
**THE INTERPLAY OF ENTREPRENEURIAL EDUCATION,
PERSONALITY TRAITS, OPPORTUNITY AND ENTREPRENEURIAL
INTENT: A CONCEPT NOTE**

*Ammarah Ahmed
Dr Anjum Parvez
Dr Muhammad Bux Burdey*

ABSTRACT

Entrepreneurial development, in many countries, has become a vital concern for governmental bodies and policy makers. Efforts are being made to trace those factors by which entrepreneurial intent may be triggered. Though, a plethora of studies has been conducted to find out the answer of this question, however, the indirect effects of many dispositional factors such as personality traits and opportunity recognition have not yet been conceptualized. This paper, by building on the existing body of literature, attempts to develop conceptual links among entrepreneurial education, entrepreneurial intent, personality traits and opportunity. Efforts have been made to highlight the direct and indirect relationships among the constructs (Entrepreneurial Education, Entrepreneurial Intent, personality traits and opportunity). Based on logical arguments, several propositions are proposed and a model is also proposed which could be validated by future research.

Keywords: Entrepreneurial Education, Intent, Opportunity, Personality Traits, Interplay.

INTRODUCTION

Entrepreneurship, due to many reasons, has become the mainstay engine for economic progression of many countries. It not only incubates innovations, fosters economic efficiency but also serves as a source of employment generation (Shane & Venkataraman, 2000). That is why; a tremendous increase can be seen in ‘entrepreneurial research’ around the globe. One of the major questions of the very research stream is “what are the basic factors that trigger individuals to become entrepreneurs?” Researchers have attempted to find the answers of this question by studying myriad contextual factors. However, this notion of tracing the roots of entrepreneurial intent still needs grave attention, especially in developing countries (such as Pakistan) where the potentials of “entrepreneurship” are still untapped.

Other than the contextual factors, researchers (Caliendo, Fosse & Kritikos, 2011; Caliendo & Kritikos, 2011; Nga & Shamuganathan, 2010) have also examined the role of several dispositional factors such as personality traits in determining entrepreneurial intent. Findings of these

studies have revealed that entrepreneurial intent, by and large, depends upon the personality traits. Another viable dispositional factor which can affect entrepreneurial intention is the 'entrepreneurial education'. Researchers posit that entrepreneurial education has a significant positive impact on entrepreneurial development or intent (Lorz, 2011; Zhang, Duyesters & Cloodt, 2013; Hussain, 2015).

In addition to personality traits and entrepreneurial education, 'opportunity' is another factor which effects entrepreneurial intent. Researchers have echoed the significance of opportunity recognition in entrepreneurial development. According to these researchers, opportunity recognition and entrepreneurial intent are directly related to each other. More specifically, greater the opportunities, the more will be the ventures (Dyer, Gregersen & Christensen, 2008).

In light of the facts stated in preceding paragraphs, it is obvious that entrepreneurial education, personality traits and entrepreneurial intent are all interrelated. However, this relationship could have other dimensions and facets too which have not been given attention so far. For instance, when entrepreneurial education fosters entrepreneurial intent then what influences does the opportunity and personality traits exert? This paper attempts to answer this question by building upon the existing body of literature.

LITERATURE REVIEW: PROPOSITION & MODEL DEVELOPMENT

Definition of Terms

Entrepreneurial Intentions: Intentions represent one's level of motivation to exert some efforts in order to consciously act upon some plan and decisions (Conner & Armitage, 1998). Entrepreneurial intent (EI), hence, is one's motivation to make a conscious plan of doing some business. Thompson defines EI as: "self-acknowledged conviction by a person that they intend to set up a new business venture and consciously plan to do so at some point in the future" (Thompson, 2009:676).

From this definition, it can be deduced that entrepreneurial intent is not merely a "yes or no question, but it can take a wide variety of responses ranging from zero, very low to high and very high levels of intentions.

Entrepreneurial Education: Entrepreneurial education refers to the inculcation of knowledge, skills and aptitudes that enable people to plan initiate and execute entrepreneurial ventures (Kumar, 2011). It may be formal or informal.

