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“Who Is an Entrepreneur?” Is the Wrong Question

William B. Gartner

Entrepreneurship is the creation of organizations. What differentiates entrepreneurs from non-entrepreneurs is that entrepreneurs create organizations, while non-entrepreneurs do not. In behavioral approaches to the study of entrepreneurship an entrepreneur is seen as a set of activities involved in organization creation, while in trait approaches an entrepreneur is a set of personality traits and characteristics. This paper argues that trait approaches have been unfruitful and that behavioral approaches will be a more productive perspective for future research in entrepreneurship.

My own personal experience was that for ten years we ran a research center in entrepreneurial history, for ten years we tried to define the entrepreneur. We never succeeded. Each of us had some notion of it—what he thought was, for his purposes, a useful definition. And I don't think you're going to get farther than that. (Cole, 1969, p. 17)

How can we know the dancer from the dance? (Yeats, 1956)

Arthur Cole's words have taken on the deeper tones of prophecy. Recent reviews of the entrepreneurship literature have found few changes in this dilemma in the sixteen years since Cole's statement. Brockhuas and Horwitz's (1985) review of the psychology of the entrepreneur concluded that "The literature appears to support the argument that there is no generic definition of the entrepreneur, or if there is we do not have the psychological instruments to discover it at this time. Most of the attempts to distinguish between entrepreneurs and small business owners or managers have discovered no significant differentiating features." (pp. 42-43) Other scholars have concurred that a common definition of the entrepreneur remains elusive (Carsrud, Olm and Edy, 1985; Sexton and Smilor, 1985; Wortman, 1985).

Cole's early doubts about whether the entrepreneur could be defined have not stopped researchers from attempting to do so. Much research in the entrepreneurship field has focused on the person of the entrepreneur, asking the question, Why do certain individuals start firms when others, under similar conditions, do not? Asking *why* has led us to answering with *who*: Why did X start a venture? Because X has a certain inner quality or qualities. This focus can be identified in any research which seeks to identify traits that differentiate entrepreneurs from non-entrepreneurs: need for achievement (Komives, 1972; McClelland, 1961; McClelland and Winter, 1969), locus of control (Brockhaus, 1980a; Brockhaus

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and Nord, 1979; Hull, Bosley, and Udell, 1982; Liles, 1974), risk taking (Brockhaus, 1980b; Hull, Bosley, and Udell, 1982; Liles, 1974; Mancuso, 1975; Palmer, 1971), values (DeCarlo and Lyons, 1979; Hornaday and Aboud, 1971; Hull, Bosley, and Udell, 1980; Komives, 1972), age (Cooper, 1973; Howell, 1972; Mayer and Goldstein, 1961) are but a few examples. X starts a venture because of qualities that made X who (s)he is. Entrepreneurship research has long asked, "Who is an entrepreneur?"

I believe the attempt to answer the question "Who is an entrepreneur?," which focusses on the traits and personality characteristics of entrepreneurs, will neither lead us to a definition of the entrepreneur nor help us to understand the phenomenon of entrepreneurship. This search for characteristics and traits of the entrepreneur is labeled in this article as the trait approach. In this approach the entrepreneur is the basic unit of analysis and the entrepreneur's traits and characteristics are the key to explaining entrepreneurship as a phenomenon, since the entrepreneur "causes" entrepreneurship. The purpose of the first part of this article is to look at research based on the trait view of entrepreneurship and to show that this view alone is inadequate to explain the phenomenon of entrepreneurship. Another approach is needed to help us refocus our thoughts on entrepreneurship. That approach—the behavioral approach—will be presented and the two approaches will be compared and contrasted.

THE TRAIT APPROACH

In the trait approach the entrepreneur is assumed to be a particular personality type, a fixed state of existence, a describable species that one might find a picture of in a field guide, and the point of much entrepreneurship research has been to enumerate a set of characteristics describing this entity known as the entrepreneur. One indication of the tenacity of this point of view—i.e., once an entrepreneur, always an entrepreneur, since an entrepreneur is a personality type, a state of being that doesn't go away—can be seen in the selection of samples of "entrepreneurs" in many well-regarded research studies (Table 1). In many studies "entrepreneurs" are sampled many years after having started their firms. Hornaday and Aboud (1971), for example, chose to study individuals who headed "neurs" were interviewed anywhere from two to sixteen years after startup. Is the owner/manager of an ongoing firm two or ten or even fifteen years after startup an entrepreneur? If this individual is included in a sample of entrepreneurs, what does that imply about the researcher's definition of the entrepreneur, and what will the resulting data reflect?

