next chapter, the study has found that the entrepreneurs in both cases had a personality trait with psychological characteristics indicative of an individual with characteristics of internal locus of control, high self-esteem, propensity to take risk, tolerance of ambiguity, need to achieve and innovativeness.

---

## **CHAPTER 6 – DISCUSSION AND CONCLUSIONS**

---

## **Chapter 6: Discussion and Conclusions**

### **6.1 Chapter introduction**

This chapter is going to discuss and conclude on the findings of this primary research with the literature research as presented in fig 4.1. This chapter supports the literature presented previously by discussing the findings from the primary research carried out suggesting that successful entrepreneurs have specific psychological characteristics. Each research statement will be linked to each of the characteristics discussed in the next section.

The chapter will present recommendations for future studies in this area and discuss some of the limitations realised during this study.

### **6.2 Psychological characteristics**

Churchill & Lewis, (1986), Herron & Robinson, (1993) vast amount of studies were carried out on psychological characteristics of entrepreneurs in the past resulting in the main characteristics associated with successful entrepreneurs being internal locus of control, high self-esteem, propensity to take risks, tolerance of ambiguity, need to achieve and innovativeness. These characteristics are the most frequently recognised (Bygrave, 1989), (Robinson, et al., 1991), (Shaver & Scott, 1991). This study carried out primary research to prove the proposition that these psychological characteristics are evident in successful entrepreneurs.

#### **6.2.1 Locus of control**

Rotter's locus of control questionnaire was used and findings presented in table 5.8 and 5.9 show that both case studies researched resulted in a low scoring which depicts an individual with an internal locus of control.

In the open ended questions section, evidence gathered (See table 5.10) further supports the findings from the questionnaires with evidence from the interviews showing that the entrepreneur believed in controlling his own future and fate through his hard work and actions. Luck was not part of the success.

### **6.2.2 Self-esteem**

From the findings presented from Rosenberg's questionnaire, both entrepreneurs scored high in self-esteem. This was further evidenced in the open ended questions in case study two where confidence, determination and good decision making were evidenced through the interviews as presented in table 5.11.

### **6.2.3 Propensity to take risks**

Findings presented in table 5.6 and 5.7 were inconclusive for the entrepreneur in case study one, but findings from case study two show that the entrepreneur is a risk taker.

Table 5.12 from the open ended questions in the interview supported the evidence for the entrepreneur in case study two and also gathered findings from case study one to suggest that the entrepreneur in case study one was indeed also a risk taker.

### **6.2.4 Tolerance of ambiguity**

Identification of tolerance for ambiguity was not designed into the questionnaires or closed questions. Therefore, evidence from the open ended questions as presented in table 5.13 is the only data that returned significant evidence supporting the conclusion, that both entrepreneurs are tolerant of ambiguous situations and embrace change with a positive view.

### **6.2.5 Need for achievement**

Maslow, (1970) hierarchy of need was used as a guide to understand where both entrepreneurs rated on the hierarchy of need. Findings as presented earlier in table 5.4. And table 5.5 suggest that both entrepreneurs are on level four in Maslow's hierarchy of need. This therefore states that they are trying to achieve level five which is the self-actualisation level as presented in section 2.4.1. Evidence from section one of the interviews showed that both entrepreneurs had a desire to achieve further in their careers.

Further evidence gathered through the open interview questions as presented in table 5.14 found a small amount of evidence to suggest that the second entrepreneur has characteristics of need to achieve.

Collating the findings from all the interviews as presented in tables 5.4 and 5.5 and the findings from the interviews in table 5.14 concludes that both entrepreneurs have a psychological characteristic of need to achieve.

#### **6.2.6 Innovation**

Section one of the interview process resulted in no findings to suggest innovativeness in either entrepreneur. Findings from section two of the interview process as presented in table 5.15 did result in findings to suggest that the entrepreneur in case study two was innovative and creative.

This was an interesting twist in the results, due to the fact that the reason the first entrepreneur entered business was due to redundancy and the reason the second entrepreneur became such, was due to a passion for the business and the identification of a gap in the market which suggests that possibly, innovativeness is not a characteristic found in successful entrepreneurs. This is a characteristic that possibly could have been researched further to investigate if the first entrepreneur had a stronger innovative characteristic. It is also worth noting that the innovative aspect of entrepreneur two resulted from the additional open ended questions asked in the second case study.

### **6.3 Limitations and recommendations for future studies**

As mentioned previously, some limitations were identified by the researcher during this study and recommended for future studies. These are as follows;

#### **Limitations**

- This study was limited in the fact that the entrepreneurs were researched in their current positions. Therefore characteristics such as high self-esteem, where currently evident in the entrepreneurs, may not have been evident before they started their respective businesses. It is therefore recommended that a study assessing the characteristics before start up and after could be carried out to compare the results.

#### **Recommendations for further research**

- It is recommended that further research be carried out to investigate the level of innovation evidenced in the entrepreneurs. This research did return evidence of innovativeness but further evidence could possibly be gathered to support this.
- Further research could categorise entrepreneurs and compare characteristics in different industries. The second case study investigated in this research for example displayed innovativeness. However, this person's job requires innovativeness and that is a talent that this individual exhibits. It would be interesting to see if characteristics were common across different sectors such as retail, hospitality, IT sectors.
- This research looked at business entrepreneurs. Further research could look at a comparison between the psychological characteristics of business entrepreneurs and that of social entrepreneurs.



## 6.4 Overall conclusion

This study was carried out to investigate the research proposition which stated that *‘Successful entrepreneurs carry a personality trait that displays the psychological characteristics of internal locus of control, high self-esteem, propensity to take risks, tolerance of ambiguity, need for achievement and innovativeness’*. This proposition led to the development of four research statements for investigation through this study. These statements were as follows;

1. Successful entrepreneurs possess an internal locus of control.
2. Successful entrepreneurs possess a high level of self-esteem.
3. Successful entrepreneurs have a propensity to take risks within acceptable ambiguity levels.
4. Successful entrepreneurs are innovative and have a high need for achievement.

This study researched current literature available and presented evidence from various academics in agreement with the proposition that entrepreneurs have psychological characteristics of internal locus of control, high self-esteem, propensity to take risks, tolerance for ambiguity, need to achieve and innovative.

### **Statement 1**

The first research statement states, successful entrepreneurs have an internal locus of control. As presented in the findings from the literature review, the theory most popular and well know is that of (Rotter, 1971) stating that some people believe in external factors relating to success and others believe in internal factors relating to success.

In this study the findings as presented, conclude that the successful entrepreneurs researched did possess an internal locus of control. Therefore, it can be concluded from the findings presented that successful entrepreneurs believe in creating their own success and do not agree with luck or fate because of an internal locus of control characteristic.

### **Statement 2**

The second statement expresses that entrepreneurs possess a high level of self-esteem. The literature review presented theories from (Douglas & Shepherd, 2000) which stated that individuals who believe in their own skills and knowledge will take on the challenges of a new business. This study through its primary research using Rosenberg's self-report on self-esteem; found that the entrepreneurs studied returned high levels of self-esteem. This was further supported with evidence found to suggest high levels of self-esteem through the questions asked in the interviews see table 5.11. It is therefore concluded from this study that successful entrepreneurs possess a psychological characteristic of high self-esteem.

