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# Impact of the Entrepreneurial Attributes on Business Performance in a Sample of Jordanian Institutions

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# **Summary**

**Purpose** – The purpose of this paper is to explore how entrepreneurial attributes affect business performance in Jordanian institutions.

**Design/methodology/approach** – Data obtained concerned entrepreneurial attributes and performance in Jordanian private and public institutions based on a survey questionnaire. To arrive at statistically significant conclusions, the authors used regression and correlation analysis.

**Findings** – The results indicate that entrepreneur characteristics (personal, managerial and organisational) have a statistically significant impact on performance Profitability, ability to meet obligations, ability to expand, reputation, and relationships with stakeholders)

**Research limitations/implications** – This study was limited to respondent's point of view in Jordanian institutions, while there are some similarities with managers in Arab institutions; caution should be exercised when generalising results of this study to other Arabian countries.

**Practical implications** – This study provides useful information and impartial advice for entrepreneurs' institutions in Jordan. It also reveals the need for new entrepreneur's practices that should be adopted.

**Originality/value** – This study attempts to fill gaps in the literature on practice of Arabian entrepreneurs. This is one of the few studies that examine the Jordanian environment with regard to identifying the nature of the relationship between entrepreneurs' attributes and organisational performance in Jordanian institutions. The paper's findings and recommendations are expected to benefit decision makers in their dealings with different Jordanian entrepreneurs' institutions.

# **Keywords**

Jordan, entrepreneurships, Organisational performance, Attributes, Entrepreneur, Arabian institutions

Paper type: Research paper

#### Introduction

Despite the broad agreement on the importance and functions of entrepreneurship in the renewal of the economy and its contribution to economic growth through innovation (Schumpeter, 1934), market opportunities control (Kirzner, or Chicago School, 1985), and modernisation of society due to entrepreneurs acting as social activists to stimulate governments, researchers have not reached agreement on a definition, or the necessary criteria for entrepreneurship, or on how trends evolve. Entrepreneurship research is dynamic, and there is growing attention to entrepreneurship characteristics and values (Audretsch, 2007), and how this contributes to the economy and economic growth and competitiveness (Glancey & McQuaid, 2000).

Perhaps all this is leading to a growing call for entrepreneurship in different sectors and areas which help the emergence of new patterns of entrepreneurship as an intellectual and cultural leadership, encompassing digital, global, ethnic, social and non-profit-oriented projects, and more. For decades entrepreneurship has been characterised by the growing importance at the macroeconomic level as a powerful engine for economic growth, and at the micro level as factors of corporate renewal and innovation of new products, processes, and continuous improvement. Entrepreneurship studies needs to go to the human side the entrepreneurs themselves and their characteristics. This study seeks to determine the entrepreneurship characteristics in Jordan's business environment and their impact on business performance features in Jordan.

#### Literature review

#### **Entrepreneurship definitions**

The concept of entrepreneurship is not new. The expression was used first used by the French economist, Richard Cantillon in 1755, and reused by Say at the beginning of the nineteenth century, but as a practice it is older than that. According to Butler (2004) the first entrepreneurs were merchants, traders and craftsmen from Lagash, Ur, Wekish and other cities of Mesopotamia civilisation who travelled to remote parts.

Entrepreneurship is derived from the French "entreprendre" and refers to the person who bears the risk in a new project (Ivancevich et al, 1994). According to the Oxford English Dictionary, the entrepreneur is the one who "initiates a project or work with an opportunity for profit or loss." It must be emphasised that entrepreneurship has since been linked with the founding of new and small businesses.

P F Drucker, father of modern management, in 'Entrepreneurship and Innovation,' refers to the German model of entrepreneurship as 'the economist' (Jean Sai) which means an individual who owns and runs a business for high production and returns.

Entrepreneurship is an old concept, first defined by Richard Cantillon (1755) as a combination of materials, money and work brought to market as a formation of new company (cited in: Wickham, 2001, p19). According to Adam Smith (1776), entrepreneurship comprises human activities that lead to changes in the pattern of the prevailing division of labour, as noted by Steven Michel (2008). Also, Karl Marx under historical determinism tended to ignore diminish entrepreneurs by minimising the importance of the individual in history and economics (Isaac, 1998).

