REVIEW OF RELATED LITERATURE

Entrepreneurial orientation construct holds an important place in performance in different context. It has been considered as a major driving force in the economic development of a nation. That’s why the definition of entrepreneurship kept on evolving overtime with the change in world’s changing economic scenario. Since fostering entrepreneurship has become an important issue for policy makers of the nation, researchers started exploring entrepreneurship from different perspective. Broadly whatever was considered important in unlocking the personal potential for entrepreneurship came into the focus of researchers. In this context researcher depending on their orientation as well as objectives of their research followed different contingency and configuration models that include external and internal variables. An overview of empirical literature on entrepreneurship reveals broadly that trends of research in the field are identifiable in terms of personality traits approaches, process related studies and environmental factor approaches, though researches in each area eluded but provided equivocal findings. Sometimes overlapping, sometimes distance and conflicting characterizations of entrepreneurship (Fayolle, Basso & Legrain, 2008).

Entrepreneurial orientation has been suggested as an essential attribute of high performing firms (Covin and Slevin 1989; Lumpkin and Dess 1996; Dess et al. 1997; Becherer and Maurer 1997; Wiklund 1999; Lee and Peterson 2000), and the role of culture for strengthening entrepreneurial orientation has been highlighted in many studies (Lumpkin and Dess 1996; Lee and Peterson 2000; Marino et al. 2002). Thus, it is essential to develop entrepreneurial orientation among college students to boost future economy, and entrepreneurial orientation education should be customized according to the
unique cultural context of each nation. On the other hand, some studies emphasize the role of national culture as a stimulator for strong entrepreneurial orientation. Lee and Peterson (2000) proposed that only countries with specific cultural tendencies will stimulate strong entrepreneurial orientation and therefore experience more entrepreneurship and global competitiveness. Their model emphasized the importance of a national culture’s ability to produce a strong entrepreneurial orientation within entrepreneurs and firms. Marino’s (2002) study also supported Lee and Peterson’s (2000) idea by finding a significant difference between the Netherlands and US firms in terms of entrepreneurial orientation. He also found a firm’s entrepreneurial orientation is related to corporate entrepreneurship which results in enhanced firm performance. The study emphasized the importance of developing corporate culture that stimulates innovative thinking and proactive behavior as well as highlighted the role of national culture in facilitating corporate culture. Marino et al. (2002) also investigated the moderating impact of national culture on entrepreneurship. The result of their study showed that firms with strong entrepreneurial orientation in terms of risk-taking, innovativeness, and proactiveness are more likely to form extensive strategic alliances. They reported that a society’s cultural tendency for uncertainty avoidance, masculinity, and individualism affects alliance formation. According to Hofstede (Hofstede, 2001, 2002) uncertainty avoidance, a cultural dimension regarded to rely on norms, rules and procedures and avoiding ambiguous situations, has been found to be valued lower among entrepreneurs (McGrath & MacMillan, 1992). The relative stability of differences in entrepreneurial activity across countries suggests that factors other than economic ones are at play (Freytag & Thurik, 2007).
Since the focus of present investigation is to analyze the role of parenting styles, personality make up and entrepreneurial exposure an attempt is made in the following pages to present available empirical research work relating to the variables under the relevant sub heads.

The three major training challenges facing entrepreneurship training are firstly a lack of empirical research and conceptual research on entrepreneurship training, secondly there are no systematic efforts to identify the personality traits and skills that make a successful entrepreneur and thirdly there is no national strategy for entrepreneurship education and training (Ibrahim & Socifani (2002). It is important to note that Ibrahim & Soufani (2002) makes a distinction between courses offered on specific business functions such as accounting, marketing, finance and human resources, and entrepreneurial education that place an emphasis on decision-making skills. These skills are enhanced via case studies, mentorship and incubator programs. This does not undermine the importance of the functional skills but rather uses them as support for decision-making. Entrepreneurial competencies aggregate into sets of knowledge, skills and abilities and have been shown to relate positively to business success (Markman, 2007).

In general, a business will neither start up nor succeed without entrepreneurial zeal and motivation (Roberston, Collins, Medeira and Slater, 2003). The possible factors that influence and shape entrepreneurial behavior belong to individual, social and environmental domains. Researches focusing on factors relating to person have explored personality, cognitive and individual aspects of entrepreneurial orientation ( Lent, Brown & Hackett 1994; Shaver & Scott 1991and Lee & Peterson 2000).The researches influenced by social model prefer to examines the personal background, family background, stage of career, early life experiences and growth environment
(Gibb, 1993). Researches focusing on environmental factors, on the other hand tend to examine factors such as value of wealth, tax reduction and indirect benefits, timing of opportunities in the career perspective and the impact of market conditions (Alstete, 2002). In most of the entrepreneurship literature, both in economics and in management, there is a general, though usually implicit claim that all entrepreneurial activities are socially beneficial (Kirzner, 1973 and Shane, 2003).

The attempt to identify who wants to become an entrepreneur, how a successful entrepreneur behave, and which factors affect the decision to create a venture, has lead to the emergence of two main streams of entrepreneurship research. First, the researchers focused on linking certain personality traits or characteristics such as ‘self-efficacy’ (Ajzen, 2001; Wilson, Kickul & Marlino, 2007), ‘need for achievement’ and ‘tolerance for ambiguity’ to entrepreneurial behaviour (McClelland, 1961; Hansemark, 2003). These studies are based on the assumption that entrepreneurs are endowed with unique traits which make them distinguishable from others and motivate their entrepreneurial behaviours (Mueller & Thomas, 2000). Through the next stream, scholars investigated the contributions of demographic and contextual factors such as age, gender, work experience, and job dissatisfaction in mobilizing entrepreneurship behaviour (Linan et al., 2005; Wilson, Kickul & Marlino, 2007).

PARENTING AND ENTREPRENEURIAL ORIENTATION

Every parent wants their children to grow into healthy, happy, effective and socially mature way and reach their life goals. Despite the common goals parenting practices tend to vary widely. It has been due to either conflicting views about effects of parenting styles available to parents or time pressure due to working status of parents or nuclear family situations or population effect of
generational values and belief symptoms. Developmental psychologists tried to establish a link between behavioural outcomes and how children are treated by their parents. The issue of development of entrepreneurial orientation in children as a result of effects of parenting has drawn little attention of researches. However empirical studies done in the context of some variables which tend to have direct bearing on entrepreneurial orientation of children have been taken as important pointers in this regard.

McClelland et al. (1982) studied the effects of perceived parental behavior on achievement scores of male college students and then the study was replicated in high school males. Results in these two cases were in the reverse direction. McClelland explained these results in terms of change in son’s perceptions of parent behavior overtime. What was perceived as friendly act of parents at high school level was thought of as restrictive at college stage. Then Winterbottom (1958) investigated mother’s attitude toward independence training and achievement. Her results showed that high achievement subjects had earlier independence training than low achievers.

**Authoritative parenting and Entrepreneurial orientation:** A form of parental behavior that provides support and rules while simultaneously granting autonomy is known as authoritative parenting (Baumrind, 1991). Glasgow, Donobush, Stemberg, and Ritter (1997) reported that in comparison to other parenting styles authoritative parenting is the most successful in learning personal and social responsibility in adolescents without limiting their emerging autonomy and individuality. Amato & Gilbreth (1999) and Stemberg, Dornbucrch & Brown (1992) reported that authoritative parenting was associated with higher academic achievement. Authoritative parenting is associated with a less frequency of descriptive behaviour (Dornbusch, Ritter,
Leiderman, Roberts & Fraleigh 1987 and Amato & Gilbreth, 1999). Jackson et al. (1998) investigated that authoritative parenting style was reflective of better conflict resolution and children from these houses are significantly low in substance use and violence related behaviour than children reared up with neglected parenting.

Parental warmth and inductive discipline is associated with lower level of behavioural problems because this parenting style play an important role in the development of conscience and learning of non-combative conflict resolution skills in children (Pettit, Dodge & Brown, 1988). Children from authoritative homes have consistently been found to be more instrumentally competent, agnatic, communal, and cognitively competent than other children (Hill, 1998) Examples of empirical studies in this regard are Baumrind, (1978); Dornbusch, Ritter, Leiderman, Roberts, & Fraleigh, (1989); and Steinberg, Elemen & Mounts, (1989). The contemporary view (Baumrind, 1987) emphasized on the role of security of attachment in fostering family interdependence and in facilitating adolescent's self-regulation, individualization and exploratory behaviour (Hurtap, 1979 and Hill, 1998). Lec & Peterson 2000 observed that levels of individualism lead to a more conductive environment that consequently influences the entrepreneurial orientation in a positive sense. Authoritarian parenting style was related to exploratory activities (Schmitt-Rodermund & Vondracek, 2002), achievement orientation (Leung & Kwan, 1998; Aunola, Stattin, & Nurmi, 2000), selfconfidence, an internal locus of control (Schneeuind, 1995), and self-efficacy (Schneevind 1995). All variables on this list have been found to be higher in entrepreneurs (Chell, Haworth & Brearley, 1991; Stewart & Ruth 1999). Authoritative parenting, characterized as providing support and rules while still giving the child some autonomy, was correlated with adolescents’
entrepreneurial competence (Schmitt-Rodermud, 2004). Adolescent entrepreneurial competence, in turn, was linked to greater entrepreneurial interest in adolescent, and a stronger likelihood that a youth own a business or be a business executive at age 40. Along with the inborn entrepreneurial personality, authoritative parenting had a similar effect in the development of entrepreneurial competence. In a study conducted on business entrepreneurs Schmitt-Rodermund (2004) reported that those who recalled having adolescent traits of entrepreneurial competence at adolescence were likely to have started their first business at an earlier age. In addition, within this group of business owners, entrepreneurial success (as measured by years) in business, gross income, subjective career satisfaction, and business survival was positively correlated with early business start-up and with the Big Five personality traits. Schmitt-Rodermund (2004) found no relationship between gender and students’ entrepreneurial skill or interest. She did find, however, that early entrepreneurial competence has a moderately strong positive effect on entrepreneurial interest, which in turn contributes to entrepreneurial career prospective. Both nature and nurture play a role in early entrepreneurial competence according to this study. Nature contributes in the form of an inborn entrepreneurial personality. Nurture contributes in the form of authoritative parenting. In addition to family composition, parenting style has also been found to be associated with child's self-esteem. Authoritarian parents tend to have children low in self-esteem, while democratic and permissive parents have children higher in self-esteem (Loeb et al., 1980). Loeb et al. (1980) found that high levels of parental involvement were positively related to high self-esteem in children and adolescents. They also emphasized on the association between democratic parenting style and higher self-esteem. Coopersmith (1967) and Baumrind, 1966, 1968, 1975) reported that high self-
esteem may lead to feelings of competence, self-control, vitality, and positive mood in young children. Loeb et al. (1980) found that high self-esteem can be found in girls and boys who have supportive mothers. Nuttal & Nuttal (1976) found that the parents perceived as more accepted and using less permissive, restrictive and hostile psychological control tended to have children with higher achievement motivation. In Indian setting Singh (1989) found that indirect discipline and loving as well as protecting attitude of parents contributed significantly to the development of achievement motivation in both tribal and non-tribal school children. In early-childhood, style of Authoritative Parenting produce higher levels of social competence (Baumrind, 1978), a greater ability to regulate emotions, high social skills (Isley, O’Neil, & Parke, 1996) and self regulation (Black & Baumrind, 1967). During the years of middle-childhood, Baumrind (1993) found that children reared by authoritative parents excelled in areas of independence, creativity, persistence, social skills, academic competence, leadership skills, social perspective-taking, and self-control. Adolescents of authoritative parents have higher self-esteem, are socially confident and competent (Baumrind, 1978), are self-reliant, have greater respect for their parents (Baumrind, 1991), display increased academic performance (Dornbusch, Ritter, Leiderman, Roberts, and Fraleigh, 1987), possess higher levels of self-esteem, engage in fewer acts of deviant behavior and more prosocial behavior (Baumrind, 1991). Bandura (2008) suggests that the type of personal agency described above can be developed through observing others, personal experiences, being coached and/or some combination of the three. Hence, key element in building such personal agency is the role that parents play in shaping early individual leadership development (Bandura, 1986). Furstenberg, Eccles, Elder, Cook, & Sameroff (1999) suggest that a higher degree of personal agency results from parenting provides social
enabling environments for positive development. Authoritative parenting style has been positively related to characteristics that predict ascendance into leadership roles, achievement orientation, self-confidence, internal locus of control, levels of moral reasoning, industriousness, independence, self efficacy, and generativity (greater sense of care and concern for others) (Baumrind, 1991; Darling & Steinberg, 1993; Pratt, Skoe, & Arnold, 2004; Lawford, Pratt, Hunsberger, & Pancer, 2005). Parenting practices also influence the development of children’s motivational orientations (Deci & Ryan, 1987; Gottfredson, 1993), and motivational orientations influence children’s academic achievement and school-related competence (Gottfried 1990; Coming et al. 2000). Hill (1995) found authoritative parenting to be positively correlated with organization, achievement, and intellectual orientation in children. Additionally, children of authoritative parents have also been shown to possess higher levels of autonomy than children of authoritarian and permissive parents (Deslandes & Cloutier 2000).

