Bulletin of the *Transilvania* University of Braşov, Special Issue Series VII: Social Sciences • Law • Vol. 9(58) No. 1 - 2016

# ENTREPRENEURIAL TRAITS AND WORK SATISFACTION

## M. R. LUCA<sup>1</sup> A.-M. SIMO<sup>2</sup>

**Abstract:** Personality traits are considered as an important determinant of behaviour and performance. The role of entrepreneurial traits was emphasized rather in the field of independent business activities, than in the work behaviour of the employees. The aim of this study is to answer the following question: Are entrepreneurial individuals more satisfied with their jobs than those not possessing these characteristics? Or do the inherent organizational limitations to innovation and individual autonomy make them feel unhappy? The research conducted on a convenience sample of 215 employees tries to find answer to this question.

**Key words:** entrepreneurial personality, locus of control, proactivity, sex differences.

## 1. Introduction

Entrepreneurial personality is a relatively new area of research, though the idea of individual differences between entrepreneurs and non-entrepreneurs can be traced back to Schumpeter (1923), who considered entrepreneurs as major factors of economic growth. The concept of entrepreneurial personality seems to be launched many decades ago, by Holland (1985). Other authors identified some traits as specific to entrepreneurs: proactivity, achievement motivation, internal locus of control, average risk propensity, tolerance of ambiguity, A-type behavioural pattern, autonomy, internal locus of control, creativity and innovation (Crant, 1996; Kickul & Gundry, 2002; Ward, 2005, Chell, 2008; Weitzel, Urbig, Desai, Sanders & Acs, 2010).

Despite some early contestants of the concept of entrepreneurial personality (Chell, 1985), the last three decades of research led to the growth and diversification of the field. However, discussions on the existence of the entrepreneurial personality continue, most of the researchers considering that there is a distinctive set of characteristics that could be labelled as "entrepreneurial personality", but more data are still needed (Caliendo & Kriticos, 2012). A meta-analysis of Suárez-Álvarez and Pedrosa (2016) indicates that eight personality traits are considered as entrepreneurial in the field literature: achievement motivation, risk-taking, autonomy, self-efficacy, stress tolerance, innovativeness, internal locus of control, and optimism.

These traits, which are present in the general population, drive the behaviour towards being proactive, having initiative, taking risks or tolerating risk, and accomplishing

<sup>&</sup>lt;sup>1</sup> Transilvania University of Braşov, <u>marcela.luca@unitbv.ro</u>

<sup>&</sup>lt;sup>2</sup> Transilvania University of Braşov

individual objectives, which are considered a sort of extension of someone's own personality. Some authors (Markman & Baron, 2003; Dvir, Sadeh, & Malach-Pines, 2010) even consider that the fit between personality characteristics and requirements of the entrepreneurial activity ensures the success of a venture. Despite a common set of characteristics considered in all cultures as being "entrepreneurial", there are studies that identified cultural differences too, meaning that each culture favours specific traits (Gupta & Fernandez, 2008). The study of entrepreneurial personality in various cultures continues to be relevant considering the recent research that indicates that "entrepreneurial talent is more strongly connected with performance in developing economies than in advanced economies" (Mayer-Haug, Read, Brinckmann, Dew, & Grichnik, 2013, p. 1262).

Entrepreneurial individuals tend to be innovative and restless and these traits drive them to choose careers that allow their expression. The organizations impose common aims, objectives, rules, chains of command and control to their employees, that drastically limit individual initiative and autonomy. What happens when individuals having entrepreneurial traits do not assume an independent career as entrepreneurs or self-employed persons and are working as employees? Are they more satisfied with work and life by contributing to the general thriving of an organisation, or do they feel entrapped in an organizational context that opposes their general tendency for innovation?

Some recent research of Serinkan, Kaymakçi, Arat, and Avcik (2013) indicates that, even in large organizations, entrepreneurial behaviour in employees is seen as favourable to increasing the competitiveness and performance at organizational level. Entrepreneurial attitudes such as alertness, in association with proactivity, contribute to career adaptability as well Uy, Chan, Sam, Ringo Ho, and Chernyshenko (2015). In a research on Romanian population, Rus and Sandu (2013) found significant association between some personality traits (stability, integration and dynamism) and work satisfaction.

