

# Entrepreneurship and Entrepreneurial Traits-An Evaluation

ISSN 2321 – 371X  
 Commerce Spectrum 5(2) 5-8  
 © The Authors 2018  
 Reprints and Permissions  
 santhasaraswathy4@gmail.com  
 www.commercespectrum.com

**Jini Thomas<sup>1</sup>**

Asst. Professor, Dept. of Commerce , Mar Athanasius College, Kothamangalam  
 E Mail: Jt.jinithomas@gmail.com

**Dr. Santha S.**

Associate Professor, PG& Research Department of commerce, St. Peter's College, Kolenchery  
 E mail:santhasaraswathy4@gmail.com

## Abstract

*Economic development invariably means a process of upward change by which the real per capita income of a country increases over a long period of time. Entrepreneurs are the centre of every industrial activity .They play a vital role in the economic development of a country. Development of entrepreneurship culture and qualitative business development is the major requirements for industrial growth. MSME Sector will provide new opportunities to the entrepreneurs to grow. Entrepreneurship emerges from an individual's creative spirit in to long-term business Ownership, Employment creation, capital formation and economic security. Entrepreneurial Skills are essential for industrialisation and for alleviation of mass unemployment and poverty. The current study has been undertaken to analyse the entrepreneurial traits among entrepreneurs of Kothamangalam municipality. For the purpose of the study, 50 entrepreneurs were selected as sample by adopting simple random sampling method. Percentages and Friedman Repeated Measures Analysis of variance on Rank were applied. Analysis was done via statistical software16.0 The study revealed that the maintenance of good human relation was the major personality trait possessed by the entrepreneurs. The major innovation adopted by the entrepreneurs was introduction of new product in the market and the major cause for adoption of creativity by the entrepreneurs was to protect business from destructive forces.*

## Keywords:

*Micro, Small and Medium Enterprises, Entrepreneurship, Friedman Repeated Measures Analysis of Variance.*

## Introduction

Entrepreneurial development is of immense importance for developing economies. It is the intentional activity of a person or a group of persons, undertaken to initiate, maintain or enhance profit by the production or supply of goods of services .Entrepreneurship has now become crucial to the economic stability of India, where the entrepreneur is an economic leader who possesses the ability to recognise opportunities for the successful introduction of a new product, new source of supply, new technique of production, etc. and who assembles the necessary resources and organise them in to a going concern<sup>2</sup>. Basically, an entrepreneur should be a person who can bear risks, make innovations and organise the business. A trait can be explained as an underlying characteristic of a person which leads to the effective or superior

performance of a job For the successful completion of any job ,the organiser should possess certain special qualities ,these qualities are known as entrepreneurial traits .

## Review of Literature

**Chaudhari, (2013)<sup>3</sup>** conducted a study on “A Study of Entrepreneurial Attitude among Post Graduate Students” to analyse the entrepreneurial traits and the role of education institutes in upgrading these qualities among various course students. He found out some important qualities enlisted by students essential for successful entrepreneurs and it was found out that the entrepreneurial motive among the respondents was very low. The reason behind this scenario was mostly due to lack of technical knowledge, unwillingness to take risk and inferior personality.

**Cynthia Mathieu (2013)<sup>4</sup>** in a study “Entrepreneurial personality: The role of narcissism” established a number of personality features and behaviours associated with business creation and success.

<sup>1</sup> **Corresponding author:**

Asst.Professor, Dept.of Commerce , Mar Athanasius College, Kothamangalam. Email: Jt.jinithomas@gmail.com

Student entrepreneurs have been compared with non-entrepreneur students, city workers, and employees and managers from a branch of a large financial institution. The study revealed that student entrepreneurs scored significantly higher than all other vocational groups on a measure of narcissism which was positively correlated with general self-efficacy, locus of control and risk propensity. Moreover, narcissism plays a significant role in explaining entrepreneurial intentions, even after controlling for self-efficacy, locus of control and risk propensity.

**Marcela Rodica Luca,(2013)<sup>5</sup>** analysed the relations between entrepreneurial personality traits and entrepreneurial intentions in students belonging to bachelor, master and doctoral level. From the comparison between two paired samples, one involved in entrepreneurial training and the other one not involved, resulted a strong interaction effect between involvement/ non-involvement in entrepreneurial training and the intent of starting a business on all the entrepreneurial personality traits.

