

# ENTREPRENEURSHIP AND CREATIVITY. A COMPARATIVE STUDY

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**Abstract:** *The paper aims to present a comparative study between researches' study results from 2009 and a researches' study results conducted during 2013 among the same students of "Transilvania" University of Brasov. The studies were conducted in order to compare their opinion regarding the link between creativity and entrepreneurship, considering the role of creativity within the word of business.*

**Key words:** *entrepreneurship, creativity, study.*

## 1. Introduction

The definition of entrepreneurship is a process through which individuals identify opportunities, allocate resources, and create value.

This creation of value is often seen through the identification of unmet needs or through the identification of opportunities for change.

A successful entrepreneur see "problems" as "opportunities" first, then take action to identify the solutions to those problems and the customers who will pay to have those problems solved.

Entrepreneurial success is function of the ability of an entrepreneur to see these opportunities in the marketplace, initiate change (or take advantage of change) and create value through solutions.[1] "

"Creativity is the process of bringing something new into being...creativity requires passion and commitment.

Out of the creative act is born symbols and myths. It brings to our awareness what was previously hidden and points to new

life. The experience is one of heightened consciousness-ecstasy."[2]

Considering this context, innovation is the way a certain firm or an individual makes money from applying creativity [3], [4], [5].

All actors, organizations, their managers and other employees seek to create original ideas and concepts that will end up as innovations, such as new or enhanced products or services.

Thus creativity is the process of generating something new that has value and before innovation, one must use creativity.

As for the link between creativity and entrepreneurship – starting new businesses - most students and most people think that in order to start a business, one need a lot of money, but that is not necessarily true since the entrepreneur has to have many other qualities, like being creative.

"Entrepreneurship is more than simply "starting a business."

Entrepreneurship has been regarded as a major topic in the theory and practice of economic growth and development.

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## 2. Theoretical background

At its core, entrepreneurship is starting a business from scratch, which includes everything from idea conception to managing the company for the long term.

Also, communication skills: as entrepreneurs should be able to explain, discuss, sell and market their goods or service. Marketing skills: good marketing skills, which result in people wanting to buy goods or services, are critical to entrepreneurial success.

Interpersonal skills are also needed, meaning the ability to establish and maintain positive relationships with customers and clients, employees, financial lenders, investors, lawyers and accountants, among others, is crucial to the success of the entrepreneur's business venture. Basic management skills, as even if entrepreneurs hire others to deal with the day-to-day tasks of the business, entrepreneurs need to know whether their company has the correct resources.

Leadership skills: the ability to develop a vision for the company and to inspire employees to pursue it is imperative for success.

Many of history's top business leaders earned their success through entrepreneurship. This includes: Henry Ford, Walt Disney, Coco Chanel, Ray Kroc, John Rockefeller, Mark Kay Ash, P.T. Barnum and Estee Lauder. Mark Cuban, Richard Branson, Bill Gates, Oprah Winfrey, Donald Trump, Martha Stewart and Russell Simmons are among today's most successful entrepreneurs. The list includes Anita Roddick, founder of The Body Shop, who believes entrepreneurship is all about survival.

While many workers used to focus on becoming corporate leaders, new studies show entrepreneurs are paving the way for the next generation of business innovators.

While the goal is always success, accomplished entrepreneurs must be prepared to move on to the next venture should one not work out.

"I have not failed," Thomas Edison once said. "I've just found 10,000 ways that won't work."

The evolution in scholarly views of entrepreneurship is reflected in the categories of behavioral, occupational, and synthesis definitions. Schumpeter [5] famously defined the entrepreneur as the coordinator of production and agent of change ('creative destruction').

Behavioural definitions also stress the risk-taking dimension of entrepreneurship. The entrepreneur as one who 'manages the production function' by paying workers wages (which are more certain than profits) and shouldering the risks and uncertainties of production. Such definitions are seen as very relevant for developing country contexts characterized by high risk and uncertainty [3].

Entrepreneurial ability can be allocated towards productive, unproductive, or even destructive activities [3]. He defines entrepreneurs as 'persons who are ingenious and creative in finding ways that add to their own wealth, power, and prestige'.

