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## *Entrepreneurship Model and Traits*

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**Abstract:** *Recently from few years back, the mushrooming of entrepreneurial ventures in India has been noticed. With a new venture floating every now and then in some part of India and these ventures getting support from funding agencies. India now stands tall in rank in the entrepreneurial ventures worldwide. This phenomenal growth has led the government to take appropriate measures to support such initiatives. Skill India, Make in India are few such initiatives taken up by the government to motivate entrepreneurs. The study attempts to define an entrepreneur, focusses on the entrepreneurial traits, some theories of entrepreneurship developed over the years. It is attempted to look into the environment which feeds the entrepreneurs by focussing on the micro and macro environment around an entrepreneur.*

**Keywords:** *Entrepreneurship, Traits, Environment, Theories.*

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### **Introduction-Entrepreneurship**

Entrepreneurship is a skill, a talent to convert needs into a business model. It presents to the world with a solution to any hiccups faced by common man in their daily life by risk taking attitude. Different people define entrepreneur and their journey in multiple ways, using a variety of adjectives and celebratory language. An entrepreneur remains unperturbed by what the world thinks about him / her and continues to rage on a path chartered by his own thoughts, ideas, whims and fancies. He is a queer animal and a complex person who is often not understood by ordinary standards. Various researches have been performed to develop or explore a possible relationship between age, educational background, gender and entrepreneurship. However, all such studies remain inconclusive in their venture. There used to be an era when entrepreneurship was more dominant in the developed countries owing to the overwhelming support given to such ventures by funding agencies. However, the scenario has changed radically now.

### **Concept-Entrepreneurship**

The concept came in 1980s. Around the world the business students, practitioners and account divisions had started paying attention to it. The established organisations portray themselves as creative and entrepreneurial. The new ventures are viewed as the sources of new opportunities and new jobs. The organisations conduct experiments with ways of introducing entrepreneurial skills amongst employees by using tools like new approaches to organisation structure, people management and leadership. However, there is all the more concern with the entrepreneurial contribution because they generate new jobs and new products in the economy, provide creative work environment and explore new styles of conducting the business.

Francis A. Walker said “An entrepreneur is one who is endowed with more than average capacities in the task of organising and coordinating the various factors of production. He should be pioneer, a captain of industry.” David C. McClelland mentioned that “an entrepreneur is an individual who takes moderate risks and brings innovation. McClelland also suggested that an entrepreneur is not characterised by routine tasks which are managed by usual managers and situations of high

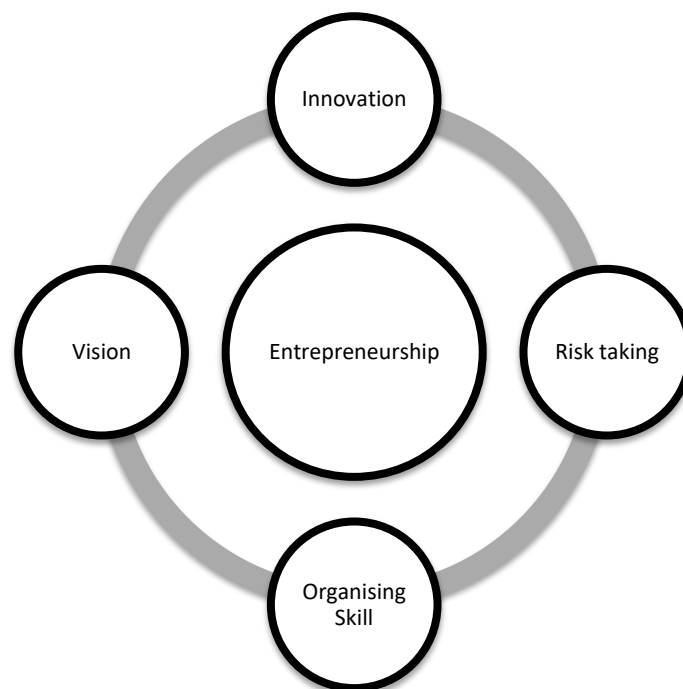
risks such as gambling or betting. The entrepreneur exhibits a desire to take personal responsibilities for decisions preference for moderate risks and interest in concrete knowledge of business and the possible outcomes.”

