

Entrepreneurial Behavior and Corporate Entrepreneurship

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Abstract: Corporate entrepreneurship is one of the factors that has the greatest impact on the success and growth of enterprises and governments. On the other hand, one of the important components to create jobs within the organization is the appropriate organizational structure. In this era, environment is such that help to universities and institutions to be self-reliant. Undoubtedly, knowledge-based companies play an important role in the economies of developing countries. Innovation and entrepreneurship in the companies can be the important factors for their sustainable development. Corporate entrepreneurship and factors affecting it have special place in today's researches; thus, this research studies the entrepreneurial behaviors and skills and corporate entrepreneurship. In this article we tried to review the literature mentioned above in order to show a significant role of entrepreneurial behaviors and skills in corporate entrepreneurship.

Keywords: Behavior, Entrepreneurial Behavior, Entrepreneurship, Corporate Entrepreneurship.

Introduction

One of the major concerns of most people when they want to start an entrepreneurial activity is that they don't know whether they are able to start an activity and run it or not. Most entrepreneurs in the creation of new entrepreneurial activities face with the main problems including management and communication skills, marketing capabilities and other required skills for starting an activity.

To be a successful entrepreneur, a set of knowledge and skills is required. In this article, we have offered the knowledge and skills necessary for success in entrepreneurship.

Corporate entrepreneurship is an unavoidable necessity for the survival of all companies including small and medium-sized companies that need to grow more. Companies for growth and survival have to continually evaluate that their performance, launch new businesses and advance innovation process. The factors that could affect the growth and innovative companies is the constant attention to the market, customers, and inspired by it for the development of products based on market needs and customer requirements. Market-orientation shapes the manner in which employees are dealing with information and react to the environment. They create an internal environment where people are supported and encouraged. In market-orientation, companies move to identify customers and their needs to guide the company's resources. Market-orientation is to be aware of customer issues and customer care. Market-orientation needs to real change, true philosophy, and business practices of senior managers. Business that increases its market orientation improves market performance. Marketing is the heart of modern marketing management. Any business to be successful in growth and innovation requires professional and efficient experts who their attributes fit with the characteristics of the business. Entrepreneurship and creating high risk business are uncertain and risky to overcome the problems that people have characteristics that distinguish it from other people who prefer to work in established companies.

In high risk and ambiguous situations, human's characteristics determine the success or failure of risky companies. Entrepreneurship and business start-up require high-risk people to be able to adapt to these conditions and requirements; and these requirements should fit their personality traits.

One of components of this proportionality is the entrepreneurs' social skills. The knowledge-based companies are the main base of industry and universities. It is clear that in current circumstances, these companies play an important role in the production of innovative products and therefore economic growth and the country's self-sufficiency.

Review of Literature

Entrepreneurial Behaviors and Skills

Since the potential entrepreneurs can be helpful for the society, researchers have tried to analyze personality, entrepreneurial skills and behaviors of entrepreneurs, as well as the conditions that help to growth of entrepreneurs. Several studies have been done on the relationship between personality traits and characteristics of entrepreneurship that scholars have attempted to identify entrepreneurs' psychological profile (Antonic & Hisrich, 2003).

Some experts to explain the characteristics of entrepreneurs use some the metaphors like "catalyst", "Olympic athlete", "Symphony Orchestra", "Gun-Pilot" and "Gazelle ". Entrepreneurs in terms of social and economic catalyst by providing financial and human resources as the market-changing forces, start a new business; like an Olympic athlete who is looking for a record-breaking, entrepreneurs seeking products, services and new processes that others have not achieved. As the Symphony Orchestra led different melodies, entrepreneur in the role of a leader, coordinates natural resources, facilities and human resources to achieve the goal in the business; like gun-pilot who combines speed and boldness, the entrepreneur is faced with a dynamic and changing market conditions, as he is flexible in risk-taking, and he can meet the market needs. As gazelle is nimble, entrepreneur also tries to prevent the bulk business and skip a lot of strength to be able to easily identify market opportunities and become a leader in terms of growth and profitability (Brianing dicNewbert, 2004).

Entrepreneurs like everyone else are complex people, and no particular theory cannot explain all their behaviors. Perhaps the first and most important psychological theory is the roots of the entrepreneur in the early 1960s by "David McClelland", he found people who are entrepreneurs have excessive need to achieve the goal (Need-Achievement). People who have this need excessively are risk-taking to do reasonable risks. Such risks encourage entrepreneurs to make greater efforts. In addition, he found that in certain societies, a large percentage of people has excessive need to achieve the goal. Other researchers have studied the intentions and motives of entrepreneurs including wealth, power, character, security, self-esteem and serve the society (Crockett, 2005).