**Authoritarian parenting and Entrepreneurial orientation:** Authoritarian parents tend to raise obedient youth who do not question authority (Baumrind, 1991; Lamborn et. al. 1991; Steinberg et al 1994; Jackson et al; 1998), and these youth also tend to have both low self esteem and less social competence in school (Jackson et al, 1998). Baumrind (1991) whose work on parenting styles laid the foundation for using parenting styles in typological manner, asserted that authoritarian upbringing consistently generated compliance and detailed problem behavior. Youth from authoritarian parenting are more likely to ripen positive school performance compared to neglectful parenting but not compared to authoritative parenting (Dornbusch et al, 1987; Jackson et al 1998). However Lamborn et al (1991) point out that because children of
Authoritarian parents raised strictly they scores well on measures of obedience and conformity and do well in school, but they have paid a price where self confidence is concerned regarding the potential of their academic abilities. Finally, youths from authoritarian parenting are more likely to report psychological distress (Steinberg et al, 1994; Jackson et al, 1998) and were more likely to engage in problematic behaviour including misbehaviour in schools and substance use (Jackson et al; 1998). Jackson et al (1998) reported that these youths were more likely to use substances but not more likely to engage in violence related behaviour. In contrast Baumrind (1991) reported that authoritarian parents were as effective as conformed to authoritative parents in lessening youth drug use. Adolescent coming from homes where parents were neglectful were found to have lower level of self esteem, low perceptions and more likely to use alcohol, drug use and involved in aggressive and problem behaviours (Slizhu,1991; Summers, Topeh, 1997). It has been observed that high parental control and authoritarian attitude can raise children with strong indecision tendencies (Ferrai & Olivette, 1993) to the lower levels of self acceptance (Deman, 1981) with greater feeling of alienation (Deman, 1982) and with low adjustment (Deman, 1987). These are the factors which are detrimental with development of entrepreneurial orientation in children. Parental rejection being manifested either in hostility, aggression or as parental indifference effects the temperament, motivational and cognitive aspects of personality. Parental rejection leads to pessimism, revengefulness, delinquency, feeling of insecurity, inferiority and negative self esteem. These children develop neurotic and psychotic tendencies (Bhargava & Bansal, 1996). Parents who are effective in controlling behaviour of their children are deemed competent (Barminrd, 1975) and often have children characterized as socially competent. In addition certain types of reactive parental discipline (e.g
authoritarian parenting style/ power assertion) are empirically associated with behavioural problems in young children (Patterson, 1986).

Parenting styles shows symbol of emotional support, interpersonal sensitivity and helps (Farren and Ramsy, 1997) play an important role in making a person more productive and imaginative. Researchers had also demonstrated that parental behaviour including, acceptance, encouragement and, psychological control/ autonomy granting were positively related to entrepreneurship. On the other hand, behaviour restrictions are negatively related to the entrepreneurship orientation (Radin & Epstein, 1975). The children who were dominated by one or both parents have better socialized behaviour than the children who were given more freedom. They are honest, polite, and careful, but they are likely to shy, docile, self-conscious, submissive and sensitive. They feels inadequate, inferior, confused bewildered and inhibited (Symonds, 1938). Many studies Norman, 1963; Sandhu & Bhargava 1988; Bhargava & Bansal, 1996 reported that the parents of academically motivated and achieving children have cordial relationship with their children. These parents place high value on autonomy and independence rather than dependence and conformity Studies in this context emphasizes the importance of parental role in the development of verbal solutions, (Jackson, 1956), academic performances (Radin & Epstein, 1975) and cognitive development (Freeberg & Payne, 1967).

**Permissive parenting and Entrepreneurial orientation:** Elder (1965) reported that parental dominance of the child and parental submissiveness both adversely affect the development of autonomy and academic motivation. Mau and Bikos (2000) found that adolescent’s perception of parent’s support for learning has a strong impact on their achievement motivation. Lack of parental
involvement responsiveness, supervision, poor parental monitoring, harsh and inconsistent punishment and insufficient for positive behaviour have been identified as predictors of externalizing behaviour (Deater-Deckard and Dodge, 1997; Stormshak, Bierman, Mcmahon & Lengucs, 2000).

OTHER PARENTING INFLUENCES AND ENTREPRENEURIAL ORIENTATION

*Emotional adjustment, cognitive development and Entrepreneurial orientation:* In the context of development of creativity some researchers reported that emotional development, adjustment and cognitive development are the factors which have direct bearing on development of entrepreneurship. Parent’s responsiveness to their infant children has long lasting effects on emotional adjustment and cognitive development (National Benchmark study, 2000). Early & Poertner (1993), Kapur et al (1994) and Aggarwal & Saksena (1997) reviewed the literature concerning the Impact of parents on the emotional development of their child as affected by child rearing practices, child rearing attitude and personality of parents. These studies reported that where normal and healthy emotional development opens new possibilities for development of creativity in children, unhealthy development can hamper the process of creativity in children.

*Autonomy, Independence and Entrepreneurship:* According to Tudehope (1978) the whole structure of entrepreneurial orientation is standing upon the contribution of parents, where the contribution is missing the process tend to go erratic. It is a most significant factor in determining the kind of person the child will become. McClelland & Burnham (1975) and Harrell & Alpert, (1979) reported that need for achievement, and need for autonomy were related to entrepreneurial motivation because it leads to the development of desire for
independence and self-direction. Need for autonomy has been offered as an underlying motive for some MBA students to interested in working for smaller firms (Harrell & Alpert, 1979). It is a predictor of the successful “fit” of an individual with an entrepreneurial position (Harrell & Alpert, 1979).

In an analysis of U.S. census data, Fairlie and Meyer (1996) found that education was an important positive correlate of self-employment. After making statistical adjustments for differences in age, education, immigrant status, and time in country, they found significant differences in the likelihood of being self-employed across 60 ethnic (Vecchio/ Human Resource Management Review, 2003) and racial grouping. For example, Korean and other Asian-Americans had comparatively high rates of self-employment, while African-Americans had low rates of self-employment.

It is a well-documented empirical regularity that it is more satisfying to be self-employed than to work as an employee for an organization. In the literature, a large part of this difference in job satisfaction is attributed to the strong perception of independence by the self-employed (Hyytinen & Ruuskanen, 2006). From a motivational point of view Pena (2002) found that entrepreneurs of growing firms are those who spend a large amount of hours, per week on business activities.

In a longitudinal study of twenty years of graduates from a leading U.S. MBA program, DeMartino and Barbato (2003) explored gender differences in motivations for an entrepreneurial career. Because their sample had similar educational backgrounds, comparisons were more meaningful. The authors found that women were more likely to be motivated to pursue an entrepreneurial career as a means to make balance between family and career, while men were more likely to be motivated by wealth accumulation and career advancement. These gender differences were amplified in cases where the
women married and had dependent children. For example, women with dependents ranked these factors significantly higher than men with dependents. This is because women gave more importance to family friendly policies, family obligations, and spouse/co-career employment issues. Neither marriage nor dependent children had a significant effect on the motivation of males to pursue an entrepreneurial career. The authors pointed out that their findings are consistent with other studies, such as Caputo & Kolinsky (1998), which found that women were much more likely to choose self-employment if there were small children at home; and Bailyn (1993), who found that male entrepreneurs had goals focused outside the home, while female entrepreneurs had goals structured more closely around their personal life.

A variety of studies show that people high on emotional stability are more likely than others to engage in entrepreneurship (Zhao and Seibert, 2006). For instance, one study showed that people who were laid off and went to an outplacement service from which they started a business were more emotionally stable than those who went back to traditional employment through outplacement (Wooten, Timmerman and Folger, 1999). Research had reported that a child’s score on a measure of anxiety acceptance and hostility (two dimensions of neuroticism) were taken at age 11 predicts that the children high on anxiety acceptance had chosen self-employment at the age of 33 (Blanchflower and Oswald, 1998). Another study reported that at people who had founded their own businesses were more emotionally stable as measured by Catell’s 16PF than those who inherited their businesses or had taken them over through marriage (Brandstetter, 1997). A meta analysis also reported that lack of neuroticism, as measured by the 16 personality adjective scale and the 16 personality factor scale, is associated with being an entrepreneur rather than a manager (Zhao & Siebert, 2006). In addition, Cromie (1985) found that the
need for autonomy and more money were more important motivating factors for women entrepreneurs. In this study, this factor is explained by the urge to create wealth for oneself under the individual core. So, according to this study motivation is regarded as an essential component of entrepreneurship.

**Motivation, Creativity and Entrepreneurship:** Motivation and creativity are the two most significant correlates of entrepreneurship. If entrepreneurship is the driving force for economic development of a nation, motivation to be productive & innovative in solving problems is the crucial factors in the construct of entrepreneurship. A number of studies have examined family’s influences on the development of creativity in children, particularly those who facilitate creative growth (Kear & Chopp, 1999). Common characteristics include adaptability (Gardner & Moran, 1997), self confident mothers who encouraged their children to be independent (Michal and Dudek, 1991), high level of parental love and acceptance, high expectations of parents and cooperation with their children, coupled with respect for children’s subjectivity and autonomy (Mendecka, 1996) and high degree of both stimulation and support from parents (Csikzentimihalyi, Rathunde & Whalen, 1993). Amabile’s (1996) research has shown that of parental attitude expressed toward their children was related to children’s creative thinking, production and confidence etc.

Cropley (1967) stated that whatever level of creative potential is present in the child, the direction in which they are developed; (Convergence or disconvergence) will be guided by the kinds of interactions the children have with their parents. It has been found parental democracy stimulates creativity and imaginativeness in children along with openness to experience, (Weisberg & Springer 1962). Harrington, Block and Block (1987) tested the principles put
forth by Rogers (1954), who stated that creativity in children was most likely to occur when three conditions was present i.e. openness to experience, internal locus of evaluation and ability to toy with elements and concepts. He stated that these three internal conditions were fostered by two external conditions psychological safety and psychological freedom the conditions fostered by parents in homes. Harrington et al (1987) followed 106 children and their families in a longitudinal study and found child rearing practices such as respect for child’s opinions, encouragement for curiosity, providing choices and challenges to the child, were judged as most typical of Roger’s creativity fostering environment. Hussain (1998) has reported significant association between parental involvement in creative activities and higher verbal creativity and confidence of their children. The studies of development of creativity indirectly hint at the type of parenting and family environment which might result in the making of creative and effective adolescents who will likely to be entrepreneurs rather than a part of conformistic crowd. Positive parenting behaviour is associated with development of child competences in life area such as cognitive functioning and behavioural regulation (Patterson, 1982).

**Development of Self-efficacy and Entrepreneurship:** Becker (1964) proposed the existence of the two dimensions of parenting behaviors. Parents, who encourage and reinforce certain activities, provide opportunities, and support, to their children and resources to pursue them, will develop interests, preferences, and competencies in children according to Social-Cognitive Theory of Career and Academic Interests, Choice, and Performance given by (Lent, Brown, & Hackett, 1994). In the tradition of Bandura’s self efficacy model (1986), expectations about performance in a given field direct interests, effort, expenditure, and persistence in the face of obstacles, and thus guide
experience. Mathematical self-efficacy, for instance, feeds directly into interests, academic and career choices, and achievement (Hackett & Betz, 1989; Lent, Lopez, & Bieschke, 1993; Lopez, Lent, Brown, & Gore, 1997). Applying this perspective to Holland’s E-type high expectations about entrepreneurial competence, or entrepreneurial self-efficacy, may be a precursor of strong entrepreneurial interests and, thus, entrepreneurial career prospects.

