

## AN ANALYSIS OF ROMANIAN ENTREPRENEURS' PERSONALITY TRAITS

Geanina BRÎNZĂ

*Stefan cel Mare University of Suceava, 720229, Romania*  
brinza.geanina@gmail.com

Alexandru ANICHITI

*Stefan cel Mare University of Suceava, 720229, Romania*  
alexandru.anichiti@usm.ro**Abstract**

*Entrepreneurship is a powerful driver of economic growth. It creates new companies and jobs, nurtures new skills and creates opportunities. The term "entrepreneurship" became increasingly used because it is associated with economic development in a country or a region. Currently, entrepreneurs worldwide are encouraged to identify new business opportunities and to transform them into successful businesses with the purpose of creating new jobs. The aim of this paper is to present an analysis of the personality traits that define an entrepreneur, carried out through a literature study, focusing on data supplied by the Global Entrepreneurship Monitor (GEM) and the European Commission (EC).*

**Key words:** *entrepreneur; entrepreneurship; personality traits; small and medium enterprises, Romania.*

**JEL Classification:** L26, L29

**I. INTRODUCTION**

Entrepreneurship is important because it contributes to economic development by increasing economic efficiency, bringing innovation to the market, and creating new jobs (Shane and Venkataraman, 2000). Drucker (1993) emphasized the importance of entrepreneurship for a country's economy, stating that lifelong learning and acceptance of change should be encouraged, and seen as an opportunity, not as a threat.

The initiation of business is based on a multitude of factors that have been the subject of research of numerous specialists from different fields such as sociology, psychology, and economics. Mainly, the process of transforming a person into an entrepreneur is influenced by four categories of factors. These are the positive and negative situational factors, the sociological factors, the psychological factors, and the economic factors (Vișean and Săseanu, 2004). Assessing the chances of success in the business environment requires entrepreneurs to research a range of issues regarding motivations, managerial skills, training and experience, sources of funding, knowledge of legislation, and business prospects. Thus, a proper understanding of the entrepreneurial system requires the knowledge of the economic premises and, in close correlation with them, of the characteristics and competencies of the entrepreneurs in order to permanently adapt to the demands and dynamics of the business environment (Worthington, Britton et al., 2018, Ahmed, Chandranb et al., 2019).

Based on these considerations, the objective of the present analysis is to determine the personality traits of the entrepreneur in the context of the business environment. Their identification, based on the works of Drucker (1985) and Multan, (2020) was made in order to outline the standard entrepreneurial profile.

The research is shaped around the following aspects: a) the entrepreneurial activities have increased in the last two decades; b) there have been several factors that have contributed to this growth, such as the advancement of technology, increased competition between suppliers, slowing economic growth and changing economies; c) entrepreneurial activities were seen as a means of revitalizing stagnant economies, as a means of solving unemployment problems for developing economies, and as a driver of economic progress (Jack and Anderson 1999).

In order to achieve its objective, this literature review study presents the following sections: introduction, analysis of the specialized literature, results, discussions, and conclusions. The aspects pursued in the paper are aimed at building an entrepreneurial profile based on the personality traits of the entrepreneurs as they emerge from the GEM and EC studies.

**II. LITERATURE REVIEW****Entrepreneur vs. entrepreneurship**

Unlike other fields of research, the study of entrepreneurship represents an area of interest for both theorists and practitioners. This interest was materialized in the elaboration of numerous specialized works, marketing research, and statistical synthesis, but also articles made by specialists with good training in the field, passionate about the complexity and importance of the entrepreneurial system. Because in the process of informing about entrepreneurship in general and promoting it in the business environment in particular, accessibility to a vast volume of documentary resources is indisputable, identifying the most relevant sources

becomes a real challenge. In the scientific literature, there are studies that address the conceptual issues (Shane, 2003; Bjørnskov and Foss, 2008; Hisrich, Peters et al., 2016), typologies and statistical methods and quantitative research (Zahra and Dess, 2001, Machado and Davim, 2020). There is an agreement of the acceptance of the importance and the role of the entrepreneur in the process of economic development and, implicitly, in the business environment. At the same time, current research is focused on how the business environment characteristics influence the process of starting a business and how they influence the perceptions of entrepreneurial opportunities (Worthington, Britton et al., 2018; Zahra, 2007; Ramoglou and Zygliopoulos, 2014).