Personality Traits: Personality is the dynamic organization of those psycho-physical characteristics that determines one's unique character. Personality traits, on the other hand refer to certain responses that a person shows across situations (Caprana & Cervone, 2000). According to Costa & McCrae (1990), personality traits are different propensities to act. The big

five model describes these propensities in detail. According to this model, there are five major personality traits which are summarized below:

TABLE-1
BIG FIVE MODEL AND ITS ENTREPRENEURIAL IMPLICATIONS

Personality Trait/Dimension	Defining Characteristics	Implications for Entrepreneurial Development
Extraversion	This dimensions attempts to capture the degree to which people are energetic, social, gregarious, outgoing, talkative and domineering. People who are high on this dimension are very social, outgoing and energetic, whereas, those who are low in extroversion tend to be reserved, aloof and a kind of self-absorbed. (Costa & McCrae, 1990; Toegel, & Barsoux, 2012).	There exists a probability that the people who are high on extroversion would become an entrepreneur and would also manage their entrepreneurial ventures well and vice versa.
Emotional Stability or Neuroticism	This dimension of big five personality model attempts to capture the emotional stability or impulse control. People who are high on this dimension are calm and stable personalities. They remain tolerant and relaxed in panics. Whereas, the people who are low on this dimension experience anger, depression, anxiety and vulnerability. (Costa & McCrae, 1990; Toegel, & Barsoux, 2012)	All entrepreneurial activities and ventures, in the beginning, involve high degrees of stress and uncertainty. An emotionally stable person would handle these situations more resiliently than those who are not or less emotionally stable.

<p>Agreeableness</p>	<p>Highly agreeable individuals are very cooperative, amicable and sympathetic. Whereas, those who are low on agreeableness tend to be suspicious, detached, competitive, antagonistic and argumentative by nature (Costa & McCrae, 1990; Toegel, & Barsoux, 2012)</p>	<p>Agreeableness, when seen closely, focuses the interpersonal relationships. To be an entrepreneur, one must be compassionate, altruistic and flexible. Hence, it could be asserted that people with high agreeableness would be more successful in the entrepreneurial ventures.</p>
<p>Openness to Experience</p>	<p>This dimensions of big five model gauges the level of curiosity, innovativeness or creativity. Highly open people are always ready for new experiences, adventures and euphoric ideas. They pursue self-actualization. On the other hand, the individuals who are low on this dimension are usually dogmatic and data driven (Costa & McCrae, 1990).</p>	<p>Self-actualization is one of the very important factors of entrepreneurial activities. Until and unless one does not actualize him/herself, he/she cannot realize the inner potential. Highly open people are more prone to exploring new ideas and are more creative. These attributes lead to 'risk taking'. Hence, it could be argued that the prospect of entrepreneurial intent is higher in highly open people.</p>
<p>Conscientiousness</p>	<p>This dimension measures the degrees of efficiency, dependability, self-discipline, dutifulness and commitment. Highly conscientious people are punctual, organized, determined, committed and dependable. Conversely, people low on this dimension are sloppy and spontaneous (Costa & McCrae, 1990; Toegel, & Barsoux, 2012).</p>	<p>The attributes of being organized, dutiful, punctuality, commitment and determination are all very important ingredients to the successful run of any business or activity. Hence, it can be claimed that highly conscientious people would not only manage the entrepreneurial venture very well but would also bring laurels to their respective businesses.</p>

The Interplay

Entrepreneurial Education and Entrepreneurial Intent: None can deny the importance of education. It has contributed significantly in all walks of life and entrepreneurial intent is no exception. Researchers have opined that entrepreneurial activity largely depends upon the levels of education attained (Verheul and Thurik, 2002). Education and educational systems not only broaden the cognitive horizons of individuals but also enable them to develop entrepreneurial abilities (Reynolds, Hay and Camp, 1999). There is a considerable debate on the extent to which education plays a role in fostering entrepreneurs. Several authors have echoed various opinions. For traditionalists, education only promotes analytical thinking (Kourilsky, 1990). For others, it also promotes creativity. Analytical thinking entails explanations which are aimed at fixed answers, whereas creative thinking inculcates openness to new opportunities (Verheul and Thurik, 2001). However, in our viewpoint, both the analytical thinking and creative thinking are important factors for entrepreneurial intent development. In our opinion, entrepreneurs rely on creative thinking in the start-up of their businesses and utilize their analytical thinking during the execution of their new ventures.