Table 1 is an attempt to organize concisely much of the major literature on the entrepreneur and entrepreneurship. It represents a succumbing to the grand temptation that haunts many writers and researchers in the entrepreneurship field: if we could just systematically go back and extract, categorize, and organize what has already been discovered about the entrepreneur, we will return with the pieces of a puzzle which we can then fit together into the big picture, and the entrepreneur will appear defined on the page. Table 1 is most emphatically not the big picture. Instead Table 1 shows:

(1) that many (and often vague) definitions of the entrepreneur have been used (in many studies the entrepreneur is never defined);

Table 1
Definitions, Samples, and Characteristics of Entrepreneurs

Author(s)	Type ¹	Definition	Sample	Characteristics
Brockhaus (1980)	E	... an entrepreneur is defined as a major owner and manager of a business venture not employed elsewhere. (p. 510)	31 individuals who, within the three months prior to the study, had ceased working for their employers and at the time of the study owned as well as managed business ventures. These businesses (type unspecified) were licensed by St. Louis County Missouri during the months of August and September 1975.	Risk taking propensity
Cole (1959)	N	... the purposeful activity (including an integrated sequence of decision) of an individual or group of individuals, undertaken to initiate, maintain, or aggrandize a profit-oriented business unit for the production or distribution of economic goods and services. (p. 7)		
Collins and Moore (1970)	E	We distinguish between organization builders who create new and independent firms and those who perform entrepreneurial functions within already established organizations. Perhaps we are, after all, thinking of the entrepreneur in the way Schumpeter viewed him: "everyone is an entrepreneur only when he actually 'carries out new combinations,' and loses that character as soon as he has built up his business. (p. 10)	Owners of 110 Michigan manufacturing firms established between 1945 and 1958 with 20 or more employees. Interviews were from 2 to 16 years after startup.	Parents' occupation, education, previous job satisfaction, social attitudes

Table 1 (cont'd)

Author(s)	Type ¹	Definition	Sample	Characteristics
Cooper and Dunkelberg (1981)	E	This paper reports upon what we believe to be the largest and most varied sample of entrepreneurs studied to date. The findings are from a survey of 1805 owner-managers.	1805 members of National Federation of Independent Business, all types of industries/businesses started pre-1941 to 1979	Parents, immigrants, education, number of previous jobs, age
Davids (1963)	E	Founders of new businesses (p. 3)	521 owners of firms in Georgia and Texas. Firms were 1 to 10 years old, in manufacturing, retail, wholesale, construction and service. Random selection of 122 individuals from a pooled listing of female entrepreneurs drawn from the business and manufacturing directories of several Mid Atlantic states, from directories of women business owners, and from directories of minority-owned firms.	Education, # of children, religious, sports and club affiliations
DeCarlo and Lyons (1979)	E	None given		Age, marriage rate, education, previous entrepreneurial effort, regimentation, means of starting, achievement, autonomy, aggression, independence, leadership, support, conformity
Draheim (1972)	E	Entrepreneurship—the act of founding a new company where none existed before. Entrepreneur is the person and entrepreneurs are the small group of persons who are new company founders. The term is also used to indicate that the founders have some significant ownership stake in the business (they are not only employees) and that their intention is for the business to grow and prosper beyond the self-employment stage. (p. 1)	Survey of other studies on technical companies from Buffalo (42), Palo Alto (265) and Twin Cities (90).	Credibility, fear of losing job, prior work experience, "track record," degree of "state of the art technology"
Durand, (1975)	E	None given		

Ely and Hess (1937)	N	The person or group of persons who assume the task and responsibility of combining the factors of production into a business organization and keeping this organization in operation . . . he commands the industrial forces, and upon him rests the responsibility for their success of failure. (p. 113)	27 male and 8 female participants from the black community of a large Midwestern metropolitan area. All 35 were either owners or operators of businesses (type and age unspecified) or were seriously considering entering business at the conclusion of the course (p. 79)	Achievement motivation, locus of control, training
Gomolka (1977)	E	None given	A nationwide mail questionnaire completed by the owners of minority business organizations: 644 sampled, 220 usable responses. All types of industries/businesses. Mean age of business was 16.1 years.	Sex, age, ethnicity, education, parents' work and social background
Gould (1969)	E	None given	119 boys attending high school in Seattle, Washington who had juvenile court records (p. 712)	Delinquent associations, perception of opportunity, social class, achievement motivation
Hartman (1959)	N	A distinction between manager and entrepreneur in terms of their relationship to formal authority in the industrial organization . . . The entrepreneur may justify his formal authority independently or he may describe it as delegated from others, notably from the stockholders. But within the organization he alone is the source of all formal authority. Management is defined residually as "not being the source of all authority." The borderline between the entrepreneur and the manager is thus relatively precise. (p. 450-451)		