The etymology of the word “entrepreneurship” comes from the French language and has the meaning of enterprise (Bugaian, 2010), entrepreneurship being an independent activity, based on own risk and oriented towards the systematic obtaining of profit as a result.

Regarding the profile of the entrepreneur, there is a multitude of representative characteristics, an opinion that is justifiably found in the approaches of many specialists in the field (Carayannis, 2014; Pintilii, Peptenatu et al., 2014). Despite this diversity of personal characteristics, the analysis of the scientific literature and the practical experiences of entrepreneurs require, in order to adapt and survive in the business environment, the existence of defining characteristics such as total dedication, total commitment and a lot of work, professional risks, creativity, ability innovative, initiative, perseverance, ambition, self-confidence, flexibility, ability to adapt to change, ability to analyze facts (Shane, 2003; Ahmetoglu, Leutner et al., 2011; Hisrich, Peters et al., 2016).

### **The personality traits of entrepreneurs**

The research on the personality traits of the entrepreneurs appeared in the middle of the 20th century, by unifying the approaches in economics, psychology, sociology and business management in order to answer the following questions: Who is the entrepreneur? What motivates them? What traits define them? Initially, the entrepreneurial study was confronted with many conceptual challenges, the researchers trying to develop a solid theoretical framework and appropriate measurement tools. In the 1980s, this discrepancy in the literature led some researchers to conclude that there is no correlation between personality and entrepreneurship (Duchesneau and Gartner, 1990; Carter, Gartner et al., 2003).

However, the BIG Five theory, built on a questionnaire, synthesized five personality traits as a result of elaborate and extensive research (Howard and Howard, 2004). These personality traits are:

1. *Neuroticism* - characteristic of people with strong neurotic accents, with an increased emotional state, with negative accents (fears, anguish, depression). They are usually people who need emotional support to overcome such phases. Behavioral oscillation is determined by an emotional imbalance - emotional balance.

2. *Extraversion* - presents characteristics of communicative, sociable, talkative people, with a good social presence, with a special verbalization ability, people who feel good in social contexts and therefore seek interactions with others. Behavioral oscillation is captured by features of extraversion - introversion.

3. *Openness to experience* - characteristic of people open to sensory experiences, with artistic sense, inclined to music or fine arts, animated by intellectual interests, characterized by scientific curiosity (especially in the natural sciences), close to nature and generally attracted to a life in harmony with nature and beauty. Behavioral oscillation is captured by an openness to experience - a restrained, conservative way, which also includes the preference for the familiar.

4. *Agreeableness* - characteristic of pleasant, non-aggressive people, animated by pleasant feelings towards children, towards animals and, in general, towards those around them, with resistance to frustration and who do not express their frustration by acts of physical or verbal aggression. Along with the extraversion scale, it refers to those dimensions of personality involved in social relationships, being characterized by the polarity of agreeableness – non-agreeableness in interpersonal relationships.

5. *Conscientiousness* - characteristic of orderly persons, who prefer well-structured and controlled working environments, capable of sustained work and long-term energy concentration towards achieving the proposed goals, who are willing to invest a lot of work and not be distracted of temptations. This factor is related to professional success, regardless of the field of activity. The dominant behavioral oscillation is conscientiousness - the tendency towards hedonism (Costa and McCrae, 1990).