According to Schumpeter (1934), entrepreneurship is a process of change through the introduction of a new product, process, way, market, and a new source of raw material for

processing. In this way, entrepreneurs are the makers of the economy and are constantly evolving.

Kirzner (1985) of the Chicago School of Economics suggests that entrepreneurship is awareness of untapped opportunities in current market conditions. Alertness refers to the ability to see what is not present in the current circumstances but is necessary to create something in the future. This vision is consistent with increased assurances that entrepreneurship is the maker of the economy. Shackle (1988) considers entrepreneurs to be history makers. According to Stewart Wood (2005) entrepreneurship is 'creating a vision of the future that industry is following.' Drucker stresses that the essence of entrepreneurship is the process of creating value for the customer, and shifts the focus from innovation to capturing opportunities that come from closeness to the customer. Electronic entrepreneurship is to create new companies in the new economy (internet and network economy (Matlay, 2004). Also, entrepreneurship is a social phenomenon emerging in the context of the broader society and requires many actors (Loundstrom & Stevenson, 2005).

*First*: the entrepreneurship project at the start is usually small with high risk because it is unprecedented in its environment, and yet will face all the burdens and responsibilities of the market. This may explain the fact that about 80% of small business and entrepreneurship fail over in three to five years (Jones & George, 2003).

**Second**: in large companies there is internal entrepreneurship within the company. In our view, these activities are partial in the sense that they do not take full account of entrepreneurial dimensions, or achieve the expected results of full entrepreneurship. Foremost among the reasons for this is the bureaucratic organisation style that is committed to continuing the existing situation.

**Third**: Small business is not the same as entrepreneurship. A small business may maintain a repetitive traditional approach and not progress. This is not entrepreneurship. There is a growing tendency to keep small business and entrepreneurship separate, so as to strengthen the spirit of entrepreneurship and not the spirit of tradition and imitation (Zhao, 2006). It may be difficult to keep them separate, as each entrepreneurship project needs to be launched and established before it can be distinguished from a small business (Drucker, 1993).

#### **Entrepreneur characteristics**

In terms of the business initiatives provided for profit, Rockefeller, Ford & Alkaringi are the entrepreneurial models in the first half of the twentieth century, and at the end of the century the entrepreneurs of the digital age are Bill Gates, the founder of Microsoft, Berne & Larry page the founders of Google, and David Filo, (Yang & Filo) co-founder of Yahoo. Some refer to entrepreneurs as a 'different breed" (Isenbers, 2008), while others have questioned whether there is something different in their DNA (Watson, 2010). In every historical era there have been entrepreneurs who have started their cultural entrepreneurship projects. There is major disagreement on what characteristics great entrepreneurs need to succeed.

Hornaday (1982) says the characteristics required are self-confidence and optimism, with considered risk, positive response to the challenge, adaptability, market knowledge, independent thinking, knowledge, energy and perseverance, the need for achievement, a dynamic leader, responding to the proposals, initiative, patience, forward-looking vision and responding to criticism. Kotelnikov (2010) suggests initiative, creativity, risk-taking, and responsibility. Chell (2008) adds identification of opportunities, independence, self-efficiency, social leadership, intuition and vision of future potential. Fuad EI Sheek et al (2009) suggest Initiative, risk taking, independence, innovation and creativity, self-confidence, planning, building relationships with others and take advantage of opportunities. The EBAI Model shows the drive to achieve, assertiveness, awareness of opportunities, hardiness, trust, flexibility, and integrity.

It is clear that entrepreneur characteristics are many and diverse. The differences in opinion reflect the vitality and importance of entrepreneurship and its study. In the current study the researchers adopted three groups of characteristics:

- Personal
- Entrepreneurial (innovative)
- Managerial and organisational

Because these attributes are important to most researchers and they represent the essential needs to the success of the entrepreneur's projects, and especially nascent entrepreneurship projects (New Approaches to Economic Challenges: NAEC, 2009).

