

The Relevance of Personality Traits and Networking in New Ventures' Success

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Abstract : The research is aimed to investigate the role of young entrepreneurs' personality traits and their contextual background on the success of entrepreneurial initiatives. In the literature, the debate is still open about the main drivers in predicting entrepreneurial success. Classical theories are focused on looking at specific personality traits that could lead to successful start-ups initiatives, while emerging approaches are more interested in young entrepreneurs' contextual background (such as the family of origin, the previous experience and their professional network). An online survey was submitted to the participants of an entrepreneurial training initiative organised by the Italian Young Entrepreneurs Association (Confindustria) in Brescia headquarter (AIB). At the time the authors started data collection for this research, the third edition of the initiative was just concluded and involved a total amount of 37 young future entrepreneurs. In the literature General self-efficacy (GSE) and, more specifically, entrepreneurial self-efficacy (ESE) have often been associated to positive performances, as they allow future entrepreneurs to effectively cope with entrepreneurial activities, both at an early stage and in new venture management. In a counter-intuitive manner, optimism is not always associated with entrepreneurial positive results. Too optimistic people risk taking hazardous risks and some authors suggest that moderately optimistic entrepreneurs achieve more positive results than over-optimistic ones. Indeed highly optimistic individuals often hold unrealistic expectations, discount negative information, and mentally reconstruct experiences so as to avoid contradictions. The importance of context has been increasingly considered in entrepreneurship literature and its role strongly emerges starting from the earliest entrepreneurial stage and it is crucial to transform the "intention of entrepreneurship" into the actual start-up. Furthermore, coherently with the "network approach to entrepreneurship", context embeddedness allow future entrepreneurs to leverage relationships built through previous experiences and/or thanks to the fact of belonging to families of entrepreneurs. For the purpose of this research, entrepreneurial success was measured by the fact of having or not founded a new venture after the training initiative. In this research, the authors measured GSE, ESE and optimism using already tested items that showed to be reliable also in this case. They collected 36 completed questionnaires. The t-test for independent samples run to measure significant differences in means between those that already funded the new venture and those that did not. No significant differences emerged with respect to all the tested personality traits, but a logistic regression analysis, run with contextual variables as independent ones, showed that personal and professional networking, made both before and during the master, is the most relevant variable in determining new venture success. These findings shed more light on the process of new venture foundation and could encourage national and local policy makers to invest on networking as one of the main drivers that could support the creation of new ventures.

Keywords : entrepreneurship, networking, new ventures, personality traits

Conference Title : ICEIRD 2018 : International Conference on Entrepreneurship, Innovation and Regional Development

Conference Location : Barcelona, Spain

Conference Dates : August 20-21, 2018