Table 1 (cont'd)

Author(s)	Type ¹	Definition	Sample	Characteristics
Hisrich and O'Brien (1981)	E	None given	21 female entrepreneurs in greater Boston area in service and construction businesses	Self discipline and perseverance, desire to succeed, action orientation, goal orientation, energy level
Hornaday and About (1971)	E	The "successful entrepreneur" was defined as a man or woman who started a business where there was none before, who had at least 8 employees and who had been established for at least 5 years.	60 entrepreneurs from East Coast in manufacturing, sales, and services businesses. No industry specified.	Need for achievement, autonomy, aggression, recognition, independence leadership, regimentation, family background, power, innovative tendencies
Hornaday and Bunker (1970)	E	... the "successful" entrepreneur was an individual who had started a business, building it where no previous business had been functioning, and continuing for a period of at least 5 years to the present profit-making structure. . . .	20 individuals from Boston area. Manufacturing and service businesses at least five years old.	Need for achievement, intelligence, creativity, energy level, taking initiative, self-reliance, leadership, desire for money, recognition desire, accomplishment drive, power, affiliation, tolerance of uncertainty
Howell (1972)	E	Entrepreneurship—the act of founding a new company where none existed before. Entrepreneur is the person and entrepreneurs are the small group of persons who are new company founders. The term is also used to indicate that the founders have some significant ownership stake in the business (they are not only employees) and that their intention is for the business to grow and prosper beyond the self-employment stage. (p. 1)	12 founders of semi-conductor companies in Palo Alto area. Average age of companies was 5 years.	Age, marital status, outside activities, educational level, number of previous jobs, previous job pushes, influences

Hull, Bosley, and Udell, (1980)	E	A person who organizes and manages a business undertaking assuming the risk for the sake of profit. For present purposes, this standard definition will be extended to include those individuals who purchase or inherit an existing business with the intention of (and effort toward) expanding it. (p. 11)	57 owners or partial owners of business (type and age unspecified). 31 of the 57 had helped create the business or had been involved with the creating of a business in the past.	Interest in "money or fame," social desirability, task preferences, locus of control, risk propensity, creativity, achievement
Lachman (1980)	E	The entrepreneur is perceived as a person who uses a new combination of production factors to produce the first brand in an industry.	29 males who started at least one new enterprise in Israel which was the first in the industry. (Type and age not specified)	Age, years in Israel, education, father's occupation, achievement motivation, achievement orientation
Lavington (1922)	N	In modern times the entrepreneur assumes many forms. He may be a private business man, a partnership, a joint stock company, a cooperative society, a municipality or similar body. (p. 19)		
Leibenstein (1968)	N	By routine entrepreneurship we mean the activities involved in coordinating and carrying on a well-established, going concern in which the parts of the production function in use (and likely alternatives to current use) are well known and which operates in well established and clearly defined markets. By N-entrepreneurship we mean the activities necessary to create or carry on an enterprise where not all the markets are well established or clearly defined and/or in which the relevant parts of the production function are not completely known. (p. 73)		

Table 1 (cont'd)

Author(s)	Type ¹	Definition	Sample	Characteristics
Liles (1974)	N	We have examined the entrepreneur who is involved in substantial ventures and have considered what we found in light of traditional thinking that he is a special type of individual—somehow an unusual and uncommon man—a man apart. It probably is true that very successful entrepreneurs <i>become</i> men apart. But, at the beginning, when they make the decision to start an entrepreneurial career, they are in most respects very much like many other ambitious, striving individuals. (p. 14)		
Litzinger (1965)	E	The distinction is drawn between "entrepreneurs" who are goal and action oriented as contrasted to "managers" who carry out policies and procedures in achieving the goals . . . Owners of mom and pop motels appear as the entrepreneurial type who have invested their own capital and operate a business (p. 268)	15 mom and pop owner-operators of motels (age unspecified) in Northern Arizona along Highway 66.	Risk preference, independence, leadership, recognition, support, conformity, benevolence, structure, consideration
McClelland (1961)	E	. . . someone who exercises some control over the means of production and produces more than he can consume in order to sell (or exchange) it for individual (or household) income . . . In practice such people turned out to be traders, independent artisans and firm operators (p. 65)	Middle level managers from Harvard and MIT Executive programs, General Electric unit managers, managers from Turkey, Italy, Poland, Indian mechanics	Achievement, optimism, affiliation, power, conscientiousness, optimism, asceticism, belief in achieved status, market morality