According to action theory (e.g. Hacker, 1986; Frese, 2007) personality characteristics of entrepreneurs and business success yield relatively low correlation. Personality characteristics of individual have, but only one influence on one’s actions, which in turn affect business success. Thus, Frese (2007) posits that the effects of personality characteristics on business success are mediated by actions (more specifically individual action planning) whereas several studies (Frese, Van Gelderen, & Ombach, 2000; Van Gelderen, Frese & Thurik, 2000; Frese et al., in press; Frese, 2007) reported that individual’s planning to be substantially related to business success. But different kinds of planning approaches (or ‘styles’) can be differentiated, as all of them did not have similarly strong associations with business success. Van Gelderen et al. (2000) also reported that different kinds of individual planning approaches are differentially effective which are depending on the characteristics of the environment. The more flexible and critical-point planning approaches, however, are more effective, in rather then uncertainty tolerant and present orientated societies (Rauch, Frese & Sonnentag, 2000, Stephan et al., 2007).

There is a shift in the perception of the entrepreneurship from serendipitous and individual to social and environment related distinguishing feature for understanding of entrepreneurship. Morris and Lewis 1995, Fiet 2001, strongly emphasized that entrepreneurship is a skill that can be learnt and
taught and self efficacy which is a social cognitive construct seems to be at the heart of entrepreneurial orientation. According to Bandura (1986), individuals gradually accumulate self efficacy through prior cognitive, social and physical experiences. Bandura (1986) had also reported that prior successful enactment of socially acquired experiences reinforces the sense of self efficacy. High levels of self efficacy help individuals sustain effort until goals are reached. In the case of the entrepreneurs, higher self efficacy sustains them through the early stages to the start up process when ambiguities concerning the role and possible success of the venture are high (Denoble et al, 1999).

In a series of longitudinal studies (15 years) Miner (1986) developed measures of both ‘hierarchic (managerial) motivation’ and ‘task (entrepreneurial) motivation’, and conducted a number of studies of comparisons of managers and entrepreneurs. In general, these results indicated that entrepreneurs scored lower on hierarchic motivation than managers (Smith & Miner, 1983), or top-level corporate executives (Berman & Miner, 1985). Research with the task measure revealed that entrepreneurial founders of a firm scored higher on task motivation than manager–scientists in small firms who were not founders (Miner, Smith, & Bracker, 1989). In a comparison of entrepreneurs with managers in small firms, Bellu, 1988; Bellu, Davidson, & Goldfarb, 1989). Similar results were reported by Bracker, Keats, Miner, and Pearson (1988) that entrepreneurs were consistently more ‘task motivated’. Finally, Miner (1990) reported that entrepreneurs who had high-growth firms could be distinguished, in accordance with the theory, from a comparison group of managers.

Perusal of the above discussed empirical studies done in the context of Parenting and development of entrepreneurial orientation in adolescents give us
a lead to form the following hypotheses regarding entrepreneurial orientation in the context of parenting:

- Authoritative parenting style would have positive relationship with entrepreneurial orientation of adolescents.
- Authoritarian parenting style would have negative relationship with entrepreneurial orientation of adolescents.
- Permissive parenting style would have negative relationship with entrepreneurial orientation of adolescents.

PERSONALITY AND ENTREPRENEURIAL ORIENTATION

During the 1950s, personality traits become popular as an explanation of both entrepreneurial behaviour and intension (Llewellyn & Wilson 2003). Stewart et al (1999) reported that entrepreneurial behaviour involved a high level of risk, creativity solutions and a certain level of ambition. These descriptions of the behaviour all sounded like personality traits, the corollary being that a certain kind of person would be attracted to this behaviour whereas other people would choose safer, more conformist avenues of employment (Llewellyn & Wilson 2003). Many researchers therefore simply assumed that entrepreneurs had different personalities.

Personality traits holds central position in entrepreneurship. The belief that entrepreneurship has distinct set of traits gave phillip to attempts to discover those intrinsic personality characteristics that influence individuals to undertake risk (Gartner, 1988). Trait oriented approach to entrepreneurship become popular as an explanation of both entrepreneurial behaviour and intentions though findings were more or less equivocal. Infact the range of coverage of traits has been large and the addressed construct of entrepreneurship in these studies have been multifarious. Schmitt- Rodermund
& Vondrack (2002) present evidence on interrelations between personality traits, entrepreneurial orientation and entrepreneurial career prospects among German subjects.

Staw, Bell and Clausen (1986) performed several longitudinal experiments and found that stable individual personality disposition is formed by the age of adolescence and thereby makes it possible to predict future behaviour and attitudes in spite of key situational changes. More concisely, Slaw, Bell & Clausen (1986) showed that dispositional measure of personality significantly and reliably predicted job attitudes and employment behaviour over a span of fifty years. The pattern of dispositional decay indicated that adolescent stage dispositions set in motion a consistent set of behaviour and choices that later produced important consequences for the individual.

According to Schmitt-Rodermund (2001) personality traits and parenting combined related to entrepreneurial competence and entrepreneurial interest (EI, these both are central elements of Holland’s E-type). 320 tenth grade students and 139 small business founders from East Germany were studied using structural equation modeling. Results showed that an entrepreneurial personality (low agreeableness and neuroticism, high extroversion, openness and conscientiousness), and authoritative parenting were linked to adolescent entrepreneurial competence in both samples. Entrepreneurial competence predicted stronger entrepreneurial interest, which in turn related to entrepreneurial career perspective in the student. Shaver & Scott, 1991 reported that the individual’s decision to become an entrepreneur is sometimes assumed to depend on personality traits: “If somebody has proper personality profile, he/she will become an entrepreneur sooner or later”.

In contrast some researchers; Wooten, Timmerman & Folger,(1999); Ciavarella et al., (2004) who research in this field reported that personality
traits are weak predictors of entrepreneurial behavior. They suggest, however, that it is self-referent beliefs and convictions regarding the world that may constitute a determination of entrepreneurial success. Krueger, Reilly & Carsrud, (2000); Bandura, (2001); Shook, Priem & McGee, (2003) and Markman, Baron & Balkin, (2005) also reported this viewpoint and stated that self referent beliefs and convictions are treated as important behavior regulators in the socio-cognitive approach as well as in positive psychology research referring to this approach.

On the other hand Zhao and Seibert, (2006) emphasize on personality traits and reported that managers and entrepreneurs differ on four of the “Big Five” personality traits. Zhao and Siebert’s recent meta-analysis of 23 studies, entrepreneurs score higher than managers on conscientiousness (which measures one’s organization, persistence, hard work, and need to achieve) and to a lesser extent on openness to experience (which measures intellectual curiosity and preference for new experiences and ideas). Entrepreneurs score lower than managers on both neuroticism (which measures emotional adjustment and stability) and agreeableness (which measures how trusting, forgiving, caring, altruistic and gullible one is). The meta-analysis found no difference between entrepreneurs and managers with respect to extraversion (which measures assertiveness, dominance, energetic, talkativeness, and enthusiasm). These results imply that conscientiousness, perhaps particularly with respect to achievement motivation, and openness to experience may be key personality components for entrepreneurs (Zhao & Siebert, 2006).

**Neuroticism and Entrepreneurial orientation:** Personality variable may have an important role to play in developing entrepreneurship, including the areas such as entrepreneurial career intensions (Crant, 1996; Zhao, Seibert & Hills,
entrepreneurial cognition and opportunity recognition (Ardichvilli, Cradozo & Ray, 2003), entrepreneurial role motivation (Miner 1993), and new venture survival (Ciaverella, Buchholtz, Riordan, Gatewood & Stokes, 2004). In a series of recent studies Miner & Raju, (2004) and Stewart & Roth (2001, 2004) have examined the relationship between personality trait, risk propensity and entrepreneurial status. Chen, Greene & Cricke (1998), Crant (1996) and Simon, Herighton & Aquino,(2000) had described entrepreneurs as highly self confident with a strong belief in there ability to control outcomes in the environment. These traits limit at low level of neuroticism. Individuals high on neuroticism are not expected to have a self confidence or affinity for innovation that are characteristic of entrepreneurs (Knight 1921; Schumpeter, 1934). The general tendency to experience fear, sadness, anger, guilty, embarrassment, disgust and anxiety is typical of individuals who score high on neuroticism. In fact past researches has demonstrated that individuals who are highly neurotic are repelled by innovating culture and are dependent on others (Judge & Cable 1997).

Number of researches evidenced that personality traits influence vocational choice and work environments. This research is primarily based on the attraction-selection- attrition model (Schneider, 1987) according to which people are more attracted to activities that match their personalities and also find these more satisfying than other occupational categories. Research has also produced a long list of proximal personality variables related to entrepreneurial intentions and success (Rauch & Frese, 1998, Zao & Seibert, 2006).

**Extraversion and Entrepreneurial orientation:** Extraversion has been demonstrated to strongly correlate with interest in enterprising occupations (Costa, & Mccrae & Holland, 1984). Moreover, Extraverts are also aggressive
and attracted to affinitive environments (Judge & Cable, 1997). Chandler & Jansen, (1992) reported that extraversion is a useful characteristics from the perspective of entrepreneurs who need to develop a network of external support or recruit new venture personnel.

The seminal study in this tradition was that of Aldrich and Zimmer (1986), who noted that entrepreneurs are highly social actor extraverts who actively embed themselves in a social context. Successful entrepreneurs appear to be higher in social competences, have ability to interact effectively with others and are better at social perception and adapting to new social situations (Baron 2000). Bruderal & Preisendorfer (1998) emphasized that those entrepreneurs who can refer to a broad and diverse social network and who receive much support from these network are more successful. Studies on entrepreneur decision making styles have reported that entrepreneurs carried out high level of boundy spanning activities (i.e. the number and type of outside contact sought) and that such networking and information seeking correlated positively with an organization’s financials performance. (Buttner and Gruskiewicz, 1993). According to Costa, Mc Crae & Holland, (1984), extravert is positively related to interest in enterprising occupation.

In following Holland’s perspective, Defruyt & Mervielde (1997) emphasized that attention should be addressed to personality traits and to the family of origin with regard to personality. Costa, McCrae, & Holland, (1984) and Gottfredson, Jones, & Holland, (1993) reported that Holland’s E-type relates to four dimensions in the Five Factor Model of Personality. Recent meta-analytic evidence in the context of big five personality traits reported that these traits affect some individuals with specific personality traits to become entrepreneur (Zhao & Seibert, 2006; Rauch & Frese, 2007). Additionally empirical research indicates that people who score high on extraversion are
more likely than others to become entrepreneurs (Shane, 2003). In a longitudinal study of a cohort of people who were all born in one week in March 1958 in Great Britain who were given a psychological test measuring extraversion at age 11 indicated that those who started their own firms and organizations at the age of adulthood had higher extraversion scores when they were children (Burke et al, 2000). Similarly National Longitudinal Survey of Youth in the United States showed that being outgoing as a child predicts working for one’s as an entrepreneur in adulthood. (Van Praag & Ophem, 1995).

**Openness to experience and Entrepreneurial orientation:** Openness to experience is a personality dimension that characterized someone who is intellectually curious and tends to seek new enterprises and explore new ideas. Openness is positively correlated with intelligence, especially aspects of intelligence which are related with creativity, such as divergent thinking (McCrae, 1987).Mc Clelland & Bogatzis’s (1982) research has shown that a high need for affiliation, a component of agreeableness can be a determinant to the careers of managers but not entrepreneurs. Burt (1992) reported that entrepreneur work in smaller organizations and they are less likely to be constrained by dense and interlocking social relationship. Schumpeter (1976) emphasized on innovation as a defining characteristics of entrepreneurs.