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# Study hypotheses

Hypotheses of the study focused on the basic characteristics of Jordanian entrepreneurs (personal characteristics, entrepreneurships, managerial and organisational characteristics) and their impact on selected performance standards (profitability of the project, ability to meet the obligations of the project, ability to expand, reputation and stakeholders relations).

These hypotheses are:

- **Ho1** There is no statistically significant impact of entrepreneur characteristics on the performance criterion: profitability.
- **Ho2** There is no statistically significant impact of entrepreneur characteristics on the performance criterion: ability to meet obligations.
- **Ho3** There is no statistically significant impact of entrepreneur characteristics on the performance criterion: ability to expand.
- **Ho4** There is no statistically significant impact of entrepreneur characteristics on the performance criterion: reputation and relationship with stakeholders.

These hypotheses contain three sub-hypotheses depending on three characteristics of entrepreneurs.

# Study variables

The study variables are in two groups, dependent and independent:

The independent variables are represented in three entrepreneur's characteristics

| Entrepreneur characteristics as independent variables  |   |  |  |  |  |  |  |
|--|---|--|--|--|--|--|--|
| Personal   | Entrepreneurial   | Managerial and organisational  |  |  |  |  |  |
| Sense of power Independence Personal passion for project Optimism and self-confidence Courage Responsibility High motivation for self- accomplishment (Entrialgo, Fenandez & | Drivers of future vision Risk-taking Outside the box thinking Ability to seize opportunities Flexible thinking (Johnson, 2001, Baum & Locke, 2004, Acs & Audretsch ,2005) | Management expertise Routine aversion Sense of power and control (internal locus of control) Ability to exploit available resources Efficient self-management Social competence Ability to build relationships with others |  |  |  |  |  |
| Vazquez, 2000)   |   | (Blackman, 2003)   |  |  |  |  |  |

The dependent variables consist of four performance criteria.

- Profitability
- Ability to meet obligations
- Ability to expand
- Reputation and relationship with stakeholders

These criteria are used in many studies as indicators for business performance and consistent with many studies that emphasise the role of leadership and entrepreneurial profit in economic growth (Schumpeter, 1934) and organisational success (Blackman, 2003).

#### Methodology

#### Instrument

An examination of existing questionnaires suggested that these were not entirely suitable for this study. Hence, a number of new questionnaire items were developed, based on previous literature studies, consultation, and the skills and expertise of others. The questionnaire was prepared in three phases:

**Phase One:** To achieve full honesty and to ensure a fairly representative survey

(face validity), it was checked by seven arbitrators from Petra and Alzaytoonah University who had much experience and proven

competence.

Phase Two: A pilot test was conducted to ensure stability of the scale. After 14

days, the questionnaire was again used by the same group. Those items that were consistent were considered acceptable for this study.

**Phase Three:** This phase included the final round of the survey to arrive at the results

of true and high persistence. The survey was also subjected to Cronbach's a test to establish its reliability and adequacy of high-

resolution, as well as to measure what was under test.

The 19-item survey asked managers to rate their responses on a five-point Likert type scale ranging from 5, meaning "strongly agree" to 1. meaning "strongly disagree."

| Table 1<br>Reliability analysis: Cronbach's Alpha test |                      |       |  |  |  |  |
|--|----------------------|-------|--|--|--|--|
| Basic variables  | Number of statements | (α)   |  |  |  |  |
| All three properties                                   | 3                    | 0.865 |  |  |  |  |
| Personal characteristics                               | 7                    | 0.847 |  |  |  |  |
| Entrepreneurial characteristics                        | 6                    | 0.834 |  |  |  |  |
| Managerial and organisational characteristics          | 6                    | 0.879 |  |  |  |  |
| Performance criteria                                   | 4                    | 0.760 |  |  |  |  |

The questionnaire consists of five sections:

The first two sections include collection of demographic and functional information about the study sample.

The third includes 11 statements about the proposed entrepreneurs' characteristics.

The fourth includes 19 statements represent entrepreneurs' characteristics.

The fifth includes 4 statements relate to organisational performance criteria in Jordanian organisations.