Mescon and Montanari (1981)	E	Entrepreneurs are, by definition, founders of new businesses.	31 real estate brokers who owned and operated their own firms in north central region of the United States. Age of firm not specified	Achievement, autonomy, dominance, endurance, order, locus of control
Palmer (1971)	N	... the entrepreneurial function involves primarily risk measurement and risk taking within a business organization. Furthermore, the successful entrepreneur is that individual who can correctly interpret the risk situation and then determine policies which will minimize the risk involved. . . . Thus, the individual who can correctly measure the risk situation, but is unable to minimize the risk, would not be defined as an entrepreneur. (p. 38)		
Say (1816)	N	The agent who unites all means of production and who finds in the value of the products . . . the re-establishment of the entire capital he employs, and the value of the wages, the interest and the rent which he pays, as well as the profits belonging to himself. (p. 28-29)		
Schrage (1965)	E	None given	22 R&D companies, less than 10 years old, in service, consulting, and manufacturing.	Veridical perception, achievement motivation, power motivation, awareness of impaired performance under tension
Schumpeter (1934)	N	... entrepreneurship, as defined, essentially, consists in doing things that are not generally done in the ordinary course of business routine, it is essentially a phenomenon that comes under the wider aspect of leadership. (p. 254)		
Stauss (1944)	N	This paper is an argument to advance the proposition that the <i>firm</i> is the <i>entrepreneur</i> .		

Table 1 (cont'd)

Author(s)	Type ¹	Definition	Sample	Characteristics
Thorne and Ball (1981)	E	None given	51 founders of smaller manufacturing firms and firms servicing these companies. Average age of business was 11 years.	Age, number of previous ventures, education, family background
Wainer and Rubin (1969)	E	The entrepreneur in McClelland's scheme is "the man who organizes the firm (the business unit) and/or increases its productive capacity." (p. 178)	51 technically based service and manufacturing companies that were spin offs from MIT, 4-10 years old	Achievement, power, affiliation
Welsh and Young (1982)	E	None given	53 owners of small businesses. Average size of 10 full time employees and 4 part time employees. All types of industries and businesses. (No age given.)	Locus of control, Machiavellianism, self-esteem, risk taking, openness to innovation, rigidity, government regulation, economic optimism

¹ (N) Normative, (E) Empirical

(2) there are few studies that employ the same definition;

(3) that lack of basic agreement as to "who an entrepreneur is" has led to the selection of samples of "entrepreneurs" that are hardly homogeneous. This lack of homogeneity occurs not only among the various samples listed, but actually *within* single samples. For many of the samples it could be said that variation *within* the sample is more significant, i.e., it could tell us more than variation between the sample and the general population.

(4) that a startling number of traits and characteristics have been attributed to the entrepreneur, and a "psychological profile" of the entrepreneur assembled from these studies would portray someone larger than life, full of contradictions, and, conversely, someone so full of traits that (s)he would have to be a sort of generic "Everyman."

BEHAVIORAL AND TRAIT-APPROACHES TO ENTREPRENEURSHIP

I think the study of the entrepreneur is actually one step removed from the primary phenomenon of entrepreneurship—the creation of organizations, the process by which new organizations come into existence (Vesper, 1982). This behavioral approach views the creation of an organization as a contextual event, the outcome of many influences. The entrepreneur is part of the complex process of new venture creation. This approach to the study of entrepreneurship treats the organization as the primary level of analysis and the individual is viewed in terms of activities undertaken to enable the organization to come into existence (Gartner, 1985). The personality characteristics of the entrepreneur are ancillary to the entrepreneur's behaviors. Research on the entrepreneur should focus on what the entrepreneur does and not who the entrepreneur is.