## **III.RESULTS AND DISCUSSIONS**

### **Youth education for entrepreneurship and the labor market - a European approach**

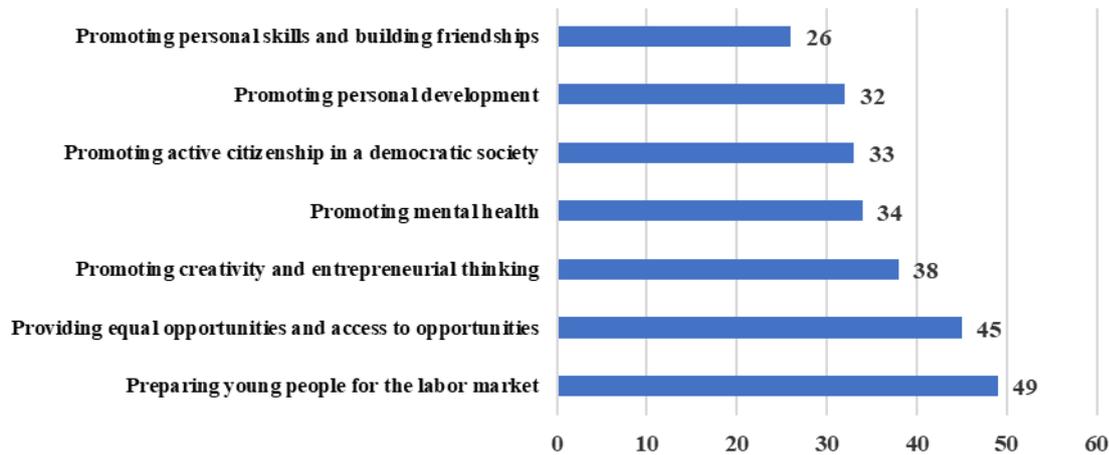
Soare (2008) defines entrepreneurship education as an innovative way to project, organize and implement the school curriculum. The author also considers that entrepreneurial education can form an entrepreneurial personality (Soare, 2008).

Since 2014, entrepreneurship education had become a strategic direction for EU policy (Strauti, Dumitrache et al., 2018).

In the period 2017-2018 young people from all areas of Europe were involved in a common pan-European decision-making dialogue aimed at developing 11 common European youth objectives (European

Commission, 2019). In this context, the future interests of the young people were analyzed and it was found that they are interested in being prepared for their career, the labor market and that critical thinking is very important. The respondents of the study conducted by EC and presented by Flash Eurobarometer (2019) consider that the main shortcoming of schools is the fact that they do not pay enough attention to entrepreneurship and financial skills.

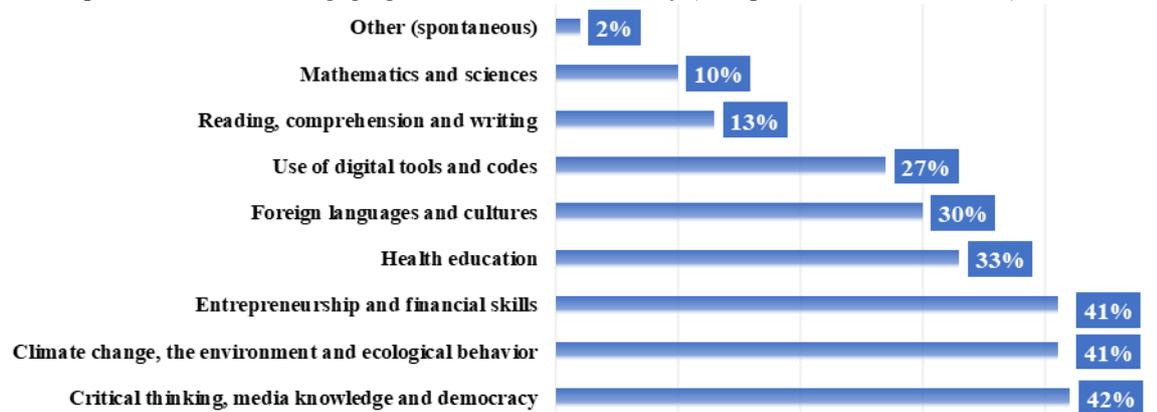
As can be seen in Figure 1, the respondents of the study believe that it is important to be well prepared for integration into the labor market (49%), giving everyone the chance to succeed and to have access to similar opportunities in the labor market or in business opportunities (45%). They also consider it is important to promote creativity, adaptability and entrepreneurial thinking (38%).