### **Statement 3**

The third statement stated that successful entrepreneurs have a propensity to take risks within acceptable ambiguity levels. This study investigated through the literature review, the propensity of entrepreneurs to take risks and their tolerance for ambiguity. Theories from (O'Gorman & Cunningham, 1997) were presented, stating that individuals that can handle the stress of ambiguity are more likely to become entrepreneurs.

Other literature researched in relation to risk presented by (Carland, et al., 1995) hypothesised that entrepreneurs displayed a higher level of risk to managers and business owners.

This study investigated the tolerance for ambiguity in entrepreneurs and their propensity to take risks. In the findings presented the entrepreneurs were found to have a propensity to take risk within acceptable ambiguous levels.

### **Statement 4**

The fourth statement states that entrepreneurs are innovative and have a high need for achievement. This was reviewed in the current literature before researching through the case studies presented. Schumpeter, (1942), Stevens & Burley, (1997) are cited as stating that entrepreneurs are innovative and creative.

This study found that the entrepreneur in case study two was creative and innovative. It did not find the same level of innovation with the entrepreneur in case study one,

but it is also pointed out that the second case study was more extensive than the first and therefore the first entrepreneur could have been very creative and just did not display it due to the design of the interview questions.

It is therefore concluded that entrepreneurs from this case study possess an innovative characteristic but that this is an area that could be investigated further and is therefore not as conclusive as some of the other characteristics identified throughout the study.

In conclusion, this study has found through its literature and case study research that successful entrepreneurs carry a personality trait that displays the psychological characteristics of internal locus of control, high self-esteem, propensity to take risks, tolerance of ambiguity, need for achievement and innovativeness.

---

## REFERENCES

---

## Reference List

- Amabile, T., 1983. The social psychology of creativity. *Journal of personality and social psychology.*, 45(2), pp. 357-376.
- Amabile, T., 1997. Entrepreneurial creativity through motivational synergy.. *Journal of creative Behaviour.*, 31(1), pp. 18-26.
- Aspen, I., 2006. *Lessons regarding scale: findings from a literature review by the Aspen Institute/FIELD and the association for Enterprise opportunity.*, Aspen: Aspen Institute.
- Atherton, A., 2012. An analysis of new venture capitilisation structures and patterns.. *International journal of entrepreneurial behaviour and Research*, 18(1), pp. 28-47.
- Azzam, A., Moghli, A., Mufaddy, M. & Kasasbeh, A., 2012. Social Network and the success of business start up. *International Journal of Business and Management.*, 7(9), pp. 134-140.
- Basu, A. a. P., 2001. Family finance and new business start ups. *Oxford Bulletin of Economics and Statistics*, 63(3), pp. 333-360.
- Baum, J., Frese, M. & Baron, R., 2007. *The psychology of Entrepreneurship.* 1st. ed. New York: Lawrence Erlbaum..
- Berry, T., 2006. *Entrepreneur.* [Online] Available at: <http://www.entrepreneur.com/article/83818> [Accessed 13th January 2014].
- Binks, M. E., 1996. Growing firms and the Credit constraint. *Small Business Economics*, 8(1), pp. 17-25.
- Bolton, J., 1971. *Report of the Committee of Inquiry on Small Firms.*, London: HMSO.
- Boyer, D., Creech, H. & Paas, L., 2008. Critical success factors and performance measures for start up social and environmental enterprises.. *International institute for Sustainable Development.*, 1(1), pp. 4-44.
- Bracker, J. & Pearson, J., 1986. Planning and financial performance of small, mature firms.. *Strategic Management Journal*, 7(6), pp. 503-522.
- Brockhaus, R., 1980. Risk Taking Propensity of Entrepreneurs. *Academy of Management Journals*, 23(3), pp. 509-520.
- Broedling, L., 1975. Relationships of internal-external control to work motivation and performance in an expectancy model.. *Journal of Applied Psychology*, 60(1), pp. 65-70.

- Burgess, R., 1984. *In the field: An Introduction to Field Research*. 1st ed. London: Allen and unwin.
- Burrell, G. & Morgan, G., 1979. *Sociological Paradigms and Organisational Analysis*. 1st ed. Hants: Ashgate.
- Business.ie, 2014. *Business start up.ie*. [Online]  
Available at: <http://www.business-startup.ie/>  
[Accessed 26th January 2014].
- Bygrave, W., 1989. The entrepreneurship paradigm: a philosophical look at its research methodologies. *Entrepreneurship: Theory and Practice*, 14(1), pp. 7-26.
- Carland, C. a., 1992. Managers, small business owners and entrepreneurs: The cognitive dimension.. *Journal of Small Business* , 12(4), pp. 55-66.
- Carland, J., Carland, J., Carland, J. & Pearce, J., 1995. Risk Taking Propensity among Entrepreneurs, Small Business Owners and Managers. *Journal Of Business and Entrepreneurship*, 7(1), pp. 15-23.
- Carrier, C. a. r., 2004. Cyberentrepreneurship - A Multiple Case Study. *International Journal of Entrepreneurial Behaviour & Research.*, 10(5), pp. 349-363.
- Cassar, G., 2004. The financing of Business start ups. *Journal of Business Venturing*, 19(2), pp. 260-285.
- Churchill, N. & Lewis, V., 1986. *Entrepreneurial Research: directions and methods*. 1st ed. Cambridge: Ballinger.
- Cunningham, J. & Lischeron, J., 1991. Defining Entrepreneurship. *Journal of small business management*, 29(1), pp. 45-61.
- Davidsson, P. & Benson, H., 2002. The Role od Social and Human Capital among Nascent Entrepreneurs. *Jonking International Business School.*, 1(1).
- Department of Jobs, E. a. I., 2014. *Department of Jobs, Enterprise and Innovation*. [Online]  
Available at: <http://www.djei.ie/enterprise/businesssupport.htm>  
[Accessed 17th January 2014].
- Dictionary, F., 2014. *The Free dictionary*. [Online]  
Available at: <http://www.thefreedictionary.com/enterprise>  
[Accessed 28th January 2014].
- Domegan, C. & Fleming, D., 2000. *Marketing Research In Ireland: Theory and Practice*. 2nd ed. Dublin: Gill and Macmillian.
- Douglas, E. & Shepherd, D., 2000. Entrepreneurship as a utility maximising response.. *Journal Of Business Venturing*, 15(1), pp. 231-251.

- Drucker, P., 1964. *Managing For results*. 5 ed. New York: Harper and Row.
- Drucker, P., 1974. *Tasks, Responsibilities, Practice*. 45 ed. New Yory: Harper and Row.
- Drucker, P., 1985. *Innovation and Entrepreneurship*. 1st ed. Oxford: Heinemann.
- Dwyer, H. & Lynn, R., 1989. Small capitilisation companies:What does financial analysis tell us about them?. *The Financial Review*, 24(3), pp. 397-415.
- Easterby Smith, M., Thorpe, R. & Lowe, A., 2002. *management Research: An introduction*.. 2nd ed. London: Sage.
- EC, 2003. *Green paper on Entrepreneurship in Europe*, Brussels: European Commission.
- England, B. o., 2003. *Finance for small firms - A Tenth Report*, London: Bank of England.
- England, B. O., 2004. *Finance for small Firms - An Eleventh Report*, London: Bank of England.
- Entrepreneur.ie, 2014. *Entrepreneur*. [Online]  
Available at: <http://www.entrepreneur.com/encyclopedia/business-plan>  
[Accessed 27th January 2014].
- Flanagan, D. N., 2014. *Start Your Own Business*. [Online]  
Available at: <http://startupeducation.wordpress.com/characteristics-of-an-entrepreneur/>  
[Accessed 28th January 2014].
- Forbes, D., 2005. The effects of strategic decision making on entrepreneurial self efficiency.. *Entrepreneurship Theory and Practice*., 1(1), pp. 599-626.
- Frese, M., 1999. Social support as a moderator of the relationship between work stressors and psychological dysfunctioning.. *Journal of Occupational Health Psychology*, 4(3), pp. 179-192.
- Gartner, W., 1985. A conceptual framework for describing the phenomenon of new venture creation. *Academy of management review*, 10(1), pp. 696-706.
- Ghosh, B. & Kwan, W., 1996. An analysis of key success factors of SME's. *ICSB World Conference Proceedings*, 1(1), pp. 215-252.
- Gill, J. & Johnson, P., 1997. *research methods for managers*.. 2nd ed. London: Chapman.
- Hakim, C., 2000. *Research Design*.. 2nd ed. New York: Routledge.