Individuals high on openness to experience have imaginative, innovative and reflective qualities (McCrae, 1987; Costa & McCrae, 1992).These attributes are important for entrepreneurs as they need to explore new ideas and take innovative approaches to the development of products and the organization of businesses (Zhao & Seibert, 2006). Additionally Zhao & Seibert (2006) reported entrepreneurs scored significantly higher on Openness
to Experience and Conscientiousness. Openness to the experience and curiosity for innovation and creative solutions has been considered to be main characteristics of entrepreneurs according to Schumpeter (1997).

High level of openness to experience is the personality dimension that is expected to be most indicative of those who form stronger entrepreneurial intensions than others. This dimension assess personal characteristics such as curiosity, broadmindedness, and intelligence, which may be reflected in an entrepreneur’s venturesome spirit (Krizner, 1921). Open individuals are curious and willing to entertain novel ideas and unconventional values (Costa & McCrae, 1992), like entrepreneurs (Knight, 1973), because they are also nonconforming and autonomous (Goldberg, 1990), as they are less likely to attracted to traditional employee roles and traditional organization career. Brandstätter, (1997) emphasized on the strong relationship between entrepreneurship and low level of neuroticism, conscientiousness and agreeableness, and high level of openness to experience and extraversion. Achievement needs, locus of control and risk taking are also appears to be potentially important factor for the development of entrepreneurship.

**Agreeableness and Entrepreneurial orientation:** Costa and McCrae, (1992) and Goldberg, (1989) reported that agreeableness is associated with passive dependent and traditional orientation. Sexton & Bowman, (1990) stated entrepreneurs as independent risk-takers. However does not suggest any of the facets that agreeableness denotes because agreeable individuals strongly value conformity and dependence. According to Judge & Cable (1997) the facets that agreeableness denotes are directly opposite to that of entrepreneurship.

Empirical research also confirms the negative association between agreeableness and likelihood of individual to become an entrepreneur (Zhao &
Wooten et al., (1999) reported that people who started businesses after being laid off and going through outplacement were more ‘tough minded’ and more ‘suspecting’ than those who went back to traditional employment through outplacement. Moreover, a meta-analysis of several studies also reported that entrepreneurs scored lower than managers on agreeableness (Zhao & Seibert, 2006). Entrepreneurs and managers should differ on two personality dimensions i.e., neuroticism and agreeableness. A recent meta analysis by (Zhao & Seibert, 2006) confirms these assumptions. Overall results show that entrepreneurs score significantly lower than managers on both of these personality dimensions.

**Conscientiousness and Entrepreneurial orientation:** Judge, Higgins, Thoresen & Barrick, (1999) reported that since conscientious individual value self-control they may likely to form stronger entrepreneurial intensions than others to preserve their independence. Further Mcclelland (1961) and Barrick & Mount (1991) demonstrated that conscientious people are highly achievement oriented, ambitious and persistent which have been suggested as core characteristics of entrepreneurs.

Conscientiousness has been the most consistent personality predictor of job performance across all types of work and occupations (Barrick, Mount & judge, 2001). Many scholars regard conscientiousness as a broad personality dimension that composed of two primary facets: achievement motivation and dependability (e.g Mount and Barrick, 1995). Mc clelland (1961) was the first to propose that high need for achievement would drive individuals to become entrepreneurs. On the other hand Mount & Barrik (1995) reported that association between achievement motivation and entrepreneurship is mixed or
inconsistent. Collins, Hanges & Locke (2004) and Stewart & Roth (2004 b) reported that entrepreneurs have higher achievement motivation.

In addition some research suggests that successful entrepreneurs may be higher in conscientiousness than unsuccessful ones (Schmitt-Rödermund, 2001). According to Miner (1997), the type of person an individual is determines the route he or she should follow. Higher entrepreneurial interests are potentially related to higher levels of conscientiousness and extraversion and to lower levels of agreeableness and neuroticism. No differences were found for openness to experience. Engle, Mah, & Sadri, (1997) emphasized that entrepreneurs are more creative and innovative than employees. Empirical research confirms the positive association between conscientiousness and the tendency to be an entrepreneur. A meta-analysis of several studies showed that conscientiousness was the largest of the big five dimensions on which entrepreneurs and managers differ (Zhao and Siebert, 2006).

Stewart & Roth, (2001) had also emphasized on the potentially important link between entrepreneurship and achievement needs, locus of control and risk taking. Need for achievement as an element of conscientiousness is widely thought to predict entrepreneurial behavior. However in a longitudinal study of young Swedish adults, Hansemark (2003) found no relationship between (48 men, and 43 women with average age of 22 years) need for achievement and their subsequent actual entrepreneurial activity over an 11-year period. A trait though not included in the “Big Five,” but considered highly significant in the literature on personality differences is autonomy (rebellious to restraint or restrictions, enjoys being unattached and free, not tied to people). Sexton and Bowman-Upton, (1990) reported that men and women entrepreneurs differ on this trait, with women entrepreneurs being the more autonomous.
Other relevant personal factors and entrepreneurial orientation

Innovation, proactiveness, risk taking, flexibility and Entrepreneurship: The original framework of entrepreneurial orientation was introduced by Miller (1983) who used the dimension of innovation, proactiveness and risk taking to measure entrepreneurship. These three dimensions were also adopted by subsequent studies (Lumpkin & Dess 1996; Lee & Peterson 2000; Collin et.al. 2004; Collins, Hanges & Locke 2004) after his investigation reported that entrepreneurial orientation includes autonomy, innovativeness, risk taking, proactive ness and competitive aggressiveness. These factors underlies nearly all entrepreneurial process in which entrepreneurship is undertaken in terms of the method, practices and decision making processes for new entry into the market. Thompson (1999) stated that flexibility is also an important dimension in entrepreneurship. Flexibility along with social competence (understanding of their customers and competitors) has then reported to be key descriptors of successful entrepreneurs (Garther et.al.1999).

Stewart et al (1999) reported that entrepreneurial behaviour involved a high level of risk taking, creative solutions and certain level of ambitions. Where as Friedman and Roseman (1974), suggested that entrepreneurs may posses specific personality traits such as impatience, time urgency, driving ambition and competitiveness. Furthermore, Baron (2000) reported that successful entrepreneurs appear to be higher in social competence, the ability to interact effectively with other.Critics see entrepreneurs as people prone to rule breaking, self promotion and unwarranted risk taking while proponents view them as enterprising leaders (Borins 2000). Evidence strongly supports the proponents view and suggests that they are usually proactive in that they deal with problems before they escalate to crises. They use appropriate organizational channels to build support for their ideas. They take their
opponents seriously and attempts to win support for their ideas through persuasion and accommodation (Borins 2000).

**Intentions and entrepreneurial orientation:** According to Bird (1989), intention is the state of mind directing a person’s attentions and action towards self-employment as opposed to organizational employment. Intention has been also defined as the efforts of a person to carry out entrepreneurial behaviour (Linan & Rodriguez, 2004). It is the result of perceived control over behaviour (perceived ability to perform entrepreneurial behaviour); attitude toward behaviour (the degree to which a person has a positive or negative evaluation or appraisal of entrepreneurial behaviour); and subjective and social norms (the perceptions of how significant others think about being an entrepreneur, the strength of the motivation to comply with them, and social support to carry out the entrepreneurial behaviour. All these factors act as the motivation and emotional tendencies which influence and direct entrepreneurial behaviour. Importantly, these factors can be affected by ‘exogenous influences’ such as personality traits and education (Linan, et. al., 2005; Souitaris, Zerbinati & Al-Laham, 2007). Collins, Hannon, & Smith, (2006) on other hand stated that little is known about the actual impact of entrepreneurship education programs on developing entrepreneurial intention of students particularly in universities.

A number of studies reported that conventional measures of analytical reasoning such as IQ test scores (Sternberg, Wagner, Williams, & Horvath, 1995), as well as grades in school (Stanley, 2000) do not correlate strongly with measures of success in later life. In response to this Sternberg (1988) offered a triarchic model of intelligence that proposes that intellectual functioning is best viewed as consisting of ‘analytical reasoning ability’, ‘social intelligence’, and ‘creativity’. The findings also indicate that self-
employed are more often under stress and in a hurry than regular employees. The self-employed interrupt their spells of work more frequently and they spend a smaller fraction of their effective working time in the workplace than the organizationally employed do. In conclusion, however, it appears that the greater ‘flexibility’ in time use that entrepreneurs enjoy is hardly sufficient to make an entrepreneur independent (Hyytinen & Ruuskanen, 2006).

Contrary to Carland & Carland’s (1991) findings of no gender difference in entrepreneurs’ risk-taking tendencies, a recent study employing a random sample of 517 men and 156 women owners of small and medium-sized businesses in Western Australia found that men and women entrepreneurs differ significantly on only one of seven characteristics typically ascribed to entrepreneurs – risk-taking propensity (Watson & Newby, 2005). This finding of male entrepreneurs’ greater risk-taking propensity corroborates the results obtained with a convenience sample of men and women entrepreneurs in the United States. (Sexton & Bowman-Upton, 1990). The Australian study also found no gender difference in need for achievement, need for power, and internal locus of control. Both men and women entrepreneurs exhibited masculine traits to the same degree, but women more than men exhibited feminine traits. Several findings from the Wilson, Marlino, & Kickul (2004) study are consistent with results from other studies. For example, Kourilsky & Walstad (1998) reported that boys show more interest than girls in an entrepreneurial career, and that both girls and boys self-reported a comparable low level of knowledge specific to entrepreneurship, but girls were more aware of their lack of knowledge. Marlino & Wilson (2003) found that girls overall rate themselves lower than do boys in certain skill areas which are associated with success in business, including managing money, working with numbers, problem solving and decision making. Quotes from Wilson, Marlino, & Kickul,
(2004) emphasized that these are self-reported perceptions, which may have more to do with self-efficacy than actual skill levels. Together, these two studies suggest that the seeds of entrepreneurship are present before adulthood, and appropriate conditions can cultivate them. Both studies, however, have methodological limitations that prevent associating early traits with actual subsequent careers. However, in the light of the lack of support from the Swedish longitudinal study (Hansemark, 2003), it seems premature to conclude that such a relationship exists.

**Personal assessments of capabilities and Entrepreneurship:** Taking a lead from Bandura’s work on social learning theory (Bandura, 1982; Wood & Bandura, 1989), it is expected that individuals will prefer situations in which they anticipate high personal control, but avoid situations in which low control is anticipated. Following this logic, individual career paths reflect personal assessments of capabilities for various occupations. Extending these ideas to entrepreneurial activity suggests that those individuals who believe they are capable of performing the roles and tasks of an entrepreneur (i.e., who have strong beliefs in their entrepreneurial self-efficacy) will engage in activities associated with firm start-ups (Scherer, Adams, Carley, & Wiche, 1989; Boyd & Vozikis, 1994).

Self-efficacy is the strong personal belief in skills and abilities to initiate a task and lead it to success (Bandura, 1997). Markman, et. al. (2002) emphasized that it is the perceptions of self-efficacy, rather than objective ability that motivates individuals to demonstrate entrepreneurial behavior. Extending this line of thought Hollenbeck & Hall (2004) reported that unlike other personality traits of entrepreneurship which are relatively static, self-efficacy is affected by contextual factors such as education and past experiences (Hollenbeck & Hall, 2004).
Research on business owner's objectives (Kuratko, Hornsby, & Naffziger, 1997; Newby, Watson, & Woodliff, 2003) reported that business owners strive for several personally oriented objectives in addition to financial returns or extrinsic rewards, although these are far less often studied than economic performance criteria. The criterion is therefore entrepreneurs’ personal satisfaction with their business (Cooper & Artz, 1995). Personal satisfaction can be considered a basic measure of performance, which influences many business decisions, such as whether to invest more time and money, whether to cut back, or even to shut down the business. Another criterion is customer satisfaction and employee satisfaction. These criteria have been included in many performance measures that link to business strategy, such as the Balanced Score Card, Performance Prism, and the Business Excellence model of Adams et al. (2003). The next criterion according to this model is the achievement of work-life balance. Nelson & Burke (2000) reported that work has often been found to interfere with one’s personal life and one’s personal life has also been found to interfere with one’s work life. A subgroup of business owners has been identified that chose their career to allow them more time with their families. They used the autonomy and flexibility that their position allowed to balance the responsibilities at work and at home. In in-depth interviews, business owners called a positive work-life balance the crowning glory of their hard work in the early start-up years. Finally, public recognition can be identified as the next criterion. This criterion emerged mainly from special attention to award winning entrepreneurs and their companies and products. Here, media play an important role in scanning process to limelight such entrepreneurs. In addition, Kuratko et al. (1997) found that public recognition may work as intrinsic rewards among business owner.
Schwartz & Bardi (2001), emphasized that personal values or perceived self efficacy have been systematically related to individuals’ behavior. On the basis of Rokeach’s (1973) theory of values, Bird (1989), Sarasvathy (2001), and Djankov et al (2004) reported that entrepreneurs’ personal value emphasis distinguish them from other people.

