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# The Psychology of Entrepreneurship

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## 1. Introduction

### 1.1 Psychological perspectives on entrepreneurship

For the last fifty years, social history has witnessed a transformation that was not experienced in any period before. The facts that how people are affected and through what sort of characteristics individuals try to handle this situation has been a multi-perspective issue and was studied thoroughly. Understanding intersocietal and interpersonal relationship systems that are based on fluctuation and competition was aimed and studies were carried out to determine what characteristics that individuals had in order to survive in this period. For over thirty years, the role of entrepreneurship in dealing with competition has drawn researchers' extensive interest. In spite of this, the concept of entrepreneurship hasn't had an operational definition that everyone agrees on because it is multi-dimensional and it is affected by many variables.

Although entrepreneurship is mostly associated with the fields of administration, management and economy, in fact it is an interdisciplinary subject. Entrepreneurship and enterprise as being a broad subject and conceptual field was studied within the field of psychology, at least at the beginning, more than the fields of economy, administration and management. The studies of psychology over entrepreneurship have played an important role for a detailed consideration of the concept and in giving the concept the broader meaning that is used now. One of the first studies of psychology over entrepreneurship was conducted by Mc Clelland, Atkinson and Feather in the second half of twentieth century. According to them, the motivation of individual and society is one of the most important factors that explain entrepreneurship and individual's becoming an entrepreneur depends on the highest possibility of achievement (Korpysa, N.d). In other words, when the possibility of achievement gets higher, entrepreneurial propensity rate increases. Studies in the field of psychology have focused on the details of the factors that play a role in entrepreneurship's achievement (Baron, 2000). These studies stated that entrepreneurial ability of individual is connected with societies' perception of success and to what extent individuals are affected by this perception. However, even if it was stated that culture influence entrepreneurship, it was observed that individual differences have important effects on entrepreneurship despite cultural commonality.

Psychology's extensive interest for the subject matter of entrepreneurship at the beginning is closely associated with periodic interest to understand psychological dynamics of human

behaviors. Studies that were focused over people's relationships with enterprises and organizations realized that not only enterprises affect individuals, but also individuals affect enterprises. Therefore, when the characteristics of individuals were studied, it was wondered whether individuals with entrepreneurial characteristics affect enterprises more strongly so they looked for an answer for the question of "Who is the entrepreneur?" In this process, the data about entrepreneurship that psychology obtained became popular and the relationship between entrepreneurship and the characteristics like risk-taking, uncertainty avoidance, power distance, need for achievement and risk-management has been studied. However, although psychology was in the first place in the development of entrepreneurship research, later using the findings of psychology in understanding entrepreneurship was abandoned. The fact that research that has been carried out in psychology field is often limited by character approaches and over-emphasis of the effects of personality over the consequences played a role in this divergence. However, in later years the picture changed again and empirical studies that put forward the importance of psychological variables increased. From then on studies over the characteristics of individual with entrepreneurial qualities and entrepreneurship culture have become widespread and research over entrepreneurship in the field of psychology has become the focus of interest again.

When we consider it in general, it is possible to analyze the studies over entrepreneurship that psychology carried out and emphasized individual traits in two groups. One group of these studies has looked for a connection between entrepreneurship and personal characteristics and proved that individuals with entrepreneurial qualities are self-controlled, self-confident and competitive people. They also have a great imagination and they do not avoid risks. Another group of study examined motivation resources of entrepreneurial individual and has discovered that entrepreneurship is nurtured by sources such as motivation for achievement, power distance and willingness for taking risks. Besides, the studies that focused on entrepreneurship's relationship with culture try to uncover cultural resources that nurture and weaken entrepreneurship; therefore, entrepreneurship is also studied as an issue that draws socio-psychology's attention. Nowadays, entrepreneurship research continues by making associations with psychological variables like cognitions, emotions, perceptions, behaviors and motivation and the effects of psychological variables over entrepreneurship cannot be ignored. Even if different countries seem to have different development policies, especially since 1980s, entrepreneurship has become more important due to competitive development program that countries have to apply because of neo liberal development policies. The fact that societies have to increase their share in international markets or maintain their own national markets depends on the existence of human resources who have entrepreneurial characteristics to a certain extent.

Determining methods and details of training programs to educate entrepreneur individuals has become very important for social development so multidimensional analysis of entrepreneurship has also become more important. In this context, entrepreneurship is not a research field of general psychology anymore. It has become the subject matter of subfields of psychology and organizational psychology started to study entrepreneurship (Frese, 2009). As a result of entrepreneurship research which has been carried out in various different contexts, psychology tend to define entrepreneurship as an individual behavior or attitude with a tendency to challenge and it has said that it creates new facts and

circumstances and improves existing conditions. A new field among subfields of psychology has started and has been defined as entrepreneurship psychology.

Entrepreneurship psychology indicates many intersection points between industrial/organizational psychology and entrepreneurship. First of all, organizations which are the central phenomenon of organizational psychology exist by means of entrepreneurship and entrepreneurs. Organizations have to renovate themselves regularly so as to continue their own existence and in order not to be destroyed by their competitors who aimed at the same targets in tough market conditions. Providing this renovation is only possible by watching over the possibilities and opportunities in the market. Therefore, some of the individuals in every organization must have entrepreneurial skills such as innovative thinking, creative, risk-taking, and powerful future design; they also have to be bold and self-confident. One of the main elements in this kind of organization is entrepreneurship. This process leads industrial/organizational psychology researchers to study entrepreneurship process.

Many of the founders of business enterprises are not good managers because it is usual that people who have essential capital and a certain vision about the future of the organization can not make good managers at the same time. In other words, being the founder of an organization/enterprise does not require having the skills of a good manager. Therefore, it is important to search essential qualities to predict success of the organization and to increase its competitive power in its own field and it is also important to find individuals with these qualities and provide their connections with these organizations as executives.

This situation has become a factor that leads organizational psychology to be interested in entrepreneurship field. Once again, both organizational and entrepreneurial studies have focused on performance results. Thus, the fact that both research fields focused on performance results showed that they had common subject areas and this deepened psychology's interest in entrepreneurship. Psychologists evaluate performance in terms of supervisory judgments whereas entrepreneurship evaluates it in terms of market performance. Both fields' findings are needed to determine entrepreneurial performance. Almost all of the measurements, which are used to determine entrepreneurial characteristics like coping with stress, motivation, ability and knowledge, are carried out by using psychological assessment tools or the instruments which are developed by their methods. This situation has played a role in the intersection of psychology and entrepreneurship research. In conclusion, psychologists can be interested in the concepts of new characteristics such as motivation for achievement or big five personality that entrepreneurship research has discovered (Baum, Frese & Baron, 2007). As a consequence, psychological approaches towards entrepreneurship are important for both psychology and entrepreneurship. In fact, psychological variables undertake the role of mediators through the process that leads entrepreneurial individuals to success (The\_psychology\_of\_entrepreneurship.pdf).

