



Types and Skills Required by Successful Entrepreneurs: A Case Study

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ABSTRACT

Entrepreneurs are vital for the socio-economic progress of any country. These are the people who translate resources into something creative and are employment givers. It is found that the success rate for entrepreneurs is very low. The primary reason behind this is that these aspirants lack in skills required to be successful one. On the other hand, it is also necessary to understand the type of entrepreneurs. The ability to take risks, innovation, and technical skills are found significant for successful entrepreneurship. Entrepreneurship is a discipline with a acquaintance base theory. It is an consequence of multifaceted socio-economic, psychological, technological, legal, and other factors. It is a active and perilous process. It combines financial resources, technological innovation, and human talent. Entrepreneurship is correspondingly valid to big and small businesses, and to economic and non-economic activities. In this research paper, the researcher has given a brief description of the term entrepreneurship. He also stated the types of entrepreneurs and skills required for successful entrepreneurs. This research is a qualitative one and is entirely depend upon literature survey.

1. INTRODUCTION

Entrepreneurs are people who take risks and start a new enterprise. Entrepreneurs are often described as economic agents. Through their business, they not only earn money for themselves, but also create employment for society and improve the standard of living.

Entrepreneurs hold the key to the economic progress of the nation. Entrepreneurs are the persons who irrespective of the size and mode of operations try to develop and operate their own production, processing, or business unit. Entrepreneurs can become ever so crucial if they succeed in shifting the economic resources out of lower-production regions into higher-production regions.

2. REVIEW OF LITERATURE

Chaudhari (n.d.) stated that entrepreneurship reflects innovation, the ability to take risks. The two factors which are responsible for entrepreneurship are knowledge and flexibility.

Naudé (2008) suggest that entrepreneurs are self-employed. He also states that these are creative people who add to their own wealth, power, and prestige.

Raofi & Afghah (2014) entrepreneurship is the technique of invention and leveraging opportunities with plenty of effort and endurance coupled with acknowledging monetary, emotional, and communal risks.

Taghibeygi et al. (2015) suggest that entrepreneurship results from innovations created to take advantage of the opportunities presented by economic unrest.

Willard, (n.d.) has pointed out that in last 200 years many definitions of entrepreneur has been derived. However, it is seen that no one is perfect and can predict the entrepreneurs.

Diandra & Azmy (n.d.) have found that entrepreneurship has been classified into opportunity driven, market driven, innovation, digital technology, and necessity driven.

(Davidsson, 2006) has narrated that the key factors for entrepreneurship viz ideas about

value creation and opportunities, development of commitments, gathering of information.

3. TYPES OF ENTREPRENEURS

Various scholars have classified entrepreneurs into various types depending on their entrepreneurial traits. The following are the main types of entrepreneurs:

3.1 Clarence H. Danhof Classification

i) *Aggressive*: Aggressive entrepreneur is an entrepreneur who brings a lot of innovation to his business. He is also known as an innovator entrepreneur. He is the one who brings new permutations and combinations in the production process and comes with something new in the market. These entrepreneurs are always in search of an opportunity where they can introduce a new product in the market. These types of entrepreneurs help to improve the living standard of society.

ii) *Imitative*: These types of entrepreneurs are path followers and also known as adoptive entrepreneurs. They just follow what is there in the market and never make a sincere effort to create something new. They simply set up their business according to the present scenario in the market. These are useful in developing countries as they create employment. These entrepreneurs just follow the technology that others are using hence employees are aware of the technology.

iii) *Fabian*: These entrepreneurs are timid and cautious. They do adopt a new technology only when they are sure that by adopting a new technology their business will not suffer any loss. They incorporate new technology only when they are sure about its success and when they only have an option other than adopting these changes. If these entrepreneurs are not sure then they will be very much happy in their traditional way of doing business.

iv) *Drone*: These entrepreneurs are the traditional and orthodox ones. They stick to their old fashion style of doing business even if society has undergone considerable changes. They never ever adopt new technology. They are happy in a traditional way of business.

3.2 Arthur H. Cole Classification

i) *Empirical*: The type of entrepreneurs

mentioned here is once again a traditional one. He just follows what exists in the market or economy. The empirical type of entrepreneurs does everything as their counterparts are doing. They will never come up with something new that other entrepreneurs will follow. These entrepreneurs will always look for what is happening in the economy and follow what is successful.

ii) *Rationale*: These entrepreneurs are well informed and are ready to adopt the changes which need time. They take calculated risks and keep updating their business according to changes occurring in the business environment. Sometimes they look revolutionary in their approach. Rational entrepreneurs are more inclined to update their enterprises with new technology.

iii) *Cognitive*: These entrepreneurs are path breakers. They will innovate before anyone dares to do so. They will take advice from various experts like a business economist, financial analyst, etc., and incorporate their views into their adventure. Cognitive entrepreneurs are keen to give something new that others follow for the years to come.

3.3 Ownership Based Classification

i) *Private*: Private entrepreneurs are the entrepreneurs who run a private business house. It can be a sole trader or partnership. The number of owners' maximum in partnership firms is seven. The main aim of private entrepreneurs is to earn as much profit as possible. The wealth essential for the business is elevated entirely by private entrepreneurs. They might not produce at a large scale.

ii) *Public*: Public entrepreneurs might be fully government-owned or partly government owned. In many undeveloped countries, the government has to play the role of public entrepreneur. Since the economic and political environment in underdeveloped countries is not proper for private entrepreneurs it has to be the government that takes the role of economic development. In many republics some segments like defence are reserved for public enterprises.