**Optimistic approach and Entrepreneurial orientation:** Recent researches had reported that many different personality factors were potentially relevant to entrepreneurial success, such as achievement orientation (Brockhaus & Horwitz, 1986; Begley & Boyd, 1987; Miner, Smith & Bracker, 1994), risk-taking propensity (Peacock, 1986; Miner, Smith & Bracker, 1994; Busenitz, 1999), internal locus of control (Cromie, 2000), and innovativeness and creativity (Engle, Mah & Sadri, 1997). Research findings by Markman & Baron, 2003 and Shook, Priem & McGee, 2003 inconclusively indicate toward the tendencies of entrepreneurs to perceive situations optimistically. On the other hand Cooper, Dunkelberg & Woo, (1988) reported that optimism has no significance for the decision to start a firm. Where as Simon, Houghton & Aquino (1999) found that optimistic approach tend to have an indirect impact on entrepreneur’s decision making process as it affect and alter their goal perception. In addition to this Laguna (2006) in his recent studies on potential entrepreneurs reported that a higher level of optimism favored a higher assessment of chances of success in starting one’s own venture and, by influencing the expectancy of goal attainment, indirectly contributed to the formulation of entrepreneurial intention.

Snyder (2002) has also emphasized that individuals with a high level of hope approach (perceive) goals as challenge, concentrate on the possibilities of success rather than failure, and assess highly the probability of goal attainment.
At the same time they generate more goals, because of which they are capable of turning to a new goal more easily when the initial one proves to be unattainable. Though so far studies of hope in relation to entrepreneurship are few, they point to its connection with satisfaction from running one’s own firm (cf Jensen & Luthans, 2006). Hope also turned out to be significant predictor of the entrepreneurial intention as well as of the assessment about the importance of this goal, the assessment about the chances of success and readiness to try to accomplish that undertaking (Laguna, 2006). All these positive convictions are not as stable like personality traits; in fact they can be developed and modified, e.g. through trainings (Luthans & Youssef, 2004). At the same time they are measurable, and have verified operationalization methods. Although, the development of these positive convictions are affected by various factors with number of similarities, in theoretical analyses (Snyder, 2002) as well as in empirical research still they are differentiated from one another and treated as distinct variables (Bryant & Cvengros, 2004). Some of them, e.g. self-efficacy, have been fairly thoroughly researched by now in connection with entrepreneurship, while others seem to be an interesting area for further research.

Where number of researchers had emphasized on the role of positive convictions with establishing one’s own business (Ottesen & Kjell, 2005), drawing heavily on Bazerman, (1998). Unrealistically positive view of oneself, unrealistic optimism, an illusion of having control, or self-serving attribution such as crediting successes to one’s abilities and failures to some external condition or bad luck can create a go-ahead spirit, be less likely to follow his or her peers and instead explore the environment more carefully to gain extra information that enhances the company’s competitiveness (Bernardo & Welch, 2001); and signal high ability to customers and bankers (Parker, 2006) etc.
encourage an entrepreneur to work and but same extra effort (Manove, 2000) Critics, on the other hand, reported that they also could have negative consequences because one might experience significant loss in business that has no chance of success. (de Meza & Southey, 1996.)

Achievement orientation and Entrepreneurial orientation: McClelland, (1961) reported that entrepreneur’s set for themselves challenging goals and constantly try to improve their performance in comparison to other. Locke & Latham, (1990) reported that a business owner’s daily tasks include taking new challenges (e.g., acquiring new customers), and setting high business goals for oneself (e.g., starting to export) as well as for others (e.g., sales rates for employees). Challenging, high and specific goals further lead to higher performance. Owners with a strong achievement orientation are growth oriented, enjoy challenging tasks and goals, and are more likely to succeed (McClelland, 1987). Accordingly, achievement orientation of the owner was found related to customer satisfaction (Haber & Lerner, 1999) and to firm success (Spencer & Spencer, 1993; Koop, de Reu, & Frese, 2000; Rauch & Frese, 2000). Entrepreneurial business owners want to assert them, enjoy competition, and strive for victory (Kirzner, 1997; Schumpeter, 1934). Entrepreneurial Orientation literature also agrees that a competitive aggressive orientation is one of the basic characteristics of successful entrepreneurial firm activity (e.g., Covin & Slevin, 1991; Lumpkin & Dess, 1996).

Self-confidence and Entrepreneurial orientation: Schmitt-Rodermund, (2001) in his study identified 320 adolescents as having entrepreneurial competence when they spoke of encouraging others to get something done, expressed self-confidence, or mentioned their fighting spirit. These self-descriptions were more common among students with an entrepreneurial personality, as defined
in Norman’s Big Five personality traits i.e. low agreeableness (cranky rather than good-natured), low neuroticism (robust rather than vulnerable), high extraversion (talkative rather than uncommunicative), high openness (conventional rather than innovative), and high conscientiousness (diligent rather than lazy). The 132 business founders also interviewed for the study were also having the above mentioned traits of personality. Research has also emphasized that entrepreneurial personality was linked with early entrepreneurial competence. In addition to that this entrepreneurial competence was further responsible for planning of self employment or start up process. Several studies mentioned that entrepreneurs are more over-confident than regular people are and appear to be driven by wishful thinking (Cooper, Woo & Dunkelberg 1988; Arabsheibani, de Meza, Maloney, & Pearson 2000; Bernardo & Welch 2001).

Chen, Greene & Crick (1998) reported about the positive relationship between self-efficacy and the choice of entrepreneurial activity. They also emphasized that entrepreneurial self-efficacy differentiates entrepreneurs from managers. (Markman, Balkin & Baron, 2002 and Markman, Baron & Balkin, 2005) In addition differentiate individuals on the basis of self efficacy who have created their own ventures from those who have not decided to do so). In both cases, it is higher in entrepreneurs. Further Markman, Balkin & Baron, 2002 reported that high self-efficacy also correlated with high annual income. Research conducted on 217 randomly chosen medical equipment inventors, 55 of whom started firms based on their own patents, have shown that general self-efficacy is considerably higher in those who have started firms than in those who have not (Markman, Baron & Balkin, 2005). Self-efficacy, general as well as entrepreneurial, is an important predictor of entrepreneurial intention in unemployed individuals. It is also higher in those who intend to create their own venture (Laguna, 2006).
**Gender differences in Entrepreneurial orientation:** Langan-Fox(2005) on the basis of conclusion drawn from Jackson Personality Inventory reported that there were slightly more similarities than differences between 105 female entrepreneurs from the Houston area and an equal number of male entrepreneurs from the Columbus, Ohio area. The differences observed were that women scored significantly lower than men on energy level (active, reserves of strength, does not tire easily, capable of intense work) and risk-taking and higher than men on autonomy and change (likes new and different experiences, dislikes and avoids routine, may readily change values and opinions, adapts readily to the environment). Among women, entrepreneurs’ need for autonomy was greater than managers’ (Brodsky (1993). Brodsky’s (1993) study of 47 female entrepreneurs and 41 female corporate managers found that women managers were more trusting and required less control than women entrepreneurs. It is also found that motivation and demographic variables contribute significantly to the entrepreneurial intention in women (Vijaya, 2000). These conclusions confirm the results of White’s (1982), research too. A study by Brush (1992) reported that women entrepreneurs are most likely from the urban setting.

In the control of ‘gender effect’ study of twenty female entrepreneurs it was found that their major motivations to start a business were the need to achieve, the desire to be independent, the need for job satisfaction and economic necessity (Schwartz,1976; Scott, 1986). Sexton (1980) reported that female’s goals in business ownership were same in the need for achievement and independence but differ in terms of economic necessity and recognition than their male counterparts. Other studies on motivation have indicated that females have similar motivations but need greater stimulations than their male counterparts (Briley, Gross & Saunders, 1986). Innovativeness, risk-taking
propensity, flexibility and perseverance are found to have significant influence on women entrepreneurs (Nelson and Cengiz, 2005). Bender, 2000 in his recent research reported that the promise of flexibility or just being able to do things their own way has become the ultimate motivation for women to become entrepreneurs. On the contrary evidence about the influence of early entrepreneurial traits comes from a similar study conducted in the United States by Wilson, Marlino, & Kickul (2004). They analyzed a large data set of 1971 U.S. teenagers in 29 middle and high schools. They found that girls were significantly less interested in an entrepreneurial career than boys.

GENETIC ENDOWMENT AND ENTREPRENEURIAL ORIENTATION

Empirical research shows that some of the variance in personality traits across people is accounted for by their ‘genetic endowment’ (Loehlin, 1992; Jang et al., 1996; Plomin et al., 2008). People with different variants of certain genes face different probabilities of developing certain personality traits (Comings et al, 2000; Ebstein et al, 2007). These genetically-influenced personality traits, in turn, affect the individual with such personality traits to become an entrepreneur (Zhao & Seibert, 2006; Rauch & Frese, 2006).

Empirical studies relating to personality factors in the context of entrepreneurship discussed above give equivocal findings and do not clearly reveal the nature of association in these personality factors and entrepreneurial orientation. Hence taking clue from these studies the following hypotheses were framed

- Extraversion would have highly positive and significant association with entrepreneurial orientation as compared to neuroticism in adolescents.
- Openness to experience and conscientiousness would be positively associated with entrepreneurial orientation of adolescents.
• Agreeableness and entrepreneurial orientation would be positively associated.

Exposure to External Factors and Entrepreneurial Orientation

Some researches have paid special attention to external (Social and cultural) factors that enter into the formation of entrepreneurial orientation. Effects of these factors seem to act on the formation of individual’s value system. Licht and Siegel (2006) reported that social system that places a high value on innovation, risk taking and independence is more likely to contribute to the development of entrepreneurial orientation than a system which places high value on obedience and embeddedness. It implies that organizations and institutions shape and enhance entrepreneurial orientation through exposure (often through training and education). And it do not depends upon the way in which information is exploited personally exploitable and subjectively by the individual according to their own favorable manipulation (Casson, 1995).

Family related influences and Entrepreneurial orientation: Robert, et al. (1996) reviewing the findings of eminent people opines that persons who are eminent because of their original and significant contributions come from families which are enterprising and risk taking. In the house of make believe, Singer & Singer (1992) stressed the importance of safety and acceptance in home environment for enhancing play and fantasy. In a longitudinal study of talented children and adults, Adler (1991) reported that a home environment that combine both support and optimal challenge help children to develop their creative skills. Support help child feel confident and sense of security motivate them to do experiments and take calculative risks. Khandwala(2004), on the basis of research on 160 professionals, emphasized that the childhood environment is a strong predictor of creativity and self actualization motive.
The more the home environment convenient, the more likely was the person as adult to want to innovate, pioneer or create. Khandwala (2004) in another study reported that some facts of childhood experiences at home seem to shape later career and work choice. Thus, early formative experiences at home tend to have far reaching consequences for attracting the person, as adult, toward creativity and innovation.