Entrepreneur characteristics questionnaire provided high-resolution to the Jordanian entrepreneur specific profile and organisational components and asked respondents to choose appropriate answer's to a scale ranged from (I agree, neutral, disagree). The results are as shown in table (3). Respondents 'answers stressed the importance of personal and organisational characteristics, high and medium importance of entrepreneurial characteristics.

#### **Test results**

The test results show 0.865 for the three characteristics, 0.847 for personal characteristics, 0.834 for the entrepreneurial characteristics, 0.879 for managerial and organisational terms and 0.760 for the performance standards. All previous results being greater than 0.60, proves that there is internal consistency between the questionnaire items and their correlations (<u>Table 1</u>).

# Sample

The sample consisted of 270 businesses collected randomly from private, governmental, industrial, and service companies. The sampling plan was inclusive of entrepreneurships in all of Jordan. Jordan was split into three major geographic areas, and then three key towns were taken in each area, to represent these districts as follows:

| North  | City of Irbid           | 100 questionnaires distributed<br>65 returned and analysed  |
|--------|-------------------------|---|
| Middle | City of Amman (capital) | 150 questionnaires distributed<br>120 returned and analysed |
| South  | City of Aqaba           | 100 questionnaires distributed<br>85 returned and analysed  |

For full details of the characteristics of the sample, see Table 2 in the appendix. Briefly:

| Male  | 84% |
|---|-----|
| Female  | 16% |
| Married   | 68% |
| 20-39 years old                                 | 73% |
| High school education or less                   | 38% |
| Individual ownership                            | 60% |
| Nascent businesses (age of project) (1-2 years) | 61% |
| Less than 10 years' experience                  | 63% |
| Trade of goods                                  | 55% |
| Services  | 29% |
| 1-3 project workers                             | 23% |
| Training programmes                             | 31% |
| Owners initiated project                        | 64% |
| Supporters were family members                  | 40% |
| Private supporters                              | 20% |

# Results analysis

The study used descriptive and analytical methods on data from the questionnaire. Hypotheses' testing was analysed concerning the impact of entrepreneur characteristics (independent variables) on selected performance criteria (dependent variables). SPSS Version 20 was used. Standard deviation averages were used to address the data and to determine the level of importance of the proposed characteristics. The existing research hypotheses on the relationship have been tested as a causal model (cause-effect relationship between entrepreneur characteristics and performance criteria). The F-test was used for correlation coefficients, with simple correlation.

| Table 3 (Table 2 is in the appendix)                                |      |             |
|---|------|-------------|
| Entrepreneur characteristics  |      |             |
| Characteristics   | Mean | Importance* |
| Personal characteristics  |      |             |
| Sense of ability and perseverance                                   | 2.64 | High        |
| 2. Independence (self-employee)                                     | 2.74 | High        |
| 3. Personal passion for project                                     | 2.67 | High        |
| 4. Self-confidence and optimism                                     | 2.72 | High        |
| 5. Courage and responsibility                                       | 2.77 | High        |
| 6. High motivation for self-fulfilment                              | 2.69 | High        |
| Mean of the six   | 2.71 | High        |
| Entrepreneurial characteristics                                     |      |             |
| Future vision as motivation to action                               | 2.13 | Medium      |
| 2. Risk taking  | 2.26 | Medium      |
| 3. Thinking outside the box   | 2.14 | Medium      |
| 4. Ability to seize opportunities                                   | 2.63 | High        |
| 5. Flexibility and open thinking                                    | 2.04 | Medium      |
| Mean of the five  | 2.24 | Medium      |
| Managerial and organisational characteristics                       |      |             |
| Managerial and organisational experience                            | 2.51 | High        |
| 2. Routine aversion   | 2.25 | Medium      |
| 3. Sense of power and control of what it's doing (internal control) | 2.32 | Medium      |
| 4. Ability to invest resources                                      | 2.56 | High        |
| 5. Efficient self-management  | 2.56 | High        |
| Social competence, or ability to build relationships with others    | 2.78 | High        |
| Mean of the six   | 2.50 | High        |

<sup>\*</sup>The importance level was evaluated according to the following formula:

Class interval = (maximum class - minimum class)/number of levels For example: (3-1)/3 = 0.67