As a resource, entrepreneurship has the instrumental value that it is accorded in economics; as process it accords to the attention given in management studies on the start-up, growth and exit of firms and as state-of-being it recognizes that entrepreneurship is not limited to being instrumental, it is often valued in itself (as will be explained in greater detail below). This definition emphasizes the process value of entrepreneurship and describes entrepreneurial opportunities in a broader sense than is usual in the literature. For instance, Shane and

The entrepreneurship also is 'opportunity' as when goods can be sold at

a profit [4]. From a development perspective this is inadequate because it implies that utility from entrepreneurship depends only on monetary gains. 'Opportunities' should include situations when persons can create new firms that will further the kind of lives they desire.

Their use of the adjective 'positive' in relation to opportunities reflects a subjective assessment that while entrepreneurial ability may be allocated to destructive activities it should not be defined as entrepreneurship if it detracts from either individual or societal welfare.

Whereas scholars viewed entrepreneurship initially as being restricted to innovation and business creation, the view has expanded towards one where entrepreneurship is seen more appropriately as a social phenomenon that reflects the broader institutional characteristics of a society.

Entrepreneurship is not only concerned with business success, as measured by profits, but also with subjective welfare and non-economic wellbeing. Entrepreneurship is a catalyst for structural change and institutional evolution.

### 3. Objectives of the comparative study

In order to study the link between creativity and entrepreneurship, there were conducted two studies, in 2009 and 2013 on a the same sample of 999 students of Transilvania University of Brasov, aged between 18 and 24, all of them having as a goal starting a new business.

The hypothesis of two studies was that there is a link between creativity and starting a new business, meaning that the entrepreneur must be a creative person.

The objective of the two studies was to establish whether the results were the same in 2009 and in 2013, whether all the entrepreneurs are creative, creativity meaning coming up with new ideas in

order to improve products, services or to find other ways to use them.

The present paper is based on data provided by a questionnaire applied on the same students of Transilvania University of Brasov, both in 2009 and in 2013.

### 4. Methodology of the comparative study

For comparing the results obtained in 2009 with the results obtained in 2013, and also for verifying whether the hypothesis of the studies was correct or not, there were conducted two studies between April and May 2009, and between April and May 2013, on a sample of 999 students from all faculties of *Transilvania University*, all of them willing to start a business.

In 2009, there were used a stratified random sample, because the population – all the students of the university – were stratified considering the faculties, and then it was applied a random proportional selection.

### 5. Analysis of the results

The results of the study revealed that the hypothesis was correct, that there is a concrete link between creativity and entrepreneurship. The results of the study will be presented below.

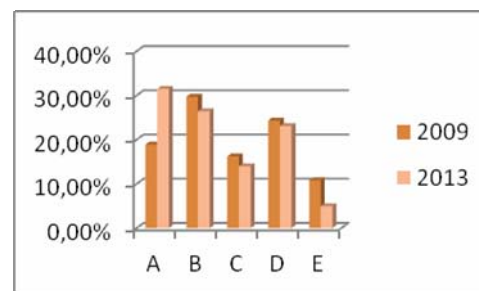


Fig. 1. *Sources of creativity*

The legend means the following: A – experience, B – brainstorming, C – environment, D – it’s in your DNA, F – other sources.

The results of the first question, regarding the sources of creativity, as shown in Figure 1, revealed that both in 2009 and in 2013, the majority, 29.72% and 31.50% thought that creativity is generated by brainstorming. Also 24.32% in 2009 and 26.42% in 2013 thinks that creativity is in your DNA, while few of them said that creativity comes from experience, or other situations, both in 2009 and in 2013.

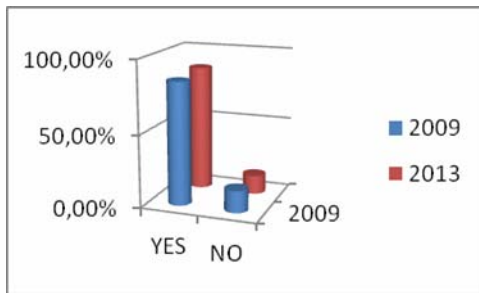


Fig. 2. *Different uses for different items*

The second question, regarding the unusual use of a usual item, revealed, according to Figure 2, that most of the respondents (84.8% in 2009 and 87% in 2013) said that they have thought of unusual uses of different items.