Effects of role models on entrepreneurial orientation of children have also been investigated by some researchers. For example, Sorenson (2007) found that self employed parents have lasting effects on their children’s propensity to enter into self employment, even if the parent’s stint in self-employment is short lived. Children of the self employed, have been exposed to entrepreneurial role models in the family of origin and should therefore be more likely to view entrepreneurship as a viable career option (Carroll & Mosakowski, 1987). Halaby, (2003) reported that children with such entrepreneurial exposure attach greater value to entrepreneurial job characteristics. A further sociologically based explanation of entrepreneurship is that high ability individuals are culturally encouraged to start firms where family environment exposure can be employed and directly in the profits. Hamilton (2000) stated that self employment offer substantial non-pecuniary benefits, such as ‘being one’s own boss’. This motivates the individual to start their own firms. Several studies reported that entrepreneurs find special importance in their independence (Blanchflower & Oswald 1998; Blanchflower 2000; Blanchflower, Hundley, 2000 & Oswald & Stutzer 2001). Using survey data from the United Kingdom, Germany and Switzerland, Frey & Benz (2004) emphasized that the greater independence and autonomy of self-employed persons is largely responsible for their particular job satisfaction.
Hisrich (1990) emphasized that social models are consistent and strong predictors of entrepreneurial intentions. This is to say that individuals who have parents, family members and close friends who are entrepreneurs are more likely to start their own business than those who have not benefited from the same level of exposure to entrepreneurship although entry into entrepreneurship has been understood as an attempt to achieve non-peculiarly goals, such as the desire for autonomy (Hamilton, 2000; Moskowitz & Vissiny –Joregenson, 2002; Halaby, 2003), and identify fulfillment (Xu & Ruef, 2004; Sorenson 2007). But it may be more likely if entrepreneurial activity has been legitimated as a viable career choice by family and close associate; (Carroll & Mosakowaski, 1987; Stuart & Ding, 2006; Sorenson, 2007). These goals, aspirations and beliefs like other motivational attitudes ( Burt 1987; Coleman, Katz & Menzel 1996) may be more influenced by combination of an individual’s peer group.

In number of research it was reported that entrepreneurs indeed often had mothers and fathers who were entrepreneurs themselves (Ronstadt, 1984; Hisrich & Brush, 1986), even students in business administration had higher expectancies for an entrepreneurial career if their parents were self-employed rather than employees (Scherer, Adams, Carley, & Wiebe, 1989). In Canada two thirds of entrepreneurs came from families where the father or mother is self-employed and parental guidance support were found to be conducive in promoting personality traits such as risk-taking, innovation and independence where the self-employed parent becomes a mentor and role model. Cooper et al., 1988 claim that entrepreneurs whose families or relatives have gone through a business startup process are more likely to be successful by having been acquainted with the requirements of starting up.
School/Institutions related influences and Entrepreneurial orientation:

Riyanti (2004) emphasized on innovative behavior as a contributor to business success. Ultimately, this behavior has been stimulated by parents in their children or through the school curriculum. Riyanti (2004) again reported that the involvement in management skill can be the reason of the emergence of new entrepreneurs. Thus, the implementation of a balanced entrepreneurship education with both theory and practice could contribute to the emergence of new entrepreneurs. In a survey research conducted during 2005-2006 academic years on student enrolled in the small business institutes at several universities throughout the United States were asked to complete the entrepreneurial attitudes orientation survey at the beginning of the semester, then again at the end of the course. A total of 358 children were surveyed during a three semester period. The result showed that the completion of the ‘small business enterprises’ course was found to not only strengthen entrepreneurial attitudes, but to also have a great impact on the attitudes of women. Findings support the notion that from educational experiences the students develop an entrepreneurial drives and perspective (Kuratko 2005; Florin, Karri & Rossiter, 2007; Souitaries, Zerbinati & Al Lahan, 2007). Prior work experience through family members, relatives and peer effect often plays a critical role in the development of entrepreneurial skills, but many of these skills can also be developed and refined within the framework of entrepreneurship education and training courses (Mitra & Matlay, 2004). Zimmer & Scarborough(1998) reported that entrepreneurship is not a genetic trait but a learned skill. The work of Robinson, Stimpson, Huefner, & Hunt (1991) was one of the first to use an attitudinal scale to predict entrepreneurial activity. According to them attitude tends to change across time and situations through an interactive process with the environment, Carlson (1985) emphasized that once a person’s attitude has
been measured, a prediction can be made about the person’s future actions (Carlson, 1985). Florin et al (2007) emphasized that these attitudes are more likely to be influenced by educational programmes. In addition Gatewood et al, (2002) reported that entrepreneurship education can have a positive impact on perception of new venture feasibility and desirability. With this line of thought Florin et al, 2007 emphasized that business schools help students develop a more complete skill and nurture their entrepreneurial drive (Florin et al, 2007). Entrepreneurial education has been landed for its ability to help to improve entrepreneurial drive and self confidence in students (Gatewood et al, 2002; Florin et al, 2007).

Brouwer (2002), in addition, reported that individual with entrepreneurial characteristics will be found in every society as a part of the general distribution but societies may differ. In terms of institutions that affect the relative portion of the entrepreneurial sub groups. Crant, (1996) and Luthje & Franke, (2003) emphasized on the significant role of universities in the development of entrepreneurial intentions. Albeit, Luthje & Franke (2003) also highlight that the contextual founding conditions stimulate entrepreneurial intentions most among the students with a high propensity to risk taking and high internal locus of control. Identifying these students and exposing them to entrepreneurship programs seems the best way to stimulate the entrepreneurial intentions at universities. Autio et al (2001); Luthje & franke, (2003) in the extensive past research on the factors influencing student’s entrepreneurial intentions, reported that most of these factors can be grouped under two factors namely internal and external factors. The internal factors that influence students’ career choices mainly focus on identifying stable personality traits (Luthje & Franke, 2004). The external factors explain why certain personality traits and background characteristics do or do not lead to an entrepreneurial
career (Luthje & Franke, 2004). In the study of Luthje & Frank (2004) the main focus lies on the influence of the student’s personality traits measured by the subjective norms and the school/institutes/university environment measured by the participation in entrepreneurship education. The data were collected with a questionnaire among 125 students. The results confirm the importance of a student's personality as measured with proactive personality and willingness to take risks in the entrepreneurial intentions framework, an even stronger relationship has been recognized for participation in entrepreneurship education. Although it cannot be stated that entrepreneurship education influences a student's personality but it does not attract students with certain personality. Although an entrepreneurial personality increases entrepreneurial intentions and entrepreneurship education more effective for a certain group of 'promising' students. Ajzen (1991) emphasized that both entrepreneurial personality traits and entrepreneurship courses and activities are needed for the proper development of entrepreneurial orientation. Peterman & Kennedy (2003) and Souitaris, Zerbinati, & Al-Laham (2007) reported that exposure to entrepreneurship education increases entrepreneurial intention.

In addition to that Donnelly, (1995) reported that the lack of enterprise and entrepreneurial studies at school in vocational education and training in higher education is the reason why there is not a strong small business culture in Australia. Education also plays a crucial role in the fixation of a culture. Lee & Peterson (2000) quote Berger’s statement that culture serves as the conductor while entrepreneurship is the catalyst for the development of an entrepreneurial orientation within individuals. In addition researcher also documented that achievement need, tolerance for ambiguity, risk taking and locus of control found in specific culture were analyzed with respect to entrepreneurial characteristics and were identified as correlates of being or

**Culture related influences and Entrepreneurial orientation:** There are enormous of definitions of culture to be found in the literature, however, as Smith et al. (2002) summarizes ‘… none of them suggests that an individual has a culture of his or her own. Culture is something that is shared among people.’ The Schwartz (1992) model of individual values defines ten broad values according to the motivation that underlies each of them (i.e., power, achievement, hedonism, stimulation, self-direction, universalism, benevolence, conformity, tradition and security). These values can further be organized along to bipolar dimension i.e., self-enhancement versus self-transcendence and conservation versus openness to change. Entrepreneurship literature culture bears a profound impact on all facets of entrepreneurship in societies (George & Zahra 2002). Hayten, George & Zahra (2002) provide a comprehensive review of empirical studies that have examined the association between the national culture and entrepreneurship. Culture is defined as a set of shared values and believes (Hofstede, 1980; 2001). A common postulate in cross cultural psychology is that all societies confront similar basic issues or problems when they come to regulate human activity (Kluckhohn & Strodtbeck, 1961). Culture orientations are also associated with certain personal cognitive styles, leading scholars to consider cultures as ‘System of Thought’ (Nisbett et al 2001).

Researches avoiding the ecological fallacy have examined the proposition that certain individual’s features consistent with Schumpeterian like entrepreneurship may be more common in certain national cultures. Among these researches most of them had used Hofstede et al’s (2004) four
cultural values dimensions of individualism/ collectivism, power distance, uncertainty avoidance, and Masculinity/ femininity. According to Hofstede, (2001) low uncertainty avoidance implies a greater willingness to enter into unknown ventures. Muller & Thomas (2000) emphasized that innovativeness and internal locus of control were more likely to be found among students coming from cultures high in individualism and low in uncertainty avoidance (Thomas & Muller, 2000). Hayten, George & Zahra (2002) reported that high individualism, high masculinity, low uncertainty avoidance, and low power distance are conductive to entrepreneurship. Morris, Avilla & Allen (1993), however argue for curvilinear relation between individualism/ collectivism and corporate entrepreneurship. These empirical findings underline the idea that a climate of high uncertainty avoidance in large organizations pushes enterprising individuals to go out and create their own business (Wennekers et al 2002; Noorderhaven et al 2002; Noorderhaven et al 2003).

Shane (2000); Shane & Khurana, (2003) stated that the ability of individuals to identify entrepreneurial opportunities is associated with the diversity of individual’s career experiences. Shane (2000), again reported that perception of entrepreneurial opportunities present in a particular situation varied with individual training and career experiences. Saenian’s work, Fallick, Fleischman & Rebitzer (2006) had studied this relationship between labor mobility and entrepreneurship at the regional level. They find that 'Silicon Valley' had both higher levels of inter-firm mobility and higher rates of entrepreneurship than other regions in the US. Ibrahim & Soufani, (2002) further reported that family culture plays a large role in the development of entrepreneurial tendencies and can be more influential at an early age. The role of culture also an influencing factor as some cultures see entrepreneurship as more acceptable from a career perspective than other cultures. These results are
consistent with the view that cultural values may induce path dependence in entrepreneurial activity (Woodruff, 1999).

Contrary to stereotypic explanations that difficulty in speaking English drives minorities into self-employment, Fairlie and Meyer (2000) reported that having a problem in speaking English was negatively related to self-employment. Additionally, these researchers also reported that although male and female rates of self-employment varied across ethnic and racial groupings, the gender rates were similarly ranked within groupings such that female rates of self-employment, in the aggregate, were 55 per cent of the rate of male self-employment in Silicon Valley.

The editors of a special issue on culture and entrepreneurship concluded that there is still a ‘paucity of contributions dealing with ‘cultural influences’ (Freytag & Thurik, 2007). The most common perspective sees shared values as the basis of a culture similar to traits being core to a person’s personality. A second, connected perspective focuses on practices. House et al. (2002) reported that societal behaviours, practices and policies, are result of enacted values. The first, societal behaviour values-view of culture asks respondents to indicate how much they value and desire a certain thing (cf. Schwartz, 1992; Hofstede, 2001). The second, practices view of culture asks respondents to describe their society as they presently perceive it to be regarding ‘common behaviours, institutional practices, proscriptions and prescriptions’ (House et al., 2002,). In interpreting cultural data one has to keep in mind that ‘cultures are not king-size individuals. They are wholes, and their internal logic cannot be understood in the terms used for personality dynamics of individuals. (Hofstede, 2001). Concerning cultural practices and entrepreneurship Stephan and Uhlaner (2007) found high humane orientation and low assertiveness practices to be associated with national rates of new business formation and established businesses, policies.
Minniti & Bygrave (2001) emphasized that learning from positive as well as negative experiences is essential for successful entrepreneurial behaviour. As Argyris (1992) emphasized the positive influence of a learning culture in organizations repeatedly (e.g., Argyris, 1992). Recent research by van Dyck, Frese, & Sonnentag, (2005) found that companies that foster a culture of learning from mistakes perform better than companies that do not. Beside these two perspective Minniti & Bygrave (2001) that the owner’s learning orientation is also related to business success in small firms.

Rosenberg (1979) stated that the idealized image is similar to a child who is born with a certain potential but requires favorable environmental conditions in order to realize this potential. Rosenberg (1979) emphasized that it is important to understand the nature and the self presentation that may be strongly influenced by social and historical factors. Rosenberg (1979) self-presentation involves conformity to social rules and norms.