"Thomas Begley" and "David Boyd" in the mid-1980s studied the literature on psychological characteristics of entrepreneurship to find the distinction between traditional and entrepreneurial managers. They eventually identified five dimensions that include:

1. The need to achieve success: According to "McClelland", the need to succeed is intense in entrepreneurs.
2. Control Center: It's the idea that people are not miserable or happy and everyone controls his life. Entrepreneurial managers like to think they control of their work.
3. Risk taking: It seems that entrepreneurs have a moderate risk taking, they earn more income through their assets compared to people who are not risk taking, or their risk acceptance is more than convention.
4. Tolerance for ambiguity: All managers need to embrace ambiguity because many decisions must be made with incomplete or vague. But entrepreneurs are faced with more uncertainty because they are doing things for the first time and they are risk taking in their business.
5. Type A Behavior: It means the sense of motivation to do in less time. The founders of small business tend this type of behavior compared to other managers (Davidsson & Wiklund, 2001).

Certainly, the entrepreneur needs to hard work, confidence, optimization and courage in initiating and maintaining a business.

"William Bygrave" is one of the outstanding entrepreneurial experts who summarize the most important personal characteristics of entrepreneurs in the model (10D) that these features include:

1. Dream: entrepreneurs dream on their business future; and more importantly they have ability to run their own dreams.
2. Decisiveness: Entrepreneurs are people who make decisions quickly and not delay. Their speed in decision making is a key factor in their success.
3. Doers: when they select an option, they run it as far as possible.
4. Determination: They are people who are running a risky business with full commitment. They are rarely disappointed; even they encountered with the non-influence obstacles.

5. Dedication: Entrepreneurs are those who sacrifice themselves for business, and sometimes they spend less time with their friends and their families and subsequently cost a great deal in this regard. They are tireless people, so that they work twelve hours a day, seven days a week.

6. Devotion: entrepreneurs do what they love and this devotion survives them in the face of difficulties and problems. This love would lead to effectiveness in selling products and giving services.

7. Details: Entrepreneurs scrupulously analyze the issues related to start and grow their business examined, and even they consider minor issues that are less important.

8. Destiny: entrepreneurs decide on their destiny rather than to figure out their destiny to others.

9. Dollars: the primary driver of profitability and revenue target is entrepreneurs, but more money is considered as a criteria for success. They assume that if they succeed they must be rewarded.

10. Distribute: entrepreneurs share their business property with key employees and those who have a key role in their success.

Corporate entrepreneurship

Corporate entrepreneurship involves raising entrepreneurial behaviors in an organization that is already established. In short, entrepreneurship means that organizations can develop useful innovation by encouraging employees to think like entrepreneurs and give freedom and flexibility to pursue their plans without the bureaucratic complexity. Corporate entrepreneurship is essential to ensure survival by restructuring the organization's operations, the redefinition of the concept of business, and increasing innovation capacity, and quality requirements in a dynamic environment.

Ferry also believes that entrepreneurship is a process which goods (services) or innovative processes are created by creating an entrepreneurial culture within an organization.

"Schumpeter" believes that entrepreneurship is a term derived from the business world, and as the ability to use resources in new ways that leads to the creation of new products and services in the enterprise environment (Drucker, 1985).

"Jennings" and "Lumpkin" believe that the entrepreneurial organization creates new products and new markets compared to the ordinal organizations. In contrast, one-dimensional definitions, "Miller" considers corporate entrepreneurship as a multidimensional phenomenon which includes tendency to innovation, forecasting and risk-taking in product development and technology. Innovation is capacity to implement the new designed product or service. The degree of being innovative is a function leading to a fundamental change in the organization. Forecasting is defined as actively searching for new opportunities. In other words, forecasting means the desire to shape the environment rather than reactive to the environment or willingness to initiate activities that will lead to react competitors.

Risk-taking also tends to attract resources for risky activities in unknown territory at reasonable status.

Kuratko, Nafzinger and his colleagues believe that the process of creating new entrepreneurial business is interaction of various factors (Eyal, 2003). This model of corporate entrepreneurship relates to the interaction of different activities as creator of entrepreneurship in organizations rather than occurrence of event in gap. According to this model, the decision to act corporate entrepreneurship as a result of the interaction: Organizational characteristics, demographic characteristics and some are accelerating (Davidsson & Wiklund, 2001).

Douglas Labor is one of the entrepreneurship experts who believe that three factors cause to the development of entrepreneurship including:

