

THE PERSONALITY APPROACH TOWARDS ENTREPRENEURSHIP DEVELOPMENT

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Abstract. Entrepreneurship development requires behaviors interaction to be related to particular personality traits. Personality traits characteristics predict a large portion of entrepreneurial behaviors. The creation of an entrepreneur should played an active role in stimulating personality traits approach. The progression of entrepreneurship should use more radical theories and systematic approaches. The personality traits and entrepreneurs is about to shared experience of entrepreneurs towards goals orientation. The current study demonstrates that cognitive capacity must be taken into account in research on entrepreneurial development and economic growth.

Keywords: *personality traits, big five models, business success, entrepreneurship development*

Introduction

In the literature on entrepreneurship development, the personality orientation to entrepreneurship success has been debated wisely. According to some arguments, entrepreneurship development requires behaviors interaction to be related to particular personality traits. In organizational and Industrial psychology views, a related position seemed to exist for a years. Over time, however, the wave has reversed and there is now a regeneration of success and leadership study in personality research has been explored. This revival of personality and entrepreneurship development research became crucial because it suggested a variety of problem solutions (Mischel, 1968; Aldrich and Widenmayer, 1993).

It is important to distinguish between strong and weak personality effects towards creating entrepreneurship circumstances. By differentiating between personality traits variables, the predictive capacity becomes more transparent and reliable. An individual differences are closer to behavior and more effective behavior predictors than individual differences such as target orientation and self-efficacy. The specific approach that combines character traits and personality dynamics must be established in current research. In the growth of entrepreneurship development, cognitive capacity has not been much researched (Baron, 2004). The current study demonstrates that cognitive capacity must be taken into account in research on entrepreneurial and economic growth. In all circumstances, it is important to evaluate if there are vice-versa a non-linear relationships between this variables. A certain idea might not be a positive correlation at all. The meta-analysis approach has significantly revealed the perception of the role of personality characteristics and entrepreneurship development (Meyer et al., 2001).

The creation of an entrepreneur should played an active role in stimulating personality traits approach. The progression of entrepreneurship should use more radical theories and systematic approaches. The personality traits and entrepreneurs is about to shared experience of entrepreneurs towards goals orientation. A personality trait is

positively of strength of character in the entrepreneurship fields. Personality characteristics predict a large portion of entrepreneurial behaviors. It makes huge sense to assume a close association between any characteristic of personality and an entrepreneur's decisions. This current research is based on recent meta-analyses of personality traits approach towards entrepreneurship development. In both personality traits and entrepreneurship development, the study is able to do justification to all new innovations creation. Some new advances in entrepreneurship development research have been addressed in the current study and the results in the literature are compared. Next section provides a very brief historical explanation of the related literature and then provides a general relationship between personality traits and entrepreneurship development.

Personality review

In classical economic theorization, the personality traits of entrepreneurs were already included and been discussed widely. The definition of motivation was linked to entrepreneurship and economic growth by McClelland (1961). The interest in motivation factors shifted from economic and social level to the individual business owner level. A high number of different traits of entrepreneurs have also been dispute. There was no theoretical consensus evidence in the literature regarding the basic entrepreneurial necessities and the development of entrepreneurship. There was no clear definition on conceptual relation between personality, entrepreneurship development, and performance measurement. The actual outcomes may have been undervalued rather than overcome the success rate and economic contribution. In the debate of unimportant entrepreneurship personality traits relationships, the relation of appropriate characteristics to entrepreneurship development may have drowned and manipulated. Meta-analysis data has only recently been attained, questioning the narrow the reviews of the 1990s to late 2000 arguments.

Personality characteristics

Giessen-Amsterdam model (Rauch and Frese, 2000) introduced to explain the characteristic bound in the personality traits and it is describes trails through which individual transformations affect along with business success. The model is well-matched with the entrepreneurship growth models explaining needed of personality traits in the entrepreneurship development (Johnson, 2003; Kanfer, 1992).

Broaden personality traits

The large characteristics on entrepreneurship should be closely related to business growth and efficiency rather than to more specific personality characteristics. The Big-Five personality categorization is one of the most widely used in all personality traits research. In various jobs creation, adequacy and business experience correlate differentially with positive work results. These wide groupings definition have been less explored and with varying business success in entrepreneurship research. A meta-analysis found that large characteristics contributed significantly to entrepreneurial performance (Rauch and Frese, 2007). This relationship is smaller than for more specific characteristics pointing on entrepreneurial intention.