The assertion that there is a greater predisposition or propensity towards entrepreneurship in some societies than others, indicated towards implicit role of culture. Thomas & Mueller (2000) quote Weber's (1904) statement that at the society level, differences in entrepreneurial activity were determined by cultural and religious factors. They also quote McClelland (1961) who suggested that socialization factors such as parental influences determine the need for achievement, which in turn generates entrepreneurial propensity within a society. Maasdorp & Van Vuuren (1998) propose a model that includes the population (society, supporting and cooperative environments to determine the number of entrepreneurs entering the economy through venture start-ups. Meuller & Thomas (2000) conclude that some cultures are more conducive for entrepreneurship than others.
Neighborhood related influences and Entrepreneurial orientation: Mayer & Jencks (1989); Katz, Kling & Liebman (2001), in an extensive literature on neighborhoods had reported about the profound effects that the neighborhood peers have on individuals, where as Hallinan & Sorenson (1983) and Sacerdote (2001) on the basis of culture educational literature had emphasized that peer quality and behaviour are important determinants of students’ outcomes. Ichino & Maggi (2000), on the other hand, reported that workplace peers have a significant impact on employee shirking and productivity. Consistent with this evidence, several studies have attributed regional and firm level variation in the role of entrepreneurship due to peer influence at the individual level (Saxenian, 2000; Klepper 2001; Gompers, Lerner & Scharfstein, 2005).

Peer effect and Entrepreneurial orientation: Aldrich (1999); Romanelli & Sohoonhoven, (2001); Sorenson & Audia (2000) and Shane & Khurana, (2003) emphasized the entrepreneurial processes and account for variation in the role of entrepreneurship as a function of different access to information about entrepreneurial opportunities and the resources needed to launch a new venture. Since access to both information and resources is often mediated by direct interpersonal contact, one would expect that the composition of an individual’s peer group influences increase the likelihood of entrepreneurial entry.

Ample researchers had strongly emphasized that peer social influences play an important role in both opportunity identification and socialization to entrepreneurship. These researches also reported that peers play a central role in the diffusion of ideas, attitudes and behaviour as it was intensively studied that friends and acquaintances influences the adoption of new technologies and the spread of managerial fads and fashions (Coleman, Katz & Menzel 1966; Burt 1987).
Prominent accounts of entrepreneurship emphasize socialization processes that shape individual career aspiration and attitudes toward entrepreneurship. The effect of peer inter-firm mobility is consistent with research arguing that the movement of individuals between firm entails the flow of knowledge and perspective (Sorenson 1999; Almeida & Kogut 1999). The effect of peer entrepreneurial experiences imply that the cost of exiting entrepreneurship have indirect consequences for the rate of entrepreneurship, and help explain why regions may simultaneously display high rates of firm founding and failure (Sorenson & Audio, 2000). A stigma of failure attached to entrepreneurship may thus affect not only the cost benefits analysis of people considering entrepreneurship (Landier 2005), but also the supply of perspective entrepreneurs itself.

These goals, aspirations and beliefs like other individuals attitudes (Coleman, Katz & Menzel 1966; Burt 1987) were influenced by the composition of an individual’s peer group. Peers may alter it in two ways by structuring the access of individuals to information and resources that aid in the identification of entrepreneurial opportunities and by changing individuals perceptions of the values of entrepreneurship as career choice, (Freeman 1986; Burton, Sorenson & Backman 2002; Dobre & Barnett 2005; Gompers, Lerner & Scharfstein 2005; Sorenson 2007a).

Several recent studies had explained the characteristics of the firms that motivate individuals work for to their subsequent entry into entrepreneurship, and suggest that peer effects may play main role in explaining some of this association (Saxenian 2000, Klipper 2001, Gompers, Lerner, & Scharfstein 2005, Sorenson 2005). An individual with co-workers who were former entrepreneurs may benefit from social capital advantages, as their colleagues may share contacts with relevant resource providers. Consistent with this, one
line of arguments points to the importance of exposure to individuals with entrepreneurial experience. For example, Gompers, Lerner & Scharfstein (2005) argue that exposure to colleagues who have themselves been involved in startup may help an important role in understanding why certain firm spawn more entrepreneurs after training than others.

An individual’s career experiences affect his or her own entrepreneurial behaviour and outcomes through their impact on access to information and ideas (Sorenson & Audia 2000; Shane 2000; Klepper, 2001) and access to resources (Burton, Serenson & Beckman 2002). These career experiences not only exert a direct effect on the individual, but also 'Spill over' to co-workers by influencing the informational and normative environment in which individuals make entrepreneurial entry decisions.

**General environment related influences and Entrepreneurial orientation:** Burton, Saremen & Beckman (2002) and Gompers, Lerner & Scharfstein (2005) suggest that the immediate work environment plays a central role in shaping entrepreneurial activity. The central claim of this research is that environment may shape the exposure of individual to entrepreneurial opportunities as well as influences their desire and willingness to pursue those opportunities (Freeman 1986; Carroll & Mosakowski 1987; Thoruton 1999; Shane 2000; Romanelli & Schoonhoven 2001). The career experiences of an individual may shape the exposure to entrepreneurial knowledge and opportunities, as well as the desire and willingness of individuals to leave paid employment for entrepreneurship (Saxenian 1994; Sorenson & Audio 2000; Gompers, Lerner & Scharfstein 2005).

According to Gorden (1991) dynamic environments as opposed to stable ones elicit specific organizational responses and give rise to specific values and
patterns of behaviour. One can expect firms competing in dynamic environments to value innovation, risk taking and flexibility while firms competing in stable environments tend to value institutionalizations and specialization. Aardt & Aardt (1997) also reported similar findings.

Other research, from the United Kingdom, suggests that the probability of self-employment depends positively on whether an individual ever received an inheritance or gift (Blanchflower & Oswald, 1998) suggesting that the availability of start-up capital is paramount. A study conducted in Korea found that profitability as an entrepreneur, however, may be a function of whether an entrepreneur has prior experience in a relevant line of business and more education (Jo & Lee, 1996). In addition, actual involvement in starting a new firm (as distinct from personal descriptions of being simply self-employed) was found to be far more prevalent among younger individuals, aged 25–34 years, in the United States (Reynolds, 1997).

The results of many studies have supported the relationship between entrepreneurial orientations and firm performance (Covin & Slevin 1989; Lumpkin & Dess 1996; Becherer & Maurer 1997; Dess et al. 1997; Wiklund 1999; Lee and Peterson 2000; Dilts and Hanlon 2002; Hughes & Morgan 2006; Lee & Sukoco 2007; Lee & Lim 2008). Many of these studies maintain that entrepreneurial orientation is strongly related to performance only when it is combined with proper strategy and environment (Covin & Slevin 1989; Lumpkin & Dess 1996; Dess et al. 1997; Dilts & Hanlon 2002).

Lumpkin & Dess (1996) argued that the relationship between entrepreneurial orientation and firm performance is context specific. Dess et al. (1997) later examined the nature of entrepreneurially oriented strategy making and its relationships with strategy, environment, and firm performance. Covin and Slevin’s (1989) results were consistent with those of Dess et al. (1997).
Dilts & Hanlon (2002), however showed that entrepreneurial orientation is related to performance among small firms, specifically in hostile environments.

Entrepreneurial orientations are culturally conditioned and influenced by the environment (Thomas & Mueller, 2000). Orientations include affective (e.g., enjoying risky situations), cognitive (e.g., accurate risk analysis), and behavioural (e.g., acting in a risky way) components (Eagly & Chaiken, 1993) that become apparent in, an individual’s orientation towards risk taking. Attitudes, in contrast, are alterable evaluative preferences (e.g., Ajzen & Fishbein, 1977; Petty, Wegener, & Fabrigar, 1997) that are based on affect and cognitive beliefs (Petty et al., 1997, Ajzen, 2001). An orientation’s main distinction from attitudes is, thus, its strong emphasis on behaviour and that evaluative preference not necessarily required. Owner’s learning orientation is also related to business success in small firms (Minniti & Bygrave, 2001). In addition, Cromie (1985) found that the need for autonomy and more money were more important motivating factors for women entrepreneurs, the educated generation is more interested in becoming entrepreneurs.

Binks, et. al (2006) claimed that understanding and developing entrepreneurship requires an integrated research and teaching effort. This is consistent with the claim made by Shook et. al (2003) that entrepreneurship is about entrepreneurial individuals interacting with their environment to discover, evaluate and exploit opportunities.

Deficiencies in the ‘internal environment’ are the major cause for failure of entrepreneurial orientation and revolve around management skills, financial knowledge, lack of expertise in functional areas such as marketing, human resource management (Ligthelm & Cant 2002). Some of the problems emanating from these factors include specific management issues such as a lack of business management training and skills as well as a limited family
business culture Other reasons for failure include the inability to act as entrepreneur, to control business growth and overemphasis on financial rewards. Management actions and behaviour which are lacking are inability to set strategic goals, plan forward, reluctance to seek advice, lack of management commitment and unwillingness to adapt to change (Ligthelm & Cant 2002).

**Media influences and Entrepreneurial orientation:** The term media referring to those organized means of dissemination of fact, opinion, and entertainment such as newspaper, magazines, cinema, films, radio, television and world wide web. In the context of effects of media on entrepreneurship a survey was conducted to search for journal articles and books in the English language published between 1971 and 2004. Invariably media influence on entrepreneurial activities was found unique and significant. Media was found to play important role in influencing the entrepreneurship phenomenon by creating a discourse that transmits values and images ascribed to entrepreneurship phenomenon, by creating a career promoting entrepreneurial practices and by encouraging an entrepreneurial spirit in the society (Caves, 2000).

Rac (2002) investigated the entrepreneurial emergence by conducting a narrative study of entrepreneurial learning independently owned media business. Garnier & Gasse (1990) documented a training program which took place in Quebec, Canada through a newspaper, resulting in the creation of 32 new businesses by the participants in the course. In the same vein, another work that has done to explore the role media plays in influencing the entrepreneurship is the project studied by Salo(1992).

**Exposure to social skills and Entrepreneurial Orientation:** Perhaps, a good starting point for developing a model of entrepreneurial 'street smarts' (social
intelligence) can be found in the work of Robert Baron (2000) on social skills that relate to entrepreneurial success. Baron (2000) has identified specific social competencies that are likely to play a role in an entrepreneur’s success. These competencies encompass the ability to correctly gauge the current moods or emotions of others, proficiency in inducing positive reactions in others by enhancing one’s own appearance and image (i.e., impression management), effectiveness in persuasion, and the ability to adjust to a range of social situations with a range of individuals (social adaptability). These interpersonal skills contribute to the accumulation of personal social capital. Social capital is defined as the actual and potential resources that individuals gain from knowing others, being included in social networks, and possessing a positive reputation. As suggested by Baron (2000), a social skills training emphasis for entrepreneurs should include giving feedback on current social skills (e.g., by creating videotapes, with critiques, of interactions with others) and training in active rehearsal techniques (e.g., on public speaking and interviewing). Additionally, the effectiveness of entrepreneurial training may be enhanced by incorporating techniques from the domain of assessment centers. For example, techniques such as in-depth interviews, decision-making exercises (such as modified in baskets that reveal decision-making style), test batteries, role-plays (that reveal interpersonal tendencies), and situational tests (that can reveal preferred responses to stress), can be employed to assess an individual’s strengths and weaknesses, and to suggest areas where a person needs counseling and greater skill development. The benefits of such extensive assessment and subsequent skills training should be of particular value to minorities and women, who will continue to grow as a proportion of the U.S. workforce (Judy & D’Amico, 1997), but who have comparatively lower rates of entrepreneurial involvement and who may lack role models and
understanding of how best to launch new firms (Fairlie & Meyer, 1996; Anna, Chandler, Jansen, & Mero, 2000).

According to Nahapiet & Ghoshal (1998) social capital can be defined as the accumulation of the actual and potential resources embedded within, available through and derived from the network of relationships possessed by an individual or social unit. Social capital can be seen as a relation stabilizer in long term interactions, when members begin to have confidence in each other and spend fewer resources in maintaining present relations (Ring & Van de Ven, 1994). The roles of social capital on innovation and on competence upgrading have been discussed intensively in the literature (Burt, 1997; Tsai & Ghoshal, 1998; Gold et al., 2001). Tsai (2000) suggested that social capital is an important factor for assisting the organization to create value. As a country, Taiwan has gained success by implementing policy to stimulate an entrepreneur spirit in the nation (Bedeski, 1998).