Peter Drucker observed that, “Innovation is the specific tool of entrepreneurs, the means by which they exploit changes as an opportunity for a different business or a different service. It is capable of being presented as a discipline, capable of being learned and practised. Entrepreneurs need to search purposefully for the sources of innovation, the changes and their symptoms that indicate opportunities for successful innovation. They need to know and apply the principles of successful innovation.”

Henry Ford believed that an entrepreneur has the capability of doing any work with passion and enthusiasm. Everett E. Hagen mentions him “a creative problem solver interested in things in the practical and technological area. He is a person who has high need achievement and feels a sense of increased pleasure when he faces a problem. He does not rebel against the conventional view for sake of rebelling; also he does not accept it because it is generally accepted.” Professor Jan Tinbergen said that a good entrepreneur manages his employees and personnel issues well.

As observed above, the concept of entrepreneur may be defined as the man who conceives the innovative idea and actively organises the resources to make his innovation successful. He dreams, takes risk and does it up. entrepreneurship may be defined in various ways, but the important traits involved in it are innovation, risk-taking, vision and organising skill.

#### Exhibit1: Important Traits of Entrepreneurship



These elements are inter-woven and therefore dependent on each other to make a continuing circle as shown in the Exhibit

1. The term entrepreneur has been defined as one who finds the choices and he compares them within the outer environment opportunities and threats. Then he does necessary changes to prepare for the next step. He conceives the idea of an enterprise, shows initiative, passion and strong will power in making his dreams into reality. Hence, they try to convert their idea into a profitable business. They collect all types of resource required judiciously to raise to greater levels productivity and so more profits. In the process, they take risks and uncertainty.

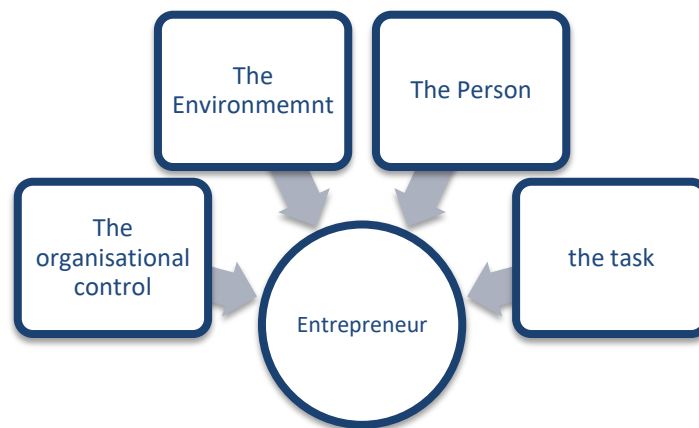
#### Model- Entrepreneurship

Closely consistent with the theories of entrepreneurship and views of some famous experts in this regard, the followings model contributes a great deal to the emergence as well as sustenance of entrepreneurship and entrepreneurial talent in an environment. The model is:

**Conceptual Model of Entrepreneurship by John J Kao**

J. J. Kao in his book *Entrepreneurship, Creativity and Organisation* has developed a conceptual model of entrepreneurship. The model is popularly known as The ECO Analysis Framework model where ECO stands for Entrepreneurship, Creativity and Organisation. According to Conceptual Model, the inter relationship of the following three elements results in creativity and entrepreneurship as shown in Exhibit 2.

- The person
- The task
- The organisational control
- The environment

**Exhibit 2: John Kao's Model**

Element 1: The Person is the first and foremost element. Through the efforts and passion of dedicated people the new ideas come into being. So, this element is very important for entrepreneurial capabilities like people's personality, skills, motivation, levels of experience and psychological preferences.

Element 2: The task means the activities done by a group of people or organisation. They may be determined by an individual's personality or personal vision. They are shaped by organisational goals and strategy and influenced by the external environment. The task includes forecasting and perceiving of opportunities, marshalling of resources and giving leadership qualities apt for entrepreneurial growth.

Element 3: The organisational control is the initial setting in which creative and entrepreneurial work can be flourished. Factors like organisational structure and procedures, group culture etc. affect significantly the nature of the creative or entrepreneurial environment.

Finally, the elements discussed above exist in the business environment which is outside the organisation i.e. surrounding the organisation. Like the resources, infrastructure, competition, pressures, social values, rules and regulations, state of technology etc. Environment can facilitate or impede creative and entrepreneurial endeavour. The outer environment impacts the creativity of the organisation. He who adapts himself to the changing needs of the environment becomes the successful entrepreneur and grows his business enterprise.