## **2. Cognitive process of entrepreneurial thinking**

There are not enough empirical studies to make clear connections between entrepreneurship and cognition because studies in this field are quite new. Cognition studies aim to understand how to achieve substantial learning mostly in order to see opportunities. It is

known that learning and personality are shaped through and within the culture. In researches that were done over entrepreneurial personality, it has been discovered that culture is one of the factors that determine entrepreneurship; and this discovery increased the interest towards the relationship between cognitive process and entrepreneurship. The question of whether these similarities of people who show similar behavioral responses towards an incident despite their cultural differences associated with cognitive process has been asked more often recently. Before that, while entrepreneurial culture and entrepreneurial personality characteristics as the main factors that affect entrepreneurship came to the forefront, recently cognitive science theories and concepts have started to be used to explain entrepreneurship subject matter. Cognitive perspective has provided new points of view to understand the phenomena which are related to entrepreneurship. In our daily lives, factors like information overload, high-level of uncertainty, strong emotions in the face of incidents, time pressure and exhaustion affect human cognition continuously and make people take new and sharp decisions all the time. This situation is a fact for entrepreneurial cognition as well. Therefore, cognition research is mainly focused on human cognitive processes or information processing systems and has aimed to predict whether these processes show any difference between entrepreneurial individual and people who do not have any tendency for entrepreneurship.

Although research over human cognition has continued for over a century, everything about this subject matter has not been resolved yet. In fact, studies that have been conducted over human cognition include subjects like “how we think, reason, decide, use language and symbols and store information for future use”. A person’s capacity for processing the information which comes from external world is limited. Moreover, as human beings, we try to obtain the most efficiency with the least cognitive effort. As a result of this, we often use “short-cuts”. Therefore, our actions are less rational than expected and once again we often act with prejudice and make mistakes (Baron, 1998). Our cognitive styles are affected by adaptation and socialization processes as well (Akşit, 2003). Therefore, entrepreneurial cognition has its cultural codes. However, enough research has not been done over these cultural codes yet. It has been indicated that while taking risks, entrepreneurs do not act very differently from others but they act with very different terms while thinking about business opportunities so when they are compared to people who do not have entrepreneurial qualities, they are able to categorize the opportunities that have more profit potential (Palich & Bagby, 1995). Observations have shown that entrepreneurs are really different from other people in terms of personality characteristics and studies have proved that they are more focused on certain issues more than the others.

## **2.1 What is entrepreneurial cognition?**

In fact, it is more precise to ask the question of whether entrepreneurial thought exist. However, it is hard to have an argument over the existence or absence of entrepreneurial thought. Therefore, it seems that it is more appropriate to mention a certain entrepreneurial thought style and defining this certain style is more convenient. Entrepreneurial thought defines knowledge structure of people who use judgments, evaluations and decisions which include using opportunities, risk taking and growth.

Studies about entrepreneurial cognitions are directed towards understanding of how entrepreneurs associate gathered information that seems not related to each other and how they use mental models. This data helps to determine new products or facilities and produce them. Besides, it helps to start business life and bring the resources together to develop/grow (Mitchell et al., 2002). However, there are so many variables about this subject. For example, it has been understood that even current moods affect cognition and the moods of people who have job interviews have become effective over the results (Robbins & DeNisi, 1994). Entrepreneurship studies deal with the questions of why some people create new opportunities more easily than the others and how they decide to make more efforts to realize their dreams or what the main differences are between successful and unsuccessful entrepreneurs. The answers to these questions have been searched in entrepreneurs' personality characteristics. Entrepreneurs differ from other people in terms of some certain characteristics and they also differentiate from others in distinguishing the opportunities and pursuing them. At the first sight, this hypothesis seems rational. When considered from this aspect, significant data/answers can be found related to the questions above (Baron, 1998). Firstly, entrepreneurial people are braver and bold, more tolerant and they are more effective in dealing with stress. However, one of the most significant differences that differentiate them from others is their competence in seeking and exploring the opportunities. There are two significant answers to the question of why some people discover entrepreneurial opportunities more than the others (Mitchell et al., 2002). a) Having the necessary knowledge to identify the opportunity, and b) Using cognitive qualities about this subject in their own favor as is required (Shane & Venketaraman, 2000). In other words, entrepreneurial cognition has the capacity for obtaining information to discover and take the opportunities; and using cognitive qualities that can process this information for their own favor.

Entrepreneurial cognition like non-entrepreneurial cognition has the propensity for misapprehension over many issues. For example, their being over optimistic can lead them to take high-level risks. "Cognitive blind spot" can prevent them from seeing the reality about risks and can cause them to make decisions as being isolated from their past lives. Glowing images of the future and their plans can make it hard to take their lessons from the past (Kahneman & Lovallo, 1994; Qtd. in Baron, 1998). Positive and negative moods can affect the memory in appositive or negative way; and someone who encounters a new situation can make wrong decisions because of his/her current moods. Individuals focus on the cognition of their emotions in the face of an incident or situation while they are experiencing external world. However, their cognition about their emotions does not match with a real situation. In other words, while people say that "I like this" or "I don't like this", they can have emotions resulting from a similar situation in the past but not from the actual situation at that moment. This process, which is known as "affect infusion" can cause errors in cognitive decisions. This process affect entrepreneurial consciousness as well because effortful processing of information processes the information more automatic compared to less effortful processing system.

It is highly possible for entrepreneurs to encounter uncertainties in their daily lives. When they face a new situation, unlike others, they have to modify existing information or find new data and use it for a new solution. They have to be more constructive and think more cautiously in new situations. Entrepreneurial people encounter more new situations than

others as part of their jobs and they have to manage more stressful relationships. As a consequence, they experience more severe emotions and this can lead them to generalize their emotions to other situations, which sometimes can be inappropriate. Compared to others, they transfer more emotions from their previous experiences to new situations. Therefore, their thoughts, judgments and decisions can be affected by emotions that are actually not associated with that situation. It is known that while more cognition which is not associated processes stimulus in the case of uncertainty, they felt more stressed. When only the emotions become automatic, cognition can follow this automatic processing.