Work satisfaction is considered one of the main ingredients of life satisfaction, and being happy with ones' work is a key condition for performance motivation. Although there are many external determinants of work satisfaction, such as job characteristics, job outputs, social information processing (comparisons with fellows), individual differences need to be taken into account. Individuals vary in the degree they are satisfied with their work. There are some researches that state the existence of an inherited propensity towards being satisfied with life and work. For example, Arvey, Bouchard, Segal, and Abraham (1989) considered that 30% of the variance in work satisfaction can be attributed to genetic factors. Similar results were found by Judge and Larsen (2001) and Judge and Kammeyer-Mueller (2008), who assert that work satisfaction/ dissatisfaction is a component of a larger trait, which is the disposition towards positive vs. negative affects.

Drawing from Herzberg's two factor theory, Furnham, Forde, and Ferrari, (1999) found an association between low Neuroticism (from Eysenck's three factor model of personality) and Satisfaction (extrinsic factors of work), as well as between Extraversion and the intrinsic factor of Satisfaction. In a later two-study paper, Furnham, Petrides, Jackson, and Cotter (2002) found similar associations for Neuroticism and Extraversion on a larger sample (Study 1), and also a strong association between Conscientiousness (from Big Five) and both intrinsic and extrinsic work satisfaction, and a weaker though significant association between Openness and extrinsic work satisfaction (Study 2). Lee, Wong, Foo, and Leung (2011) found a relationship between work dissatisfaction related to low innovation climate in the workplace and the intention of starting an independent business for IT professionals. As for the relationship between personality traits and work satisfaction, the same authors found a moderating effect of innovativeness on the work-environment to job-satisfaction relationship (p. 124).

## 2. Method

## 2.1. Aims

The present paper is a continuation of previous research (Luca & Cazan, 2011; Luca, Cazan & Tomulescu, 2012; Luca, Cazan & Tomulescu, 2013) on entrepreneurial personality. An Entrepreneurial Personality Inventory was constructed for a Romanian population (Luca & Cazan, 2011) and was tested along with translated and adapted versions of personality tests such as the Proactive Personality Scale and Multidimensional Locus of Control Scale, on students enrolled for entrepreneurial training in a university program, and on a paired sample of not enrolled students. Extending the measures on different samples, such as employed adults is aimed to refine the instrument.

## 2.2. Participants

The population of our research consisted of 215 employees, 86 men and 129 women, with an average age of 37, having different occupations. As for the level of education, 18% had a high school diploma, 61% had a university diploma, 18.6% were postgraduate, and 2.3% with no specified level of education. The entry in the research was based on an informed consent form. The participants were informed about the aim of the research and were ensured of the confidentiality of the data they provide.

### 2.3. Measures

The instruments used were partially the same used in the first research on entrepreneurial personality (Luca & Cazan, 2011). The Proactive Personality Scale (Bateman & Crant, 1993) has 17 items, scored on a 5-step Likert scale. The Romanian version has an internal consistency of Cronbach's alpha of .91.

The Entrepreneurial Personality Inventory, created for our first research, comprises seven scales: Risk propensity (21 items); Social skills (13 items); Business skills (17 items); Creativity (17 items); Independence (17 items); Achievement motivation (17 items); Resource organization (10 items). The items were rated on a 5-step Likert scale, having alpha values for the scales situated between .72 and .88.

The Multidimensional Locus of Control Scale (Levenson, 1981) has three scales of 8 items each: Internal Locus of Control; External Locus of Control–Powerful Others; External Locus of Control–Chance, having alpha values for the scales situated between .77 and .81.

The Job Satisfaction Survey (Spector, 1985; 1997) has 9 scales of 4 items each, scored on a 6 step scale: Pay and remuneration, Promotion, Supervision, Fringe Benefits, Contingent rewards, Operating procedures, Co-workers, Nature of work, and Communication, having alpha values for the scales situated between .39 and .74. The questionnaires were administered on paper (170 participants) and on-line, in a Google-Forms format (45 participants).

## 3. Results and Discussions

H1. Work/job satisfaction is associated with entrepreneurial personality traits: internal LOC, external LOC-others, external LOC-chance, proactivity, social skills

The amount of research data in this field is rich, but mainly focused on the relationship between work/job satisfaction and more general personality factors, as for example the 3factor model of Eysenck or the Big Five, as shown above, in the Introduction section. Lounsbury, Moffitt, Gibson, Drost, and Stevens (2007) working on a large sample of IT professionals, found significant relationships between work satisfaction and assertiveness, emotional resilience, extraversion, openness, teamwork disposition, customer service orientation, optimism, and work drive. For more specific entrepreneurial traits, we can cite Muhonen and Torkelson (2004), who found a negative association between external locus of control and job satisfaction.