This behavioral view of entrepreneurship is not new. Many authors have asked as their primary question, "How does an organization come into existence?" (Herbert & Link, 1982; Shapero & Sokol, 1982). Arthur Cole, for example, taking a behavioral viewpoint, quoted Say (1816) and defined the entrepreneur as an economic agent who:

unites all means of production—the labor of the one, the capital or the land of the others—and who finds in the value of the products which result from their employment the reconstitution of the entire capital that he utilizes, and the value of the wages, the interest, and the rent which he pays, as well as the profits belonging to himself. (Cole, 1946, p. 3)

This view places the entrepreneur within the process of new venture creation, performing a series of actions that result in the creation of an organization. However, after setting out admirably to define the entrepreneur according to a behavioral orientation, Cole immediately falls back to the "who is an entrepreneur" approach, and we are once more with traits and characteristics:

This person, this entrepreneur, *must have special personal qualities: . . .* (from Say) judgement, perseverance, and a knowledge of the world as well as of business. (p. 3, emphasis added)

Although the behavioral view of entrepreneurship is not new, it seems that it has always been a difficult view to maintain (Peterson, 1981). As we have seen, the entrepreneur has long seemed to many researchers to be a special person whose qualities need to be investigated. In 1980 Van de Ven issued a warning to entrepreneurship researchers not to be tempted into studies of traits and characteristics:

Researchers wedded to the conception of entrepreneurship for studying the creation of organizations can learn much from the history of research on leadership. Like the studies of entrepreneurship, this research began by investigating the traits and personality characteristics of leaders. However, no empirical evidence was found to support the expectation that there are a finite number of characteristics or traits of leaders and that these traits differentiate successful from unsuccessful leaders. More recently, research into leadership has apparently made some progress by focusing on the behavior of leaders (that is, on what they do instead of what they are) and by determining what situational factors or conditions moderate the effects of their behavior and performance. (p. 86)

Jenks (1950) and Kilby (1971) have also strongly criticized research which seeks to develop personality profiles of the entrepreneur; both have encouraged researchers to study the behaviors and activities of entrepreneurs. In empirical research (Brockhaus, 1980; Brockhaus & Nord, 1979; Sexton & Kent, 1981) have found that when certain psychological traits are carefully evaluated, it is not possible to differentiate entrepreneurs from managers or from the general population based on the entrepreneur's supposed possession of such traits.

The trait approach to entrepreneurship research is understandably persistent. Entrepreneurs often *do* seem like special people who achieve things that most of us do not achieve. These achievements, we think, must be based on some special inner quality. It is difficult *not* to think this way. But let us try to step outside this way of thinking. We can illustrate this point with a story. What if the United States suddenly found itself unable to field a team of baseball players that could win in world competition? One response to such a problem might be to do research on baseball players to learn "Who is a baseball player?," so that individuals with baseball playing propensity could be selected from the population. Such studies might determine that, on average, baseball players weigh 185 pounds, are six feet tall, and most of them can bench press over 250 pounds. We could probably develop a very good personality profile of the baseball player. Based on upbringing and experience we could document a baseball player's locus of control, need for achievement, tolerance of ambiguity, and other characteristics that we thought must make for good baseball playing. We could then recruit individuals with this set of characteristics and feel confident once again in our competitive edge. Yet, this type of research simply ignores the obvious—that is, the baseball player, in fact, plays baseball. Baseball involves a set of behaviors—running, pitching, throwing, catching, hitting, sliding, etc.—that baseball players exhibit. To be a baseball player means that an individual is behaving as a baseball player. A baseball player is not something one is, it is something one does, and the definition of a baseball player cannot stray far from this obvious fact without getting into difficulty.

This might be said about any occupation—manager, welder, doctor, butcher. How can we know the baseball player from the game? How can we know the entrepreneur from starting an organization?

While this baseball metaphor might help to make the difference between behavioral and trait viewpoints very clear and keep it clear, this clarity is not so easily achieved in real life empirical research, and researchers' viewpoints become cloudy and out of focus. Behavioral and trait issues merge and conclusions are vague and don't really tell us anything.

AN EXAMPLE OF THE TRAIT VIEWPOINT.

An article by Carland, Hoy, Boulton and Carland (1984). "Differentiating Entrepreneurs from Small Business Owners: A Conceptualization" is, I believe, a good recent example of research which continues in the long tradition of "if-we-can-just-find-out-who-the-entrepreneur-is-then-we'll-know-what-entrepreneurship-is." By singling out this article I do not mean to imply that it is any better or worse than the myriad of other entrepreneurship articles that take the trait approach. I have chosen it because it is the first review article on entrepreneurship to appear in a major journal since 1977, and after such a long hiatus, my reaction was to focus hard on the offering.