The environment that influences entrepreneurship cannot be estimated. Under these circumstances, individuals cannot follow the predictable methods that they developed before so cognition and behavior have to reorganize themselves. Individual processes more data to make the environment more predictable. The way of knowing with what cognitive elements individual's emotions are affected is to focus on his perception of external world (Baron, 1998). However, external world perception cannot be formed independently of value. The individual's perception of his performance relating to his own ability is also associated with his perseverance. Intervening unexpected problems and overcoming obstacles is a powerful cognitive element for entrepreneurs and it requires a high-level perseverance. Perseverant individuals have the ability to find new ways to overcome obstacles and restrictions fearlessly in environments that require an uphill struggle. Perseverance that is accepted as one of the most powerful qualities of entrepreneurial individual keeps on struggling with persistence even in case of failure by challenging misfortunes (Kümbül-Güler, 2008). Therefore, entrepreneurial individuals have to focus on positive situations and have to think in the long run in order to cope with negative situations while they process information.

### **3. Entrepreneurship and personality**

#### **3.1 Entrepreneur's general personality traits**

Since the first studies considered entrepreneurship as an organisational and industrial concept and this kind of research finds performance rating more suitable for its working process, the first related research is usually focused on actions and behaviours of entrepreneurs but their personalities are not emphasized (Cornwall & Naughton, 2003). However, it is known that certain characteristics that individuals have can have important influence in taking decisions to set up a business and achieving success in entrepreneurship (Brandstatter, 1997). Understanding entrepreneurship process depends on analyzing and determining entrepreneurial qualities and common trait of entrepreneurs. It is known that entrepreneurs are different from other people in terms of attitude, perspectives and some basic qualities. In other words, some people have the ability to see the new opportunities and are more skillful to fulfil their dreams about business whereas it is almost impossible for others to get that kind of achievement (Baron, 2000). Therefore, knowing the basic qualities that differentiate entrepreneurs from others is necessary either to provide cultural transformation which will contribute to creating new entrepreneurs or to uncover entrepreneurial qualities that remained hidden in some individuals.

A lot of research has been done by various researchers to determine the basic qualities of successful entrepreneurs. Baron (2000) explains successful entrepreneurship in terms of

cognitive and social factors. He states that successful entrepreneurs are people who strongly believe in their own judgements and they have high social perceptions and ability of successful interaction. He also says that they are people who can be accommodated fast to new circumstances. Chell, Hawort and Bearly (1991) explain successful entrepreneurship as the quality of seeing and using business opportunities and starting appropriate actions. Lambing and Kuehl (2000) think that an entrepreneur has qualities like self-confidence, determination, risk-management, creativity, perfectionism and tolerance against uncertainty. It is also claimed that entrepreneurship is motivated by socio-psychological factors such as helpfulness, altruism, responsibility, social justice and forgiveness. This claim is an objection to people who claim that entrepreneurship is motivated by economic and sociobiologic factors (Montanye, 2006; Gibson and Schwartz, 1998). The fact that entrepreneurship is affected by numerous factors is also related to multiple characteristics that are attributed to it. Therefore, entrepreneurship is multi-dimensional and that's why there are so many qualities to be considered when entrepreneurship qualities are referred to. Frequent entrepreneurial qualities are given in Table 1.

1. Self-confidence	22. Reliability
2. Constancy	23. Prevision
3. Being active and energetic	24. Honesty
4. Skill	25. Commonality
5. Risk taking	26. Being profit-minded
6. Dynamizm & Leadership	27. The Ability of Learning from mistakes
7. Optimism	28. Desire for Power
8. Ambition	29. Good personality
9. Versatility	30. Self-centeredness
10. Creativity	31. Courage
11. The ability of Manipulation	32. Imagination
12. The Ability to Communicate with people	33. Understanding/Sympathy
13. Initiative	34. The Tolerance against uncertainty
14. Flexibility	35. Agression
15. Intelligence	36. Satisfaction
16. Focusing on Clear Objectives	37. Advantage
17. Being competitive	38. Being promising
18. Independency	39. The Ability to rely on employees
19. Sensitivity to critical situations	40. Sensitivity
20. Efficiency	41. Integrity
21. Being Decisive	42. Maturity

(Source: Kuratko & Hodgetts (1998), p. Otd.in Aykan, 2002)

Table 1. Frequent entrepreneurial quality

According to the chart, individual entrepreneur is expected to have socially accepted values like honesty, trust, reliability, maturity, integrity, sympathy and socially approved emotions such as sensitivity, satisfaction, optimism. Besides, they are expected to have the ability of interpersonal communication skills like having good relationships, which include

communicating and influencing other people so they must rely on employees. They are also expected to have the potential to improve life to a higher standard by working efficiently, being competitive and having self-confidence. Being energetic and having initiative are also required to be able to have the qualities like risk taking, leadership and the ability to focus on clear objectives. They are also expected to have a lot of positive personality traits such as being tolerant against uncertainty and courage. Being skillful and patient are also required qualities. These individuals must have vision for the future. Therefore, studies associated with individual entrepreneurs can be gathered around some common qualities.

A very significant number of studies associated with common traits of individual entrepreneurs argue that individual entrepreneurs are people who have risk-taking ability. Risk-taking is related to innovation and creativity and it is necessary for the realization of objectives. Having high self-confidence increases the tendency to take risks. However, it is also known that excessive self-confidence leads to an ignorance of risk factors. Individual entrepreneurs know their limits. Therefore, they do not take unnecessary risks. They can control their emotions and accept risk if only profit equals it or higher than it is (Tan & Pazarçık, 1984). There are different points of view that risk-taking is a characteristic of an entrepreneur. Very few studies, for example McClelland's research points out that the ones who are strongly in need of success moderate their desire for taking risks and moderate risks bring a high motivation for success. Similarly, the study states that people who have a strong self-control system also tend to be in need of success and they are restricted as moderate risk-takers. According to Low and MacMillan (1988), risk-taking is not a characteristic of an entrepreneur. They have a tendency to take risks as much as everyone does; however, they are very good risk managers.

It is claimed that a second common trait of individual entrepreneurs is "innovation" and "creativity". Imagination, following dreams and trying new ideas are some important characteristics of entrepreneurs. The claim of seeing the opportunities where others see limits and turning them into business ideas is very strong in these individuals (Tekin, 1999). Entrepreneurs are very successful in developing new ideas for radical changes and they want to work in environments which are less structured and where there are fewer rules. They are mostly concentrated on action more than efficiency (Kümbül-Güler, 2008). It is almost a necessity for them to introduce original, new and surprising ideas or act in an original way or surprisingly; however, all these ideas and actions must contribute to his life or the others' lives in a positive way (Peterson & Seligman, 2004).

