

A Study of Entrepreneurial Attributes and Leadership Traits of Social Entrepreneurs

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Abstract

Social Entrepreneurship is a new and emerging concept which deals with social welfare and profit earning side by side. Social Entrepreneurs work for dual purposes, the business having profit orientation, in socially beneficial activities. Moreover in developing countries like India, Social Entrepreneurial ventures hold great importance. According to the Global Competitiveness Report 2016-17, India stands at 39th position among 138 countries (Schwab, 2016) and as per World Competitiveness Index for 2018, India has been ranked as 58th most competitive economy from the list of 140 countries. The proportion of early-stage entrepreneurs (18-44 age group) is significantly high (Shukla, Tanuku, Bharti, & Dwivedi, 2016). India is a factor-driven economy (Kelley, Singer, & Herrington, 2016) As per the study there are approximately 2 million social entrepreneurial ventures in India, out of which 53% are engaged in skills development activities, 30% in education, 28% in agriculture/fisheries/dairy, 26% in financial services and 26% in energy and clean technology. Therefore it becomes significant to study the attributes possessed by social entrepreneurs and their leadership traits.). Considering the same, the area for the study is chosen with a deeper understanding with special reference to Rajasthan. As per Forbes, the top five most innovative and impactful Social Enterprises in 2019 are: •The Movement: Me to We •The Godfather: Ashoka •The Financier: Grameen Bank •The Farmer: Babban Gona •The Modernizer: Goodwill

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Introduction

In the 18th century, the old Oxford Dictionary of 1897 defined the term entrepreneur simply as "the director or manager of the public musical institution, i.e., who gets up' entertainments, especially musical performance" (Tandon, 1975). For a very long time, there was no equivalent term for „entrepreneur“ in the English language. Three words were commonly used as synonyms for the „entrepreneur“-undertaker, adventurer, and projector. But these words lacked scientific precision. Schumpeter (1911) made the first attempt to put forth meaning to this word. He considered entrepreneurs as catalysts who disrupt the stationary circular flow of the economy and thereby initiate and sustain the process of development. He viewed entrepreneurship as an economic function. Later several proponents attempted to understand the concept of „entrepreneur“ and „entrepreneurship“.

An entrepreneur is defined by Cole (1959) as the individual or groups, who initiate, manage, and/or develop a profit-oriented organization for the production and/or distribution of economic goods. Based on the above definition the entrepreneurs can be categorized into two groups. The first group which is involved in both production and distribution or production alone can be called non-retailers and the second group which is concerned only with the distribution of goods can be called the retailers.

Retailing is the tap at the end of the pipeline of the supply or distribution channel where the customer finally purchases the product according to his or her

need. The customer can be an individual or even an organization; mostly families are the target customers for the retailers (Rathold et al, 2006). Thus retailing can be defined as an activity whereby products are sold to final consumers after breaking the bulk into small quantities. This definition encompasses many different kinds of organizations such as the small convenience stores, franchisees of some companies, retail supermarkets, fish merchants, street vendors, exclusive stores like pieces of jewelry, electronic shops, etc. The list is large and the variations are many as the retail sector appears to touch us in almost every facet of our lives. It was not the intent of this study to cover all of the retail business variations that exist in our economy and thereby the researcher limited this study to store-based businesses only. However, it is clear that these store-based retail businesses are important to our society

The retail sector yields many positive results like generating more jobs and bringing numerous goods to the consumers at reasonable prices. According to Ernst and Young's report „The Great Indian Retail Story“ (2006) the retail sector is expected to create 2 million jobs by 2010. According to the FICCI-ICICI property services study the retail sector is the largest source of employment after agriculture and has deep penetration into rural India generating 14% of India's GDP (Singhal, 2005). An ICRIER study in 2006 has found that the retail sector employs 7 percent (21 million) of the total workforce in the country. About 4 crore people including the young, senior citizens, and women are employed in retail trade, assuming each person supports

a family of 5, this, implies that about 20 crore people are dependent on this sector. For a vast majority of households, retailing is a euphemism for a marginal existence.

Hypotheses for the study few hypotheses that have emerged from the above reviews which will be investigated in this study are listed below.

1. **H0:** Retail entrepreneurs are likely to be more Loquacious than the non-retail entrepreneurs.
2. **H0:** Retail entrepreneurs are likely to be more sociable than the non-retail entrepreneurs.
3. **H0:** Retail entrepreneurs are likely to be more affect thymic than the non-retail entrepreneurs.
4. **H0:** Retail entrepreneurs are likely to have less ability to deal with complexity than the non-retail entrepreneurs.

