

## Entrepreneurial Mindset - nature or nurture?

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Starting a company and living a life as entrepreneur is more and more attractive, as it offers unique opportunities of independency and creating the profession one is passionate about. There are almost no limits in regard of different business ideas.

Entrepreneurship has an economic impact and politics as well as investors are paying more attention to entrepreneurship, like green and social business ideas that focus on solving societies' challenges, as well as technology based start-up ideas.

However, there are also several risks involved when engaging in entrepreneurship. It seems some people are more likely to deal with the risks and challenges, while others are feeling more comfortable and safe in a job environment - even if they dream about running their own business and wishing to have a stronger ability and self-confidence in developing it.

Having a business idea is not the difficult part. The key to a successful business is the process of realization, i.e. how to bring the business idea down to earth respectively in practice and how to keep it running over years.

There are several factors involved, that enable or support the way of a successful entrepreneur. But is it necessary to be "born" as entrepreneur with an entrepreneurial mindset or can it be learned and experienced to run a successful business? What exactly is the key in establishing successful entrepreneurship?

### What makes an entrepreneur?

Let's have a closer look on the characteristics of an entrepreneur. The word "entrepreneur" has its origin in the French word "entreprendre", what means simply to undertake.

According to the ILO Youth Entrepreneurship an Entrepreneur is a person, who

- identifies viable business opportunities and mobilizes resources to convert those opportunities into a successful enterprise through creativity, innovation, risk-taking and progressive imagination.
- is creating wealth by bringing together resources in new ways to start and operate an enterprise.

Therefore, entrepreneurship is a practice and a process that results in creativity, innovation and development as well as growth. It refers to an individual's ability to turn ideas into action involving and engaging in socially-useful wealth creation through application of innovative thinking and execution to meet consumer needs, using one's own labor, time and ideas. Engaging in entrepreneurship shifts people from being "job seekers" to "job creators" (ILO Youth Entrepreneurship Manual, 2009).

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A long tradition of research is devoted to the question of why some people choose to start their own businesses and others are rather inclined to seek traditional wage or salary employment.

Most approaches in academic research distinguish between internal and external factors that affect the process, i.e. an interactive process between individual characteristics and the environment in which people act.

There are certain similar characteristics of personality, that can be observed among many entrepreneurs. Those **internal factors** include creativity, innovation, curiosity, courage,

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reasonable risk taking, focusing on solutions, passion for a specific topic, desire for independence, freedom, creating the own workplace and jobs for others as well as dealing with failure.

On the other hand, **external factors** like market situation, financing (e.g. the availability of funds), society (e.g. the image of entrepreneurs in society) as well as training and education. The focus is therefore on a variety of social, economic and educational aspects, that may influence the willingness and ability to become an entrepreneur.

Consequently, the impact of education and training on the creation of future entrepreneurs and the link between training and the success of new ventures have been the subject of much discussion in the entrepreneurial community.

So, to answer the question if successful entrepreneurs are born with an entrepreneurial mindset or it is more developed by training and education, both aspects are important.

The key is the creation of a balance between knowledge and know-how on the one hand and soft skills and personality on the other hand. The good news is that all aspects involved can be trained, but the life as entrepreneur will be easier for someone who brings already some kind of basic entrepreneurial characteristics.

The goal should be to enable the development of a mindset that is followed by entrepreneurship.

### How to train an entrepreneurial mindset?

After agreeing on the fact, that an entrepreneurial mindset can be developed, it is important to know how to train an entrepreneurial mindset to be prepared for an entrepreneurial life.

Conventional learning with a teacher or trainer lecturing in front of a group has proven to be less effective than learning approaches that actively engage participants in the learning process. Therefore, entrepreneurship trainings should be based on a participatory learning approach.

According to the participatory learning approach, the learning content is not passed on from the trainer to the participants in a one-way communication with trainees only listening. Instead, training participants are encouraged to discover learning contents by themselves in an active process.

By means of exercises, trainees are exploring and sharing their own experience and knowledge, critically conceptualize and reflect upon solutions from which they will derive learning contents and ways for practical implementation of an enterprise.

Every person is learning in a different way. There are four major learning styles:

- Auditory learners can easily pick up, remember and reproduce information heard.
- Visual learners prefer the use of images, maps and graphic organizers to access and understand new information.
- Communicative learners with a strong reading and writing preference learn best through words, i.e. taking notes, like to read about new information.
- Kinesthetic learners or hands-on learners best understand new information through tactile representations of information, i.e. figuring out by themselves how something works.

It is important, that trainings include all four learning styles, as the combination of learning strategies and participatory learning methods support the learning process.

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Humans remember 20% of what is only heard, 30% of what is only seen but 90% of what is done by oneself.

The concept of participatory learning is the key of success of the highly practice oriented WIFI-Entrepreneurship trainings. The approach contains the focus on training methodologies that enable effective facilitation, participatory and experiential learning and thus lead to a sustainable gain in knowledge, skills but also personality development of and for the intended participants.

Participatory methods and creative tools are employed throughout the modules, to facilitate learning on entrepreneurial topics and other relevant contents. The WIFI-learning model LENA – vivid and sustainable learning – gives the didactical frame of the WIFI-Entrepreneurship training.

To sum up, entrepreneurship is attracting more and more attention as the impact on society cannot be denied.

Entrepreneurship has two main aspects that influence the willingness and ability of starting an own business: first it's about internal factors, like the personality and mindset of the entrepreneur. Second, external factors like society, market and training are of importance.

Both aspects can be trained and developed, to get a balance between skills, knowledge, and personality that will help and support to run a successful business.

An entrepreneurship training that focuses on a participatory learning approach, like the WIFI-Entrepreneurship training, will support the development of trust and self-confidence in the own skills and abilities combined with professional knowledge to initiate successfully a business.

*Sigrid Koloo is a passionate consultant and entrepreneur who loves to implement business ideas which excite and inspire people. In doing so, she pays particular attention to sustainability and value oriented management. She is a trainer at public and private Universities in the fields of Management skills and Entrepreneurship. She is currently launching several technology and non-technology based start- up businesses in cooperation with partners of different industries and countries of Europe, India & US. Currently she provides her expertise in Iran within a Train the Trainer course on Entrepreneurship within the cooperation between Tehran Chamber of Commerce, Industries and Mines (TCCIMA) and WIFI International.*