Successful entrepreneurs are determined and patient. They do not avoid decisions and look for solutions instead of accepting problems as they are. Entrepreneurs enjoy struggling with failures and obstacles. It is very important to be determined and perseverant in order to handle failures and overcome obstacles (Kuratko & Hodgetts, 1998; Otd. in Aykan, 2002). Perseverance signifies performance related to an individual's perception of his own ability. Perseverance as an entrepreneurial characteristic is a strong cognitive element in order to handle and overcome the unexpected difficulties and obstacles. A perseverant individual has the ability to be able to find new ways to get over obstacles and limitations in competitive environments. Perseverance, which is accepted as one of the strongest points of individual means to keep struggling persistently by challenging misfortunes and difficulties (Kümbül-Güler, 2008). Individual entrepreneurs are much more determined than others in

challenging difficulties are and obstacles are and they observe the development of the conditions for the solution so that they can respond appropriately at the right moment.

Self-confidence and optimism are also common characteristics of successful entrepreneurs. This individual believes that he can overcome all difficulties he meets through his self-confidence. Self-confidence accelerates the development of positive feelings by increasing inner peace. Self-confident people have passion to learn and they are open to searching and criticism. Therefore, entrepreneurs have an optimist point of view (Avşar, 2007). However, as it was mentioned before, they are very sensitive about risks that can be resulted from excessive self-confidence so they don't allow themselves to make irrational moves. It is known that creativity, self-confidence and optimism trigger entrepreneurs interactively. Optimism is also defined as the tendency to concentrate on the positive side and see the best opportunities; however, seeing those opportunities requires asking right questions (Kümbül-Güler, 2008). Entrepreneurs are not people who produce excuses for why something can not be done by focusing on problems because they are opportunity oriented (Dees et al., 2001). They use their self-confidence to choose creative and risky options for the problems and opportunities. Therefore, self-confidence is seen as a compulsion for entrepreneurs (Bird, 1995; Otd.in Cansız, 2007).

Successful entrepreneur is someone who aims to act independently and in accordance with this purpose, he carries the risks. It is impossible for an entrepreneur to be trapped in strict bureaucracy and they are capable of resisting against rules or forcing to change rules in order to reach their aims. They are skilled at acting independently. Entrepreneurs are people who make a difference compared to others (Kuratko & Hodgetts, 1998). For an entrepreneur, independency means making moves freely without depending on anybody while taking decisions and it also means to act avoiding rules, procedures and social limitations. Entrepreneurs do not take all decisions alone but they want to be the only authority while taking the most important decisions (Cansız, 2007). Kourilsky and Walstad (2002) carried out a research on high school students and it was discovered that one of the reasons underlining the desire for having their own business is to be able to act independently. However, nowadays besides entrepreneur's desire to act independently, the concept of "team business" has come into forefront and it has been underlined that success is only possible by team work (Chell, 2007).

Since business relations spreaded beyond the nation, international division of labour is inevitable. Because of the factors of intercontinental competition and free movement of capital, social structure and relations change constantly so to be able to exist in this changing world, entrepreneurs have to renew themselves continuously. However, no matter how entrepreneurs keep up with this changing world, they can still remain in uncertainty because of these changes. Therefore, it is necessary for them to have the ability of tolerance for uncertainty to be able to stay away from stress and anxiety. The stronger tolerance they show towards uncertain conditions, the less they are affected by them and they can handle negative situations more easily (Avşar, 2007). In fact, risk and uncertainty are complementary qualities. Each risk has an uncertain element in it and each uncertainty involves a process, which is full of risks. Showing tolerance for uncertainty means their dealing with problems without feeling psychological pressure under the lack of information and unknown situations. Entrepreneurs not only perform in uncertain conditions but also look for new possibilities so that they can study and overcome uncertainty as they see it as

an achievement (Cansız, 2007). Johnson (2003) said that even when they do not have powerful predictor sources, entrepreneurs are able to act and work efficiently without feeling discomfort.

Characteristics associated with entrepreneurs should not mean that they are selfish and self-centered people who only think about themselves. One of the most important factors that motivate entrepreneurs is that they consider not only their own personal benefits but also social benefits. Individual entrepreneur figures out advantages for himself while working in production field but at the same time he considers the advantages and disadvantages of this situation for the society. In this context, "altruism" that means "having the advantage for the other person's benefit" is one of the most important characteristics of entrepreneurs. Altruism which is studied in the context of prosocial behaviour involves protecting and increasing personal welfare of related people. Entrepreneurs feel the need to make contributions to the society as well as personal success and advantages and they prove that they can make sacrifices for the society not only for their own good (Montanye, 2006; Velamuri, 2002). One of the basic characteristics that entrepreneurs must have is "empathy". The fact that they have other powerful entrepreneurial traits is not enough for success. Being able to look at the world and the events with the opposite side's point of view provides competitive advantage in entrepreneurship. Empathic entrepreneurs get advantages over many points. They meet their customers' expectations in the market and they make their employees happy by meeting their expectations from business enterprise and entrepreneur. They take precautions by predicting their competitors' moves beforehand (Cansız, 2007).

### 3.2 Entrepreneurship and motivation

It is known that motivation has an important role in forming entrepreneurship culture. Motivation includes a trinity cycle which is either an incentive that takes the entrepreneur to a certain target or it is the behavior which is done to reach the target and lastly it is the process of reaching the target (Cabar, 2006). It is highly difficult to develop a motivation model for every person or entrepreneur although it is admitted that there are some incentive tools for motivational purpose. We can include financial, psychological and social tools as incentives. There are also organizational and administrative incentive tools to be added to the list (Cabar, 2006). Values are the most wondered issue among these incentive tools. They cause an individual to have a purpose because their obeying existing rules of organization can be controlled mostly by these reinforcements. Yet economic results based on either reaching the objective or not achieving the goal are factual and these facts motivate individual more towards the action that can take him to success. However, values are abstract issues. It is interesting and also hard to understand exactly what values motivate individual to decide to be an entrepreneur.