Specific personaloty traits

Personality traits characteristics such as the Big Five models also known as five factors model highlighted of actions can be expected, but not as individual behaviors (Barrick et al., 2003). Research on entrepreneurship development also uses more grounded principles of efficiency either the tasks of entrepreneurship should be connected to these five factors models characteristics. In entrepreneurship development research that seek to understand the mechanism of how success develops, the need for achievement should be included. Instead of continual or very challenging tasks, entrepreneurs with a high need for success choose slightly different tasks. Risk taking is generally characterized either as a probability function or risk propensity as individual. Innovative principles created specifically for entrepreneurship development such as interest for work can be seen to add clarified disparity in relation to motives for achievement scales. Risk tolerant entrepreneurs are more likely to be success than risk averse entrepreneurs to start a business (Caprana and Cervone, 2000).

Notably, the influence of the tendency to take risks is related to various viewpoints of scholar and schools of thoughts. Two meta-analyses have reported on a direct linear risk taking relationship with entrepreneurship development (Collins et al., 2004). There were heterogeneous overall relationships between risk takings, entrepreneurship development and success rate suggest the involvement of moderators may have high impact such as demographic factors (Firos et al., 2019). The position based on the need for accomplishment theory by McClelland (1961) can be apply on developing the personality as well. One of the main ideas of Schumpeter's approach to entrepreneurship was creativity and innovation ideas. Innovation lead the desire and interest of an entrepreneurs to pursuit in the forms of novelty action. This means that a business owner managers lean towards to introduce the new goods, facilities, markets orientation, manufacturing approaches and technology applicable. The introduction of inventions however can stereotypically not be achieved by individuals alone and naturally needs to be studied at the universal level.

Empirical evidence shows that entrepreneurs are more imaginative than other individuals (Frese et al., 2004). Entrepreneurship analysis has also revealed the innovativeness at the organizations level derived from personality traits rather than environment factors (Judge et al., 2002). Innovativeness is more important in emerging technology adoptable by entrepreneurs in conventional industries. The relationship between the creativity of entrepreneurs and the success of business is moderate equilibrium while measured (Cohen, 1977). The entrepreneurs with a high degree of independence are uniquely suited to thinking creatively and aims targeted. They seems to be in charge and ignoring the constraints in business. In reality, the authority red tape may hinder the growth of entrepreneurs because it may delay entrepreneur's successful (Koop et al., 2000). Entrepreneurs want an authority to be maintained and they are really driven not to have a complicated procedures indirectly stunted the economic curve (Miner and Raju, 2004). The concept of internal locus of control means that entrepreneurs believes in managing their destiny and future based on ability. Externally controlled occur passive the business growing. A meta-analysis of 32 studies found positive and important relationship between the personality traits of business owner's managers and business success (Rauch et al., 2000). When challenges arise, entrepreneurs with high self-efficacy are likely to stick and seek ways to take steps to overcome the challenges. Entrepreneurs have greater expectations of success take a long term view of point and look for the way leading to better knowledge. Most of the

entrepreneurship studies use a measure of self-efficacy as a general medium to describe personality traits (Rauch et al., 2005).

Issue of personaloty traits and measures criteria

The significant relationship between broad personality traits and entrepreneurial success still been dispute by scholar (Roccas et al., 2002). Specific personality traits showed higher relationships with business creation and success in the entrepreneurship field. More specific personality traits variables should correlate with specific criterion variables such as background of entrepreneurs. Entrepreneurship development for good reasons is not forced to use overall success rating but rather specific measures of success such as growth in sales or in the number of employees hired (Stewart and Roth, 2004). The personality traits and entrepreneurial behavior are important constructs creating processes such as self-regulatory assessment can lead to stronger relationships in business success. Research on such constructions has recently given priority and some of the studies found strong predictors of success for goal setting (Tett et al., 2003).

