
Distinctive Traits Seem Tied to True Entrepreneurs

Appeared in the Tri-City Herald August 26, 2001

Some people are born entrepreneurs. As kids, they had the most successful lemonade stands or lawn-mowing services. In high school, they were the ones starting their own computer repair or dog-walking businesses. Some dropped out of business school to transform their classroom assignments into successful ventures. They are constantly inventing better ways of doing things. And, they make money at it.

True entrepreneurs, many experts believe, are genetically hard-wired to create and succeed. Their core personalities—as opposed to acquired skills, knowledge and experience—fuel their drive to innovate and achieve.

What personality traits do successful entrepreneurs have? Local and national business experts shared their views on this intriguing question.

Independence

"Entrepreneurs have an overwhelming need for autonomy, to create their own entities," said Michael Baird, a California-based Internet business founder, inventor and author of top-rated books on high-tech startups. "They feel trapped if they are dictated to or have their roles defined by others," he said.

This independent personality is different than a person who can't get along with others, or who doesn't want to work at all, he noted.

Desire to create wealth

"After the need for autonomy, the desire to create income and wealth is the number two reason people give for starting their own business," Baird said. "These people are not happy if they're not making money."

To achieve true financial independence and freedom, an entrepreneur must aim for a high-growth company, he said. Baird defines high growth as a team-driven firm with annual sales goals from \$10 million to \$100 million per year.

Creativity

Focused creativity is another common trait, according to Baird. "These are people who have a burning desire to create things and succeed. They are always planning and scheming," he said.

The urge to make something new or better is a key characteristic of entrepreneurs, agreed Bill Henderson. He manages the Tri-Cities Enterprise Center, a nonprofit agency that operates incubator facilities in Richland and Kennewick with business mentoring for startup firms. Explained Henderson, "It's the difference between buying a franchise, where you are given a recipe for success, and creating your own product or service with its own market niche."

Persuasiveness

Baird believes that outstanding entrepreneurs are salespeople at heart. "This goes beyond being an inventor," he explained. "It's someone who has a maniacal drive to convince others to join, invest and participate in an idea or venture. They are constantly selling their companies and ideas to customers, prospective employees and investors."

Henderson agreed that an innate ability to influence others is critical. "It's being able to articulate your ideas so that everyone understands," he said. "It's framing things in other peoples' best interests. It's also having a sense of what people are feeling in addition to the intellectual side of things," he said.

Orientation to the future

Entrepreneurs have the ability to step back from the daily grind and envision the future of the enterprise, according to LoAnn Ayers, who directs community outreach and development for Washington State University's Tri-Cities campus. Ayers counsels entrepreneurs through WSU's Business LINKS program and co-owns Kennewick Vision Care with her husband Kevin.

"I call it getting off the gerbil wheel and becoming a mountain goat," she said. "On the mountain, you can see the hazards of the steep terrain and rocks. You can also see where you've been, where you need to go and how to get there." For existing businesses, that includes the ability to see when your competition has shifted and whether the financial return is where it should be, she explained.

"It's creating versus problem-solving," added Henderson. "Thinking ahead instead of just dealing with whatever's in front of your face."

Persistence tempered with self-awareness

A tenacious personality is a must, the three experts agreed. "A true entrepreneur wants to win at any cost, and will not give up," Baird said.

But persistence combined with an inability to take advice can be deadly, Henderson added. "It's like a mule wearing rose-colored glasses," he said with a laugh.

"Some very intelligent people think everything is within their intellectual capabilities," Henderson said. He recalls a former client admitting that he didn't know anything about accounting, but was confident that he could "pick it up over the weekend." Though entrepreneurs are independent by nature, the successful ones also know their limitations and seek out experts to fill the gaps, Henderson said.

Integrity

"Successful entrepreneurs can't work on greed," Baird said. "You can't be sneaky, like concealing the true status of a strategic partner or potential customer, stealing trade secrets and customer lists or not revealing a conflict of interest."

Having a reputation for trustworthiness attracts loyalty in the business community, Baird said. "A good entrepreneur is decisive, but respects others and allows them to save face."