Nonetheless, general education is an important factor, but general education must not be mingled with entrepreneurial education, which is the process of inculcating the skills that enable individuals to recognize the overlooked opportunities and to act upon them (McIntyre & Roche, 1999). Researchers have highlighted the importance of EE for EI. For instance, Zhao *et.al.*, (2005) opine that entrepreneurial education is important for entrepreneurial development. Hence, we postulate that:

Proposition-1: Entrepreneurial Education Triggers Entrepreneurial Intent.

Personality Traits, Entrepreneurial Education & Entrepreneurial Intent: Entrepreneurship can be defined in many ways. But we take the behavioral definitions. The first definition that we capitalize upon was given by Gartner (1989). According to him, entrepreneurship is the creation of new enterprises (Gartner, 1989). Another behavioral definition of entrepreneurship was coined by Stewart & Roth. In their opinion, entrepreneurship is the independent ownership and management of any business or enterprise. Other behavioral definitions of the very concept view entrepreneurship as the recognition and exploitation of untapped opportunities. (Shane & Venkataraman, 2000). When it comes to matching the personality traits and entrepreneurship together, personality traits must also be defined and understood. Personality traits are the enduring propensities to behave (Caprana & Cervone, 2000; Roccas, Sagiv, Schwartz, & Knafo, 2002). The word propensity in above definition implies that people may show varying responses or behaviors in various situations. Generally,

these propensities depend upon situations but remain stable over time. It has also been noted by the researchers that these propensities carry certain implications. In simple words, they can facilitate or impede certain actions (Rauch & Frese, 2000). Building on this, we assume that entrepreneurial behavior can be predicted by personality traits. Another worth mentioning fact noted in prior scholarships says that personality traits are distal in nature. By distal, it is meant that personality traits in nature are non-cognitive and non-ability based. Therefore they may affect actions and behaviors indirectly. Hence, based on the above arguments, we postulate:

Proposition-2: Personality traits can significantly influence EI

Proposition-3: Personality traits can moderate the relationship between EE & EI.

Opportunity, Entrepreneurial Education & Entrepreneurial Intent:

Having said that opportunity refers to the chances and these chances develop when individuals turn them into action. But prior to discuss the interplay among opportunity, EE & EI, it is crucial to understand the concept of opportunity in detail. Opportunity is not a single variable; it is in fact a multidimensional construct having many facets. The very first dimension is the opportunity development which is again entirely different from opportunity identification and recognition. Therefore, it is important to define these aspects too. The concept of opportunity recognition is comprised of three distinct processes. First process is all about sensing or judging the untapped/ market needs and under/un-developed resources. The second process is consecutive to the first one. This includes matching the market needs or demands with particular resources. In simple words, the second process is all about creating the fit between market needs and resources. Lastly, the third process entails the creation of a new fit among several new needs and resources and then turning them into separate business concepts or plans (Sing, Hill & Lumpkin, 1995). These three processes can be labeled as ‘perception’, ‘discovery’, and ‘creation’ but not as opportunity recognition (Singh *et.al.*, 1999).

Talking of the first, that is, the ‘Perception’ which means that recognition and identification of market needs and untapped resources differs from person to person. And this is due to the heterogeneity and sensitivity of individuals. For some, a situation (market need/demand) may be of great value than others. These variations in individuals’ perceptions have roots in several factors including: genetic composition, educational background, experiences, the situations and the way by which the information is processed. Some people tend to be more sensitive to market needs or problems around than they may view them as ‘new possibilities’. But for others, they may just be the ‘problems’ (Endsley, 1995).