Factor I: Self directed personal growth	
(Reliability =)	0.837
1.Old factor 7: Desire for independence (Vs. 4,11)	-0.642
2.Old factor 10: Desire for personal growth (V. 3)	0.646
Variance explained by the factor:	15.35%
Cumulative variance explained:	33.10%

Personality traits: Test of difference between retailers and non-retailers

SL. No	Hypothesis No	Retailer		Non-Retailer		t-stat	d,f
		Mean	SD	Mean	SD		
1	1	3.03	1.067	2.85	0.948	1.737	179
2	2	2.87	0.772	2.75	0.679	1.009	179
3	3	3.26	0.893	3.21	0.811	0.597	179
4	4	3.33	1.242	2.91	1.188	3.467	179

Classification of the retail entrepreneurs based on the annual turnover

Annual turnover	No of respondents	Percentage
Large scale retailers (> 1 crore)	83	46.11
Small scale retailer (< or = 1 crore)	97	53.89
Total	180	100

Factor I: Self-directed personal growth some persons think that when they are working under somebody personal growth will not be there. To them, personal growth will not be there if a person is depending on any other person. So to attain personal growth one must be independent. To be independent self-dependent they select the area of entrepreneurship. They wish to be a self-employed person who depends on self and thus be independent enough to contribute much to their personal growth. Thus they have self-directed personal growth. The thought of working independently or earning from one's own business, being self-dependent, or standing in one's legs gives an individual sufficient independence to earn and grow more. Thus if a person has an urge to grow personally without limits, he tries to be self-employed and self-dependent. These thoughts of self-dependence, self-employment, and personal growth come from within an individual. Thus this is an intrinsic motivating factor.

Beyond the hypotheses: Motivation and demographic characteristics of retailers and non-retailers=>From the analysis of the data relating to the reasons that motivated a person to be an entrepreneur four factors were identified. These factors were classified according to the type of motivation. Extrinsic motivational factors factor II: Extrinsic pressures the name implies it is the pressure from external sources that makes a person enter into the field of entrepreneurship. Extrinsic pressures are thus the factor that pushes a retired person, a person wishing comfort, a person who is forced to leave family businesses into entrepreneurship. Factor I: Welfare for self and family Some persons may be entering into the field of business intending to make more money. They consider business as a tool through which a person can raise his income. Some persons come to entrepreneurship for escaping or freeing from some situations like the frustration of the job, uncertainties in life, etc. There are still others who want to be closer to the family and they enter into the field of entrepreneurship foreseeing the benefits that their family members can get from it or take up the family business. Thus these persons concentrate on the welfare of themselves and his family. Intrinsic motivational factor III: Self-directed personal growth In this case individuals wish to be self-employed persons who have personal freedom and thus they can be self-dependent or independent enough to contribute much to their personal growth. Thus they will have self-directed personal growth.

Factor IV: Innovations and unique ideas for exploiting opportunities some persons have a passion to recognize an existing opportunity in the market and exploit it. They will be entering the business world by developing new ideas, innovations, and initiatives. These ideas will be unique and fully formulated by them and thus they become their boss by taking and implementing their own decisions and thereby controlling their destiny. =>Intrinsically motivated entrepreneurs are more in the non-retail sector this can be because the intrinsically motivated persons have an

internal urge for the selected business and he or she will be in a position to tackle any complications on the way to make their dream into a reality. The pull theory suggests that sometimes a strong internal call generates the willingness to venture without complete assurance of reward, to take initiative amid radical perils and uncertainties (George, 1981).

This internal urge makes them work hard in their respective business and to see whether the hard work is rewarded or not we can check the profitability of the business they own. ⇒ Extrinsicly motivated entrepreneurs are more in the retail sector. This may be because of the ease of entry that this sector provides to the potential entrepreneurs in terms of technical skills, finance, penetration into the market, etc. When the agricultural sector is over-crowded or proper support is not available just like high labor cost and low price for the agricultural products, when it becomes hard to get a good secure job when the manufacturing sector becomes stagnant and the political and economic condition at a place does not favor industrialization, people look for self-employment, seemingly out of circumstances rather than choosing a person becomes a retailer.

Conclusion

In the decision period, they decide to be an entrepreneur or not. At this junction when they decide to be an entrepreneur, the next question that will be thrown before them is what type of an enterprise? The level of education possessed by the potential entrepreneur will play a supportive role during the new venture identification process. The potential entrepreneur will have diverged into retailing or non-retailing based on their ability to deal with complexity. The person who can deal with complexity will prefer non-retailing and the persons without the ability to deal with complexity will prefer retailing. This has been statistically proved in this research statement.

Directions for future research

A field study with a more complete list of policies and strategies on a large sample could be done to measure the ability to deal with complexity possessed by the retailers/non-retailers more accurately. Cross-cultural comparisons of this study could be done to establish that the retailers and non-retailers differ in the ability to deal with complexity universally.

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