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# Entrepreneurship management

## Lecture 9

# Key Personal Attributes (cont.)

- Need for Achievement
  - A person's desire either for excellence or to succeed in competitive situations
  - High achievers take responsibility for attaining their goals, set moderately difficult goals, and want immediate feedback on their performance
  - Success is measured in terms of what those efforts have accomplished
  - McClelland's research

# Key Personal Attributes (cont.)

- Desire for Independence
  - Entrepreneurs often seek independence from others
  - As a result, they generally aren't motivated to perform well in large, bureaucratic organizations
  - Entrepreneurs have internal drive, are confident in their own abilities, and possess a great deal of self-respect

# Key Personal Attributes (cont.)

- **Self-Confidence**
  - Because of the high risks involved in running an entrepreneurial organization, having an “upbeat” and self-confident attitude is essential
  - A successful track record leads to improved self-confidence and self-esteem
  - Self-confidence enables that person to be optimistic in representing the firm to employees and customers alike

# Key Personal Attributes (cont.)

- Self-Sacrifice
  - Essential
  - Nothing worth having is free
  - Success has a high price, and entrepreneurs have to be willing to sacrifice certain things

# Technical Proficiency

- Many entrepreneurs demonstrate strong technical skills, typically bringing some related experience to their business ventures
- For example, successful car dealers usually have lots of technical knowledge about selling and servicing automobiles before opening their dealerships
- Especially important in the computer industry
- NOT ALWAYS NECESSARY

# Planning

- Business Plan – A step-by-step outline of how an entrepreneur or the owner of an enterprise expects to turn ideas into reality.

# Questions To Keep In Mind

- What are my motivations for owning a business?
- Should I start or buy a business?
- What and where is the market for what I want to sell?
- How much will all this cost me?
- Should my company be domestic or global?

# Entrepreneurship: Corporate INTRApreneurs

**Intrapreneur** = someone in an existing organization who turns new ideas into profitable realities.

Not every employee has the ability to become a successful intrapreneur. It takes well-developed strategic action, teamwork and communication abilities.

# Entrepreneurship: Corporate INTRA-preneurs

Organizations that redirect themselves through innovation have the following characteristics:

- Commitment from senior management
- Flexible organization design
- Autonomy of the venture team
- Competent/Talented people with entrepreneurial attitudes
- Incentives and rewards for risk taking
- Appropriately designed control system

# Entrepreneurship: Corporate INTRA-preneurs

In order to for this type of forward thinking to reap long-term benefits, top management must allow it to flourish in the day-to-day operations of the business....

This is known as “skunkworks”

Skunkworks = Islands of intrapreneurial activity within an organization.

**REMEMBER:** On the island, formal rules and policies of the organization often DO NOT apply.