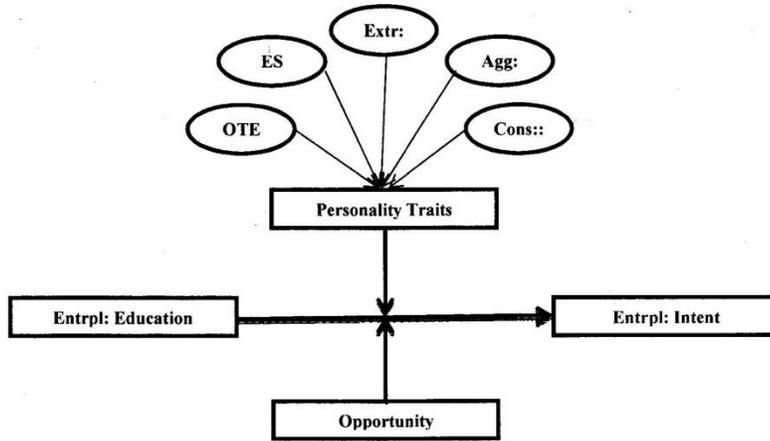
But the point to ponder here is the fact that this sensitivity to the problems around does not necessarily mean that it would always be followed by idea generation. Such as, the one who has a terrific ability to ask good questions may not possess the ability of generating good answers. The other person may be good/sensitive enough to identify the un/or underutilized resources such as, the barren land, unexploited creativity, underperforming assets/resources etc. etc. However, despite having identified the resources, it may not be possible for the individuals either to identify or define the prospect uses and users of these resources. In addition, it may also be difficult for individuals to define what 'value' these resources could create for the prospect users. Individuals, scientists and inventors, may generate novel ideas about 'something new' without bothering about the possible acceptance, vitality and commercial value of their new ideas (e.g. products or services). Generally, a fully developed opportunity, added with value, is more likely to be more perceptible to a large number of people. In addition, if this description is precise and comprehensive, the uncertainties and risks associated with the ideas & opportunity can be easily identified and explained (Ardichvili, Cardozo, & Ray, 2003).

Another worth mentioning fact here is of "fit" between the resources and market needs. This approach assumes that the needs and the resources have to be matched with each other. This perspective of "fit" or match triggers new discoveries. For instance, it could be explored that which geographical area or market is more lucrative. Kizner (1973, 1979), in his theory, presents a more comprehensive perspective of the discovery and treatment of opportunity in entrepreneurial behaviors. Kizner's theory starts with a perspective of resource utilization. According to him, all entrepreneurs initiate new ventures or expand their existing businesses when they sense that there exists an opportunity which can enhance the worth of their in hand resources in future and can also turn their present resources into more promising ones. Hence, it can be rightly claimed that:

Proposition-4: Opportunity can moderate the relationship between Entrepreneurial Education and Entrepreneurial Intent by Exuberating it.

The discourse in preceding paragraphs may also be turned into a model.

FIGURE-1: PROPOSED MODEL



CONCLUSIONS

Entrepreneurial activities serve as one of the key contributor to the economic growth and in job creation. Due to its importance, the promotion of the entrepreneurship and entrepreneurial education has become one of the priorities of the government as well as society. It has been observed by the many researchers that entrepreneurial intentions, entrepreneurial education and personality all are interrelated. But this factor does not stand alone, Opportunity, also influenced on entrepreneurial intent. This paper conceptualizes the possible positive effect of entrepreneurial education on entrepreneurial intent in the presence of opportunity development and recognition. Proposition 1-4 can be tested empirically, furthermore to identify the all possible factors of the proposed framework.

REFERENCES

Ardichvili, A., Cardozo, R., & Ray, S. (2003). A theory of entrepreneurial opportunity identification and development. *Journal of Business Venturing*, 18(1):105-123.

Caliendo, M., & Kritikos, A. (2011). Searching for the entrepreneurial personality: New evidence and avenues for further research. Available at: <http://www.econstor.eu/bitstream/10419/51844/1/669529559.pdf>

Caliendo, M., Fossen, F., & Kritikos, A. S. (2011). Personality Characteristics and the Decision to Become and Stay Self-Employed, Discussion Paper No.5566, IZA P.O.Box 7240. 53072.