Correlations between work satisfaction and entrepreneurial traits Table 1

		Social skills	Achievement motivation			External LOC-Chance	Pro- activity
Work	r	.169	.212	.217	360	231	.190
satisfaction	р	.013	.002	.001	.000	.001	.005
N-215							

N=215

The results on our population show that individuals having a higher level of social skills, achievement motivation, internal LOC, and proactivity, as well as lower levels of external LOC–others and chance, tend to be more satisfied with their jobs, which is partially consistent with the literature mentioned above.

H2. There are differences in personality traits between those with high/ low level of work satisfaction

A more detailed analysis of the relationship between personality traits and work satisfaction indicates significant differences in entrepreneurial traits between respondents with high vs. low levels of satisfaction. The participants were divided into three groups according to their level of satisfaction: low, average and high.

Table 2

Values of t test for mean differences in personality traits according to high/low level of work satisfaction

	Satisfaction	Ν	Mean	σ	t	df	р	d Cohen
Social skills -	Low	77	49.19	5.98	-2.82	141	.005	.477
Social skills	High	66	51.91	5.41	-2.82	141		.4//
Achievement	Low	77	61.69	8.77	-2.99	141	.003	.504
motivation	High	66	65.85	7.69	-2.99	141		
Internal LOC	Low	77	27.90	4.60	-3.84	127 22	.000	.635
	High	66	30.45	3.33	-3.64	137.32		.035
External LOC-	Low	77	22.79	5.34	5.96	141	.000	1.00
Others	High	66	17.68	4.80	5.90	141	.000	1.00

	Satisfaction	Ν	Mean	σ	t	df	р	d Cohen
External LOC-	Low	77	21.84	4.91	3.70	141	.000	.623
Chance	High	66	18.94	4.38	5.70	141	.000	.025
Drug a attention	Low	77	57.53	10.44	2 10	141	.002	.537
Proactivity	High	66	62.82	9.20	-3.18	141		
N=215								

For the same personality traits mentioned in Hypothesis 1 as being associated with work satisfaction, the differences are significant as follows: individuals with higher level of work satisfaction tend to have a higher level of social skills, achievement motivation, internal LOC and proactivity. In the meantime, they have lower levels of external LOC–others and chance. The mean differences are highly significant, at levels of p lower than .005.

#### H3. There are sex differences in entrepreneurial personality traits

Sex differences in personality traits as well as in occupational preferences are already common place. A recent research of Obschonka, Schmitt-Rodermund, Silbereisen, Gosling, and Potter (2013) highlights sex differences in what they call entrepreneurshipprone Big Five profile, but the results differ between the three countries of the study (US, UK and Germany), which leads to the conclusion of cultural influences in personalityentrepreneurial activities fit. In the present population of wage employed, male assess themselves as having significantly higher levels of two entrepreneurial traits: risk propensity and business skills (see Table 3)

Previous researches indicate sex differences in terms of entrepreneurial personality traits. For example, Verheul, Thurik, Grilo, and van der Zwan (2012) assert that women are less interested and less involved in entrepreneurship or self-employment. The issue is whether the sex differences in entrepreneurship are due to the attitude towards risk or to a lower level of business skills. Working on large international samples, Bönte and Jarosch (2011) and Bönte and Piegeler (2013) found significant sex differences in risk-tolerance and competitiveness. Thus women are less inclined to become entrepreneurs or self-employed because they have lower levels of such entrepreneurial traits required by those occupations.

Бел и	ujjerences jor Risk propensity and Business skilis							
	Sex	Ν	Mean	σ	t	df	р	d Cohen
Disk proposity	Male	86	66.66	11.31	- 2.69	213	.008	.373
<b>Risk propensity</b>	Female	129	62.49	11.03	2.09			
Dusiness shills	Male	86	57.01	11.17	- 2.81	213	.005	.387
Business skills	Female	129	52.87	10.15	2.61	215		
NI-015								

Sex differences for Risk propensity and Business skills	Table 3

N=215

The differences are associated to a lower level of entrepreneurial activities of women in all the country samples. Similar results come from Sanchez and Licciardello (2012), who found differences and attitudes in entrepreneurial intentions. The existence of sex differences in entrepreneurial personality traits is present in our population for risk propensity and business skills, and the results are consistent with the above mentioned researches.

