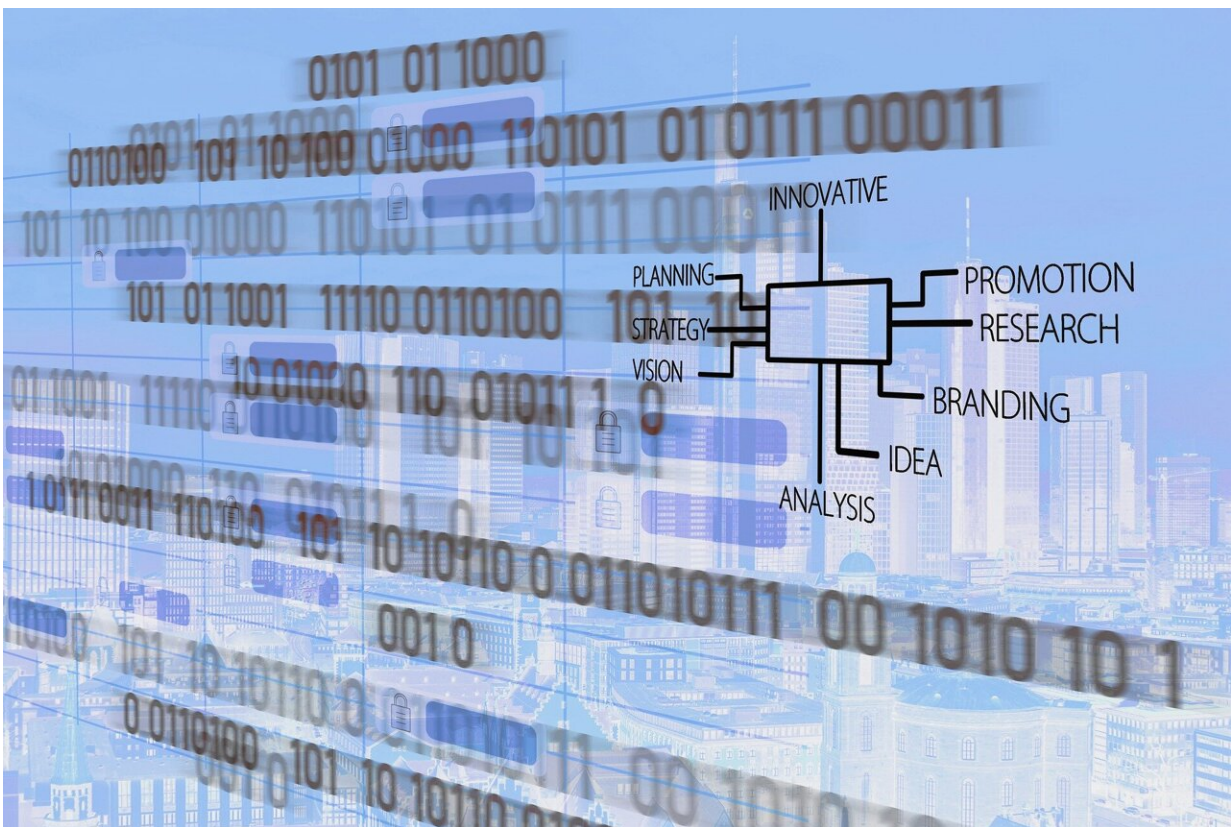


'Entrepreneurial spirit': A product of nature or nurture?

May 29 2024, by Javier Bouzas Arufe



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The concept of [cultural entrepreneurship](#) has many facets. It encompasses both the cultural and social impact of entrepreneurial training, and the [environmental factors that influence its development](#).

Some societies, such as the U.S., have a [strong entrepreneurial culture](#). This means that certain characteristics are celebrated and encouraged, such as [the ability of individuals to assume risks](#), patience when confronting challenges, and innovative problem solving, especially in uncertain situations. However, not all countries have such an entrepreneurial culture.