- Hansemark, O., 2003. Need for achievement, locus of control and the prediction of business start-ups. *Journal of Economic Psychology*, 24(3), pp. 2-25.
- Harding, R and Cowling, M, 2006. Assessing the scale of the equity gap. *Journal of small Business and Enterprise Development*, 13(1), pp. 115-132.
- Hee Song, N., Daisy, K. & Hung, M., 2012. The conceptual framework of the impact of Key Intangible Success factors on the enterprise success.. *Interdisciplinary Journal of Contemporary Research in Business.*, 1(1), pp. 1-5.
- Henricks, M., 2008. *Entrepreneur*. [Online]  
Available at: <http://www.entrepreneur.com/article/198618>  
[Accessed 12th January 2014].
- Herron, L. & Robinson, R. J., 1993. A structural model of the effects of entrepreneurial characteristics on venture performance.. *Journal of Business Venturing*, 8(1), pp. 281-294.
- Holland, J., 1985. *Making vocational choices*. 1st ed. New York: Prentice hall.
- Howorth, C., 2001. Small firms demand for finance:a research note. *International small business journal*, 19(4), pp. 78-86.
- Hughes, A., 1997. Finance for SME's: A UK Perspective. *Small Business economics*, 9(2), pp. 151-166.
- Hughes, A. a. S., 1994. *Finance and the small firm*. 1st ed. London: Routledge.
- Hunter, D., 2000. Leadership Resilience and Tolerance for ambiguity in crisis situations.. *The Business Review*, 5(1), pp. 44-50.
- Hunter, J. & Hunter, R., 1984. Validity and Utility of alternative predictors of job performance.. *Psychological Bulletin*, 96(3), pp. 72-98.
- Indarti, N. & Langenberg, M., 2005. *A study of factors affecting Business success among SME's*. Indonesia: Free press.
- Institute, F., 2014. *Fetzer.org*. [Online]  
Available at:  
[http://www.fetzer.org/sites/default/files/images/stories/pdf/selfmeasures/Self\\_Measures\\_for\\_Self-Esteem\\_ROSENBERG\\_SELF-ESTEEM.pdf](http://www.fetzer.org/sites/default/files/images/stories/pdf/selfmeasures/Self_Measures_for_Self-Esteem_ROSENBERG_SELF-ESTEEM.pdf)  
[Accessed 21st August 2014].
- Investopedia, 2014. *Investopedia*. [Online]  
Available at: <http://www.investopedia.com/terms/b/business-plan.asp>  
[Accessed 14th January 2014].
- Islam, A., Keawchana, T. & Yusuf, D., 2011. factors affecting Business Success of Small & Medium Enterprises in thailand. *Asian Social Science*, 7(5), pp. 180-190.



- Jackson, D., 1976. *Personality Inventory Manual*. 1st ed. New York: Research Psychologists Press.
- Johnson, B., 1990. Toward a multidimensional model of entrepreneurship: the case of achievement motivation and the entrepreneur.. *Entrepreneurship: Theory and Practice*, 14(1), pp. 38-54.
- Karasek, R. & Theorell, T., 1990. *Healthy work stress, Productivity and the reconstruction of Working Life*. 1st ed. New York: NY Basic Books.
- Kauffmann, P. & Dant, R., 1998. Franchising and the domain of entrepreneurship research.. *Journal of Business Venturing*, 14(1), pp. 5-16.
- Kets De Vries, M., 1977. The Entrepreneurial Personality: the person at the crossroads.. *Journal of management Studies*, 14(1), pp. 34-57.
- Kilby, P., 1971. *Entrepreneurship and economic development*. New York: Free press.
- Knight, K., 1967. A Descriptive Model of the intra firm innovation press. *The Journal Of Business*, 40(4), pp. 478-496.
- Kogan, N. & Wallach, M., 1964. *Risk Taking*. 1st ed. New York: Holt, Rinehart and Winston.
- Kolvereid, L., 1997. Organisational employment versus self employment: reasons for career choice intentions.. *Entrepreneurship theory and practice*., 18(1), pp. 5-21.
- Krueger, D., 1998. Personality Characteristics of the small Business Entrepreneur.. *Journal of business and entrepreneurship*, 10(1), pp. 26-34.
- Krueger, N. & Brazeal, D., 1994. Entrepreneurial potential and potential entrepreneurs.. *Entrepreneurship Theory and Practice*., 18(3), pp. 91-104.
- Lachman, R., 1980. Toward measurement of entrepreneurial tendencies. *Management International Review*, 20(1), pp. 108-116.
- Lee, A., 1991. Integrated positivists and Interpretivist Approach to Organisational Research.. *Organisational science*, 2(4), pp. 342-365.
- Lefcourt, H., 1976. *Locus of control*, s.l.: Lawrence Erlbaum and Associates.
- Lefcourt, H., 1976. Locus of Control. *Current Trends in theory and Research*, 5(2nd), pp. 20-50.
- Lincoln, Y. & Guba, E., 1985. *Naturalistic Enquiry*. 1st ed. London: Sage publications.
- Lucky, E., 2011. *Entrepreneurial performance and firm performance. Are they synonymous: a PhD Experience*.. s.l.:s.n.