1.00 - 1.67 = low acceptance 1.68 - 2.33 = medium acceptance 2.34 - 3.00 = high acceptance

#### Hypotheses testing

To test the hypotheses the researchers determined the relationship between the independent variables (three entrepreneur characteristics) and the four dependent variables (performance criteria) to calculate the correlation coefficient (R) and coefficient of determination (R2). To determine the impact of the independent variables on each dependent variable, the regression coefficient was calculated/parameter value in regression, coefficient/slope parameter: B and F-value. The decision of acceptance and rejection of hypothesis based on the calculated-F value, compared with the indexed F-value (268, 0.05) with the sample size of 270, and a 0.05 level of significance. If the calculated F-value is greater than the indexed F-value the null hypothesis is rejected and the alternative hypothesis accepted.

**Ho1** There is no statistically significant impact of entrepreneur characteristics on the performance criterion: profitability.

This hypothesis contains three sub-hypotheses (Ho1a, Ho1b, Ho1c), depending on the three characteristics that make the independent variables.

Ho1a There is no statistically significant impact of personal characteristics on profitability.

Table 4 shows a positive relationship between the independent variable and the dependent variable (profitability) as illustrated by values (R and R2). The regression coefficient (0.33) explains the extent of the impact of personal characteristics of the entrepreneur (0.33) on the increase in profitability. The value of F calculated (14.73) is greater than the indexed F (1.64) the (Indexed-F268, 0.05). The null hypothesis is rejected. The alternative hypothesis is accepted.

Personal characteristics have a statistically significant impact on profitability.

**Ho1b** There is no statistically significant impact of entrepreneurial characteristics on profitability.

Table 4 shows a positive relationship between entrepreneur characteristics and profitability as values (R and R2). There is an impact of the entrepreneurial characteristics on profitability as the regression coefficient is (0.142). As the F-value calculated (14.53) is greater than the indexed F-value (1.64). The null hypothesis is rejected. The alternative hypothesis is accepted.

Entrepreneur characteristics have statistically significant impact on profitability. This also means that the entrepreneurial characteristics explains (14%) of the increase in profitability.

**Ho1c** There is no statistically significant impact of managerial and organisational characteristics on profitability.

Table 4 shows that there is a positive relationship between entrepreneurial characteristics and profitability as values (R and R2). There is also an impact of the managerial and organisational characteristics on profitability as the regression coefficient is (0.42). The calculated F-value is (9.97) which is greater than the indexed F-value (1.64). The null hypothesis is rejected. The alternative hypothesis is accepted.

Managerial and organisational characteristics have a statistically significant impact on profitability. This also means that the managerial characteristics explain the largest increase (42%) in profitability.

| Table 4 Impact of entrepreneur characteristics on profitability |       |                |       |         |     |       |  |  |
|---|-------|----------------|-------|---------|-----|-------|--|--|
| Characteristics   | R     | R <sup>2</sup> | В     | F-value | df  | Sig   |  |  |
| Personal characteristics  | 0.572 | 0.327          | 0.328 | 14.728  | 262 | 0.000 |  |  |
| Entrepreneurial characteristics                                 | 0.572 | 0.142          | 0.142 | 14.530  | 263 | 0.002 |  |  |
| Managerial & organisational characteristics                     | 0.475 | 0.225          | 0.416 | 0.969   | 263 | 0.011 |  |  |

There is a positive relationship between the three properties and profitability as it appears in the correlation coefficient (R) and the coefficient of determination ( $R^2$ ). Tabular value of  $F_{268,0.05} = 1.64$ 

**Ho2** There is no statistically significant impact of entrepreneur characteristics on the performance criterion: ability to meet obligations.

This hypothesis contains three sub-hypotheses (Ho2a, Ho2b, Ho2c), depending on the three characteristics that make the independent variables.

<u>Table 5</u> shows that there is a positive relationship between the three entrepreneurial characteristics (personality, entrepreneurship, managerial and organisational) and project's ability to meet its obligations where the coefficient of regression of the personality characteristics (0.27), entrepreneurship (0.22) and managerial-organisational (0.26).