**Figure 1. The future interests of young people and their training in the school environment**

Source: Flash Eurobarometer 478(2019), page 13. DOI: 10.2766/62603

Respondents also considered that it is very important to develop critical thinking, knowledge of the problems that cause climate change, as well as preparation for business, entrepreneurship and the development of financial skills (Figure 2). Therefore, the principles of active participation and equal opportunities in the opportunities that the European Union (EU) can carry should be based on the opinions of young people, with their aspirations and needs engaging their talents and creativity (European Commission, 2019).



**Figure 2. Knowledge of interest to young people for successful integration into society and the labor market**

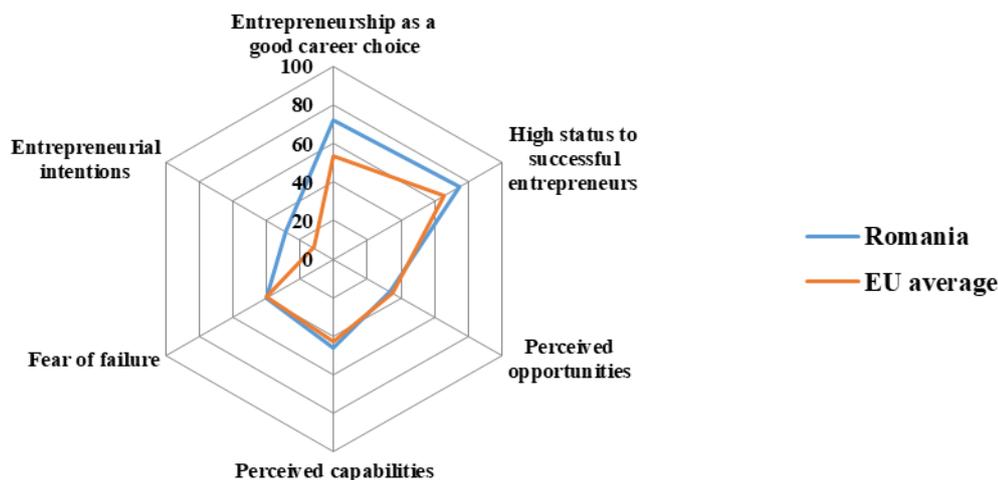
Source: Flash Eurobarometer 478 (2019), page 14. DOI: 10.2766/62603

**The GEM study on entrepreneurship in Romania**

Following the ideas of Bögenhold (1987), GEM began to classify entrepreneurs into two types, using the two main reasons why they decided to open a business: necessity and opportunity. This bifurcated classification has begun to move more and more into the center of contemporary entrepreneurial literature and has been used by several authors (Bosma and Harding, 2007; Harding et al, 2006; Minniti, Bygrave et al., 2006).

The GEM 2015 study provides important information regarding the entrepreneurial characteristics of respondents worldwide. According to the GEM 2015 report, which is the most current report that also includes data for Romania, the rate of early-stage entrepreneurial activity (TEA) was 10.8%. This means that 10.8% of the active population did something to start a business (raised money, drew up a business plan, etc.) or already had a company up to 3.5 years old. Romania was in the middle of the ranking in 2015 (ranking 30th among the 60 countries that participated in the GEM project in 2015).

In terms of entrepreneurial intentions, 29% of the respondents in Romania wanted to start a business, which ranked 16th in the world and was well above the average of 12.12% for the rest of the EU. The GEM project also includes data on the fear of failure, where the value registered for the respondents in Romania is 40.50%, close to the EU average of 39.86%. The characteristics of the Romanian entrepreneurs and the average at the EU level are shown in figure 3.