- Lumpkin, G. & D. G., 1996. Clarifying the entrepreneurial orientation construct and linking it to performance.. *Academy of Management Review*, 21(1), pp. 135-172.
- Malone, T. a. I., 1998. The dawn of the e-lance economy. *Harvard Business Review*, 76(5), pp. 144-152.
- Maryland, U. O., 2014. *Rosenbergs self esteem scale*. [Online]  
Available at: <http://www.socy.umd.edu/quick-links/rosenberg-self-esteem-scale>  
[Accessed 20th August 2014].
- Maslow, A., 1970. *Motivation and Personality*.. 2nd ed. New York: Harper&Row.
- Masters, R. & Meier, R., 1988. Sex Differences and Risk taking Propensity of Entrepreneurs.. *Journal Of Small Business Management*, 26(1), pp. 31-35.
- McCarthy, B., 2000. Researching the Dynamics of Risk. *Irish Marketing Review*, 13(1), pp. 46-60.
- MCCC.edu, 2014. *Mccc.edu*. [Online]  
Available at: <http://www.mccc.edu/~jennin角度/Courses/documents/Rotter-locusofcontrolhandout.pdf>  
[Accessed 21 August 2014].
- mccc.edu, 2014. *Rotters Locus of Control Scale*. [Online]  
Available at: <http://www.mccc.edu/~jennin角度/Courses/documents/Rotter-locusofcontrolhandout.pdf>  
[Accessed 05th August 2014].
- McClland, D., 1961. *The Achieving Society*. 1st ed. New York: Van Nostrand.
- McClland, D., 1965. Toward a theory of motive acquisition. *American Psychologist*, 20(1), pp. 321-333.
- McMullen, J. & Shepherd, D., 2006. Entrepreneurial action and the Role of Uncertainty In The Theory Of The Entrepreneur. *Academy Of Management Review*, 31(1), pp. 132-152.
- Mill, J., 1848. *Principles of political economy with some of their applications to social philosophy*.. 1st ed. Boston: Little and Brown..
- Mitton, D., 1989. The Complete entrepreneur. *Entrepreneurship: Theory and Practice*, 13(1), pp. 9-19.
- Motwani, J., Mirchandani, D., Madan, M. & Gunasekaran, M., 2002. Successful implementation of ERP projects:Evidence from two case studies.. *International journal of production Economics.*, 75(1), pp. 83-96.
- Mullane, J., 2001. Entrepreneurial firms as suppliers in business to business e-commerce. *Management Decisions*, 39(5), pp. 388-393.

- O'Gorman, C. & Cunningham, J., 1997. *Enterprise in action - An Introduction to entrepreneurship in an Irish Context*. 1st ed. Dublin: Oak Tree Press.
- Oxford, 2014. *Oxford dictionary*. [Online] Available at: [www.oxforddictionaries.com](http://www.oxforddictionaries.com) [Accessed 14th August 2014].
- Peterson, C. & Stunkard, A., 1989. Personal control and health promotions. *Social Science Medicine*, 28(1), pp. 819-830.
- Phares, E., 1976. *Locus of Control in Personality*. 1st ed. Morristown: general Learning Press.
- Robinson, P., Huefner, J. & Hunt, H., 1991. Entrepreneurial research on student subjects does not generalise to real world entrepreneurs.. *Journal of Small Business Management*, 29(1), pp. 42-50.
- Robinson, P., Stimpson, D., Huefner, J. & Hunt, H., 1991. An attitude approach to the prediction of entrepreneurship. *Entrepreneurship: theory and Practice*, 15(1), pp. 13-31.
- Ronstadt, R., 1984. *Entrepreneurship text case and notes*. 6 ed. Dover: Loard Publishing.
- Rotter, J., 1966. Generalised Expectations for Internal Verses External control of locus of reinforcement.. *Psychology Monographs*, 80(1), pp. 1-28.
- Rotter, J., 1971. Clinical Psychology. *Englewood Cliffs: Prentice Hall*, 20(1), pp. 261-280.
- Saunders, M., Lewis, P. & Thornhill, A., 2012. *Research Methods For Business Students*. 6th ed. Essex: Pitman Publishing Ltd.
- Schumpeter, J., 1934. *The theory of economic development*, Cambridge: Harvard University Press.
- Schumpeter, J., 1942. *Capatilism, socialism and democracy*. 1st ed. Vienna: Routledge.
- Shane, S. & Venkataramann, 2000. the promise of entrepreneurship as a field of research. *Academy Of management Review*., 25(1), pp. 217-226.
- Shane, S. & Venkataraman, S., 2000. The promise of entrepreneurship as a field of research.. *Academy of Management Review*, 25(1), pp. 217-226.
- Shaver, K. & Scott, L., 1991. Person, process, choice: the psychology of new venture creation.. *Entrepreneurship: theory and Practice*, 16(1), pp. 23-45.

- Shivani, S., Mukherjee, S. & Sharan, R., 2006. Social cultural influences on Indian entrepreneurs. The need for appropriate structural interventions.. *Journal of Asian Economics.*, 17(1), pp. 5-13.
- Singer, J., 1990. *Differentiating the entrepreneur: a functional personality trait.* Houston: TX.
- Smallbone, D., 1991. Success and Failures in new Business start up's.. *International small business Journal*, 8(2), pp. 34-45.
- Spector, P., 1982. Behaviour in organisations as a function of employees locus of control. *Psychological Bulletin*, 91(3), pp. 482-497.
- Stevens, G. & Burley, J., 1997. 3000 raw ideas equals 1 commercial success!. *Research Technology Management.*, 40(3), pp. 16-27.
- Stevenson, H. & J., 1990. A paradigm of entrepreneurship: Entrepreneurial management. *Strategic Management Journal*, 11(1), pp. 17-27.
- Steward, W., 2013. *Taranomoco*. [Online]  
Available at: <http://www.taranomco.com/wp-content/uploads/2013/11/5.pdf>  
[Accessed 7th July 2014].
- Stewart, W., 1996. *Psychological Entrepreneurs*. 1st ed. New York: Garland.
- Teoh, H. & Foo, S., 1997. Moderating effects of tolerance for ambiguity and risk taking propensity on the role conflict-perceived performance relationship: Evidence fro singaposian entrepreneurs.. *Journal of Business Venturing*, 12(1), pp. 67-81.
- Titman, S. & Wessels, R., 1988. The Determinants of capital structure choice. *The Journal of Finance.*, 18(1), pp. 1-19.
- umd.edu, 2014. *Rosenberg's self esteem acale*. [Online]  
Available at: <http://www.socy.umd.edu/quick-links/rosenberg-self-esteem-scale>  
[Accessed 05th August 2014].
- Verheul, I. & Thurik, R., 2001. Start up Capital: Does gender matter?. *Small Business Economics*, 16(4), pp. 329-346.
- Westhead, P., 1995. Survival and employment growth contrasts between types of owner managed high technological firms.. *Entrepreneurship Theory & Practice*, 20(1), pp. 5-28.
- Wikimedia, 2014. *Maslows hierachy of needs*. [Online]  
Available at:  
[http://upload.wikimedia.org/wikipedia/commons/thumb/6/60/Maslow's\\_Hierarchy\\_of\\_Needs.svg/1280px-Maslow's\\_Hierarchy\\_of\\_Needs.svg.png](http://upload.wikimedia.org/wikipedia/commons/thumb/6/60/Maslow's_Hierarchy_of_Needs.svg/1280px-Maslow's_Hierarchy_of_Needs.svg.png)  
[Accessed 14th August 2014].

- Yin, R., 2003. *Applications of case study research*.. 2nd ed. London: sage.
- Zikmund, W., 1997. *Business Research Methods*. 5th ed. Oklahoma: Oklahoma State University.
- Zikmund, W., 2000. *Business Research methodology*.. 6th ed. New York: Harcourt,Inc.

---

## APPENDICES

---

## Appendix 1.1 – Letter of informed consent

### Letter of Informed Consent

**C/O FamiliBase**  
**Blackditch Road,**  
**Ballyfermot,**  
**Dublin 10**  
**Telephone – 087 6560136**  
**Email – [P\\_flan@hotmail.com](mailto:P_flan@hotmail.com)**

#### **To whom it may concern:**

My name is Patrick Flanagan and I am currently a final year student in the National College of Ireland studying a Master's in Business Administration.

In order to complete my masters, I am obliged to carry out a research project. My chosen topic is entrepreneurship.

I am requesting you take part in my research by filling out my attached questionnaires and also by participating in an interview with me at a suitable location within an agreed timeframe.

The first questionnaire is the Rosenberg self-report on self-esteem and requires you to answer ten questions.