The F-value calculated for the three characteristics are (8.812), (7.01), and (8.10) respectively and larger than the indexed F- value (1.64). The three null sub-hypotheses are rejected, and the alternative hypotheses are accepted.

Entrepreneur characteristics have a statistically significant impact on the performance criterion: ability to meet obligations. This means that the three characteristics explain the increase in organisations capacity to meet their obligations based on the regression coefficient values mentioned above.

| Table 5 Impact of entrepreneur characteristics on ability to meet obligations |       |       |       |       |     |       |  |  |
|---|-------|-------|-------|-------|-----|-------|--|--|
| Characteristics R R <sup>2</sup> B F-value df Sig                             |       |       |       |       |     |       |  |  |
| Personal characteristics  | 0.477 | 0.228 | 0.272 | 8.812 | 262 | 0.000 |  |  |
| Entrepreneurial characteristics   | 0.414 | 0.172 | 0.218 | 7.011 | 263 | 0.004 |  |  |
| Managerial & organisational characteristics                                   | 0.439 | 0.193 | 0.263 | 8.104 | 263 | 0.110 |  |  |

**Ho3** There is no statistically significant impact of entrepreneur characteristics on the performance criterion: ability to expand.

This hypothesis contains three sub-hypotheses (Ho3a, Ho3b, Ho3c), depending on the three characteristics that make the independent variables.

To test the three sub-hypotheses, <u>Table 6</u> shows that there is a positive relationship between the three entrepreneurial characteristics and ability to expand. The coefficient of regression of the personality characteristics (0.26), entrepreneurship (0.34) and managerial-organisational (0.29). The F-value calculated for the three characteristics are (10.37), (8.43), and (11.17) respectively and larger than the indexed F- value (1.64), therefore rejects the null hypotheses and accept the alternative three sub hypotheses

There is a statistically significant impact of entrepreneur's characteristics on performance criterion: ability to expand. This means that the three characteristics explain the increase in organisations ability to expand based on the regression coefficient values mentioned above.

| Table 6 Impact of entrepreneur characteristics on ability to expand |       |       |       |         |     |       |  |  |
|---|-------|-------|-------|---------|-----|-------|--|--|
| Characteristics   | R     | $R^2$ | В     | F-value | df  | Sig   |  |  |
| Personal characteristics  | 0.506 | 0.256 | 0.255 | 10.371  | 262 | 0.000 |  |  |
| Entrepreneurial characteristics                                     | 0.449 | 0.198 | 0.337 | 8.432   | 263 | 0.000 |  |  |
| Managerial & organisational characteristics                         | 0.497 | 0.247 | 0.288 | 11.174  | 263 | 0.000 |  |  |

**Ho4** There is no statistically significant impact of entrepreneur characteristics on the performance criterion: reputation and relationship with stakeholders.

This hypothesis contains three sub-hypotheses (Ho4a, Ho4b, Ho4c), depending on the three characteristics that make the independent variables.

To test the three sub-hypotheses, <u>Table 7</u> shows that there is a positive relationship between the three entrepreneurial characteristics and the reputation and relationship with stakeholders, where the coefficient of regression of the personality characteristics (0.40), entrepreneurship (0.33) and managerial-organisational (0.23). The F-value calculated for the three characteristics are (12.27), (8.66), and (10.04) respectively and larger than the indexed F- value (1.64), therefore rejects the null hypotheses and accept the alternative three sub-hypotheses

There is a statistically significant impact of entrepreneur's characteristics on performance criterion: reputation and relationship with stakeholders. This means that these three characteristics can explain the increase in organisations reputation and the relationship with stakeholders, based on the regression coefficient values mentioned above.

| Table 7 Impact of entrepreneur characteristics on reputation and relationship with stakeholders |       |       |       |         |     |       |  |  |
|---|-------|-------|-------|---------|-----|-------|--|--|
| Characteristics   | R     | $R^2$ | В     | F-value | df  | Sig   |  |  |
| Personal characteristics  | 0.541 | 0.264 | 0.401 | 12.269  | 262 | 0.000 |  |  |
| Entrepreneurial characteristics   | 0.451 | 0.203 | 0.326 | 8.659   | 263 | 0.000 |  |  |
| Managerial & organisational characteristics   | 0.477 | 0.228 | 0.228 | 10.040  | 263 | 0.000 |  |  |