1. Internal Organizational Factors
2. External Environment
3. Individual Features

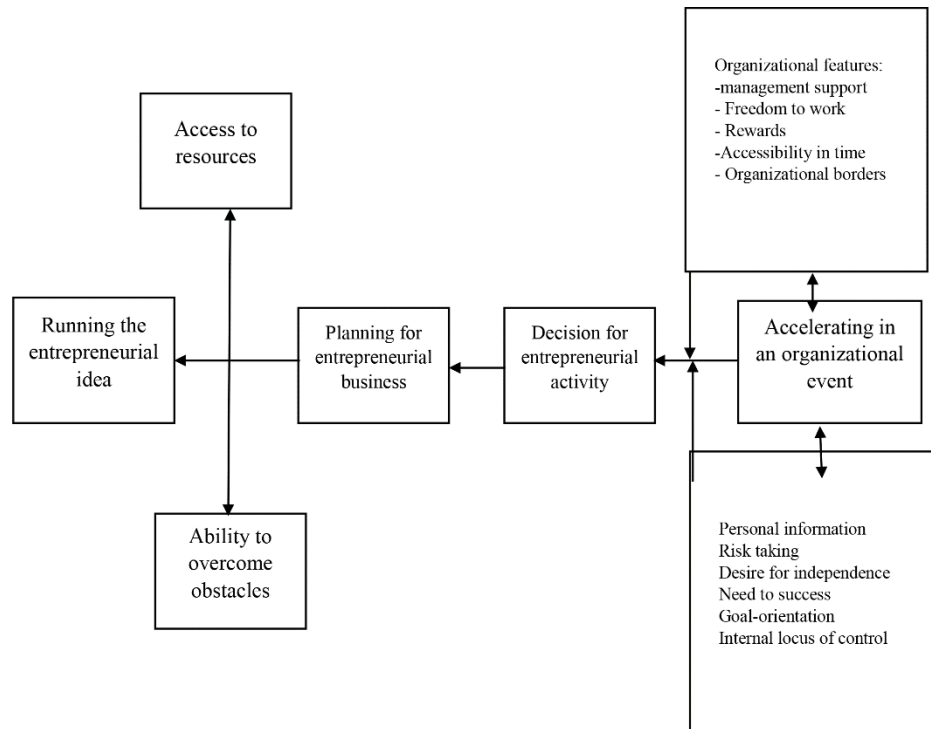


Figure 1. Kuratko and Nafzinger's Models of Corporate Entrepreneurship (Brianing dicNewbert, 2004).

Entrepreneurship also be upgraded via the external environment.

"Kavin and Slevin" believe that the entrepreneurial environment is the combination of macro-economic, cultural, social, political factors as well as access to help and support.

"Janiavaly and Vogel" states a framework of environmental factors that affect entrepreneurship in five forms:

1. Policies and procedures of government
2. Socio-economic conditions
3. Business skills and entrepreneurship
4. Donations
5. Non-financial assistance

Government policies, including the removal of barriers and market failures and strict regulations that restrict entrepreneurship. Socioeconomic conditions refer to favorable attitudes of the community to entrepreneurship. Financial support suggests that entrepreneurs should have enough money in order to start projects, diversification of products, services, and growth and development. Non-financial support refers to the available networks.

Individual features can also have a significant impact on enhancing corporate entrepreneurship. These features can include:

1. The need for independence
2. Control Center
3. The desire to apply risk
4. Dominance and superiority
5. High energy
6. Perseverance
7. Motivation to achieve the goal

Table 1. Organizations Item.

Entrepreneur organizations	Traditional organizations	Organizational characteristics
Actively seeking new investments - Maintain Contact Position available through sustainability	Defensive - the status quo is the first concern - diversification through acquisition or merger	Strategy
Evaluate the changes as an opportunity - indoor and environmental assessment for new opportunities	Assess changes as a threat - evaluation of the external environment to identify risks	Efficiency and Control
Long-term focus (adaptation and survival)	Focus on short-term (quarterly and annual performance criteria)	performance evaluation
If the information is processed correctly is the key to growth, adaptation and survival	Something that should be minimized	Risk
Efficient elements are also important - the culture of compliance and boost innovation	Objective analysis - to preserve cultural conditions	Organizational Culture
Informal structures and horizontal communication are dominant on the activities	References and formal channels of communication are important.	Structure and communication
Senior management determines the target - using the information encourage subordinates	Senior management will determine the parameters - possible that subordinates and provide the information and it may not provide it	Decision making
A key resource that should be preserved and used to the fullest possible	As a technical resource that can be easily replaced	Staff
Something that must be strengthened and encouraged and developed	Something that must be endured	Creativity

Conclusion

We examined the relationship between the two organizational factors called entrepreneurial behavior and skills and personality factors in knowledge-based companies. Social skills will be undoubtedly a very influential entrepreneurs in the startup process and the growth of knowledge-based companies.

Regarding the importance of knowledge in economic development, as well as obstacles and problems that entrepreneurs face in the development of their companies are concerned. Social skills help to enhance the marketing skills. In fact, the entrepreneurs can understand the customers' viewpoint regarding the products, since they have high social perception. Therefore, they can collect data easier than their competitors, and they make it available to other members of organization. In this way, all members of organization are involved with market and customer needs which in turn would be a major step forward in improving the organization through product innovation and development of organization.

According to the results of the first model, organizational justice in the relationship between entrepreneurial orientation and organizational performance plays a mediating role. In other words, entrepreneurial orientation influences the perceptions of organizational justice can improve the performance of organizations, this finding is consistent with the results achieved by Diclerck and colleagues that they have found this mediating role. Wang and colleagues

Conflict of interest

The authors declare no conflict of interest

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