As noted above, the central issue in trait approach research is to distinguish entrepreneurs from other populations of individuals. And, indeed, the Carland, et al. article begins by rearticulating the perpetual dilemma of entrepreneurship researchers:

If entrepreneurs exist as entities distinct from small and large organizations and if entrepreneurial activity is a fundamental contributor to economic development, *on what bases may entrepreneurs be separated from nonentrepreneurial managers in order for the phenomenon of entrepreneurship to be studied and understood?* (p. 355—emphasis added)

Carland, et al. do recognize that the owner/manager of the ten or fifteen-year-old firm is not necessarily engaged in entrepreneurship, and therefore these "small business owners," as Carland et al. calls them, should not be included in a sample of entrepreneurs. However, when it comes to distinguishing between the entrepreneur and the small business owner, it can be shown that Carland et al. are hindered by trait views, by focusing on the entrepreneur and who (s)he is as the primary level of analysis. After a selective review of the literature, the paper concludes with some definitions which attempt to distinguish the entrepreneur from the small business owner:

Entrepreneur: An entrepreneur is an individual who establishes and manages a business for the principal purposes of profit and growth. The entrepreneur is characterized principally by innovative behavior and will employ strategic management practices in the business.

Small business owner: A small business owner is an individual who establishes and manages a business for the principal purpose of furthering personal goals. The business must be the primary source of income and will consume the majority of one's time and resources. The owner perceives the business

as an extension of his or her personality, intricately bound with family needs and desires. (p. 358)

From the previous discussion, focusing on the intentionality of the individual in order to determine whether that individual is an entrepreneur is just another variation on the trait theme, and requires us to investigate the psychology of the entrepreneur and establish a psychological profile of the entrepreneurial entity. Furthermore, even if we take the definitions at face value, we are immediately aware that the definitions raise more questions than they answer. If by definition a small business owner establishes a business to further personal goals and an entrepreneur establishes a business for profit and growth, then what do we do with the individual whose personal goal is to establish a business for profit and growth? (Are the goals of profit and growth to be considered impersonal goals?) How do we distinguish personal goals from goals of profit and growth? Are we not, then, embroiled in another dilemma of distinguishing? When you define small business owners as having a business which is their primary source of income and will consume the majority of their time, do you not thereby imply that entrepreneurs start organizations that will *not* be their primary source of income, and will *not* occupy the majority of their time and resources? (Are we to assume that the entrepreneurs are off spending the majority of their time pursuing personal goals, which, by definition, cannot be related to their organizations?) If small business owners perceive the business as an extension of their personalities, intricately bound with family needs and desires, as opposed to entrepreneurs who do not perceive their firms in this way, then isn't this definition of small business likely to include such family run organizations as Marriott, Best, and Nordstrom, leaders of their industries in both profits and growth? To suggest that entrepreneurial startups are not intricately bound up with the personality of the founders is to suggest that organizations such as Apple, Hewlett-Packard, Lotus, and Microsoft are not entrepreneurial.

The last part of the Carland et al. entrepreneurial definition ties the state of being an entrepreneur to innovative behavior and strategic management practices. Carland et al. use a Schumpeterian definition of innovative behavior (p. 357) which identifies five innovative strategic postures: (1) introduction of new goods, (2) introduction of new methods of production, (3) opening of new markets (4) opening of new sources of supply, and (5) industrial reorganization. Correlating entrepreneurship with innovation, although it is intuitively appealing, and seems to take more of a behavioral viewpoint, leads to the problem of identifying which firms in an industry are the innovative ones. Would the first entrant in an industry be considered the entrepreneurial firm, while all subsequent entrants would be small businesses? How are we to determine the degree of difference between one product and another similar product which constitutes innovation? Do new methods of manufacturing/marketing/distributing the product count as innovative, and, again, what is the degree of difference between the truly innovative and the not so innovative? Among the fifty or so personal computer manufacturing companies, e.g., Compaq, Columbia, Leading Edge, Intertec, ACT Ltd., Polo Microsystems, Tava, Stearns Computer, Wyse Technology, Microcraft, Electro Design, STM Electronics, MAD Computer, Seequa Computer, GRiD Systems, Bytec-Comterm, Seattle Computer, Durango Systems, Otrona Advance Systems, which are the innovators; which are the small businesses?

Correlating innovation with entrepreneurship implies that almost all firms in an industry which sell to similar customer groups would be considered small businesses. The Carland et al. definitions, while intending to achieve greater precision, actually increase the ambiguity in what is already a definitional dilemma. Operationalizing these definitions—pinpointing who is an entrepreneur—becomes more and more difficult as Van de Ven (1980) warned.