The second questionnaire is Rotter's locus of control questionnaire and this is a more comprehensive questionnaire with twenty nine questions in total.

Finally I will ask you to answer verbally eight further questions in relation to entrepreneurship.

Your identity will remain anonymous throughout the study and will be shredded on completion of the project. Each interview will be recorded for the purpose of transcribing and all recorded interviews will be deleted once transcribing is complete.

Your participation in the study is on a totally voluntary basis and you can decide to withdraw at any time. Should you decide to participate, your participation would be greatly appreciated.

Should you have any questions in relation to this study or any aspect of it, please do not hesitate to contact me through any of the above contact resources.

Please read and sign the attached agreement declaration if you are willing to participate in the study.

Thanking you in anticipation for your time and support.

Kind Regards,

\_\_\_\_\_  
Patrick Flanagan.

I have read and understood the contents of the attached letter of informed consent. I agree to participate in the study and understand that my participation is completely voluntary. I am also aware that I can withdraw from this study at any time without having to give my reasons for doing so.

I ..... (Print Name please) agree to participate in Patrick Flanagan's study on entrepreneurship.

Signature ..... Date: .....

## Appendix 1.2 – Letter of informed consent (2)

### Letter of Informed Consent.

**C/O FamiliBase  
Blackditch Road,  
Ballyfermot,  
Dublin 10  
Telephone – 087 6560136  
Email – [P\\_flan@hotmail.com](mailto:P_flan@hotmail.com)**

#### **To whom it may concern:**

I have completed an interview and questionnaires for Patrick Flanagan for his study on entrepreneurship.

Patrick has now informed me that this study is on the characteristics of an entrepreneur and explained why he did not declare initially his intention before he started the research process.

I hereby give my consent for Patrick to use the information obtained from the interview and questionnaires for his project and understand that I could withdraw from the process at this stage without explanation, if this is my preferred option.

I ..... (Print name please) am happy for Patrick to use the information obtained for his study on the characteristics of entrepreneurs.

Signature .....

Date:.....



### Appendix 1.3 – Rosenberg’s self-esteem assessment.

If you Agree with the statement please circle A

If you Strongly Agree with the statement please circle SA

If you Disagree, Circle D

If you strongly disagree, circle SD

1. I feel that I am a person of worth, at least on an equal plane with others.

SA                                  A                                  D                                  SD

2. I feel that I have a good number of qualities

SA                                  A                                  D                                  SD

3. All in all, I am inclined to feel that I am a failure

SA                                  A                                  D                                  SD

4. I am able to do things as well as most other people

SA                                  A                                  D                                  SD

5. I feel I do not have much to be proud of.

SA                                  A                                  D                                  SD

6. I take a positive attitude towards myself

SA                                  A                                  D                                  SD

7. On the whole, I am satisfied with myself.

SA                                  A                                  D                                  SD

8. I wish I could have more respect for myself

SA                                  A                                  D                                  SD

9. I certainly feel useless at times

SA                                  A                                  D                                  SD

10. At times I think that I am no good at all.

SA                                  A                                  D                                  SD

**Thank you for completing this questionnaire.**

Source: (umd.edu, 2014)

### Appendix 1.4 – Rotter’s locus of control assessment.

In this section you are presented with 29 questions. Each question has a possible two answers, which you are required to select one from the other, either a or b. For each question be sure to read both parts and place a circle around a or b of the statement you agree with most.

- Q1. a. Children get into trouble because their parents punish them too much.  
b. The trouble with most children nowadays is that their parents are too easy with them.
- Q2. a. Many of the unhappy things in people's lives are partly due to bad luck.  
b. People's misfortunes result from the mistakes they make.
- Q3. a. One of the major reasons why we have wars is because people don't take enough interest in politics.  
b. There will always be wars, no matter how hard people try to prevent them.
- Q4. a. In the long run people get the respect they deserve in this world  
b. Unfortunately, an individual's worth often passes unrecognized no matter how hard he tries
- Q5. a. The idea that teachers are unfair to students is nonsense.  
b. Most students don't realize the extent to which their grades are influenced by accidental happenings.
- Q6. a. Without the right breaks one cannot be an effective leader.  
b. Capable people who fail to become leaders have not taken advantage of their opportunities.
- Q7. a. No matter how hard you try some people just don't like you.  
b. People who can't get others to like them don't understand how to get along with others.
- Q8. a. Heredity plays the major role in determining one's personality  
b. It is one's experiences in life which determine what they're like.
- Q9. a. I have often found that what is going to happen will happen.  
b. Trusting to fate has never turned out as well for me as making a decision to take a definite course of action.
- Q10. a. In the case of the well prepared student there is rarely if ever such a thing as an unfair test.

- b. Many times exam questions tend to be so unrelated to course work that studying is really useless.
- Q11. a. Becoming a success is a matter of hard work, luck has little or nothing to do with it.
- b. Getting a good job depends mainly on being in the right place at the right time.
- Q12. a. The average citizen can have an influence in government decisions.
- b. This world is run by the few people in power, and there is not much the little guy can do about it.
- Q13. a. When I make plans, I am almost certain that I can make them work.
- b. It is not always wise to plan too far ahead because many things turn out to be a matter of good or bad fortune anyhow.
- Q14. a. There are certain people who are just no good.
- b. There is some good in everybody.
- Q15. a. In my case getting what I want has little or nothing to do with luck.
- b. Many times we might just as well decide what to do by flipping a coin.
- Q16. a. Who gets to be the boss often depends on who was lucky enough to be in the right place first.
- b. Getting people to do the right thing depends upon ability. Luck has little or nothing to do with it.
- Q17. a. As far as world affairs are concerned, most of us are the victims of forces we can neither understand, nor control.
- b. By taking an active part in political and social affairs the people can control world events.
- Q18. a. Most people don't realize the extent to which their lives are controlled by accidental happenings.
- b. There really is no such thing as "luck."
- Q19. a. One should always be willing to admit mistakes.
- b. It is usually best to cover up one's mistakes.
- Q20. a. It is hard to know whether or not a person really likes you.
- b. How many friends you have depends upon how nice a person you are.

- Q21. a. In the long run the bad things that happen to us are balanced by the good ones.
- b. Most misfortunes are the result of lack of ability, ignorance, laziness, or all three.
- Q22. a. With enough effort we can wipe out political corruption.
- b. It is difficult for people to have much control over the things politicians do in office.
- Q23. a. Sometimes I can't understand how teachers arrive at the grades they give.
- b. There is a direct connection between how hard I study and the grades I get.
- Q24. a. A good leader expects people to decide for themselves what they should do.
- b. A good leader makes it clear to everybody what their jobs are.
- Q25. a. Many times I feel that I have little influence over the things that happen to me.
- b. It is impossible for me to believe that chance or luck plays an important role in my life.
- Q26. a. People are lonely because they don't try to be friendly.
- b. There's not much use in trying too hard to please people, if they like you, they like you.
- Q27. a. There is too much emphasis on athletics in high school.
- b. Team sports are an excellent way to build character.
- Q28. a. What happens to me is my own doing.
- b. Sometimes I feel that I don't have enough control over the direction my life is taking.
- Q29. a. Most of the time I can't understand why politicians behave the way they do.
- b. In the long run the people are responsible for bad government on a national as well as on a local level.