#### H4. There are sex differences in work satisfaction dimensions

Tough some papers indicate no sex differences in work satisfaction (Cifre, Vera, Rodríguez-Sánchez, & Pastor, 2013), the differences in our population are significant for only one dimension of work satisfaction, i.e. promotion. Males are more satisfied with promotion prospects in the workplace than women (see Table 4).

Sex differences in work satisfaction								
	Sex	Ν	Mean	σ	t	df	р	d Cohen
Promotion	Male	86	15.05	3.41	2.29	202.53	.023	190
	Female	129	13.86	4.10	2.29	202.33	.025	.489
N-215								

N=215

This is consistent with other researches indicating that men have more chances to be promoted than women, despite the equal chance politics. For the other dimensions of work satisfaction, such as pay and remuneration, supervision, fringe benefits, contingent rewards, operating procedures, co-workers, nature of work, and communication, no significant sex differences were found.

#### 4. Conclusion

Our research highlighted that people possessing higher levels of entrepreneurial traits tend to be more satisfied with their actual jobs than those with lower levels. Even if some authors asserted that being entrepreneurial and dissatisfied with the job are two major causes of choosing to become self-employed or entrepreneur, being proactive, motivated for achievement, possessing an internal locus of control and social skills helps to reach work satisfaction in organizations. Sex differences in entrepreneurial traits found in our wage employed population are consistent with those in researches on latent or nascent entrepreneurs.

Other information may be obtained from the address: marcela.luca@unitbv.ro

## References

- Arvey, R. D., Bouchard, T. J., Segal, N. L., & Abraham, L. M. (1989). Job satisfaction: Environmental and genetic components. *Journal of Applied Psychology*, 74, 187-192.
- Bateman, T.S. & Crant, J.M. (1993). The proactive component of organizational behavior. *Journal of Organizational Behavior*, 14, 113–118.
- Bönte, W. & Jarosch, M. (2011). Gender differences in competitiveness, risk tolerance, and other personality traits: Do they contribute to the gender gap in entrepreneurship? *Schumpeter Discussion Papers*, 2011(1), 1-42.
- Bönte, W. & Piegeler, M. (2013). Gender gap in latent and nascent entrepreneurship: driven by competitiveness. *Small Business Economics*, 41(4), 961–987.
- Caliendo, M. & Kriticos, A. (2012). Searching for the entrepreneurial personality: New evidence and avenues for further research. *Journal of Economic Psychology*, 33, 319–324.
- Chell, E. (2008). *The Entrepreneurial Personality. A Social Construction* (2<sup>nd</sup> ed.). London: Routledge.

- Chell, E. (1985). The entrepreneurial personality: A few ghosts laid to rest. *International Small Business Journal*, 3(3), 43-54.
- Cifre, E., Vera, M., Rodríguez-Sánchez, A. M., & Pastor, M. C. (2013). Job-person fit and well-being from a gender perspective. *Journal of Work and Organizational Psychology*, 29(3), 161–168.
- Crant, J. M. (1996). The Proactive Personality Scale as a predictor for entrepreneurial intention. *Journal of Small Business Management*, 34(3), 42–49.
- Dvir, D., Sadeh, A., & Malach-Pines, A. (2010). The fit between entrepreneurs' personalities and the profile of the ventures they manage and business success: An exploratory study. *Journal of High Technology Management Research*, 21(1), 43–51.
- Furnham, A., Forde, L., & Ferrari, K. (1999). Personality and work motivation. *Personality and Individual Differences*, 26, 1035–1040.
- Furnham, A., Petrides, K. V, Jackson, C. J., & Cotter, T. (2002). Do personality factors predict job satisfaction? *Personality and Individual Differences*, 33(8), 1325–1342.
- Gupta, V., & Fernandez, C. (2008). Cross-Cultural Similarities and Differences in Characteristics Attributed to Entrepreneurs: A Three-Nation Study. *Journal of Leadership & Organizational Studies*, 15(3), 304–318.
- Holland, J. L. (1985). *Making vocational choices: A theory of vocational personalities and work environments* (2nd ed.). Englewood Cliffs, NJ: Prentice Hall.
- Judge, T. A., & Kammeyer-Mueller, J. D. (2008). Affect, satisfaction, and performance. In N. M. Ashkanasy & C. L. Cooper (Eds.), *Research companion to emotion in organizations*. Thousand Oaks, CA: Sage.
- Judge, T. A., & Larsen, R. J. (2001). Dispositional affect and job satisfaction: A review and theoretical extension. *Organizational Behavior and Human Decision Processes*, 86(1), 67-98.
- Kickul, J. & Gundry, L. K. (2002). Prospecting for strategic advantage: the proactive entrepreneurial personality and small firm innovation. *Journal of Small Business Management*, 40, 85–97.
- Lee, L., Wong, P. K., Foo, M. D. & Leung, A. (2011). Entrepreneurial intentions: The influence of organizational and individual factors. *Journal of Business Venturing*, 26, 124–136.
- Levenson, H. (1981). Differentiating among internality, powerful others, and chance. In H. Lefcourt (Ed.), *Research with the Locus of Control Construct* (pp. 15–63). New York: Academic Press.
- Lounsbury, J. W., Saudargas, R. a., & Gibson, L. W. (2003). An Investigation of Personality Traits in Relation to Career Satisfaction. *Journal of Career Assessment*, 45(5), 517–534.
- Luca, M. R. & Cazan, A.-M. (2011). Involvement in entrepreneurial training and personality. *Procedia Social and Behavioral Sciences*, 30, 1251-1256.
- Luca, M. R., Cazan, A.-M. & Tomulescu, D. (2012). To be or not to be an entrepreneur... *Procedia – Social and Behavioral Sciences*, 33, 173-177.
- Luca, M. R., Cazan, A.-M. & Tomulescu, D. (2013). Entrepreneurial Personality in Higher Education. *Procedia Social and Behavioral Sciences*, 84, 1045–1049.
- Markman, G. D. & Baron, R. A. (2003). Person–entrepreneurship fit: Why some people are more successful as entrepreneurs than others. *Human Resource Management Review*, 13(2), 281-301.