#### **Discussion and conclusion**

This study focused on the importance of entrepreneurial characteristics and achieving high performance standards in organisations. (Lundstrom & Stevenson, 2005, pp43-44) stated that there are two trends stand out in the entrepreneurial studies, linking entrepreneurship with first with entrepreneur characteristics, and second with economic phenomena. The Jordanian entrepreneur's characteristics (personal characteristics, entrepreneurship, managerial and organisational) were studied. Schumpeter emphasised the role of entrepreneurs in the five forms of innovation that make an engine for economic growth (Schumpeter, 1934, McDaniel, 2005).

The results show that these three characteristics of entrepreneurs have a positive impact on the four performance criteria in the study, and that some personal characteristics are more important than others. These findings are consistent with other studies (Koh, 2010, Islam et al. 2011). Statistical analysis showed that personal characteristics in performance criteria (ability to meet obligations and reputation and relationship with stakeholders) had the highest impact. This can be explained by the significant personal and social relations between the individual and the community (family, clan, public or private institutions) which is present in the Arabian community and Jordanian society. Entrepreneur characteristics have the highest impact on the ability to expand. Managerial and organisational characteristics have the highest impact on profitability as a performance standard.

The test results showed that personal characteristics had a positive impact on performance criteria. This can be explained on the personal characteristics of entrepreneurs and personal passion for the project that seen as a dream. These findings are consistent with other studies that the entrepreneurial characteristics such as need for achievement, autonomy, locus of control have a positive impact on enterprise growth, employee growth, sales growth and assets growth).

The characteristics of managerial and organisational were found to have a positive impact on the four performance criteria. This result is consistent with some other studies. Many studies partially conducted issues such as organisational growth, (Novelli & Tullar 1988), lack of managerial skills (Lowden, 1991), organisational culture (Russell, 1989, Altinay & Wang, 2011). These studies also showed the positive impact of managerial and organisational characteristics on performance standards in the entrepreneurial projects, but didn't determine what managerial and organisational skills were needed. Lack of managerial and organisational skills will lead to failure of projects. Increasing managerial and organisational skills is crucial for entrepreneur's success.

#### Recommendations and future studies

In light of the findings of this study, the authors recommend that there should be more training, development, and support of entrepreneurs in Jordan to promote effective practices.

The proportion of females in entrepreneur's positions is low (16%). More effort should be put to help women assume entrepreneur's positions in Jordanian institutions so as to create benefit from their capabilities and achieve a gender balance.

Jordan should adopt a national policy in order to stimulate the creation of entrepreneurship projects although new projects have risk.

This study on entrepreneurship attributes has an important contribution in highlighting the impact of these characteristics on the performance of businesses under different business environment and that is Jordanian business environment.

This study provides a modest contribution in supporting more clear vision in studying the entrepreneurship and entrepreneurs' characteristics and their evolution and impact on the survival and growth of new enterprises in Jordan and Arab world.

In the future, complementary studies should be conducted that will take into account the impact of modern methods of encouraging and supporting entrepreneur practice.