Carland et al. discuss some past research studies in order to identify and list many characteristics that have been attributed to entrepreneurs. As I mentioned earlier, this is the grand temptation. Entrepreneurship research has reached such a point of accumulation of data that the Carland et al. attempt to sort out past research according to characteristics studied and to list these characteristics in a table (Table 1: Characteristics of Entrepreneurs, p. 356) certainly might seem like the most effective way to proceed in attempting to reach a definition of who is an entrepreneur (although it is hoped that my own Table 1 has shown that such a mega-table is not the answer). On setting up the table, however, it becomes immediately clear, as Carland et al. admit, that the studies which investigated these characteristics and attributed them to entrepreneurs were not all empirical, and more importantly, as Carland et al. point out, the research samples were by no means homogeneous. As discussed earlier, the authors of these past studies usually did not provide important information regarding their samples; e.g., what type of industry or type of firm was studied. The past studies usually made broad generalizations in defining an entrepreneur, and the samples, therefore, included executives, managers, salespersons, and small business persons. Once Carland et al. set up the table and recognize difficulties with it, we are left wondering about the relevance of including Table 1 in a paper whose main purpose is to distinguish entrepreneurs from small business owners.¹ Carland et al. end the discussion of Table 1 with this question:

Are the characteristics listed in Table 1 those of entrepreneurs, of small business owners, or of some mixture that may or may not be capable of demonstrating the entrepreneurial function of economic development?

By ending the discussion in this way they view Table 1 as worthless. In the Carland et al. attempt to distinguish the entrepreneur from the small business owner do we come any closer to a definition of the entrepreneur or to an understanding of entrepreneurship? I hope I have shown the Carland et al. article is a

¹Carland et al. attempt to make sense of the wide range of characteristics attributed to entrepreneurs in their Table 1 by stating that Vesper's view (1980) (that several types of entrepreneurs exist) may be an appropriate view, and by implying that different entrepreneurs may possess different characteristics, thus accounting for the wide range of them in their table. However, Carland et al. quickly undercut Vesper's notion of entrepreneurial types by calling Vesper's typology "a continuum along which several 'types' of entrepreneurs exist," and then insisting that the entrepreneurs along the continuum differ, not merely by possessing different characteristics, but by displaying different *degrees of intensity* of the set of characteristics which makes a person an entrepreneur. We are back to making fine distinctions and measuring imponderables. Vesper's notion of entrepreneurial types is reduced by Carland et al. to a caste system, with the most entrepreneurial entrepreneurs (the purest types) at the furthest end of the continuum. This is another illustration of the extremes to which the trait view may take us: the entrepreneur is an entity like an accordian file who can be more full or less full of entrepreneurial "stuff."

good example of where we end up when, with every good intention, we ask the wrong question. Who is an entrepreneur? is the wrong question.

ENTREPRENEURSHIP IS THE CREATION OF ORGANIZATIONS

Organization creation (Vesper, 1982), I believe, separates entrepreneurship from other disciplines. Studies of psychological characteristics of entrepreneurs, sociological explanations of entrepreneurial cultures, economic and demographic explanations of entrepreneurial locations, etc., all such investigations in the entrepreneurship field actually begin with the creation of new organizations. *Entrepreneurship is the creation of new organizations*. The purpose of this paper is not to substitute one highly specific entrepreneurial definition for another. "Entrepreneurship is the creation of new organizations" is not offered as a definition, but rather it is an attempt to change a long held and tenacious viewpoint in the entrepreneurship field. If we are to understand the phenomenon of entrepreneurship in order to encourage its growth, then we need to focus on the process by which new organizations are created. This may seem like a simple refinement of focus (i.e., look at what the entrepreneur does, not who the entrepreneur is), but it is actually a rather thoroughgoing change in our orientation. From this perspective, other issues in the field might be seen with new clarity.

An example of such an issue: if entrepreneurship is behavioral, then it can be seen that these behaviors cease once organization creation is over. One of the problems in the entrepreneurship field is deciding when entrepreneurship ends (Vesper, 1980). (Actually, the Carland et al. attempt to distinguish entrepreneurs from small business owners might be approached more fruitfully if looked at from the behavioral perspective of entrepreneurship ending.) The organization can live on past its creation stage to such possible stages as growth, maturity, or decline (Greiner, 1972; Steinmetz, 1969). From the process viewpoint, the individual who creates the organization as the entrepreneur takes on other roles at each stage—innovator, manager, small business owner, division vice-president, etc. Entrepreneurs, like baseball players, are identified by a set of behaviors which link them to organization creation. Managers, small business owners, etc., are also identified by their behaviors. As long as we adhere to the behavioral approach and view entrepreneurship as something one does and not who one is, then we can more effectively avoid the Carland et al.-type definitional dilemmas. But once we are tempted to view the entrepreneur, the manager, the small business owner, etc., as states of being, we become embroiled in trying to pin down their inner qualities and intentions. This approach may not completely resolve the question of when entrepreneurship ends, but it makes us look at the organization, rather than the person, for our answer. Entrepreneurship ends when the creation stage of the organization ends.