**Figure 3. Comparative analysis of the characteristics of Romanian respondents to the EU average**

Source: authors' elaboration using data from the GEM report, 2015

However, there is a difference that is observed between the societal values, as GEM calls them (entrepreneurship as a good career choice, high status to successful entrepreneurs) where the values of the respondents in Romania are visibly higher, which means that the respondents in Romania perceive entrepreneurship as a better career than their counterparts at the EU level.

#### IV. CONCLUSIONS

This study on the analysis of personality traits of entrepreneurs is intended to contribute to the understanding of their characteristics, motivations, and attitudes. Entrepreneurial education is an important aspect of building the intention to start a business (Sondari, 2014). Entrepreneurship has never been more important than it is now when the world is facing major challenges. In this context, entrepreneurship stands out as a significant force, which can have a considerable impact on economic growth and social progress, by stimulating innovation, job creation and social responsibility.

Georgieva (2020), the Director-General of the International Monetary Fund (IMF) mentioned that the COVID-19 pandemic has caused the cessation of activities worldwide which in turn will cause major economic shocks. Therefore, we believe that urgent and coordinated action is needed to restart the entrepreneurial systems worldwide.

Under the conditions of a possible economic crisis, new and young businesses are an important ingredient for economic recovery (Glad, 2020). We must take the necessary steps to help and stimulate current and potential entrepreneurs. Recognizing entrepreneurs as job creators and prosperity should be the message at the moment. Therefore, it is necessary to change the attitudes towards entrepreneurship by publicly celebrating success and highlighting the contribution of entrepreneurs to the prosperity of a country and its citizens.

#### V. REFERENCES SECTION

1. Ahmed, T., Chandranb, V.G.R., Klobasc, J.E., Liñánd, E., Kokkalisf, P (2019) *Entrepreneurship education programmes: How learning, inspiration and resources affect intentions for new venture creation in a developing economy*, The International Journal of Management Education, Vol. 18, Issue 1.
2. Ahmetoglu, G., Leutner, F., Chamorro-Premuzic, T. (2011) *EQ-nomics: Understanding the relationship between individual differences in trait emotional intelligence and entrepreneurship*. *Personality and Individual Differences*, 51(8), 1028–1033.