Yet a lot of research, (Glazer et al., 2004; Knafo & Schwartz, 2004; Bardi & Schwartz, 2003; Devos et al., 2002; Naktiyok & Timuroğlu, 2009) which was carried out about this issue emphasized the relationship between entrepreneurship and values by means of motivational aspects and defined ten value types on this subject. Gain power, success and get pleasure, guide oneself, be helpful for others, follow the existing traditional forms, provide security, contribute to the universal forms are the main ones of these value types. Each of these value types present a motivational purpose and influence behaviors (Gibson & Schwartz, 1998). Power, social status and prestige, for instance, prove the importance of

authority and control over people and resources. The values under this dimension cover social power, wealth, authority, public image and publicity (Schwartz & Boehnke, 2004; Bardi & Schwartz, 2003) and individual tends to experience entrepreneurial action by means of these needs. While Peay and Dyer were studying the relationship between willingness for entrepreneurship and power, they found out that entrepreneurs are motivated by both their personal and social power needs (Peay & Dyer, 1989). Yet again the fact that there are cultural differences on this point must not be ignored. For example, Bhandari (2006) carried out research over the students in India and he tested his hypothesis that claims that social status and prestige influence entrepreneur's intention but couldnot prove this correlation.

Individual should set targets on how to live his life and being able to move towards these clear objectives is an important source for inner motivation. In these sense, setting a right and reachable target is important because each achieved target means the first step of a new reachable target. Yet every achieved target helps to eliminate and satisfy many important psychological needs, some of which are self-actualization, pride and the need for achievement (Allan, 1998). Need for achievement which is considered among important psychological needs is one of the variables whose effect in development of entrepreneurial behavior is mostly studied. Need for achievement means that individual sees and feels satisfied when his actions have positive outcomes by giving his own decisions and carrying his responsibilities (Avşar, 2007). McClelland (1961) suggested three dimensions of need for achievement: a) personal responsibility for solution of problems, setting targets and achieving goals; b) taking risks instead of luck; c) predict outcomes of a decision or a business success. According to McClelland (1961) individuals who have a high need for achievement prefer medium-level risky tasks which require personal skill and effort in order to be able to take personal responsibility of obtained results. Therefore, it is stated that individuals who have a high need for achievement tend towards entrepreneurship rather than working on salary basis. Besides, entrepreneurs have a desire to be successful more than to earn money. The gain obtained is not a consequence of the need for achievement but it can be considered as a means or feedback to evaluate success (Kümbül-Güler, 2008). According to Johnson (1990), the most important factor of entrepreneurship is the motivation for success. Individuals who have a high motivation for success have a high sense of responsibility. These individuals set targets to try to reach them and get feedback related to their performance. They do not put the blame on luck or external factors but take the responsibility in case of a failure.

Studies have shown that there is a correlation between entrepreneurship and a high need for achievement. In the longitudinal research that McClelland (1965) carried out, it was determined that the students who had a high need for achievement became entrepreneurs after years. Likewise, Fineman (1977) and Collins, Locke and Hanges (2000) have stated that need for achievement predicts entrepreneurship in a meaningful way. According to the theory of need for achievement, an important motivation source is "need for superiority". Need for superiority is a part of need for power and it involves gaining and keeping the control in hand. Because individual who is in need for superiority desires to be influential over others and wants to be considered as valuable (Önder, 2010), they are expected to show tendency towards entrepreneurship as they have the opportunity to use power and gain superiority over employees due to the fact that entrepreneurs are the center of authority inside the enterprise (Kümbül-Güler, 2008). However, there are objections from the field of

social psychology to the need of achievement that is suggested to have universal validity. Some studies in the field of social psychology (Kağıtçıbaşı, 1996) argue that the concepts of individualism and collectivism have become prominent since 1980s to understand the inner dynamics or different characteristics of societies. They suggest that “need for achievement” that is considered as intervening variable and even sometimes independent variable to explain economic growth earlier cannot fill in the space, which is prepared for it because of its entrepreneurial-individualistic quality. While explaining inner sources for entrepreneurial motivation, another concept that is emphasized is “need for autonomy”. Need for autonomy, which resembles need for independence, is the main reason for an entrepreneur to set up business. If an individual has need for autonomy, it means that he wants deeply to have the control over the issues associated with him. The fact that individuals who want their decisions to be in control over their lives avoid working under management of others; therefore, It is obvious that these individuals want to have their own businesses. It can be said that entrepreneurs as being independent individuals who take their own decisions and carry their own responsibilities have the need for autonomy (Kümbül-Güler, 2008). Autonomous individuals take the responsibility of their own judgments instead of following others’ ideas blindly. Besides, these individuals take the responsibility of their own lives instead of living based on other peoples’ opinions and experiences. Many researchers have observed that the role of entrepreneurship requires independency. According to the researchers, entrepreneur takes the responsibility to go after opportunities; take the responsibility of outcomes of their actions either successful or failed and carry on entrepreneurial efforts since they like independency (Shane, Locke & Collins, 2003).

### 3.3 Entrepreneurship and self-efficacy

Self-efficacy is one of the main concepts of social-cognitive theory. It has been defined as the belief that one is capable of performing in a certain manner and how to be successful when he faces difficulties. The perception of self-efficacy affects one’s behaviors at least in three ways: (a) one’s choice of activities, which will be performed (b) one’s performance quality (c) one’s persistence in difficult tasks. It also increases the strength to overcome failures. The ones who do not have the belief of self-efficacy tend to emphasize their personal inefficacy and believe that potential obstacles cannot be overcome. One’s performance quality and persistence for difficult tasks can be affected by their self-efficacy beliefs (Bell-Gredler, 1986). There are four sources that affect one’s beliefs about their self-efficacy: enactive mastery experiences, vicarious experiences, verbal persuasion and physiological and emotional situation. Enactive mastery provides the most realistic indications about ability of bringing sources together for achievement. While one’s achievements raise the perception of self-efficacy, repeated failures can lower the perception of self-efficacy. However, enactive mastery experiences do not include simple achievements. The individuals who have only simple achievements can easily lose their courage when they face failure.