In a special report on entrepreneurship in the Economist, Adrian Woolridge argued that: The entrepreneurial idea has gone mainstream, supported by political leaders on the left as well on the right, championed by powerful pressure groups, reinforced by a growing infrastructure of universities and venture capitalists and embodied by wildly popular heroes such as Richard Branson and India's software kings.

**The entrepreneurship model**

**Idea → ponder → wonder → create prototype → appraisal → launch**

**Traits- Entrepreneur**

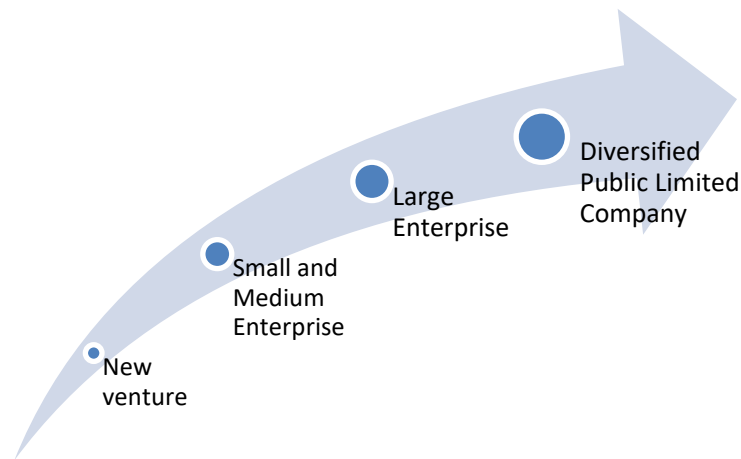
Every entrepreneur displays a different set of characteristics, peculiar to his own self. However, certain traits are common through most of them such as the ability to think something new, innovative mind set, daring to go, passion and ability to take risk and so on. The first twenty one inductees into Babson's Academy of Distinguished Entrepreneurs, including founders like Ken Olsen (DEC), An Wang (Wang Computers), Wally Amos (Famous Amos' Chocolate chip cookies), Bill Norris (Control Data), Soichiro Honda (Honda Motors) and the late Ray Kroc (McDonald's), all mentioned three attributes and behaviours as the principal reasons for their success viz., (i) Respond positively to challenges; learn from mistakes (ii) Take personal initiative and (iii) Have great perseverance and determination. All three can be learned. Besides these, habits of thinking and acting like an entrepreneur can be valuable allies in turning venture ideas into commercial reality. Certain common and desirable traits of successful entrepreneurs are discussed below:

1. **High degree of Confidence:** Most of the entrepreneurs exude a lot of confidence in their thoughts, ideas, decisions and actions. It is one of most essential characteristic required to be successful. If one is always confused with the decisions taken, success will also be doubtful. This optimism definitely leads them to a different level altogether. However, this confidence in oneself unaccompanied with solid foundation may also be a reason for some of the entrepreneurial failures. *(cite some survey report or an example)*
2. **Passion and perseverance to pursue one's ideas:** Passion does overcome weakness in the idea, if any. Usually, it is the passion to watch their idea see the light of the day that drives most of the entrepreneurs work extraordinarily. They may be labelled workaholics but it is that drive especially in the initial days of the venture that helps in most of the ventures sail through. The gruelling pace, extraordinary working hours, tremendous pressure is definitely not everyone's cup of tea. In words of APJ Abdul Kalam "If you want to shine like a Sun, first burn like a Sun". In fact, unwavering commitment to succeed can compensate for other weakness that one might have.
3. **Self-belief:** Unperturbed by what the world perceives or thinks about the, they remain unruffled. Once decided about an idea, this class of people remains convinced about its acceptability and their ability to convert an idea to an opportunity. The strong aura of self-belief provides them the immunity / protection from all doubt raising discussions. Self-belief is essential characteristic of an entrepreneur or else one would easily fall prey to the pessimist's views and opinions.
4. **Innovative:** They charter an unknown territory. One of the essential characteristic of all entrepreneurial ventures is Innovation. They may represent an old idea with a new vision but the new product would definitely bridge a gap in customers' demand. A case in point is "Practo Technologies" founded by Shashank ND. Born out of a need to keep all medical needs in a digital format, practo.com helps patients get in touch with the doctors. Another service, practo ray (improves medical service management). Practo ray, allows doctors to upload and store medical records and prescriptions, patient olden times, billing schedule etc.
5. **On a learning curve:** Always on a learning curve with no egoistic attitude, entrepreneurs represent a breed of individuals who continuously postpone the saturation point of the Product Life Cycle with their sheer hunger for knowledge and its application.
6. **Take failure in their stride:** Successful entrepreneurs fully estimate the probability of failure of their venture and one failure does not deter them from fulfilling their dream. They learn lessons from their failures and take precautions accordingly in future. They see in adversity and difficult times some opportunities as well and see victory I situations where most people smell only defeat. Numerous examples are available of individuals who failed in their first, second or nth venture but surprised the world with their next venture and created new milestones. A recent trend shows an

