

# The 5 Skills and Behaviors That Make Entrepreneurs Successful, According to Harvard Research

Vision, mission, focus, experience, education, emotional intelligence, grit, genetics... what makes an entrepreneur successful? Harvard tells us.



Richard Branson has tremendous passion. Elon Musk sees no limitations. Steve Jobs was relentlessly focused on perfection and the customer experience. Oprah Winfrey and Tony Robbins were determined to build a life of abundance by overcoming poverty and abuse.

What is the secret to successful entrepreneurship? Is it passion? Vision? Focus? Intelligence? Grit?

Harvard Business School (HBS) set out to unpack the answer to this question, which hasn't been easy.

HBS Professor Lynda Applegate, who has spent 20 years studying leadership approaches and behaviors of successful entrepreneurs, shared that it has always been challenging to capture the skills and behaviors of successful entrepreneurs.

"Part of the problem is that people usually focus on an entrepreneurial 'personality' rather than identifying the unique skills and behaviors of entrepreneurs who launch and grow their own firms," she said.

To uncover the most common skills and attributes, the Harvard research team administered a self-assessment to 1,300 HBS alumni, and then a follow-up 360-degree assessment that collected data from the peers of the 1,300 participants.

To prepare for the assessment, the research team combined literary reviews and entrepreneur interviews. Through this analysis, they identified 11 skills and attributes that are common in entrepreneurs. These are:

1. Identification of Opportunities. Measures skills and behaviors associated with the ability to identify and seek out high-potential business opportunities.
2. Vision and Influence. Measures skills and behaviors associated with the ability to influence all internal and external stakeholders that must work together to execute a business vision and strategy.
3. Comfort with Uncertainty. Measures skills and behaviors associated with being able to move a business agenda forward in the face of uncertain and ambiguous circumstances.
4. Assembling and Motivating a Business Team. Measures skills and behaviors required to select the right members of a team and motivate that team to accomplish business goals.
5. Efficient Decision Making. Measures skills and behaviors associated with the ability to make effective and efficient business decisions, even in the face of insufficient information.
6. Building Networks. Measures skills and behaviors associated with the ability to assemble necessary resources and to create the professional and business networks necessary for establishing and growing a business venture.
7. Collaboration and Team Orientation. Measures skills and behaviors associated with being a strong team player who is able to subordinate a personal agenda to ensure the success of the business.
8. Management of Operations. Measures skills and behaviors associated with the ability to successfully manage the ongoing operations of a business.
9. Finance and Financial Management. Measures skills and behaviors associated with the successful management of all financial aspects of a business venture.
10. Sales. Measures skills and behaviors needed to build an effective sales organization and sales channel that can successfully acquire, retain, and serve customers, while promoting strong customer relationships and engagement.
11. Preference for Established Structure. Measures preference for operating in more established and structured business environments rather than a preference for building

new ventures where the structure must adapt to an uncertain and rapidly changing business context and strategy.

## **Five Standout Traits**

Out of these 11, Harvard found that founders scored significantly higher than non-founders for:

- Comfort with uncertainty
- Identification of opportunities
- Vision and influence
- Building networks
- Finance and financial management

Founders had significantly lower ratings for "preference for established structure."

## **Men Versus Women**

HBS also examined the differences between men and women founders:

- Women ranked higher in the dimensions of "efficiently manage operations" and "vision and influence."
- Men ranked higher in "comfort with uncertainty" and "finance and financial management."

## **Serial Versus First-Time Entrepreneurs**

Not surprisingly, serial entrepreneurs have much more confidence than first-time entrepreneurs, having more confidence especially in the areas of "building networks, securing financing and financial management, and generating creative ways to identify and meet market opportunities."

## **The Future of Entrepreneurship, According to Harvard**

As more and more people participate in the assessment, Harvard will be able to tap into the data to learn what entrepreneurs and organizations need in terms of leadership to help them grow.

Researchers will be able to extrapolate data around criteria such as age, gender, country, size of business, industry, type of venture, pace of growth, and many other factors that will shed light on how entrepreneurs are similar and different.

This knowledge will help all business owners tap into their own strengths, and surround themselves with others that can achieve their greatest potential.

<http://www.inc.com/marissa-levin/the-5-skills-and-behaviors-that-make-entrepreneurs-successful-according-to-harva.html>