# **Appendix**

| Table 2 Characteristics of respondents |                       |           |     |  |  |  |  |  |
|--|-----------------------|-----------|-----|--|--|--|--|--|
| Personal information                   |                       |           |     |  |  |  |  |  |
| Characteristics                        | Data                  | Frequency | %   |  |  |  |  |  |
| Gender                                 | Male                  | 227       | 84  |  |  |  |  |  |
|  | Female                | 43        | 16  |  |  |  |  |  |
|  | Total                 | 270       | 100 |  |  |  |  |  |
| Age                                    | < 20                  | 13        | 5   |  |  |  |  |  |
|  | 20-29                 | 63        | 23  |  |  |  |  |  |
|  | 30-39                 | 134       | 50  |  |  |  |  |  |
|  | 40-45                 | 40        | 15  |  |  |  |  |  |
|  | > 49                  | 20        | 7   |  |  |  |  |  |
|  | Total                 | 270       | 100 |  |  |  |  |  |
| Marital status                         | Single                | 86        | 32  |  |  |  |  |  |
|  | Married               | 184       | 68  |  |  |  |  |  |
|  | Total                 | 270       | 100 |  |  |  |  |  |
| Education                              | Less than high school | 40        | 15  |  |  |  |  |  |
|  | High school           | 61        | 23  |  |  |  |  |  |
|  | College               | 57        | 21  |  |  |  |  |  |
|  | Bachelor              | 92        | 34  |  |  |  |  |  |
|  | Masters               | 14        | 5   |  |  |  |  |  |
|  | PhD                   | 6         | 2   |  |  |  |  |  |
|  | Total                 | 270       | 100 |  |  |  |  |  |
| Years of experience                    | 1-4                   | 97        | 36  |  |  |  |  |  |
|  | 5-9                   | 72        | 27  |  |  |  |  |  |
|  | 10-14                 | 35        | 13  |  |  |  |  |  |
|  | > 14                  | 66        | 24  |  |  |  |  |  |
|  | Total                 | 270       | 100 |  |  |  |  |  |

| Table 2<br>Character       | istics of resp               | ondents      |             |   |             |                    |               |           |        |  |
|----------------------------|------------------------------|--------------|-------------|---|-------------|--------------------|---------------|-----------|--------|--|
|                            |                              |              | J           | ob inf  | ormation    |                    |               |           |        |  |
| Sector                     | Trade                        | 148<br>(55%) |             | Sale of goods: mini-supermarket, clothing, appliances, spare parts, furniture, curtains, jewellery, etc.  |             |                    |               |           |        |  |
|                            | Services                     | 79<br>(29%)  | financial   | Services: restaurants, small hotels, nurseries, education services, financial consulting, engineering consulting, maintenance services, hair salons, health clubs, etc. |             |                    |               |           |        |  |
|                            | Industry                     | 27<br>(10%)  |             | Manufacturing goods and parts: sewing clothes, milk, pastries, building materials, shoes, bakeries, canned food, etc.   |             |                    |               |           |        |  |
|                            | Unknown                      | 16<br>(6%)   | Didn't me   | Didn't mention sector   |             |                    |               |           |        |  |
| Ownership                  | wnership Individu            |              |             |   | Co-partner  |                    | Multi-partner |           |        |  |
|                            |                              | 10           | 63 (60%)    | 63 (60%) 75 (28%)   |             |                    | 32 (12%)      |           |        |  |
| Age of proje               | ect (years)                  |              | 1-2         |   | 3-          | -4                 | > 4           |           |        |  |
| (total =270)               |                              | 6            | 78 (29%)    |   | 131 (49%)   |                    |               |           |        |  |
| No. of emplo               | •                            |              | 1-3 4-6     |   | -6          | 7-10               |               |           |        |  |
| start of proje             | ct                           | 6            | 31 (23%)    |   | 78 (2       | 28%)               | 131 (12%)     |           |        |  |
| Taking traini              | ng                           |              | Yes         |   | N           | lo                 |               | No answer |        |  |
| programme                  | S                            | 8            | 35 (31%)    |   | 164 (       | 61%)               |               | 21 (8%)   |        |  |
| No. of training            | •                            |              | 1-2         |   | 3-          | -4                 |               | > 4       |        |  |
| programme<br>project (none |                              | 4            | 47 (17%)    |   | 25 (9%)     |                    | 25 (9%)       |           | 3 (1%) |  |
| Initiator of the           | Initiator of the project I a |              | m initiator |   | Friend o    | Friend or relative |               | Other     |        |  |
|                            |                              | 1            | 74 (64%)    | (64%)   |             | 1 (30%) 15 (69     |               | 15 (6%)   |        |  |
| Project supp               | orters                       | Not          | oody        |   | Family      | amily Governme     |               | Private   |        |  |
| (open quest                | ion)                         | 25 (         | 14%)        | 7   | 74 (43%) 45 |                    | <b>6</b> )    | 30 (17%)  |        |  |

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