### Significance of the study

Entrepreneurship helps in identifying and developing the managerial capabilities of entrepreneurs and it also results in creation of organisation when entrepreneurs assemble and coordinate physical, human and financial resources and direct them towards the achievement of objectives by creating wide variety of goods and services available to society which helps to improve the standard of living of the people. Personality traits such as innovation and creativity are a major requirement for every entrepreneur to start, run, and develop an enterprise successfully. The focus of organizations has been changed in favour of being excellent in their respective areas of operations. The role of an entrepreneur's competency is highly a critical factor in achieving excellence in performance to ensure a sustainable growth and success of a venture amidst in a competitive business environment. Therefore, the importance of entrepreneurial competency has been increased during the past few decades due to the strategic role-played by the human factor particularly the entrepreneur of a business enterprise. The person behind the successful performance is called the entrepreneur and the calibre required to carry on his business successfully is called his competency. A real entrepreneur is one who is blessed with above average capacities in organising and coordinating different factors of productions. The present study titled 'Entrepreneurship and Entrepreneurial Traits-An Evaluation' has been undertaken to analyse the major entrepreneurial skill possessed by the entrepreneurs in Kothamangalam and also to find out the major cause for the adoption of a policy of creativity by them.

### Scope of the Study

The present study has been undertaken to analyse the personality traits, innovation adopted, and the causes for adoption of a policy of creativity by entrepreneurs. The respondents of the study include Micro and Small Entrepreneurs of Kothamangalam municipality.

### Objectives of the Study

- 1) To identify the personality traits of entrepreneurs in Kothamangalam.
- 2) To analyse the innovation adopted by the entrepreneurs and the causes for adoption of a policy of creativity by them.

### Hypotheses of the Study

- H<sub>01</sub>** There is no difference in the personality traits among the entrepreneurs.
- H<sub>02</sub>** There is no difference in the causes for adoption of a policy of creativity among the entrepreneurs.

### Research Methodology

#### Sampling design and size

The respondents of the study consist of entrepreneurs of Kothamangalam Panchayat. The entrepreneurs were selected from the data base maintained by the DIC Thiruvananthapuram. There were in all 503 registered Micro and Small and Medium Entrepreneurs during 2006- 2011 in Kothamangalam Panchayat. Simple random sampling method was used for selecting the sample entrepreneurs. A sample of 10% was selected at random (50) for the purpose of the study.

#### Collection of Data

The study was based on both primary and secondary data. Primary data for the study were collected through well-structured questionnaire issued to the sample respondents of the study. Secondary data were collected from books, journals and annual reports of Ministry of MSME Govt. of India, Directorate of Industries and Commerce, Thiruvananthapuram.

#### Tools of Analysis

The collected data were suitably classified and analyzed, keeping in view the objectives of the study. Percentages and Friedman Repeated Measures Analysis of Variance on Rank were used for analysing the collected data by using SPSS 16.0.

#### Period of study

Survey was conducted during the period October to November 2015.

#### Entrepreneurship and Entrepreneurial Traits- Analysis

Entrepreneurship and entrepreneurial traits have been analyzed by considering the variables, viz personality traits, innovation adopted business and causes of adoption of a policy of creativity by entrepreneurs.

**Table 1: Profile of the Entrepreneurs**

		Frequency	Percent
Gender	Male	41	18.0
	Female	9	82.0
Age (in Years)	20-30	5	10.0
	30-40	16	32.0
	40-50	14	28.0
	50-60	11	22.0
	60 and Above	4	8.0
Educational Qualification	Below SSLC	6	12.0
	SSLC	5	10.0
	PDC	17	34.0
	Degree	14	28.0
	Above Degree	8	16.0
Nature of Business	Trading	22	44.0
	Trading & Manufacturing	15	30.0
	Service	13	26.0
Location of the Business	Urban	21	42.0
	Semi Urban	22	44.0
	Rural	7	14.0
Form of Business	Sole Proprietorship	32	64.0
	Partnership	17	34.0
	Co-operative or trust owned	1	2.0
	Sole Proprietorship	32	64.0
Year of establishment	2006-07	5	10.0
	2007-08	10	20.0
	2008-09	17	34.0
	2009-10	18	36.0

Source: Primary data.

From the above table it is understood that the majority of the entrepreneurs are males and 70% of the entrepreneurs are below the age of 50 years and 30% of the entrepreneurs are above 50 years of age. The majority of the respondents are undergraduates and 44% of the respondents have educational qualification of degree or above degree.44% of the entrepreneurs are engaged in trading business, 30 % are engaged in trading and manufacturing business and 26% of them are in the service sector. 42% of the entrepreneurs are doing business in urban area 44% of them in semi urban area and 14% of them are doing business in rural area. Most of the entrepreneurs are running sole trading concern (64%).34% of the entrepreneurs have partnership form of business.10% of the respondents are doing business for a period 9 year .36% of the respondents are engaged in their business for a period of 6 years .34% of them are doing business for a period of 7 years.

