

# Are entrepreneurs born or made?

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8 Mar 2013

One of the many questions that usually pop up when entrepreneurship is discussed is whether entrepreneurs are born or made. Like most things in life there is no simple answer, but our experience of working with entrepreneurs has given us a few insights into this debate, incorporating arguments from research in the USA, which we share with you in this article.

In the past, research has highlighted many successful entrepreneurs who dropped out or barely graduated from college to start their companies. Some of these success stories have no formal business background whatsoever, but have succeeded in spite of this. Such data suggests that at least in part, entrepreneurship is an inherent trait, like athletic prowess or artistic ability. However, before we get carried away or come to any conclusion, let's explore in a bit more depth the argument as to whether entrepreneurial thinking can also be taught.

## Research

Research has provided records proving entrepreneurship as being innate. A study conducted by the Northeastern University's School of Technological Entrepreneurship in Massachusetts (showed that only 1% of entrepreneurs believed that higher education played a role in forming their entrepreneurial mind-set, while 61% credited their innate drive.

A post extracted from a [business blog](#), cites a book 'The Hypomaniac Edge' by Psychologist John Gartner, who agrees with the notion that entrepreneurship is innate. He says that successful entrepreneurs have a distinct personality trait. In his book, John discusses some characteristics embedded within 'hypomanics' such as brimming with infectious energy, irrational confidence, and really big ideas. They think, talk, move, and make decisions quickly, writes John.

Business Week also had a post by Karen E. Klein, (Are Entrepreneurs Born or Made?) supporting the notion. According to Business Week, Klein got out the books and researched experts such as EQ guru Daniel Goleman and Scott Shane, a fellow columnist and the A. Malachi Mixon III Professor of Entrepreneurial Studies at Case Western Reserve University in Ohio.

Shane says that the tendency toward entrepreneurship is about 48 percent "heritable," meaning influenced by genetic factor.

Given the findings above along with numerous other research, there is a strong case for believing that entrepreneurial skills come naturally. However, it appears that many believe they can also be taught.

## The way forward

Allen Gannett, an entrepreneur and partner at Acceleprise, an enterprise technology accelerator, says that the first step to having a generation of skilled entrepreneurs is to start by educating our kids to become entrepreneurs. This is especially relevant here in South Africa, where our entrepreneurial activity ranks dismally when compared with other developing nations (GEM Report 2012). Gannett says that encouraging entrepreneurial activity is largely in the hands of our educational institutions and our policy institutions. "When we talk about supporting entrepreneurs, we need to ensure that regulations are sensible, that the immigration system allows for hard-working entrepreneurs to stay here, and that the government provides sensible incentives for entrepreneurship", he explains. From educational institutions we need programmes that will train, support and offer mentorship to budding entrepreneurs, adds Allen.

Unfortunately, we still have a way to go in South Africa before we can say that government has succeeded in creating a truly enabling environment for entrepreneurs - SA remains one of the most difficult, expensive and legislatively onerous places in the world to start a new business, which makes programmes that support budding entrepreneurs, and teach people to be better business leaders, so crucial to our collective future success.

## **The Legends programme**

Programmes such as the [Legends programme](#), a national SMME and non-profit business incubator sponsored by Old Mutual, which offers mentorship, business support, workshops, e-learning and other resource, as well as other business incubators such as Raiz Corp have proven in the past to have contributed to the growth and success of many entrepreneurs and their businesses.

CEO of enterprise development specialists Fetola and founder of the Legends programme, Catherine Wijnberg, says effective business support programmes provide support mechanisms for entrepreneurs which include assistance in developing the 'hard' skills (business systems/processes and administrative methods) and the 'soft' skills required to respond to changing environments (increased confidence, better customer relationship management, stronger understanding of market-research and product development etc).

"As enterprise development specialists (management consultants who specialise in helping small businesses to succeed) our role is to use a range of support mechanisms to help the entrepreneur through this tricky minefield, by providing a secure safety-net and sounding board from start-up through accelerated growth to stability".

"The programmes we run look at entrepreneurs and their organisations in a holistic way, and seek to address all the common challenges they may face as they grow and progress. Interestingly, some of our biggest successes have been with non-profit leaders, who have benefitted hugely from increased entrepreneurial thinking and better business skills," she adds.

## **The benefits of Legends**

Wijnberg cites the example of Legends beneficiary Neftaly Malatjie, Founder of Gauteng-based non-profit Diepsloot Youth Projects. The organisation managed to increase their donor funding from R54, 000 in 2011 to R1, 1million in 2012, an increase Malatjie credits squarely to the support and business know-how he was able to access through Legends. "Thanks to a better understanding of how money works in my organisation, as well as a mindset shift of seeing my potential donors as clients who also have needs and requirements, I was able to close deals that in the past simply never happened. I do not know where we would be without the support of Legends," he explains.

Another example is that of Molefinyana Seqhala, Founder of Seqhala Open Projects. This fast-growing electrical consulting and construction firm was started by Seqhala, a qualified electrician who worked as an employee for over ten years before he identified a gap in the market for a multi-service provider of electrical, building, maintenance and security services, in response to what he saw as domination of the market by one or two established players. In the past four years, Seqhala has grown a promising business - he has purchased several work vehicles, increased his turnover by over 800% and currently employs 15 people, with plans in place for expansion into manufacturing of building and related materials. He too credits his success to programmes like Legends and the support of a long-time mentor, who has taught him how to cost a

job properly, manage materials and get the most out of his staff.

It is evident that not all of us were born natural entrepreneurs, however there are organisations that have stretched out a helping hand to support small businesses and entrepreneurs in cultivating entrepreneurial growth and success.

For individuals wishing to learn more about entrepreneurial thinking and how to develop their entrepreneurial skills here are some links and articles to help you: Entrepreneurs Are Born, ([Are Entrepreneurs Born or Made?](#)), <http://www.success.com/articles/215--1-on-1-are-entrepreneurs-born-or-made>.

## ABOUT ABRAM MOLELEMANE AND ANTON RESSEL

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