Enactive mastery experiences and developing the perception of self-efficacy include cognitive and behavioral abilities that are necessary to perform a certain act in a certain manner. Vicarious experiences, on the other hand contribute to self-efficacy by means of models. Observing similar individuals performing certain acts in a certain manner can raise one’s perception of self-efficacy. Vicarious experiences are effective in the case of not

having or very limited original experiences. Verbal persuasion, which is encouragements /incentives, suggestions and advice that are associated with one's achievement or failure affect the sense of self-efficacy. However, if other sources do not exist, verbal persuasion cannot raise personal self-efficacy. Physiological and emotional state can give data about self-efficacy. People tend to interpret tension and stress responses as an indicator of poor performance. Therefore, tendencies that create stress and negative emotions must be decreased (Gredler, 1997). Self-efficacy, which is an important factor in determining entrepreneurial behaviors, develop in time and can be affected by many internal and external factors such as financial situations, personality and values (Cox et al., 2002). According to Zhao, Seibert and Hills (2005) entrepreneurial self-efficacy determines entrepreneurial intentions. It also affects the perceptions of formal learning, entrepreneurial experience, risk propensity and gender. Entrepreneurial self-efficacy defines entrepreneur's belief about whether they are capable of doing their tasks successfully or they fail (Mueller & Dato-On, 2008). In entrepreneurship, one's evaluation of self-efficacy begins with the calculation of performance time for the realization of processes like taking the opportunities, business planning, and financial preparation. Then individual has to go over the situation of achieving these processes and resources to set up a business. Lastly, individual identifies his chances to set up a successful business by evaluating positive and negative entrepreneurship experiences in his past (Summers, 1998; Otd.in Kümbül-Güler, 2008).

Bandura (1986) says that self-efficacy is the most powerful predictor for choice of profession. On the other hand, according to Chandler and Jansen (1992), self-reported competencies predict entrepreneurial performance. Markman and Baron (2003) have stated that high-level self-efficacy is an important factor that enables to be a successful entrepreneur and that individuals with high-level self-efficacy are willing to take and carry on tasks, which require struggle. The individual who wants to test his own competence in every field of his life tend to face difficulties in business life. This situation raises his tendency to become an entrepreneur by stimulating his desire to explore his limits about difficulties.

### **3.4 Entrepreneurship and locus of control**

How individuals attribute responsibility of their actions and whether these different attributions can be evaluated as personal traits of individuals became the focus of interest in psychology in 1960s. Multidimensional research was carried out by Rotter (1966) on the concept called locus of control for long years. Locus of control is an important variable in explaining human behaviors in organizations and business life because their ways of taking responsibility in these fields of life, which require responsibility, are effective by means of consequences. According to Rotter (1966) locus of control is one's belief and generalized expectation associated with the outcomes of one's actions and incidents in his life are in his control or depend on some external factors. Rotter (1966) emphasized that people who have internal locus of control are more aware of the opportunities around them to achieve their goals and get into action to improve their environment. He also emphasized that they underline the effort made for success and they are tend to improve their skills. These individuals feel that they are responsible for their own lives and they perceive that their destiny is affected by their own decisions not external factors outside their influence. The beliefs of having control over their destiny prevent them from doubting the process of

personal transformation because they feel responsible for their actions. They form a strong relationship between their actions and the things going on around them.

This self-confidence and independence make these people less anxious, more active and more successful. They make more efforts and they are mostly future-oriented. The people who have internal locus of control are also efficient and innovative. They have very high-level of self-control. They tend to be more motivated and more successful both in their academic lives and in their businesses compared to individuals who have external locus of control. Their belief in their potential makes these people tough and resistant against pressures so they are not easily affected (De Vries & Balazs, 1999). External locus of control is an aspect of personality, which is defined with the belief that individual does not have a control over his actions and their outcomes but his life and his experiences are under the control of external forces such as God, fate, ill-fortune and powerful others (Rotter, 1966). These individuals mostly see change as a danger. They do not feel control of powers that control their lives. They prefer to stay in a passive position in case of a change in their lives. They do not have the ability to step forward with determination. They are more obedient and conformist. They are likely to response with depressive reactions (De Vries and Balazs, 1999). Individuals with internal locus of control believe that they can control their business environment by their actions. Furthermore; they expose entrepreneurial performance and experiences. On the other hand, individuals with external locus of control have actions that are more conformist and they behave obediently. Individuals with internal locus of control become more successful when tasks or organizational demands require independence and initiative. It is possible for these individuals to have higher motivation for the tasks, which require higher motivation if they believe their efforts will bring reward. These individuals are more suitable for professions that require technical information and skill. They are also more suitable for professional jobs such as managers or supervisors whereas individuals with external locus of control are more suitable for traditional working methods and professions that do not require skill such as production business or office work. Besides, individuals with internal locus of control have higher job satisfaction because they believe in their abilities and that their efforts will result in a good performance. They are almost sure that their good performance will get award and they perceive their positions in a more objective way. Internal locus of control is a characteristic that is found more in business founders compared to other individuals as it is related to entrepreneurship (Spector, 1982). In a study which is done in Turkey (Korkmazyürek et al., 2008), the relationship among innovation, risk-taking and focusing on opportunity is analysed. They are the dimensions of locus of control and organizational entrepreneurship. In this study, it was determined that the ones with internal locus of control are more innovative, risk-taker and more target focused compared to the ones with external locus of control. Yet some studies point out that individuals in communitarian cultures are more external locus of control. This situation is used as a variable in explaining why there are less entrepreneurial traits in communitarian cultures.

## **4. Entrepreneurship and culture**

### **4.1 A general overview on entrepreneurship culture**

Studies which have been carried out on entrepreneurship have showed that there are a lot of indicators of entrepreneurial behavior. An important part of these studies have focused

on personal characteristics of individual entrepreneur or circumstantial properties. The studies that were focused on personal traits have claimed that entrepreneurship is an individualistic behavior. Therefore; they said that it is more important to understand the relationship between individualistic behavior and personal characteristics. Some other studies emphasize entrepreneurial qualities, and they think that culture must be the actual research field. They believe that it is impossible to understand an individual's entrepreneurial qualities without examining cultural properties of the society in which individual lives. In fact, these two propensities do not exclude each other. Both of them attach importance to each other's data and use it in their studies to improve them. Yet, when it is considered on the whole, the subject matter of entrepreneurship has the features of a field which can be studied in two ways, one of which examines personal characteristics, socio-demographic attributes, future objectives, hopes and expectations of individuals by focusing on individual properties; on the other hand, in the concept of entrepreneurship culture, it examines family, education, religion and belief systems by paying attention to value system that individual belongs to and cultural environment which this value system creates.

In the subject matter of entrepreneurship, studies which are focused on the effects of personal factors on entrepreneurship highlight that motivation resources that support entrepreneurship are mostly related to person and they do not pay much attention to individual's social motivation resources. These studies have shown that individual's personal resources affect individual behavior all at once not one by one. For example, individual's entrepreneurship is triggered by not only achievement motivation but also being tolerant for uncertainty and having a high potential to take risk. There are different cultural effects behind achievement motivation that seems to be individualistic. For example, the fact that autonomy or auditing is more individualistic structured or more social structured have a different impact on achievement motivation. Achievement motivation in American culture is determined over personal effort, actions and competition with others whereas experiences to impose individual achievement in communitarian cultures like India have failed (Kağıtçıbaşı, 2000). Likewise, cultural differences cannot be ignored in terms of risk-taking and tolerance for uncertainty factors. Even though personal characteristics of entrepreneurs have been studied for a very long time, the history of empirical studies which make comparative analysis of these characteristics in different cultures is not very long (Mueller & Thomas, 2001). Especially need for cross-cultural studies that will contribute to development of cultural approach related to entrepreneurship is obvious.