**Table 2: Personality traits of entrepreneurs (Friedman Repeated Measures Analysis of Variance on Rank)**

Personality traits	Mean	Rank
Risk taking	5.34	4
Human Relation	7.11	1
Authoritative	5.24	5
Active	6.06	3
Achievement motivation	4.62	7
Self confidence	4.90	6
Frustration tolerance	2.62	8
Honesty & Integrity	6.70	2
Dynamism and Creativity	2.41	9

Source: Primary data.

$\lambda^2 = 184.130$  with 8 degrees of freedom significant at 1 % level.

Friedman Repeated Measures Analysis of Variance on Rank has been applied to know the major personality trait of the entrepreneurs. It was found out that ‘human relation’ was the major personality trait possessed by the entrepreneurs (Mean Score=7.11) which was ranked as first. ‘Honesty and integrity’ was ranked as second (Mean Score=6.70) and ‘Dynamism and creativity’ (Mean Score=2.41) as last.

One of the hypotheses of the study ( $H_{01}$ ) was that there is no difference in the personality traits among the entrepreneurs. Chi-square test was applied and the test result showed that there is a significant difference in the personality traits among the entrepreneurs since the p value (0.000) is <0.01. Hence, **the null hypothesis  $H_{01}$  is rejected.** (Table 2)

**Table 3: Innovation Adopted by the Entrepreneurs (Friedman Repeated Measures Analysis of Variance on Rank)**

Innovation adopted	Mean	Rank
Opening of a new market	3.64	2
Discovery of a new source of supply of raw material	2.24	4
Carrying out of the new form of organisation	1.85	5
Introduction of new product in the market	3.75	1
Instituting of a new production technology	3.52	3

Source: Primary data.

$\lambda^2 = 62.915$  with 4 degrees of freedom significant at 1 % level.

The innovation adopted by the entrepreneurs has been presented in Table 3. It is understood that the

major innovation adopted by them was the 'introduction of new product in the market' (Mean score=3.75) which was ranked as first. 'Opening of new market' was ranked as second (Mean score=3.64).

The second hypothesis of the study ( $H_{02}$ ) was that there is no difference in the innovation adopted

by the entrepreneurs. Chi-square test result showed that there is a significant difference in the innovation adopted by the entrepreneurs since the p value (0.000) is <0.01. Hence, **the null hypothesis  $H_{02}$  is rejected.**

**Table 4:** Causes of Adoption of a Policy of Creativity (Friedman Repeated Measures analysis variance on Rank)

Causes	Mean	Rank
Have a dynamic and modern form of business	1.50	5
Make the business to suit the present condition	2.29	4
To meet competition in the market	3.75	2
Ensure a constant growth of a business	3.00	3
Protect business from destructive forces	4.46	1

Source: Primary data.

$\chi^2=109.182$  with 4 degrees of freedom significant at 1 % level.

Table 4 reveals the main reason for adopting a policy of creativity by the entrepreneurs. 'to protect the business from destructive forces' was the major reason for adopting a policy of creativity as it was ranked first (Mean Score=4.46). 'To meet competition in the market'(Mean Score= 3.75)was ranked as second.

The third hypothesis of the study ( $H_{03}$ ) was that there is no difference in the causes for adoption of a policy of creativity among the entrepreneurs. Chi-square test was applied and the test result showed that there is a significant difference in for adoption of a policy of creativity among the entrepreneurs since the p value (0.000) is <0.01.Hence, **the null hypothesis  $H_{03}$  is rejected.**

### Conclusion

'Human relation' was the major personality trait possessed by the entrepreneurs, 'Honesty and integrity' was ranked as second. The major innovation adopted by them was 'the introduction of new product in the Market '. Another innovation adopted by them was 'opening of new market 'which was ranked as second. The main reason for adopting a policy of creativity by the entrepreneurs was 'to protect the Business from destructive forces'. The second reason for adopting creativity was 'to meet competition in the market'

### References

- Abraham, M.M. (2015). *Entrepreneurship Development and Project Management*. Chananganacherry: Prakash Publication and Printers.
- Francis, C.K .(2014). *Enterprenurship Development & Project Management*. Thrissur: Exel Publication.
- Chaudhari, T. (April 2013). A Study of Entrepreneurial Attitude among Post Graduate Students. *Research Journal Of Commerce And Behavioral Science*, 06.
- Cynthia Mathieu and Étienne St-Jean, (2013), "Entrepreneurial personality: The role of narcissism", *Personality and Individual Differences*, Volume 55, Issue 5, September pp 527–531.
- Marcela Rodica Luca, Ana-Maria Cazan and Densia Tomulescu. (9 July2013). Entrepreneurial Personality in Higher Educaion. *Procedica-Social and Behavioral Science*, pp. 1045-1049.