The entrepreneurship development analysis research

The micro enterprises success that had up to 10 employees has a direct relationship with business success and the personality of entrepreneurs (business owner managers). A vibrant relationship between the personality of entrepreneurs and the business success makes no conceptual arguments in the sense of larger firms such as for middle firms (SME;s) whereby had over 50 employees. In general, personality traits can be more closely related to results at the individual level than to results at the firm level (Van-Geldereren et al., 2000). The influence on entrepreneurship of personality traits is clarified by mediators such as background, self-efficacy, attitude and opportunities recognitions (Rauch et al., 2000). The personality characteristics are linked to achievement because they have an effect on specific characteristics, priorities and strategies which in turn influence business performance. Additional mediating variables are infrequently studied in entrepreneurship development study (Rauch and Frese, 2007). Moderator impacts have commonly been examined on the relationship between the personality traits of entrepreneurs and business success (Utsch et al., 1999). In line with Mischel (1968) conceptualized circumstances of well-established expectations and rewards a two strong situation defines entrepreneurial behavior. On the other hand, some extent of circumstances offer greater opportunities for individual having high personnel traits understanding the intervention. Hattrup and Jackson (1996) identified four situational categories related to the representation of personal traits differences in business which is patterns of thoughts, feelings, emotions and *situational* forces. This classification indicates that entrepreneurship development can usually be influenced by situation because entrepreneurs have to prepared in a highly independent structured of ability. These conditions can be influenced differently by different personality traits. Individual with a high risk propensity for instance may be more likely to start a business because they are not afraid to loosen and challenge themselves. However, it may not be linked to good business performance to be operate and in a risky manner can demotivated if failed.

It is also likely that another moderator can influence in entrepreneurship development is the live business cycle. The impact of numerous personality traits characteristics on performance at different stages of business growth were specifically

discussed in the study (Miner and Raju, 2004). In order to evaluate these impacts definitely take time into account, prospective research needs to take a more developmental process and longitudinal approach. The surplus of related descriptive statistics were not published rather than meta-analysis data (Koop et al., 2000). The lack of such detailed information makes it difficult to interpret outcomes, particularly if there are limited sample sizes on development of entrepreneurship. It is possible to draw more sophisticated generalizations from quantitative reviews that analyses of evidence across studies and adjustment for variation in sampling error. Study in the field of entrepreneurship development needs to boost the standard of personality traits studies. It is possible that more localized personality traits can be reformed more easily than global personality traits. It is important include third variable explanations for instance that certain personality traits are seen more commonly in certain subcultures (Wittmann, 2002). Entrepreneurship researchers should hire more longitudinal research to deal with alternative theories. Therefore is evidence that the predictive validity for different instruments is different results. Meta-analyses in theory applicable offer an excellent method for evaluating the predictive value of various instruments applicable to entrepreneurship development.

Personaloty traits predictors of success in intrepreneurship development

Other individual variables must be included in a model to show the impact of personality traits attributes on market and business performance development. Additional success predictors are as action to the techniques, cognitive capability and the environment influences. If the study not take personality traits variables into account, it will not establish a coherent theory about entrepreneurship development overall.

Conclusion

Relationships between personality traits characteristics, market development and business performance are minimal to moderate variables. The need for accomplishment, risk-propensity, innovativeness and internal locus of control is greater for business owner's managers. Indeed, some relationships are very limited, such as the relationship of risk taking with the development of enterprises. In research development between entrepreneurship development and personality traits have been difficult to determine by exactly. In details, there is lots of distracting circumstances on developing entrepreneurship towards business success. The smaller associations are interpreted to be more significant rather than operating SME's. There are many determinations of entrepreneurial achievement and no single success predictor is unlikely to assess and measure success in business. Entrepreneurship development is multi-determined and high correlations may therefore be a cause for concern in future assessment. The assumption only small or moderate correlations in entrepreneurship development research. The number of studies on the motive for accomplishment is insufficient. The study propose that research into entrepreneurship development could demonstrate that future constructs show added clarification of variance on top of some measure of motivated achievement. In order to draw this conclusion, the study found more than 20 studies available for meta-analysis research in future. Personality traits features contribute to business formation and efficiency in general. The question of specificity applies to more concrete conclusions findings.

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Conflict of interest

The author declare no conflict of interest with any parties involve with this research study.

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