IMPLICATIONS FOR RESEARCH ON THE ENTREPRENEUR

Reorientation toward a behavioral approach to entrepreneurship begins by asking the primary question, "How do organizations come into existence?" We should think of entrepreneurs in regard to the role they play in enabling organizations to come into existence (Jenks, 1950; Kilby, 1971; Peterson, 1981; Van de

Ven. 1980). The focus will be on research questions that ask (among other things) what individuals do to enable organizations to come into existence, rather than on the traits and characteristics of these individuals.

Entrepreneurship research should follow the path of research taken in managerial behaviors (Mintzberg, 1973). The issues that Mintzberg articulated regarding managers are the issues which also confront entrepreneurship. Substitute the word entrepreneur for manager, and entrepreneurial for managerial in Mintzberg's statement of the purpose of his study:

We must be able to answer a number of specific questions before we can expect managerial training and management science to have any real impact on practice:

What kinds of activities does the manager perform? What kinds of information does he process? With whom must he work? Where? How frequently?

What are the distinguishing characteristics of managerial work? What is of interest about the media the manager uses, the activities he prefers to engage in, the flow of these activities during the workday, his use of time, the pressures of the job?

What basic roles can be inferred from the study of the manager's activities? What roles does the manager perform in moving information, in making decisions, in dealing with people?

What variations exist among managerial jobs? To what extent can basic differences be attributed to the situation, the incumbent, the job, the organization, and the environment?

To what extent is management a science? To what extent is the manager's work programmed (that is, repetitive, systematic and predictable)? To what extent is it programmable? To what extent can the management scientist "re-program" managerial work? (Mintzberg, 1973: 3)

I believe that research on entrepreneurial behaviors must be based on field work similar to Mintzberg's study of managerial work. Researchers must observe entrepreneurs in the process of creating organizations. This work must be described in detail and the activities systematized and classified. Knowledge of entrepreneurial behaviors is dependent on field work.

The results of this field work should also be able to answer additional questions. What are the specific organization creation skills that an entrepreneur needs to know? (Palmer, 1971) If we've given up the perspective that tells us that an entrepreneur is born with these skills and abilities, then we must ask how are these skills acquired? Some research suggests that entrepreneurial skills are "learn-as-you-go" (Collins & Moore, 1970; Gartner, 1984). Entrepreneurs who have started one organization seem to be more successful and more efficient in the startup of their second and third organizations (Vesper, 1980). If this is usually true, then what expertise, what special knowledge do these entrepreneurs gain from doing their first startup? One skill they might learn is how to identify and evaluate problems. A new organization is confronted by many problems, and some problems are more important than others. It would seem that the more successful entrepreneurs develop expertise in judging which problems need immediate attention (Hoad & Rosko, 1964; Lamont, 1972).

The process of team formation needs to be studied (Timmons, 1979). How and

why do individuals enter a new venture? How do they claim ownership of a new idea, organization, etc.? How is *esprit de corps* generated? How do individuals convince themselves that entering a new organization will benefit them (Kidder, 1981)?

All new ventures need some type of support, e.g., financial, legal, marketing, technological. This assistance can be obtained in many ways. In internal startups the entrepreneur has to convince senior management to provide support (Scholhammer, 1982). What is the political process—the strategies—that the entrepreneur undertakes to gain internal assistance? Is this any different than the process undertaken by independent entrepreneurs to persuade venture capitalists to invest in their ventures? In either case, we need to make this process more efficient and successful because it appears that few new venture plans gain support. The importance of business plans to the process of obtaining venture capital and support needs to be studied (Roberts, 1983). What are the features of successful business plans?

CONCLUSION

How do we know the dancer from the dance? When we view entrepreneurship from a behavioral perspective we do not artificially separate dancer from dance, we do not attempt to fashion a reassuring simplicity. The behavioral approach challenges us to develop research questions, methodologies and techniques that will do justice to the complexity of entrepreneurship (Gartner, 1985). The creation of an organization is a very complicated and intricate process, influenced by many factors and influencing us even as we look at it. The entrepreneur is not a fixed state of existence, rather entrepreneurship is a role that individuals undertake to create organizations.

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