3. Bjørnskov, C., Foss, N.J. (2008) *Economic freedom and entrepreneurial activity: Some cross country evidence*. Public Choice 134, 307–328.
4. Bosma, N., and Harding, R. (2007) *Global Entrepreneurship Monitor: GEM 2006 Results*, London Business School, London.
5. Bögenhold, D. (1987) *De Gründerboom: Realität und Mythos der neuen Selbständigkeit*, Campus, Frankfurt.
6. Bugaian, L.(coord.) (2010) *Antreprenoriat: inițierea afacerii*, Editura „Levința Angela” Universitatea Tehnică a Moldovei, Chișinău.
7. Carayannis, E., Stewart, M., Sipp, C., Venieris, T (2014) *Entrepreneurial Profiles of Creative Destruction Courage, Imagination and Creativity in Action*, Published by Palgrave Macmillan.
8. Carter, N.M., Gartner, W.B., Shaver, K.G., Gatewood, E.J. (2003) *The career reasons of nascent entrepreneurs*, Journal of Business Venturing, Volume18, Issue 1, 13 – 39.
9. Costa, Paul & McCrae, Robert. (1990) *Personality Disorders and The Five-Factor Model of Personality*. Journal of Personality Disorders. 4. 362-371.
10. Drucker, P. P. (1985) *Innovation and Entrepreneurship*. Published by Butterworth-Heinemann, New York.
11. Drucker, P. (1993) *Innovation and Entrepreneurship*, Economică Publishing House, Bucharest.
12. Duchesneau, D.A., Gartner, W.B. (1990) *A profile of new venture success and failure in an emerging industry*, Journal of Business Venturing, Volume 5, Issue 5, Pages 297-312.
13. \*\*\*European Commission (2019) *Flash Eurobarometer 478*. DOI: 10.2766/62603.
14. Glad, T. (2020) *Impact Entrepreneurs: Building solutions for post-COVID-19 world*, Impact Hub Amsterdam, OECD, <https://www.oecd-forum.org/users/386620-tatiana-glad/posts/65636-impact-entrepreneurs-building-solutions-for-a-post-covid-19-world>
15. Global Entrepreneurship Monitor (2015) *GEM 2015 NES Global Individual Level Data*, <http://gemconsortium.org/data/sets>, accessed February 28, 2020.
16. Harding, R., Brooksbank, D., Hart, M., Jones-Evans, D., Levie, J., O'Reilly, J., and Walker, J. (2006) *Global Entrepreneurship Monitor United Kingdom 2005*, London Business School, London.
17. Hisrich, R., Peters, M. and Shepherd, D. (2016) *Entrepreneurship*. 8th ed. New York: McGraw-Hill Education.
18. Howard, P. J.; Howard, J. M., (2004) *The Big Five Quick start: An Introduction To The Five Factor Model Of Personality For Human Resource Professionals*, in Center for applied cognitive Studies (CentACS).
19. Georgieva, K. (2020) *A Global Crisis Like No Other Needs a Global Response Like No Other*, International Monetary Fund, <https://blogs.imf.org/2020/04/20/a-global-crisis-like-no-other-needs-a-global-response-like-no-other/>.
20. Jack, S. L., Anderson, A. R., (1999) *Entrepreneurship education within the enterprise culture: Producing reflective practitioners*, International Journal of Entrepreneurial Behaviour & Research, Vol. 5, No. 3, pp.110 – 125.
21. Machado, C., Davim, J.P. (2020) *Entrepreneurship and Organizational Innovation*, Springer Nature Switzerland AG.
22. Minniti, M., Bygrave, W., and Autio, E. (2006) *Global Entrepreneurship Monitor: 2005 Executive Report*, London Business School, London.
23. Multan, E.(2020). *Adjusting students' competences to the needs of the modern business services sector*. Entrepreneurship and Sustainability Issues, 7(3), 2326-2349.
24. Pintilii, R.D., Peptenatu, D., Draghici, C., Saghin, I., Stoian D.R. (2014) *Structural Changes in The Entrepreneurial Profile of The Creative Industries in Romania, 2nd Global Conference on Business, Economics, Management and Tourism*, 30-31 October 2014, Prague, Czech Republic.
25. Ramoglou, S., Zylidopoulos, S.C. (2014) *The constructivist view of entrepreneurial opportunities: a critical analysis*, Small Bus Econ,44:71–78.
26. Shane, S., & Venkataraman, S. (2000) *The promise of entrepreneurship as a field of research*. Academy of Management Review, 25, 217-226.
27. Shane, S. (2003) *A General Theory Of Entrepreneurship: The Individual-Opportunity Nexus*. Cheltenham, U.K.: Edward Elgar 1-327.
28. Soare, E. (2008) *Educația antreprenorială. Ultima provocare a școlii*, Editura: V.& I. Integral, București.
29. Sondari, M.C. (2014) *Is Entrepreneurship Education Really Needed? : Examining the Antecedent of Entrepreneurial Career Intention*, Procedia - Social and Behavioral Sciences, Volume 115, Pages 44 – 53.
30. Strauti, G., Dumitrache, V.M., Taucean, I.M. (2018) *Entrepreneurial Competences in Economical Engineering Curriculum in Romania*, Procedia - Social and Behavioral Sciences, Volume 238, Pages 737-742.
31. Vișean, M. O. and Săseanu, A (2004) *Economia întreprinderii- concepte, resurse, strategii*. București: Editura Bren.
32. Worthington, I., Britton, C., Thompson, E. (2018) *The Business Environment*. A. Global Perspective Eighth Edition, Pearson Education Canada.
33. Zahra, S., Dess, G. (2001) *Entrepreneurship as a field of research: encouraging dialogue and debate*. Academy of Management Review, 26(1), pp.8-11.
34. Zahra, S.A. (2007) *Contextualizing theory building in entrepreneurship research*. Journal of Business Venturing, 22(3), pp.443-452.