urge on part of successful entrepreneurs to hire individuals who have failed in their ventures. Fire in the belly is ensured in such cases. An example is seen in the case of Ashish Hemrajani, founder & COO of 'Book My Show.com'. Ashish started Bigtree Entertainment in 1999 but was wiped out in 2002 during the dot-com bust. The company went from down from 150 people to 6 with times when Ashish did not know where his next meal would come from leave alone salary. He persisted and was able to revive it in next five years and today book my show as a synonym for booking tickets for all kinds of shows be it movies or any other activity in any city in India.

7. **Flexible / adaptable:** On their way of completing their venture, they might realise that slight tweaking of their idea would make the project / product more acceptable. They remain flexible so as to bring such changes in the project / product.
8. **Futuristic thinking with calculated risk –taking and risk –sharing:** Successful entrepreneurs are not gamblers. They think one step ahead of their peers to keep ahead of the hoi polloi. They are willing to take calculated risk like a sky diver. More than money, it is their reputation at stake. When they decide to take the plunge, they do everything possible to get the odds in their favour and avoid unnecessary risks. Simultaneously, their strategy also includes getting others to share the risk with them. Venture capitalists, partners, creditors, suppliers who provide advance credit share the risk along with the entrepreneur. A case in point is that of Ajit Balakrishnan, Chairman and CEO, rediff.com. In 1973, he launched his own advertising firm, Rediffusion.com which was unthinkable and rebellious at that time. In 1996, he launched rediff.com when very few people actually knew about internet in India. His futuristic vision and risk taking ability led him to success and prosperity, sooner than expected.
9. **Money wise / Humble Beginnings:** All successful ventures do not make their way out from plush offices. Most of them have very humble beginnings, usually starting from a dingy room / garage with very basic infrastructure, at times limited to a single computer to save all initial costs. Kent R O is an example as it initiated its operations from a car garage. On similar lines, Prem Ganapathy, founder, Prem Sagar Dosa plaza was a class X pass out who had to abandon his dreams to support his parents and seven siblings. Robbed of Rs.200, all that he had, on his first day in Mumbai, he started by washing dishes at a meagre salary of Rs.150 per month. Within two years, he saved enough money to rent a handcart and sell idli and dosas at Vashi train station. Ten years later, he had created 105 varieties of dosas and had even opened a shop in a mall. Fifteen years down the line, Dosa Plaza operates 45 outlets in India and seven international outlets spread over UAE, Oman and New Zealand.
10. **Integrity and Reliability:** The utmost requirement to build and insure a successful entrepreneurial career or any other career for that matter is to insist on personal standards of integrity and reliability. One must do whatever one has promised to do. Such an approach is essential for a long haul. Often, the temptations of a short term gain lure entrepreneurs to compromise their integrity, thereby jeopardising their access to real, enduring opportunities later on.
11. **Team builder and Hero Maker:** Entrepreneurs who create enterprises know that it is very difficult to build a substantial business on their own and therefore they actively build a team. They have the ability to motivate common people. They give responsibility and share credit with them. They have good interpersonal relationship skills to reduce the conflicts due to individual difference of opinions.

Though these traits are common amongst entrepreneurs but still they cannot be cast in any mould (No single mould fits them all). Each one of them is unique in their own self. The typical entrepreneur differs from the big business executives in that he cannot live within a framework of occupational behaviour set by others. From his early work experience, the entrepreneur slowly fashions his conception of how skills, money, equipment, and markets can be brought into a profitable combination. As the business grows, the founder ceases to be the driving force, and a new generation takes over. The way of the entrepreneur will no longer be sufficient or necessary. The journey of an entrepreneur can be described as in the Exhibit 3.