3.4 Scale of Production Classification

i) *Small*: The small entrepreneurs are the one who runs a business at a small scale. They

might not have enough resources for large-scale production. These entrepreneurs are satisfied with small-scale production and limit business within certain geographical areas. These entrepreneurs are vital for that local area and do not have national implications.

ii) *Large:* The large scale entrepreneurs are the one who runs a business at a large scale. These entrepreneurs are also the global ones who have spread the business all over the globe. These entrepreneurs are superior in the technological aspect of the business.

4. SKILLS REQUIRED BY SUCCESSFUL ENTREPRENEURS

Many people enter into the adventure of an entrepreneurship but only a few of them really succeed. These people not only earn money for themselves but improve the socio-economic condition of mankind in general. The entrepreneurs although come from different geographical locations of the world but they have certain common skills. These skills are as follows:

4.1 Desire to Achieve

Entrepreneurs must have the desire to achieve. The most important thing which entrepreneurs must achieve the end result which is their aim. The desire to achieve is an X factor that keeps entrepreneurs working.

4.2 Independence

Independency is the will to become one's own boss. The discomfort of being an employee of someone and the compulsion that he or she has to work under somebody forces people to become an entrepreneur.

4.3 Risk Bearing

Any entrepreneurship project contains risk. The entrepreneur must have the skill of taking calculated risks i.e. risk having more chances of winning.

4.4 Locus of Control

According to Rogers's theory of locus control individuals see whether the outcome of a project undertaken by him is under his control or beyond his control. Entrepreneurs must have the skill of locus control i.e., they can judge whether the outcome is under their control or beyond their control. He starts a business having

control over it rather than depending upon sheer luck factor.

4.5 Positivity in Action

Entrepreneurs must have the skill of positivity in action. He must have the skill of taking every step in life with a positive set of mind. The entrepreneur must not have any doubt about whether to take a firm decision.

4.6 Ability to Explore Opportunities

Entrepreneurs must-have skills to find opportunities. He must be always in search of finding and even if he found a slight avenue he must grab it with both hands.

4.7 Flexibility

The entrepreneur should not hesitate in reversing or making changes in decisions once made. He should be flexible according to the need of time and place. Entrepreneurs must have flexibility skills then only will adjust to current market situations and will develop an attitude of seeing problems as opportunities.

4.8 Perseverance

Perseverance is the skill of an entrepreneur which denotes the quality of sticking to a job. Once an entrepreneur has decided to start a particular project he must deal with it unless it gets completed. They handle everything in a business with a priority.

4.9 Interpersonal Skill

Interpersonal skill is necessary to tackle associated people like customers, workers, and suppliers. Interpersonal skills are necessary for Entrepreneurs in order to get the most out of them for business purposes.

4.10 Efficacy

Efficacy is a skill that enables entrepreneurs to become problem solvers rather than problem avoiders. They make a good plans and take appropriate decisions to achieve them. They feel that in every adversity there is an opportunity.

4.11 Innovation

The entrepreneur must be innovative. Innovation is necessary for the sustainable development of business. Innovation can be a new product, new changes in a product, a new segment of the market, etc.

4.12 Time Orientation

Time limit is very vital in business. Every

work has to be completed within the stipulated time. In entrepreneurship, orders are given that have to strictly complete within a time period. If an order is not executed within the time it will be cancelled leading to monetary loss. Further credibility of entrepreneurs in the market will also decrease. Hence, the entrepreneur must have the skill of time orientation.

4.13 Power to Influence Others

Entrepreneurs must have the skill to influence others. If he has this skill then he will be able to motivate employees and also he will be able to convince customers. This skill is useful in establishing emotional influence over people.

4.14 Business Communication Skills

Business communication is not only oral but also written also. There is certain communication that is done through written documents. Various types of purchase order, and sales order has to be given in writing. Hence, the entrepreneur must have this business communication skill.

4.15 Ability to Utilize Resources

Entrepreneur has to possess the skill of utilizing all the resources of business viz machine, men, money, material, market, and method. Entrepreneurs must have the ability to marshal these resources effectively.

4.16 Technical Skill

There are various skills like computer skills, and machine handling skills that an Entrepreneur must possess. By possessing these

skills he will not be dependent on anyone else. This will improve his creativity and will make him confident.

4.17 Predict the Future

Predictability is an awesome skill for entrepreneurs to have. He must be able to predict how things are going to change in the future. The entire successful entrepreneurs do possess this quality. They predict market conditions well in advance and make necessary adjustments in business before anyone does it.

4.18 Monitor and evaluation

Entrepreneurs must be able to monitor and evaluate what is happening in the business. He must have a close eye on the business and be aware of everything in business. He must be able to evaluate i.e. compare the performance with the predetermined one so that the best result can be achieved.

5. CONCLUSION

Entrepreneurship is a discipline with a acquaintance base theory. It is an consequence of multifaceted socio-economic, psychological, technological, legal, and other factors. It is a active and perilous process. It combines financial resources, technological innovation, and human talent. Entrepreneurship is correspondingly valid to big and small businesses, and to economic and non-economic activities. ■

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