Entrepreneurship struggles to take off in Europe

In general, [entrepreneurship](#) can drive [economic growth](#) within countries, especially [in high-income nations](#).

The Total Early-Stage Entrepreneurial Activity (TEA) is an index that measures entrepreneurial activity. It does this by recording all [new businesses](#) established within the last three years in a given country. Countries with an entrepreneurial tradition such as the U.S. or Canada, for example, have [TEAs of 14.7% and 19.76%, respectively](#). The figures are similar for other [emerging powers](#) such as Brazil (18.6%), Mexico (16.8%) or Saudi Arabia (25.34%).

In Europe, entrepreneurship is a [key factor in stimulating economic growth](#), but no country in the continent reaches the figures of other more entrepreneurial markets. [According to Global Entrepreneurship Monitor](#), only Latvia comes close with 14.34%, followed by the Netherlands with 13.69%, Croatia with 13.15% and Estonia with 13.09%.

Many countries sit well below 13%, including the United Kingdom

(11.76%), Cyprus (11.04%), and France and Slovakia (both with 10.75%). Meanwhile, at the tail end of European entrepreneurship are Poland, Romania, Lithuania, Greece and Spain, with 2.59%, 5.85%, 6.68%, 6.74% and 6.79%, respectively.

Cultural entrepreneurship

Over the years, [various studies](#) have developed models to improve understanding of the [cultural dimensions](#) of entrepreneurship, with the aim of analyzing why some cultures or countries produce more entrepreneurs than others. They have found, for example, that a society whose population is less risk averse should, in theory, have stronger entrepreneurial values.

However, [cultural differences](#) cannot be considered in isolation. We also have to look at a society's economic situation, bearing in mind several key points:

- According to [traditional economic](#) thought, fear impacts entrepreneurship more when an economy is in recession. This is natural, given that an economic downturn reduces the overall number of business opportunities.
- The [Global Entrepreneurship Index](#) has shown how countries with more favorable economic climates tend to perform better in terms of entrepreneurship.
- [Some studies have shown](#) that a person is much more likely to become an entrepreneur if their parents, friends or neighbors are also entrepreneurs, or encourage them to become one. This is due, in part, to the fact that 80% of the times someone is encouraged to become an entrepreneur, friends, family or acquaintances provide a source of finance.

What do you need to become an entrepreneur?

The characteristics and attributes that are shared among business-minded people make up what some researchers call "[entrepreneurial spirit](#)", with certain traits and motivations playing a very important role.

Personality-wise, natural entrepreneurs are more likely to accept challenges and achieve results. They are curious, self-motivated people who are more interested in working for their own benefit than in external recognition. They also have a greater need for autonomy, and a desire to find better ways of doing things.

Motivation can be broken down into two especially important areas:

1. Reward: making a difference to the world, making a living in difficult circumstances, and the possibility of greater economic incentive.
2. Professional objectives or past experience: continuing a family business, the desire to "be your own boss."

Entrepreneurship: nature or nurture?

Many people do an excellent job as employees, but would feel overwhelmed at the thought of starting their own business.

Entrepreneurial spirit mitigates or bypasses this fear of failure—a perfectly natural reaction to the uncertainty and risk involved in making decisions and pursuing goals.

Some authors argue that "nurture"—meaning circumstances, experiences and learning—plays an important role in shaping entrepreneurs. Others,

however, emphasize the influence of personality traits, suggesting a greater inclination towards [a "nature" perspective](#).

Enterprising talent

While opinions vary, it is clear that successful entrepreneurs are the result of a combination of innate characteristics and [environmental factors](#). Nevertheless, starting and running a business will come more naturally to those who have a clear, innate vocation towards entrepreneurship.

Just as no one can become an Olympic athlete without the necessary talent, entrepreneurship requires a unique combination of skills and dispositions that not everyone naturally shares. However, this does not mean that effort and sacrifice are not also fundamental to entrepreneurial success.

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