Source: (mccc.edu, 2014)

**Thank you for completing this questionnaire.**

## Appendix 1.5 – Oral questions for interview of entrepreneur

Q1. Tell me about how you got to where you are today in relation to your career/business.

Q2. Somebody buys you a lottery ticket, you win 250K, which of the following would you do.

- a) Spend it all on fulfilling your dreams for yourself, friends and family such as holidays etc.
- b) Invest the money in guaranteed Government shares with a guaranteed return after 10 years of 15%?
- c) A good friend of yours has been looking for a business partner to develop a block of apartments in Spain with a potential return of up to 100% on the investment. Would you take this opportunity?
- d) Seek out all opportunities to invest in a high return business opportunity.
- e) None of the above

Q3. The Cheltenham races are on. You have just come up trumps on a Yankee bet. This means that you have bet a small amount of money and all of your four selected horses have been successful. On collecting your winnings the bookmaker offers you 3 choices.

Which of the following would you choose?

- a) Quadruple your money by betting all your winnings on the next favourite to win at enhanced odds from even money to 3:1 odds.
- b) Take your winnings and leave the premises.
- c) Take half your money and bet at the even money price.

Q4. You are on a player on a football pitch with your County team. It is the all-Ireland final with 1 minute left on the clock to the final whistle. You are the normal free taker and your team get a free. The distance from the goals is to the very limit of how far you can kick but you think your chances of scoring are 50/50. If you miss your team will more than likely lose the championship. If you score you will be a hero in your County.

Which of the following options do you go for?

- a) Go for the score directly.
- b) Play safe and try to drop the ball into the forward line for another player to try to score.

c) Find another player to take the free.

Q5. If you were to set a target in what you will achieve in life where do you think you are currently on a scale of 1 to 10 in relation to your achievements?

Q6. Where do you see yourself in 5 years' time on this scale?

Q7 Give me an example of something that changed quiet quickly in your life and how it made you feel?

Q8 Do you like change?

**Section 2 – Only included in second case study research.**

Q9. Tell me about how you decided to start your own business?

Q10. Starting your own business has positives and negatives, what were the positives and negatives that you thought about

Q11. When you think about the future what do you think about?

Q12. Were you ever an employee and how did it make you feel?

Q13. Do you think about new ventures?

**Appendix 1.6- Rosenberg's self-esteem assessment for completion by business associates of entrepreneur.**

If you think \_\_\_\_\_ would **Agree** with the statement please circle **A**

If you think \_\_\_\_\_ would **Strongly Agree** with the statement please circle **SA**

If you think \_\_\_\_\_ would **Disagree**, Circle **D**

If you think \_\_\_\_\_ would **strongly disagree**, circle **SD**

1. I feel that I am a person of worth, at least on an equal plane with others.

**SA                                          A                                          D                                          SD**

2. I feel that I have a good number of qualities

**SA                                          A                                          D                                          SD**

3. All in all, I am inclined to feel that I am a failure

**SA                                          A                                          D                                          SD**

4. I am able to do things as well as most other people

**SA                                          A                                          D                                          SD**

5. I feel I do not have much to be proud of.

**SA                                          A                                          D                                          SD**

6. I take a positive attitude towards myself

**SA                                          A                                          D                                          SD**

7. On the whole, I am satisfied with myself.

**SA                                          A                                          D                                          SD**

8. I wish I could have more respect for myself

**SA                                          A                                          D                                          SD**

9. I certainly feel useless at times

**SA                                          A                                          D                                          SD**

10. At times I think that I am no good at all.

**SA                                          A                                          D                                          SD**

**Thank you for completing this questionnaire.**

Source: (umd.edu, 2014)

## **Appendix 1.7 – Rotter’s locus of control assessment for completion by business associates of entrepreneurs.**

In this section you are presented with 29 questions. Each question has a possible two answers, which you are required to select one from the other, either a or b. For each question be sure to read both parts and place a circle around a or b of the statement you think \_\_\_\_\_ would agree with most.

- Q1. a. Children get into trouble because their parents punish them too much.  
b. The trouble with most children nowadays is that their parents are too easy with them.
- Q2. a. Many of the unhappy things in people's lives are partly due to bad luck.  
b. People's misfortunes result from the mistakes they make.
- Q3. a. One of the major reasons why we have wars is because people don't take enough interest in politics.  
b. There will always be wars, no matter how hard people try to prevent them.
- Q4. a. In the long run people get the respect they deserve in this world  
b. Unfortunately, an individual's worth often passes unrecognized no matter how hard he tries
- Q5. a. The idea that teachers are unfair to students is nonsense.  
b. Most students don't realize the extent to which their grades are influenced by accidental happenings.
- Q6. a. Without the right breaks one cannot be an effective leader.  
b. Capable people who fail to become leaders have not taken advantage of their opportunities.
- Q7. a. No matter how hard you try some people just don't like you.  
b. People who can't get others to like them don't understand how to get along with others.
- Q8. a. Heredity plays the major role in determining one's personality  
b. It is one's experiences in life which determine what they're like.
- Q9. a. I have often found that what is going to happen will happen.  
b. Trusting to fate has never turned out as well for me as making a decision to take a definite course of action.



- Q10. a. In the case of the well prepared student there is rarely if ever such a thing as an unfair test.
- b. Many times exam questions tend to be so unrelated to course work that studying is really useless.
- Q11. a. Becoming a success is a matter of hard work, luck has little or nothing to do with it.
- b. Getting a good job depends mainly on being in the right place at the right time.
- Q12. a. The average citizen can have an influence in government decisions.
- b. This world is run by the few people in power, and there is not much the little guy can do about it.
- Q13. a. When I make plans, I am almost certain that I can make them work.
- b. It is not always wise to plan too far ahead because many things turn out to be a matter of good or bad fortune anyhow.
- Q14. a. There are certain people who are just no good.
- b. There is some good in everybody.
- Q15. a. In my case getting what I want has little or nothing to do with luck.
- b. Many times we might just as well decide what to do by flipping a coin.
- Q16. a. Who gets to be the boss often depends on who was lucky enough to be in the right place first.
- b. Getting people to do the right thing depends upon ability. Luck has little or nothing to do with it.
- Q17. a. As far as world affairs are concerned, most of us are the victims of forces we can neither understand, nor control.
- b. By taking an active part in political and social affairs the people can control world events.
- Q18. a. Most people don't realize the extent to which their lives are controlled by accidental happenings.
- b. There really is no such thing as "luck."
- Q19. a. One should always be willing to admit mistakes.
- b. It is usually best to cover up one's mistakes.

- Q20. a. It is hard to know whether or not a person really likes you.  
b. How many friends you have depends upon how nice a person you are.
- Q21. a. In the long run the bad things that happen to us are balanced by the good ones.  
b. Most misfortunes are the result of lack of ability, ignorance, laziness, or all three.
- Q22. a. With enough effort we can wipe out political corruption.  
b. It is difficult for people to have much control over the things politicians do in office.
- Q23. a. Sometimes I can't understand how teachers arrive at the grades they give.  
b. There is a direct connection between how hard I study and the grades I get.
- Q24. a. A good leader expects people to decide for themselves what they should do.  
b. A good leader makes it clear to everybody what their jobs are.
- Q25. a. Many times I feel that I have little influence over the things that happen to me.  
b. It is impossible for me to believe that chance or luck plays an important role in my life.
- Q26. a. People are lonely because they don't try to be friendly.  
b. There's not much use in trying too hard to please people, if they like you, they like you.
- Q27. a. There is too much emphasis on athletics in high school.  
b. Team sports are an excellent way to build character.
- Q28. a. What happens to me is my own doing.  
b. Sometimes I feel that I don't have enough control over the direction my life is taking.
- Q29. a. Most of the time I can't understand why politicians behave the way they do.  
b. In the long run the people are responsible for bad government on a national as well as on a local level.