Aldrich & Wiedenmayer (1993) suggest that the sociopolitical environment may be so powerful to create or destroy entrepreneurship in a country. Covin & Slevin (1989) also consider environmental factors to be a reasonable start point for any analysis of entrepreneurship. They alleged that external variables moderate the relationship between entrepreneurial posture and firm performance. Covin & Slevin (1989) also pinpointed the idea that the external environment can be operationally defined in terms of forces or elements that are too numerous to incorporate in a specific sense into a single model.

Although economic, social, and political factors, which create the overall climate for new economic initiatives, play an important role in the development of entrepreneurship (cf Douglas & Sheperd, 2000), the emergence of a new firm depends, in the final analysis, on the decision of the person who
intends to undertake the task. At the same time, comparatively few individuals make such a decision and many new firms collapse (Blanchflower, 2000). Despite the development of psychological research on the entrepreneurial process we still know little about the entrepreneur’s role (Phan, 2004; Sarasvathy, 2004).

Stanley (2000) reported survey results for individuals who were unquestionably wealthy (i.e., with an average household net worth of $9.2 million). High on the list of self-reported success factors were being well-disciplined and having a supportive spouse. Of special relevancy to the present review are the results for a segment of survey participants who were business owners/entrepreneurs (32 per cent of the total sample of 733 individuals). Compared to the other occupational groupings of senior corporate executives, attorneys, physicians and others, the business owners/entrepreneurs revealed the lowest percentage of those who indicated having a high IQ/superior intellect as an important success factor. In addition, this same job category had the highest relative percentages indicating the following factors as being important: getting along with people, having strong leadership qualities, having an ability to sell ideas and products, ignoring the criticism of detractors, and seeing opportunities others fail to see.

**Vocational interests and Entrepreneurial orientation:** Empirical work has supported the view that early vocational interests and aspirations generally are good predictors of later occupational choices (McLaughlin & Tiedeman, 1974, Trice & McClellan, 1993; Schoon & Parsons, 2002). It is plausible to assume, therefore, that many individuals who are interested in entrepreneurial activities as adolescents not only become self-employed eventually, but that they are among those who start their ventures at an early age.
To understand the way entrepreneurial competencies function in achieving success across situations and the business life cycle, the distinction between ‘weak’ and ‘strong’ situations is very helpful (Mischel, 1973 & Markman 2007). The concept of ‘weak' and 'strong' situations refers to the external conditions determining whether high or low levels of expression of individual differences will occur. In a ‘strong’ situation peoples’ roles are well defined, unambiguous hierarchies exist and there are clear rules, norms and regulations.

**Influence of Education and Entrepreneurial orientation:** The entrepreneur’s level of education is positively associated with a firm’s survival rate (Cooper, Dunkelberg & Woo, 1988) and that managerial knowledge brought from a previous firm, coupled with experience of prior startups contribute to success. The term human capital consists of knowledge, skills as well as personal make-up and includes experience gained. Finally, in the October of 2006, the conference on Entrepreneurship Education in Europe. “Fostering entrepreneurial mindsets through education and learning” held in Oslo, has produced a final agenda that indicates clearly the strategies that European countries need to realize in education and learning. This document contains the important guidelines to improve entrepreneurial mindsets in others countries too.

Ibrahim & Soufani (2002) makes a distinction between courses offered on specific business functions such as accounting, marketing, finance and human resources, and entrepreneurial education which places an emphasis on decision making skills and this view is supported by Ladzani & Van Vuuren (1999).
The Research on career behavior suggests that age, education and career dependency are examples of personal barriers to entrepreneurship. Recognizing the barriers, it is likely that entrepreneurial education be refocused in an attempt to enhance the formation of entrepreneurial intentions (Pihkala & Vesalainen, 2000).

Entrepreneurship education may act on the elements of the entrepreneurial process, but to a different extent, and with distinct instruments (Guzman & Linan, 2005; Linan, 2007). Its major role will be preparing the person for successfully attempting the start-up. In this sense, intention models (Ajzen, 1991) provide a very promising tool to explain the decision to become an entrepreneur, and the variables that affect it (Linan, 2004; Fayolle & DeGeorge, 2006).

According to Sexton & Kasarda (1992) entrepreneurship education lacks an accepted paradigm or theories, which can assist the trainer and educator to include material which will as Timmons (1994) reports convince the student to become actively involved in entrepreneurship, understand the dynamic world of entrepreneurship, and, slow down the reality shock of the real world by means of formal tuition.

Purposeful education enhances students’ entrepreneurial efficacy through providing them attitudes, knowledge and skills to cope with the complexities embedded in entrepreneurial tasks such as opportunity seeking, resource assembling, and leading the business to success (Wilson, Kickul & Marlino, 2007). In fact, education enhances entrepreneurial efficacy of students through providing experience of mastery, role models, social persuasion and support by involving them in hands-on learning activities, business plan development, and running simulated or real small business (Fiet, 2000; Segal, Borgia & Schoenfeld, 2005). Furthermore, education plays a crucial role in
developing students’ entrepreneurial efficacy through involving them in various entrepreneurial activities and increasing their desirability to step into venture creation by highlighting the merits, values and advantages of entrepreneurship (Segal, Borgia & Schoenfeld, 2005); as well as encouraging and supporting them to start-up their own business. Hence, improving student’s entrepreneurial efficacy enables them to put more efforts over a longer time, persist the challenges and develop plans and strategies to achieve higher entrepreneurial goals (Shane, Locke & Collins, 2003). In addition, higher entrepreneurial efficacy is associated with higher intention to become an entrepreneur (Segal, Borgia & Schoenfeld, 2005). Although, there are few empirical evidences on the influence of entrepreneurship education and training on entrepreneurial efficacy (Chen, Greene, & Crick, 1998).

Kuratko (2005) claimed that participation in entrepreneurial training programs has been associated with changes in attitudes and intentions towards entrepreneurship and they need proper teaching strategies compatible with the student-centered approach. A study conducted by Meng & Liang (1996) involving entrepreneurs in Singapore disclosed that successful entrepreneurs have higher ‘education levels’ compared to that of unsuccessful entrepreneurs. Seventy percent of successful entrepreneurs are university graduated, while 23 percent are not. According to Staw (1991), Katz (1994), and Meng & Liang (1996), after entering the entrepreneurial world, those with higher levels of education are more successful because university education provides them with knowledge and modern managerial skills, making them more conscious of the reality of the business world and thus in a position to use their learning capability to manage business. Robinson & Haynes (1991) found that educational services were widely spread throughout the segment of entrepreneurship but most were relatively underdeveloped. While
entrepreneurship development has come a long way in the past thirty years it still has a long way to go. This research will determine the need for this type of development in the designated area. Cooper et al., (1988) suggest that 67 per cent of new businesses fail within 4 years due to lack of managerial business knowledge and skills.

Schamp & Deschoolmeester (1998) studied the survival rates of two groups of entrepreneurs. One group had received ‘management training’ and the other group did not. Firstly, they found that the trained entrepreneurs started businesses at a younger age, the difference on average being about 6 years. Secondly, the management training seemed to indicate higher growth attitude patterns in the development of the businesses. A further finding was that the management trained entrepreneurs were more motivated to take up the challenge of an opportunity than the others. In other words entrepreneurs that had prior business knowledge and skills were starting up businesses at a younger age with more confidence. This study will attempt to determine the relationship between academic qualifications and number of business Startups.

Research by Pretorius (2001) focuses on a need for more businesses and start-ups hence a need for training and learning. The findings indicate that the skills and knowledge related to a venture start up are fairly easy to transfer, however, it is the actual start-up edge or commitment whereby the applicant takes responsibility that is difficult to transfer in a learning process. This supports the research by Schamp & Deschoolmeester (1998) i.e. formal education plays a role in the confidence levels for startups but not necessarily in preventing failures.

The low usage of the internet for competitor analysis and advertising may indicate a low perceived threat from competition. The above conclusions support other research and the plight of the micro and small business owners
appears to be similar to that of their counterparts in other countries as cited by many authors (Ladzani & Van Vuuren, 1999; Storey, 2002; Henry, 2004).

The decision to become an entrepreneur may be plausibly considered as voluntary and conscious (Krueger et al., 2000), it seems reasonable to analyze how that decision is taken. In this sense the entrepreneurial intention would be a previous and determinant element towards performing entrepreneurial behavior (Kolvereid, 1996). Keeping in mind that creating a new company requires time, involving both considerable planning and a high degree of cognitive processing, the entrepreneurial behavior could be considered as a type of planned behavior for which the intention models are ideally convenient (Bird, 1988; Katz & Gartner, 1988; Krueger et al., 2000). Several models aiming to explain entrepreneurial intention have been developed, such as the Entrepreneurial Event Model of Shapero (1982), the Model of Implementing Entrepreneurial Ideas (Bird 1988) or Maximization of the Expected Utility (Douglas and Shepherd 2000). Theory of Planned Behavior (TPB, Ajzen, 1991) has become the most frequently used theoretical framework in recent studies of entrepreneurial intention (Alexee & Kolureid 1999; Krueger, Reilly & Carsrud 2000; Audit 2002; Autio et al. 2001; van Gelderen et al. 2006).

**Influence of Motivation, demographic variables and Entrepreneurial orientation:** It has been found that motivation and demographic variables contribute significantly to the entrepreneurial intention in women (Vijaya, 2000). Hence, both motivation and environmental influences play a crucial role in entrepreneurship. An in-depth understanding on the influence of these variables will be useful to understand the complex phenomenon of entrepreneurship.
Apart from that the desire to control, need for achievement, to improve the financial situation, desire to be independent and the need for job satisfaction are also some notable motivating factors (Scott, 1986). Desire for greater life flexibility, seeking challenges, fulfilling a long-felt desire or escaping from organizational glass ceiling are also among the motivation factors that lead women to start-up their own businesses (Lee and Rogoff, 1997).

According to the Global Entrepreneurship Monitor project the ‘entrepreneurial framework conditions’ which are immediately relevant for small and medium-sized businesses as well as for the existence and perception of entrepreneurial opportunities (and thereby for new firm formation) are capital availability, government policies, government programs, education and training, research and development transfer, commercial and legal infrastructure, internal market openness, access to physical infrastructure, as well as cultural and social norms (cf. Minniti, Bygrave & Autio, 2006).

Above discussed studies relating to exposure of adolescents to various external conditions show that it tend to influence and shape the development of entrepreneurship. How it is going to effect the development of entrepreneurial orientation has been addressed by some researchers but with confusing results and equivocal findings. Another limitation of these studies has been that only specific factors of the exposure were taken up for investigation. The complete picture of taking into consideration the effect of exposure to various factors in totality is missing. Hence in the present investigation the following hypothesis has been framed for empirical investigation.

- **Entrepreneurial exposure will be positively related to entrepreneurial orientation.**
An attempt has been made in the preceding section to present review of available empirical studies in the context of entrepreneurial orientation and parenting, personality, and exposure factors. It has been observed that in most of the studies researchers preferred to focus on the limited aspect of a given factor. Though various factors were taken up for investigation by different researchers, no attempt was made to investigate the influence of factor relating to parenting, personality and exposure in totality. The equivocal nature of findings relating to these specific factors might be due to the narrow base of studies as well as lack of control needed to arrive at generalizable conclusion. Taking leads from the vast empirical literature relating to parenting styles factor, personality and exposure to external conditions the following hypotheses have been formed for investigation.

- Authoritative parenting style would have positive relationship with entrepreneurial orientation of adolescents.
- Authoritarian parenting style would have negative relationship with entrepreneurial orientation of adolescents.
- Permissive parenting style would have negative relationship with entrepreneurial orientation of adolescents.
- Extraversion would have highly positive and significant association with entrepreneurial orientation as compared to neuroticism in adolescents.
- Openness to experience and conscientiousness would be positively associated with entrepreneurial orientation of adolescents.
- Agreeableness and entrepreneurial orientation would be positively associated.
- Entrepreneurial exposure would be positively related to entrepreneurial orientation.