- Caprara, G. V., & Cervone, D. (2000). *Personality: Determinants, dynamics, and potentials*. Cambridge University Press.
- Conner, M., & Armitage, C. J. (1998). Extending the theory of planned behavior: A review and avenues for further research. *Journal of Applied Social Psychology*, 28(15):1429-1464.
- Costa Jr, P. T., & McCrae, R. R. (1990). Personality disorders and the five-factor model of personality. *Journal of Personality Disorders*, 4(4): 362-371.
- Dyer, J. H., Gregersen, H. B., & Christensen, C. (2008). Entrepreneur behaviors, opportunity recognition, and the origins of innovative ventures. *Strategic Entrepreneurship Journal*, 2(4):317-338.
- Endsley, M. R. (1995). Toward a theory of situation awareness in dynamic systems. *Human Factors: The Journal of the Human Factors and Ergonomics Society*, 37(1):32-64.
- Gartner, W. B. (1989). Some suggestions for research on entrepreneurial traits and characteristics. *Entrepreneurship Theory and Practice*, 14(1):27-37.
- Hussain, A. (2015). Impact of Entrepreneurial Education on Entrepreneurial Intentions of Pakistani Students. *Journal of Entrepreneurship and Business Innovation*, 2(1):43-53.
- Kirzner, Israel M. (1973). *Competition and Entrepreneurship*. Chicago: University of Chicago Press.
- Kirzner, Israel M. (1979). *Entrepreneurship and the Market Approach to Development*, reprinted in Kirzner, Perception, Opportunity and Profit. Chicago: University of Chicago Press, 1979.
- Kourilsky, M. L. (1990). *Entrepreneurial thinking and behavior: What role the classroom*. *Entrepreneurship Education: Current Developments, Future Directions*, New York: Quorum Books, 137-153.
- Kumar, D. (2011). Motivational factors, entrepreneurship and education: Study with reference to women in SMEs. *Far East Journal of Psychology and Business*, 3(2):14-35.
- Lorz, M. (2011). The impact of entrepreneurship education on entrepreneurial intention (Doctoral dissertation, University of St. Gallen).
- McIntyre, J.R. & Roche, M., (1999). University education for entrepreneurs in the United States: a critical and retrospective analysis of trends in the 1990s, Center for International Business Education & Research, Working Paper Series 99/00-021, Georgia Institute of Technology, Atlanta.
- Nga, J. K. H., & Shamuganathan, G. (2010). The influence of personality traits and demographic factors on social entrepreneurship start up intentions. *Journal of Business Ethics*, 95(2):259-282.
- P. D. Reynolds, M. Hay & S. M. Camp, (1999). "Global Entrepreneurship Monitor", Executive Report.
- Rauch, A., & Frese, M. (2000). Psychological approaches to entrepreneurial success: A general model and an overview of findings. *International Review of Industrial and Organizational Psychology*, 15:101-142.
- Roccas, S., Sagiv, L., Schwartz, S. H., & Knafo, A. (2002). The big five personality factors and personal values. *Personality and Social Psychology Bulletin*, 28(6):789-801.

- Shane, S., & Venkataraman, S. (2001). Entrepreneurship as a field of research: A response to Zahra and Dess, Singh, and Erikson. *Academy of Management Review*, 26(1):13-16.
- Singh, R. P., Hills, G. E., & Lumpkin, G. T. (1999). *New venture ideas and entrepreneurial opportunities: Understanding the process of opportunity recognition*. Chicago: Institute for entrepreneurial Studies. University of Illinois at Chicago.
- Thompson, E. R. (2009). Individual entrepreneurial intent: Construct clarification and development of an internationally reliable metric. *Entrepreneurship Theory and Practice*, 33(3):669-694.
- Toegel, G., & Barsoux, J. L. (2012). How to become a better leader. *MIT Sloan Management Review*, 53(3):51-60
- Van der Kuip, I., & Verheul, I. (2003). Early development of entrepreneurial qualities: the role of initial education (No. N200311). *EIM Business and Policy Research*.
- Verheul, I., & Thurik, R. (2001). Start-up capital: "does gender matter?" *Small Business Economics*, 16(4):329-346.
- Verheul, I., Wennekers, S., Audretsch, D., & Thurik, R. (2002). An eclectic theory of entrepreneurship: policies, institutions and culture. In *Entrepreneurship: Determinants and policy in a European-US comparison* (pp.11-81). Springer US.
- Zhang, Y., Duyesters, G. and Cloudt, M. (2013), The role of entrepreneurship education as a predictor of university students' entrepreneurial intention, *International Entrepreneurship Management Journal*, Vol.9 No.1:1-19. doi: <http://dx.doi.org/10.1007/s11365-012-0246-z>.
- Zhao, H., Seibert T, S. E., & Hills, G. E. (2005). The mediating role of self-efficacy in the development of entrepreneurial intentions. *Journal of Applied Psychology*, 90(6):1265-1272.
-