**The journey of an entrepreneur can be described as in the Exhibit 3**

However, based upon characteristics described above, researchers have framed diverse range of theories highlighting key features of an entrepreneur and their venture. Veciana (1995 – 1999) has classified these theories on the basis of four main theoretical approaches and three levels of analysis. This classification helps to clearly demarcate different theoretical approaches as a contribution to the methodological debates and further facilitates students to deepen their understanding on various aspects of entrepreneurship. Numerous thinkers have speculated about both the origin and function of the entrepreneur and the nature of entrepreneurship. A large body of research in economics now addresses these topics.

**Theoretical Approach to the Study of Entrepreneurship**

It is not easy to classify a theory in a particular box. It is based on the most important aspect discussed in the theory. All the theories discussed below classified on the basis of four approaches i.e. Economic Approach, Psychological Approach, Socio- Cultural- Institutional Approach and Managerial Approach at three levels i.e. Micro Level, Meso Level and Macro Level.

**I. Economic Approach**

**Micro Level:** The following three important theories of entrepreneurship explain the functions, choices and traits of an entrepreneur from the economic perspective.

1. **Entrepreneurial function as fourth factor of production:** From economic point of view, it is observed that an entrepreneur performs some unique functions and is rewarded with profit. These functions are listed as (i) ability to take risk (ii) ability to decide what to produce so as to satisfy human wants (iii) organise the entire production and marketing process of the firm and identify and acquire other sources of production. Hence, this concept introduced by Marshall is now widely accepted.
2. **Theory of entrepreneurial profit:** Coined by Mangoldt, it was for the first time that distinction was made between entrepreneur and capitalist. He believed that the longer the production process, the more uncertain and so riskier would be the entrepreneur's function. In turn, entrepreneur is rewarded with residual rent which included premium for risk undertaken by him, his wages and rent derived from scarcity of persons with entrepreneurial capacity.
3. **Theory of occupational choice under uncertainty:** This theory is modelled on the premise that some individuals make an occupational decision of opting for entrepreneurship while others opt for alternative occupation like salaried worker. The reason that some people make a calculated decision of becoming an independent entrepreneur is solely due to their respective risk taking propensity. Kihlstrom & Laffont (1979) base their model on the assumption that risk aversion of individuals is different. They developed a model which postulates that given a particular wage rate, highly

risk averse individuals would opt to become wage earners while others would opt to become entrepreneurs. On similar lines, Lucas (1978) also pointed out that individual have different risk taking ability and that most capable ones choose to become entrepreneurs.

**Meso Level:** This one important theory of entrepreneurship explains about the entrepreneur at the corporate level from economic perspective.

1. **Transaction Cost theory:** An article, “the nature of the firm” by Coase (1937), transaction cost theory explains the birth of new organisations depending on the transaction costs. The basic assumption is that the transaction costs determine the following both at an individual and corporate level (i) creation of a new (own) firm (II) sale of the new entrepreneurial idea or project (III) hybrid forms (networks or alliances). A firm’s decision of opting for vertical integration is also based on a careful study of transaction costs involved. Theoretical studies by Salas (1990), Jimenez & Villasalero (1999) Dew et al. proposed an entrepreneurial theory of the firm based on dispersed knowledge. A study by Picot et al. performed an analysis of new innovative firms based on transaction cost economics. The study provides evidence that the firms which considered the contribution of transaction costs in the decision making process of whether to integrate certain activities or not performed better than others. They also observed that a firm founded and run by people from diverse background gave more importance to transaction costs vis-à-vis firms created by only one entrepreneur with technical background.

**Macro Level:** These two theories of entrepreneurship explain the perspective at the economy level.

(I) Schumpeter’s Theory of economic development:

1. **Innovation Theory of Schumpeter:** A theory of entrepreneurship was emphasized by Schumpeter (1949). He introduced the concept of innovation as the key factor in entrepreneurship. He defined the concept of entrepreneurship as “a creative activity”. It means an innovator bringing new products or services into economy is called an entrepreneur. He described innovation as a tool for entrepreneur and he, the entrepreneur as an ‘engine of growth’. He gave importance to the human element. He explained the economic role of an entrepreneur.
2. **Theory of endogenous regional development:** Here, the central concept is the *spill over effect* which hypothesises that each new investment produces a dissemination effect outside the company. It was evidenced that the knowledge spill over improved the productivity of the firm in a given industry and region that permits maintaining endogenous growth. Romer’s growth model (1986) propounded the theory of endogenous regional development. Romer’s and other argued about the role of R&D in a country’s economic development. It has been noted that growth of countries with larger R&D stocks (like Japan and Sweden) was relatively slow during the last decades vis-à-vis countries like Denmark and Ireland which experienced persistent and high growth rates.