- Mayer-Haug, K., Read, S., Brinckmann, J., Dew, N., & Grichnik, D. (2013). Entrepreneurial talent and venture performance: A meta-analytic investigation of SMEs. *Research Policy*, 42(6-7), 1251–1273.
- Muhonen, T. & Torkelson, E. (2004). Work locus of control and its relationship to health and job satisfaction from a gender perspective. *Stress and Health*, 20, 21-28.
- Obschonka, M., Schmitt-Rodermund, E., Silbereisen, R. K., Gosling, S. D., & Potter, J. (2013). The regional distribution and correlates of an entrepreneurship-prone personality profile in the United States, Germany, and the United Kingdom: a socioecological perspective. *Journal of Personality and Social Psychology*, *105*(1), 104–22.
- Rus, M. & Sandu, M. (2013). Personality factors and job satisfaction levels in military staff employed on a contract basis. *Procedia - Social and Behavioral Sciences*, 92, 814–819.
- Sanchez, J. C. & Licciardello, O. (2012). Gender differences and attitudes in entrepreneurial intentions: The role of career choice. *Journal of Women's Entrepreneurship and Education*, 8(1-2), 7-27.
- Schumpeter, J. (1923). *The Theory of Economic Development*. Cambridge, MA: Harvard University Press.
- Serinkan, C., Kaymakçi, K., Arat, G., & Avcik, C. (2013). An Empirical Study on Intrapreneurship: In A Service Sector in Turkey. *Procedia Social and Behavioral Sciences*, 89, 715–719.
- Spector, P. E. (1985). Measurement of human service staff satisfaction: Development of the Job Satisfaction Survey. *American Journal of Community Psychology*, 13, 693-713.
- Spector, P. E. (1997). Job satisfaction: Application, assessment, causes, and consequences. Thousand Oaks, CA.: Sage.
- Suárez-Álvarez, J. & Pedrosa, I. (2016). The assessment of entrepreneurial personality: The current situation and future directions. *Papeles del Psicólogo*, *37*(1), 62-68.
- Uy, M. A., Chan, K-Y., Sam, Y. L., Ringo Ho, M., & Chernyshenko, O. S. (2015). Proactivity, adaptability and boundaryless career attitudes: The mediating role of entrepreneurial alertness. *Journal of Vocational Behavior*, 86, 115–123.
- Verheul, I., Thurik, R., Grilo, I., & van der Zwan, P. (2012). Explaining preferences and actual involvement in self-employment: Gender and the entrepreneurial personality. *Journal of Economic Psychology*, 33, 325-341.
- Ward, T.B. (2005). Cognition, creativity, and entrepreneurship. *Journal of Business Venturing*, 19, 173–188.
- Weitzel, U., Urbig, D., Desai, S., Sanders, M. & Acs, Z. (2010). The good, the bad, and the talented: Entrepreneurial talent and selfish behavior. *Journal of Economic Behavior & Organization*, 76, 64–81.