

14 Behavioural competencies of a successful entrepreneur

Research has demonstrated what the Allan Gray Orbis Foundation has always known: *Entrepreneurship can be taught, selected for and measured.*



Image supplied

A study carried out on behalf of the foundation – an organisation committed to investing in the education and development of individuals with entrepreneurial potential – has identified the indicators which predict high-impact entrepreneurial activity in the startup sector.

The study was carried out with 1,200 startups and established entrepreneurs.

The findings revealed that each of the 14 competencies identified by the study are not only measurable but can be developed or taught, in turn indicating that successful entrepreneurs are made, not born.

The research has shown that if these competencies are developed and nurtured, then entrepreneurial action is guaranteed.

Uncovering empirical evidence

While the success of the programmes of the foundation is undisputable, the foundation previously had little empirical evidence against which to select candidates and measure results.

This prompted the research, carried out in association with the University of Pretoria, to provide a framework to inform the selection of candidates and against which to measure their progress, explains Carl Herman, Allan Gray Orbis Foundation's assessment and development specialist.

The latest research has identified competencies, some of which speak to the belief system, that successful startup entrepreneurs have mastered.

14 Behavioural competencies

According to the research the significant competencies are:

1. **Opportunity assessment** – the ability to evaluate and decide about an opportunity by seeing links between unrelated pieces of information.
2. **Creative problem solving** – the ability to identify, redefine and create opportunity out of problems.
3. **Innovation** – the ability to be create and turn imaginative and creative ideas into reality.
4. **Resilience** – being able to work through challenges and persist with attempts to achieve one's goal.
5. **Autonomy** – the degree to which an individual believes that he or she has control over the outcome of events.
6. **Curiosity** – the ability to find new information without being prompted.
7. **Values driven** – the extent to which a one has values, and the commitment to follow those values.
8. **Action orientation** – how willing a person is to take practical action to deal with a problem, without being prompted.
9. **Calculated risk taking** – identifying, managing and taking risks to improve the chances of success.
10. **Value creation** – the ability to evaluate the extent to which value can be created for the business and society.
11. **Growth mindset** – the belief that intelligence is not static but can develop throughout life.
12. **Leadership** – the ability to lead a group of people to achieve an overarching vision while holding each individual accountable for their performance.
13. **Self-efficacy** – the belief in one's own innate ability to solve problems and achieve goals.
14. **Opportunity recognition/identification** – the ability to evaluate an opportunity by seeing the links between related and seemingly unrelated information.

“While it is unlikely that a single person would display all 14 competencies equally, the study found that there are four key competencies which stood out as being most critical in terms of leading to entrepreneurial action – opportunity assessment, a growth mindset, leadership, and self-efficacy,” explains Herman.

Changing how entrepreneurs are developed

But the value of this research is in the implementation. The study allows us to understand why entrepreneurial intention does not always translate into action. It is now possible to measure which competencies an entrepreneur has mastered, and tailor a programme to teach the competencies which he or she is lacking.

In a business or organisational setting, teams can be built according to the competencies each member excels in, ensuring that team members' competencies complement each other.

For organisations teaching entrepreneurship, the research can be used to refine curriculums to ensure the 14 competencies are developed, and they can be measured during the selection of candidates.

The foundation has been investing in a holistic and long-term approach to entrepreneurial development for more than a decade, across four programmes: **The Scholarship programme**, which offers scholarships to high school learners who display entrepreneurial thinking; **The Fellowship** programme works with young achievers transitioning into university to cultivate an entrepreneurial mindset; **The Fellowship Alumni** are offered lifelong support on their entrepreneurial journey through the Association (of Allan Gray Fellows) programme. Whilst the **Allan Gray Entrepreneurship Challenge** teaches an entrepreneurial mindset to high school students, through gamification.

Five pillars underpin their curriculum and selection process. Four of these five pillars featured in the latest research, adding an endorsement to the foundation's current programmes and curriculum.

Having the right formula when teaching entrepreneurship has never been more vital, adds Zimkhitha Peter, Allan Gray Orbis Foundation's head of programmes.

"With the unemployment rate at an 11-year high, start-up businesses hold the greatest potential to improve South Africa's economy and contribute to job creation. Growing our future economy and employing the next generation starts with developing entrepreneurial mindsets and competencies in the youth of today."

For more, visit: <https://www.bizcommunity.com>