Acs et al. (2005) developed a model which filled this gap and linked the growth rates with new enterprise formation. They observed that new firms produced a spill over of scientific and technical awareness in a knowledge society. They further analysed that new firms are the most important mechanism to link the knowledge generated in R&D department of big companies and universities with commercialisation and economic growth.

## II Psychological Approach

**Micro Level:** These two theories explain the personality traits of an entrepreneur at an individual level

1. **Traits theory:** An entrepreneur has some special traits associated with his personality which makes him different from others. He could be risk taker, good manager, alert, visionary etc. He conceives the idea of create a firm. He is an independent person, with strong urge for achievements. He has great intuition and tolerance.

2. **Psychodynamic theory:** Collins & Moore (1970) propagated this theory followed by Kets de Vries (1977). It is observed that this theory does not have repercussions both in academia and practitioners.

**Macro Level:** This one theory propagates at the economy level.

1. **Kirzner's Entrepreneur theory:** Kirzner said that an entrepreneur remains alert to business opportunities unidentified by other people. The central point of his theory is **alertness**. According to him, alertness to information is an essential entrepreneurial element. Kirzner agrees with the views of Schumpeter and believes that they are very important in the economy. He observed that market is imperfect and in disequilibrium which provides enough business opportunities. The entrepreneur pushes the market towards equilibrium with his behaviour, which is never scaled.

### III Sociocultural or Institutional Approach

The theories discussed under this section share a common chord that external or environmental factors have a great influence on an individual's decision to become an entrepreneur. The socio cultural factors or the institutional framework have a great influence on the entrepreneurial spirit and new enterprise formation. The theories trying to explain the link at micro, meso and macro level are discussed below.

**Micro Level:** The three theories are given to explain at the individual level.

1. **Marginalisation Theory:** It has been widely observed that on many occasions, there is a negative trigger that leads to initiation of a start-up. An individual's decision of starting a new venture may not be a planned move but result of shattering of dreams at some point in life. Trapped in certain intimidating circumstances, he initiates a business for his own self. This theory has been empirically tested and developed on this premise.

This theory was proposed by Brozen (1954), Young (1971) and Stanworth & Curran (1973) and has been empirically tested by Min (1984). The theory focussed on the marginalised section of the society who may belong to different religious, cultural, ethnic, migrant group or they may be a simple bunch of unemployed people. Their marginalised condition in the social fabric motivates them to break free and opt for entrepreneurship which seems to be a lucrative option to earn social appreciation.

Biographies of many successful entrepreneurs reflect their tuff time during their journey and highlight a particular trigger which event led to creation of their particular enterprise. The life history of Dhirubhai Ambani is a testimony to this fact; how a worker at a petrol pump went on to become the biggest Czar of Indian industry.

2. **Role Theory:** This theory developed an important link between certain geographical areas and entrepreneurship. For eg., In India, a high percentage of start-ups have their roots in Bengaluru popularly called India's Silicon Valley. On similar lines, families from where people have progressed to become entrepreneurs set an example for the coming generations to follow.
3. **Network Theory:** This theory says that entrepreneurial function exists and develops in a network of social relations. The creation of a new venture requirements is favoured or constrained by a complex span of relationships between the future entrepreneur, resources and opportunities. The base of this network is provided by the relationships between the entrepreneur, suppliers, customers, banks, family members and friends. The network theory probes five dimensions: (i) size (ii) density (iii) reachability (iv) heterogeneity and (v) centrality of nodes. This relationship between the new venture and the network has been analysed by many authors including Aldrich & Zimmerer (1986), Hansen (1995), Jensen (1999) etc. One can observe that whenever a new venture is established, creation of a network of relationships with buyers, sellers, banks etc is intrinsic to it. There are many more entities like incubators, business centres, local development agencies, chambers of commerce etc. that help the new and would be entrepreneurs to run and flourish.