Some researchers who consider entrepreneurship as a personality characteristic (Tanrıseven, 2004; Cabar, 2006) emphasize that the connection of these characteristics with the culture must not be ignored. These researchers also argue that the individuals in some cultures that support entrepreneurial qualities can have these characteristics more than the ones who live in some other cultures which do not support entrepreneurial skills. According to these researchers, cultures that support their members' independence raise individuals with more entrepreneurial skills in comparison with the cultures that expect obedience from their members. At this very point, the concept of entrepreneurship, which aims to raise the type of person who is oriented to give opportunities to others and obtain results for his studies and actions by being bold and dynamic has come to the forefront.

Conformity, consistency and efficacy messages that individuals get from media and personal relationships through their lives influence their intentions for being an entrepreneur while choosing their professions (Akşit, 2003); and in an age of constant initiation of division of labour, professions that require entrepreneurial skills are encoded in individuals' brains by their cultural environment. Besides, universal values like equality, a peaceful world, being in harmony with nature, social justice, freedom of opinion and protection of environment (Schwartz & Boehnke, 2004) that are popularized through globalism also existed in the values that are supported by entrepreneurs. Entrepreneurship culture improves with these values and post-modern culture causes to form a new entrepreneurship culture as a result of universal thought and standardization (Nicholson & Anderson, 2005).

It is not correct to categorize cultures and to say that cultures either support entrepreneurship or they are opposed to it entirely (Hisrich & Peters, 1998). There are sub-cultures that affect value systems in every culture. These sub-cultures are nourished by tradition and social relations habits or religion. Yet, every sub-culture or dominant culture lacks the power of framing all behaviors of individual. As a matter of fact, it is even possible to have collective behavior models in cultures that seem contrary with each other. For example, Yasin (1996) could not identify the difference between Palestinian Muslim entrepreneurs and Jewish entrepreneurs in terms of their needs for achievement and he attributed this situation to the effects of tradition more than religious values.

#### **4.2 Value systems and entrepreneurship**

Values are standards and principles that are accepted by the members of a society. Value, which is mostly nested within attitude are related to cultural properties that lie behind attitude. Values affect attitude and attitude affect behaviors (Sweney et al., 1999). Value, which is identified as permanent beliefs that determine what must be done in a situation, takes place in a value system within other values and some values play a more central role than the others in this system (Kağıtçıbaşı, 2000). Values guide individuals to act within reasonable social roles by drawing the outline of socially-accepted behaviors in a society. They structure individuals' interests in every field of their lives and the courage for actions of their interests. Thus, individuals act accordingly for valuable aims in accordance with their roles and expectations. Besides, values are means of social control and pressure and they are the elements/factors of social process. However, what values are associated with what actions or whether values have any relation with actions in general is not clear. Yet again, it is assumed that the relationship between values and actions is arranged by a simple motivational structure (Bardi & Schwartz, 2003).

Values are effective in determining the standards that guide individuals for their actions about their jobs in working life and in their plans to solve conflicts. Furthermore, business values are instruments for motivation and undertake the function of applying sanctions on individuals' actions. Nowadays, generally, enterprises in the world prioritize values like creativity, imagination, entrepreneurship, having a vision and also business ethic, social responsibility, total quality manner and in-service training. They also attach importance to respect for human rights, research and developmental activities and lastly a constant self-improvement (Silah, 2005). However, despite these generally accepted principles, there are different values among cultures in business world.

The value that is produced by working life is not limited by only business values but since it gives individual the opportunity to know his limits by putting him in a social environment, it creates differences in individual's personal values. For example, individuals who improve their social status through business life also improve their self-confidence. Self-confident individual tend to expand the limits of business activities; therefore, a new business position enables to internalize new business values and this cycle carries on like this. In this context, making an attempt for a business means a constant framing of not only personal values but also business and social values. Within this period, individual as a part of social culture is in an interaction with traditions, customs and ethical values. In social groups that have external environment-oriented leadership and support high moral values, individuals' chances to have entrepreneurial values increase (Casson, 1990). Enterprise culture of economic organizations is also effective in this period. It is important to have fiduciary culture in organizations to improve creativity, innovation and entrepreneurship. However, control mechanism can be internalized in such organizations and individual can make productions not only for the enterprise but also to experience the feeling of self-improvement (Sargut, 2001). Therefore, both business values and enterprise values must show parallelism with social values regarding the society to which they belong. The fact that these values coincide with individual's personal values is very important in effective entrepreneurship. Likewise, all these values have to update themselves regularly as part of universal values. Organizations can take the opportunities both to be able to deal with deepening high-level competition in business lines and in order to satisfy their employees as long as they make connections among these values and update them as well.

General characteristics of culture are as important as personal characteristics for cultural interaction and conducting activities within the values of social structure. Individuals' cultural commitment is stronger in societies that have traditional values compared to modern societies (Williams & Narendran, 1999). In traditional societies, there is less risk and the rules of life are determined by the society, which means everything is clear and obvious in these societies. In modern societies, however, individual has to struggle against uncertainty due to rapid change. Therefore, individuals in modern societies take more risks and try to struggle more against uncertainty in order to accommodate to the period of change from early ages. As a result they have to have qualities that require entrepreneurship at an earlier age. In countries which are in the period of transition from traditional to modern society, Uncertainty Avoidance still remains in power as a cultural value. In societies with a high Uncertainty Avoidance index, it is preferred to act by remaining in structured situations in every area of life. According to the results of Hofstede's research, which includes four cultural dimensions (Power Distance Index, Individualism-Collectivism, Masculinity-Femininity and Uncertainty Avoidance Index), it is determined that societies of countries like Greece, Japan, France and Turkey have a high Uncertainty Avoidance whereas countries like Denmark, United Kingdom and Sweden have a high tolerance for Uncertainty. In some later research concerning Turkish society (Sargut, 2001; Wasti, 1995), it was found out that there is a high Uncertainty Avoidance in this society. Raising individuals with entrepreneurial qualities in traditional societies can be possible through educational institutions that have entrepreneurial objectives. Through this period, it is strictly necessary to have new paradigms and policies. However; there is paradox here as traditional societies avoid change in education. Therefore, it takes seriously long time to raise individuals with entrepreneurial qualities in traditional societies.