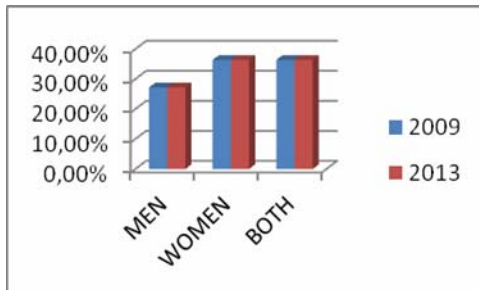


Fig. 3. *Creativity and gender*

The results of this question, regarding the most creative entrepreneurs, according to Figure 3, revealed that most of the students considered that both men and women are equally creative, both in 2009 and in 2013.

The students were asked to establish whether the age was an important factor for creativity or not, and the answers revealed that the respondents thought that the younger they are the more creative people were, according to Figure 4.

Regarding the domains that creativity is the most used, as expected, according to Figure 5, the most answered fields were “Media” and “Art”, both in 2009 and in 2013. These two domains are really requiring a higher demand of creativity, indeed.

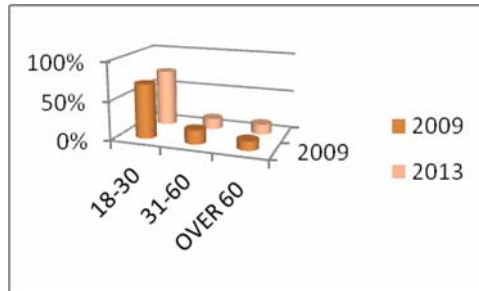


Fig. 4. *The link between creativity and age*

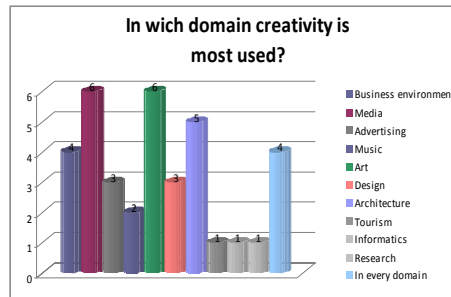


Fig. 5. *Domains of activity and creativity*

These two are followed by architecture, the business environment, design, advertising, music and others, according to

the answers provided by students both in 2009 and in 2013.

In 2009, other findings of the study included the fact that creativity is not dependent on, when starting a business. In 2013, the students said that creativity can be an important factor in leading to success, as applying it during the evolution of the firm can only bring innovation and a constant improve.

The respondents were asked to answer also a question regarding whether creativity helps an entrepreneur in developing his firm.

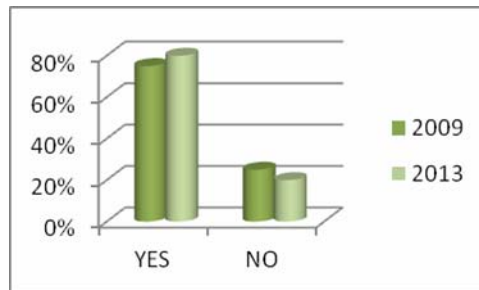


Fig. 6. *The influence of creativity over the development of the firm*

The students responded that it helps – according to figure 6, both in 2009 and in 2013, but there are also required some other qualities as an entrepreneur, not only being creative.

## 6. Methodology of the comparative study

Professors, practitioners and politicians are well aware of the importance of entrepreneurship because businesses conduct to development, a significant part of new employment is created by new firms and often new firms bring ‘productive innovation’ with them.

Both in theory and practice, there have been various studies on the determinants of entrepreneurship. Both in 2009 and in

2013, and still nowadays, much of the literature on entrepreneurship has investigated the characteristics of successful entrepreneurs.

The studies conducted within this paper, for 999 students, the same students both in 2009 and in 2013, undertaken proved that there is a strong relationship between creativity and entrepreneurship, as students consider this, according to the results.

The limits of the study conducted in 2009 are still the same, and are related to the fact that the results may not be extended to the population formed by all the students of the University.

Instead, according to theory [6], [7], [8], [9], there is also a connection between creativity and entrepreneurship, namely the entrepreneur must be a creative person in order to succeed.

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