However, there is no conclusive study to confirm the relationship between role of networks and creation of a new venture.

**Meso Level:** There are three theories mentioned here at corporate level.

- 1. Network Theory:** The importance of network for a new venture is similar at the corporate level as it is at the individual level. However, the agencies that support at the corporate level are different. At the level of the enterprise, network or strategic alliances are considered to be an intermediate form of governance structure. These relationships are also studied under business strategy and transaction cost economics.
- 2. Incubator theory:** Here, the existence of certain organisations like research centres, universities etc. determines both the number of new ventures floating in a particular area as well as the characteristics of these ventures. Many ventures are incubated at the last place of work of the entrepreneur. So, these enterprises would usually carry the characteristics similar to the firm where the entrepreneur was previously employed. For eg., some employees of Infosys carve out a new venture while working, leave the organisation and start their own venture. It is expected that this new venture would have certain characteristics of Infosys too. These days many universities have their own incubator cells and promote and support students to float their venture.
- 3. Evolutionary Theory:** According to Nelson and Winter (1982) , “ the core concern of evolutionary theory is with the dynamic process by which firm behaviour patterns and market outcomes are jointly determined over time”. Their study analyses the effect of technological change on economic growth. Nelson and Winter believe that organisational functioning is based on routine work. There are production routines, advertising routines, hiring and firing routines as well as innovation routines. The organisational routines are the depository of organisational knowledge and skills. Routines rather than deliberate choice determine how an organisation functions. Routines also explain the firm’s resistance to change.

**Macro Level:** The two theories are explained here for economy level.

- 1. Population Ecology Theory:** This theory is based on the assumption that the environment determines birth, growth and death of new organisational forms or enterprises. The basic assumptions of this theory are: (i) existing organisational forms are unable to adapt to the environmental changes due to internal inertia (ii) environmental changes produce new organisational forms and thereby “new firms”. (iii) changes in organisational populations are essentially due to the demographic processes of birth and death of organisations.

According to this theory new firm creation depends on three environmental factors (a) organisational density (b) birth rate or prior findings and (c) mortality rate in the previous periods.

- 2. Institutional Theory:** This theory provides the most consistent and appropriate conceptual framework to assess the impact of environmental factors on entrepreneurship. This theory categorises institutions as any form of constraint that human beings devise to shape human interaction. Constraints are further classified as formal and informal. Formal rules or constraints include political (or judicial) rules, economic rules and contracts. It is obvious that new enterprise formation is highly conditioned by the institutional framework. Though empirical investigations in the framework of this theory are still scarce; only individual factors have been analysed. However, research on new enterprise formation by Reynolds et al. (1994) Busenitz et al. (2000) Weneekers et al (2005) have highlighted the impact of environmental or institutional factors.

## IV Managerial Approach

The theories under managerial approach assume that formation of a new enterprise is the result of a rational decision making process. This approach relies heavily on knowledge and techniques prescribed in the field of economics and business administration. Though most recent of all the approaches, many models of new firm formation can be ascribed to this approach.

**Micro Level:** The theory is explained at the individual level.

**1. Behavioural Theory of the entrepreneur:** This approach aims to identify, describe and explain the overt behaviours of these entrepreneurs to show the path to the coming prospective entrepreneurs in creating a new venture. The behaviour of the entrepreneur is considered on skills or abilities that can be learnt. Empirical research in the field has led to identification of following set of entrepreneur's behaviour:

- (a) ability to search and gather information
- (b) ability to identify opportunities
- (c) ability to deal with risk
- (d) ability to establish relationships and networks
- (e) ability to make decisions under uncertainty and ambiguity
- (f) Leadership ability
- (g) ability to learn from experience

However, Krueger (2000), Shane (2000), baron & Ward (2004) point out that ability to search information, opportunity identification and learning are the main behavioural attitudes explored by the analysts.

## Conclusion

Many people define the concept of entrepreneurship differently. The basic traits in a prospective entrepreneur as many social scientists also observed are innovation, passion, hardworking, determination, enthusiasm and motivation to their employees etc. The entrepreneurship model starts with an idea that is conceived by a prospective entrepreneur. He identifies the opportunities in the system, collects information on his idea, thinks, innovates and creates the new product or new technique. Generally, they are risk takers and big visionaries. He adapts to the dynamic environment and grow with this environment and becomes a good businessman. The theories also observed these traits in the entrepreneurs.

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