Source: (mccc.edu, 2014)

**Thank you for completing this questionnaire.**

## Appendix 1.8 – Questions for interviews with business associates of entrepreneurs.

### Section 1

Q1. Somebody buys \_\_\_\_\_ a lottery ticket, they win 250K, which of the following would they do?

- a) Spend it all on fulfilling your dreams for yourself, friends and family such as holidays etc.
- b) Invest the money in guaranteed Government shares with a guaranteed return after 10 years of ~ 15%?
- c) A good friend of yours has been looking for a business partner to develop a block of apartments in Spain with a potential return of up to 100% on the investment. Would you take this opportunity?
- d) Seek out all opportunities to invest in a high return business opportunity.
- e) None of the above

Q3. The Cheltenham races are on. \_\_\_\_\_ have just come up trumps on a Yankee bet. This means that they bet a small amount of money and all of the four selected horses have been successful. On collecting their winnings the bookmaker offers them 3 choices.

Which of the following would \_\_\_\_\_ choose?

- a) Quadruple your money by betting all your winnings on the next favourite to win at enhanced odds from even money to 3:1 odds.
- b) Take your winnings and leave the premises.
- c) Take half your money and bet at the even money price.

Q4. \_\_\_\_\_ is on a player on a football pitch with their County team. It is the all-Ireland final with 1 minute left on the clock to the final whistle. They are the normal free taker and their team get a free. The distance from the goals is to the very limit of how far you can kick but they think their chances of scoring are 50/50. If they miss their team will more than likely lose the championship. If they score they will be a hero in your County.

Which of the following options do you think they will go for?

- a) Go for the score directly.
- b) Play safe and try to drop the ball into the forward line for another player to try to score.

c) Find another player to take the free.

Q5. If you were to set a target in what you believe \_\_\_\_\_ will achieve in life where do you think they are currently on a scale of 1 to 10 in relation to their achievements?

Q6. Where do you see \_\_\_\_\_ in 5 years' time on that scale?

Q7 Give me an example of something that changed quiet quickly in \_\_\_\_\_ life and how you think it made them feel?

Q8 Do you think \_\_\_\_\_ likes change?

**Section 2 – Only included in second case study research.**

Q9 (a). How is \_\_\_\_\_ as a person to work with?

Q10 (a). Do you think \_\_\_\_\_ makes good business decisions?

Q11 (a). Do you think \_\_\_\_\_ is a risk taker?

Q12 (a). Does \_\_\_\_\_ ever mention new opportunities?

Q13 (a). Do you think \_\_\_\_\_ enjoys not knowing what the future might bring?

## **Appendix 1.9 – Full transcript from interview with second entrepreneur**

Date: 20/08/2014.

*Researcher (R) – Thank you for agreeing to support me in carrying out my research in entrepreneurship. It is very much appreciated.*

*Entrepreneur (E) – That's no problem.*

*R – I have a letter of informed consent which outlines who I am, why I am doing this research, what it is about, that there are two questionnaires to be completed first, then a series of questions which you will answer verbally. I also want to mention as pointed out in the letter that this is totally voluntary and you can pass on any questions and stop the process without explanation at any stage. Please have a read of the letter of consent and when you are happy with it please sign at the end.*

*E- (After reading letter) That's fine I have no problem with any of that.*

*R- My first questionnaire is called the Rosenberg's self- esteem assessment. It has ten questions to complete and please try to complete all ten. I can read the questionnaire or give it to you to read and complete yourself.*

*E- I will do it myself if you don't mind. (Questionnaire completed).*

*R – The next questionnaire is a little longer with twenty nine questions to complete. Each question has two statements and you are required to circle which statement you agree with most. Again would you like me to read to you or would you prefer to complete yourself.*

*E- I would prefer to complete myself. (Questionnaire completed).*

### **Verbal questions**

#### **Q1**

*R - Tell me about how you got to where you are today in relation to your career/business?*

*E- I would say share hard work. A huge interest in what I do, which meant that I never found it a chore to work hard to achieve things in my chosen field. That's basically what got me here I believe.*

## **Q2**

*R – I am going to put a scenario to you. Somebody buys you a lottery ticket, you win 250K. What would you do? I am going to give you five options.*

- a) Spend it all on fulfilling your dreams for yourself, friends and family such as holidays etc.*
- b) Invest the money in guaranteed Government shares with a guaranteed return after 10 years of ` 15%?*
- c) A good friend of yours has being looking for a business partner to develop a block of apartments in Spain with a potential return of up to 100% on the investment. Would you take this opportunity?*
- d) Seek out all opportunities to invest in a high return business opportunity.*
- e) None of the above*

*E- Probably none of the above because I would split it into a number of different things. I wouldn't go with one of the four mentioned.*

## **Q3**

*R – I again have another scenario for you to consider. The Cheltenham races are on. You have just come up trumps on a Yankee bet. This means that they bet a small amount of money and all of the four selected horses have being successful. On collecting their winnings the bookmaker offers them 3 choices.*

*Which of the following would you choose?*

- a) Quadruple your money by betting all your winnings on the next favourite to win at enhanced odds from even money to 3:1 odds.*
- b) Take your winnings and leave the premises.*
- c) Take half your money and bet at the even money price.*

*E – Mm That's a tricky one but I would be inclined to go with option three.*

#### **Q4**

*R – I have a further scenario for you. You are on a player on a football pitch with your County team. It is the all-Ireland final with 1 minute left on the clock to the final whistle. You are the normal free taker and your team get a free. The distance from the goals is to the very limit of how far you can kick but you think your chances of scoring are 50/50. If you miss your team will more than likely lose the championship. If you score you will be a hero in your County.*

*Which of the following options do you go for?*

- a) Go for the score directly.*
- b) Play safe and try to drop the ball into the forward line for another player to try to score.*
- c) Find another player to take the free.*

*E- I am the regular free taker, it is within the limit of my ability and it's within my ability so I would go for it. Option 1*

#### **Q5**

*R - . If you were to set a target in what you will achieve in life where do you think you are currently on a scale of 1 to 10 in relation to your achievements?*

*E – Oh God I wouldn't know. I would say at the minute five.*

#### **Q6.**

*R - Where do you see yourself in 5 years' time on this scale?*

*E – Where I would hope to see myself and where I see myself would be a little different because of the nature of the business I am in. I would say in five years' time with hard work eight.*

#### **Q7**

*R - Give me an example of something that changed quiet quickly in your life and how it made you feel?*

*E – There was a change quickly in my business life this year with the TV contract being successful. This made me feel exhilarated. Very happy that the hard work had got me to this point where this offer was made but very aware obviously that there was a huge responsibility suddenly laid on my shoulders.*

**Q8**

*R - Do you like change?*

*E – In business ya absolutely. Its variety, I mean you have to change.*

**Q9.**

*R – Tell me a bit about how you decided to start your own business?*

*E – How I decided?*

*R- Yes*

*E - I had sort of worked for someone else and done some freelance work and the feedback that I was getting was that I was good at what I was doing. That gave me the confidence to know that I was good at what I did and I loved what I did and was determined to make it pay off for me. This was the driving force behind my decision to start my own business and work for myself. That's what I did I just went for it not knowing where it would take me but I knew it was the right route for me.*