Entrepreneurial individuals are intensely affected by sub-cultural values which they belong to. For example, in Turkey gender in business life creates a value perception. Turkey tries to stick to properties of a male-dominant society. Therefore, as an essential entrepreneurial quality, hard-work which is emphasized as a male quality has come forward. Because of the belief which suggests that females are more emotional and they cannot be reasonable, simpler and less demanding jobs which require love and affection such as social services, psychology, human relations and teaching are considered to be more suitable for women.

#### **4.3 Entrepreneurship in individualist and collectivist cultures**

The fact that how internal dynamics of social relations affect individual and how different characteristics of different societies shape their individuals' behaviors has been a matter of discussion for many years. The concern for individualism-collectivism is considerably associated with the concern for human dimension of economic growth. While studying the ways of how different cultural structures affect economic growth, it has been determined that one of the most important four characteristics that makes cultures unique is individualism/collectivism (Hofstede, 1980, 1983). It has also been indicated that individuals who grow up in individualistic cultures adopt individualistic cultural behaviors and the ones who grow up in collectivist cultures adopt collectivist cultural behaviors. It has been discovered that this situation has also been reflected in psychological process and behaviors (Marin, 1985). Recently, the increasing interest of the West towards the East, the rise of Japan and the economic development of four Asian Tigers (Hong Kong, South Korea, Singapore and Taiwan) initiate to conduct a lot of research over mother-child relationships and other organizational relations in these countries. Previously, it was claimed that individualistic cultures raise more entrepreneurial individuals and as a result, economic growth is faster in those cultures. However, the experiences of economic growth in the Far East affected this idea significantly. Realization of rapid economic growth in these countries in which commitment and collectivist cultures are common has become an exception to break accustomed general pattern in which individualism and economic growth are considered to be identical (Kağıtçıbaşı, 1996).

The variation of creative behavior of people varies according to individual's character, cultural environment he lives in and the education he has. In individualistic societies, creativity can be affected by both the age of individual and the complexity of jobs and tasks he does; it may also be influenced by the pressures to which individuals are exposed to get a reward in a certain reward system. In collectivist societies, acting within the community and giving priority to social interest over self-interest are the most important factors that affect creativity (Yellioğlu, 2007). The USA can be the best example for an individualistic society; on the other hand, Asian countries can be given as the best examples for collectivist societies. Even if European countries are mostly individualistic, they also hold the qualities of collectivist societies (Döm, 2006).

Tiessen (1997) mentions that entrepreneurs in individualistic and collectivist societies follow different strategies from each other in providing resources. Busenitz and Lau (1997), who studied the reasons why some cultures create more entrepreneurs than others, think that this is determined by personal characteristics, social context and cultural values in collaboration with each other. According to them, cultural values like Individualism-Collectivism, Uncertainty Avoidance, Power Distance Index, Long-Term Orientation; social

context, which includes social mobility, ecology, business and marketing conditions; and individual variant/personal variables such as risk-taking, locus of control and need for achievement come together to form a cognition so that they can initiate individual to set up the enterprise. Besides, it is also emphasized that entrepreneurial qualities are more dominant in high security societies. Being able to have safe relationships depends on individuals' long-term interaction with the people opposite side. Long-term relationships take place by means of school and family.

Family is the first institution that culturalise individual, however, school which takes place in child's life from the very early age especially in big cities also is a very important agent of cultural transmission. Family as the initial culture transmitter teaches the child how to shape from very early ages via their class positions. Hence, family as a sub-culture teaches the child how to act within economic institutions. Cultural factors that affect entrepreneurship in these sub-cultures display diversity. It is known that extended or joint families in traditional societies based on primitive agricultural economics expect their children to be dependent and loyal. Erelçin (1998) has shown that urban people attach more importance to material support rather than moral support whereas rural people are more likely to share their material and moral resources with their close environment. These findings show that rural area relationship models empower the tendencies of collectivist behavior.

When family environment supports entrepreneurship, entrepreneurial qualities of child get stronger. Families in Turkey do not support them to become independent individuals while raising their children. Being a "dutiful child" is prior to being rich or having financial resources. Since children have difficulty in making decisions without taking permission from their parents (Ekşi, 1981; Geçtan, 1973), they can feel blocked and cannot do what they want. Therefore, many young people have difficulty in aiming nonconventional jobs so they stay away from doing some jobs they can easily do.

Young people show a tendency to deal with more conventional and guaranteed jobs. Even if they are less paid, they would rather have clerical occupations than risky jobs that do not have a guarantee. These cultural codes that hinder children to achieve autonomy also prevent them from developing entrepreneurial qualities. The use of force on children leads to an inclination in their abilities to develop inner discipline and self-control. Even though there is less obedience in family and school relationships with the concept of modernity compared to past, corporal punishment methods can still be accepted as tools for child education (Göka, 2006). Children who are in a powerless position against adults are forced to show behaviors that are acceptable by adults to be able to escape from these uses of force and they are also made to act within the limits that adults established. This whole process is accepted as an obstacle that blocks the development of entrepreneurial qualities.

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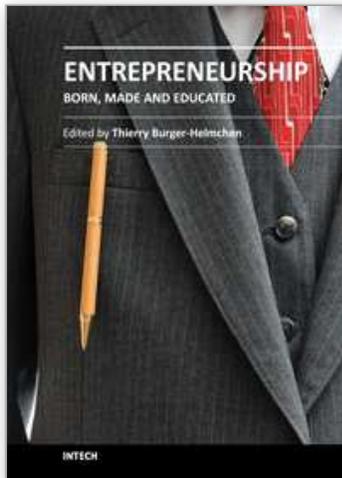
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## **Entrepreneurship - Born, Made and Educated**

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Entrepreneurship has a tremendous impact on the economic development of a country. As can be expected, many public policies foster the development of self- entrepreneurship in times of unemployment, praise the creation of firms and consider the willingness to start new ventures as a sign of good fortune. Are those behaviours inherent to a human being, to his genetic code, his psychology or can students, younger children or even adults be taught to become entrepreneurs? What should be the position of universities, of policy makers and how much does it matter for a country? This book presents several articles, following different research approaches to answer those difficult questions. The researchers explore in particular the psychology of entrepreneurship, the role of academia and the macroeconomic impact of entrepreneurship.

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