**Q10.**

*R – Starting your own business has positives and negatives, what were the positives and negatives that you thought about when starting your business?*

*E – I thought about the positives more so than the negatives. The positives were, the idea of being self-employed appealed to me. The cliché but I liked the idea of being my own boss. I had done a number of years working for somebody else and you're always working for them and you know this was not where I wanted to be. The fact that I loved what I did appealed to me and the thoughts of the future and being able to really control how successful I could become by my own hard work was really important to me and I felt that working for others would not give me that. I just felt a need to try to achieve my goals in life and being self-employed is a stepping stone in that. That's the positives obviously I thought of the negatives, when you're employed that week's wages is there every week to pay the bills. That I thought about because it might not be there when self-employed but to be honest that didn't sit on my mind very long and I moved forward without thinking about it again.*

**Q11**

*R – When you think about the future what do you think about?*

*E- I don't think negatively about the future when you're in business because I think if you do your starting off in the wrong foot. I think about all the positives. Mm the positives being the development of the business.*



## **Q12**

*R – Were you ever an employee and how did it make you feel? I know you touched on this earlier in your answers but just think about it again please.*

*E – It never suited me. I never felt that I was going anywhere as an employee. When you're self-employed the future is essentially in your own hands you know and that was on my mind when I was an employee also.*

## **Q13**

*R- Do you think about new ventures?*

*E- Ya all the time. We are about to get into something very interesting. There are a number of things but there is one in particular right now. Its natural development I think. I think about them all the time when I'm working, having breakfast. There is very little down time in my head to be honest maybe when I'm sleeping and even then I wake up thinking about business and new ventures.*

*R – That is all my questions I would like to take this opportunity to thank you (name) and it is very much appreciated that you have agreed to participate and also for allowing me to interview two of your employees and for arranging a supplier and customer as well. I know that must have taken some time out of your schedule along with the time to do this interview and I sincerely appreciate it. I wish you continued success in the future and I hope the new venture you mentioned that you're thinking about takes off and is as successful as your current venture. I have one final thing to show you before we finish. I explained at the start, that this study is on entrepreneurship. I did not explain that in fact I am studying the characteristics of the entrepreneur. I have a second letter of informed consent and if you would like to withdraw at this point that is no problem. I decided in this research to refrain from telling interviewees this information until after each interview to try and get a true understanding of the characteristics without the individual being conscious that I am looking at their characteristics.*

*E – Very clever and understandable that you go that way. I have no problem with that at all. Give me the consent letter and I will sign it for you.*

*Thank you for your good wishes and indeed I have no doubt the future will bring good things with the new venture.*

## Appendix 2.0 - Paraphrasing of interviews – second case study

### Interview with Employee 1

All questionnaires were completed and answers to all closed questions.

#### Open ended Questions

Q7 – Employee mentioned that this year a change occurred with the successful winning of a big contract. This immediately brought about change in the business and (name) was just on a high loving every minute of it. Things were hectic and we were all stressed but he loved it.

Q8 – He absolutely in my opinion loves it.

Q9 (a) - He is full of energy, never stops going, carries loads of stress but just never shows it too much. He is great to work with and brings an energy that is hard to describe.

Q10 (a). In this answer the employee spoke about decisions in the past that got the company securing further business and that yes they felt the entrepreneur makes good decisions.

Q11 (a). It was felt by this employee that the entrepreneur is a risk taker but calculated in the risks he takes.

Q12 (a). He does talk about new ideas particularly about how they do things and if there is better ways.

Q13 (a). This employee feels that the entrepreneur does like not knowing what the future holds as they are always excited about what's possibly coming for them all.

### Interview with Employee 2

All questionnaires were completed and answers to all closed questions.

#### Open ended Questions

Q7 – This employee feels that change is very evident in a start-up business and they have been here since the start. They said they witnessed (name) going through all the hard and good times and they just loved the change and work really well through it.

Q8 – Employee felt they definitely liked the change, they wouldn't be where they are if they didn't.

Q9 (a) – Employee said entrepreneur is great to work with a great person.

Q10 (a). Employee stated that he does definitely.

Q11 (a). Employee stated that he is a risk taker, life is about taking chances and he does it successfully.

Q12 (a). Employee stated that he is always looking at new ideas.

Q13 (a). Employee stated that he felt that the unknown is a big thing to keep him going it's a 'buzz' for him.

### **Interview with Supplier**

All questionnaires were completed and answers to all closed questions.

#### Open ended Questions

Q7 – The supplier stated that starting up in business was a big change and they have known the entrepreneur since then and it seems to make them feel good.

Q8 – Supplier stated that in their opinion the entrepreneur definitely likes change.

Q9 (a) – Supplier finds the entrepreneur very demanding at times and wants things on time and definitely demands reliability. They stated that the entrepreneur is good to deal with and good to pay once everything is running smoothly.

Q10 (a) – Supplier feels he does and in the past if things were not working out he is logical in how to resolve issues and practical.

Q11 (a) – Supplier stated that he would not really know but in his opinion starting on his own required risk and courage.

Q12 (a) – Supplier said that he never mentioned to him but does enquire sometimes about new technology available that he would not even know about so he is always ahead on technology.

Q13 (a) – Supplier stated that he feels the future of not knowing is probably what keeps him going.

## **Interview with Customer**

All questionnaires were completed and answers to all closed questions.

### Open ended Questions

Q7 – The customer stated that they would not know anything that changed quickly in entrepreneur's life and therefore could not answer that question.

Q8 – The customer stated that they would not know this but in relation to them needing things changed or the way something is been done they definitely do not mind it.

Q9 (a) – The customer said they are an absolute pleasure to work with so reliable, honest and a perfectionist.

Q10 (a) – the customer said 'Definitely they always deliver a quality product on time and that requires good sound decision making'.

Q11 (a) – The customer said that obviously to run a business requires risk but in relation to him being a risk taker they felt they would not really know.

Q12 (a) – The customer said that they don't mention new opportunities but they do have great creative ideas for them and that is one of the reasons they can work so easily with them.

Q13 (a) – The customer said they would not know but if they were to guess then they would say they do.

## **Appendix 2.1 - Case study 1 – interviews paraphrased**

### **Interview with entrepreneur**

All questionnaires were completed and answers to all closed questions.

#### Open ended Questions

Q1 – The entrepreneur explained that he was made redundant and that pushed him to start his own business. He then developed a business primarily in e-commerce and now has a second company in software development.

Q7 – An example that the entrepreneur gave was his redundancy occurring one Monday morning with no idea it was going to happen. He felt angry and this motivated him to set up his own company. The anger he turned into opportunity and stated that he has never looked back since.

Q8 – the entrepreneur said that nobody likes change in his opinion and he does not like change. However he said he will embrace change and that's very different. He seeks opportunity through change and progression and will definitely embrace that then.

### **Interview with Business associate**

All questionnaires were completed and answers to all closed questions.

#### Open ended Questions

Q7 – the business associate stated that he was aware of redundancy and this being a catalyst for the entrepreneur to start up his own business. He said knows that this change in his life frightened him at times but was determined to succeed.

Q8 – The business associate stated that knowing the entrepreneur he definitely feels he likes change. He said that change is obviously difficult but that it is something he feels excites the entrepreneur.