SYNERGIZING PERSONALITY ATTRIBUTES AND PERFORMANCE FOR ENTREPRENEURIAL SUCCESS AND BUSINESS GROWTH

Mrs. MeeraUday*
Dr. R Krishna**
Mr. C. N. Udayashankar***

Abstract:

"Control your own destiny or someone else will" - Jack Welch

*The aforesaid emphatic statement by Jack Welch speaks volumes about entrepreneurs' **personality attributes** to meet the **challenges of Business Growth.** Entrepreneurs effectively utilize their **resources** to achieve **sound economic performance** which is the foundation for profitable results and the progress thereupon. Entrepreneurs face many challenges from the day one of their venturing into the incubation of the Business enterprise till they achieve their business objectives and grow constantly.*

*The dynamic and challenging multistructured activities of enterprise require appropriate controlling and decision making capabilities and effective performance. Eventually, entrepreneurs need a set of Personality attributes in order to be effective & successful. One such important Personality attributes is **Machiavellianism.** Synergizing it with the organisational performance is a real challenge for the entrepreneurs. This research work is focused on understanding the role of Machiavellianism in achieving entrepreneurial success and Business Growth.*

*The current study focuses on the Personality attributes of 100 Medium and Small Scale Entrepreneurs, who manufacture Automotive Components/OEMs and in turn supply to Automotive Component Giant BOSCH Ltd. An **explorative research** was conducted using **survey method** by administering a structured questionnaire to the Entrepreneurs and their responses were collected and analyzed. The research has unearthed that entrepreneurs with higher **Machiavellianism** are found to be more successful. Hence, without any exception, every entrepreneur should have higher **Machiavellianism** to achieve his entrepreneurial success and Business Growth.*

Key words: *Business Growth, Entrepreneurial Success, Challenges, Personality Traits, Machiavellianism.*

***Mrs. MeeraUday,** Professor in Management, Bangalore, Email: udaymeera@gmail.com

****Dr. R Krishna,** Professor in Management and L & D Consultant, Bangalore,
Email: rmservices2000@gmail.com

*****Mr. C. N. Udayashankar,** Director- Techno CNC Pvt. Ltd., Bangalore and Lean Consultant,
Email: uday.129shankar@gmail.com

1. Introduction

Is **Machiavellianism** an attribute for entrepreneurial success? Why is it important?

Achieving excellence and improving on a continuous basis is a basic crux of life. In absence of improvement, life becomes futile and frustrating.

Individuals with higher ambition levels and higher achievement orientation, end up becoming entrepreneurs. Their achievement is just the satisfaction derived out of doing something on their own' itself. Enough reviews & success formula have been deciphered from a large number of entrepreneurs. While there are a large number of entrepreneurs all around, only a sizable number of them have been able to establish themselves well in the sphere of their activities.

Personality attributes play very important role in achieving the Entrepreneurs' success, which is synonymous with his business success.

The demand for success can be fulfilled only when the entrepreneurs are closely involved in satisfying customer requirements - Right product, Right Quantity, Right Quality, at the Right time, Right place, Right Cost, etc., for the right set of customers.

Entrepreneurial success is a combination of three components-**Investor needs, customer needs & entrepreneurial capabilities.** While success is the end result of many ingredients, it is also dependent on the success characteristics of an entrepreneur. **Machiavellianism** is one such important entrepreneurial attribute.

This research work is a sincere effort to identify whether **Machiavellianism** contributes to the entrepreneurial success, sustainability and Growth.

Machiavellianism

- Persons can beclassified into **High Machs and Low Machs**, according to their Machiavellian levels.
- **High Machs** tend to take control, especially in loosely structured situations;
- **High Machs** tend to be more logical, rational and pragmatic than Low Machs
- **High Machs** are often skilled at influencing and coalition building.

It can be viewed in both positive and negative connotations, but, in this research work, it is looked from the positive connotation.

Objectives of the study

Based on the research questions, the researcher set the following objectives for this research work:

- To determine Machiavellian levels among Entrepreneurs of automotive industry suppliers.
- To ascertain the impact of these traits on entrepreneurial success.

Scope of the study

- Personality traits play very important role in achieving the Entrepreneurs' success. This in turn helps to achieve business objectives.
- This demand for success can be fulfilled only when the suppliers/entrepreneurs are closely involved with the customer to supply: Right product, Right Quantity, Right Quality, Right

customer, Right time, Right place, Right Cost, etc.

- This calls for Excellent Entrepreneurship attribute. The study helps to analyse an important Entrepreneurship attribute – Machiavellianism that is known to help the entrepreneurs to achieve their business objectives.
- The respondents to this study are entrepreneurs - vendors of Automotive Industry, supplying various components such as raw materials, chemicals, packing materials, turned/machine components, etc. to BOSCH, Bangalore.

Operational Definitions of Concepts

(a) Machiavellianism:

- This is an important personality attribute of entrepreneurs. It is the ability of an entrepreneur to manipulate people, events, process, and situations for the attainment of organizational objectives.
- Since Machiavellianism involves **manipulation** of people and resources, it is often viewed in negative connotations; however, it is looked at from a positive connotation in this research study. In order to achieve their objectives, entrepreneurs definitely need this trait, though they may not take disadvantage of this trait on their people. While using this trait, they may ensure that their people are safeguarded in terms of their interests and may also protect them from causing any personal damage to them. Rather using this trait may be strategic.
- Scores of Machiavellian test can range from 40 to 160. The higher the score, the higher the Machiavellianism tendencies.

Scores	Mach Type	Leadership style	Remarks
40-80	Low Machs	Democratic	Desirable(to some extent)
81-120	High Machs	Democratic + Autocratic	Most Desirable(Ideal)
121-160	Very High Machs	Autocratic	Less Desirable

(a) Performance:

- This refers to the annual sales figures/ turnover achieved by the entrepreneurs.
- For the purpose of determining performance level of entrepreneurs, data on their annual turnover target and the corresponding achievement for five consecutive years are collected in order to arrive at their average performance, expressed as a percentage to their target.
- The average performance thus derived is corroborated with their personality trait-Machiavellianism, to draw out implications.
- Any performance above 90% to the target, on an average for five consecutive years, is considered as **performance** for the purpose of this research work.

Identification, definition and statement of problem

Research is always aimed at finding solutions to problems for whom solutions are unknown yet. A problem is said to be almost half solved

when it is understood and defined better. This is of crucial importance in any research process. Hence understanding the problems faced and providing appropriate solutions is the goal of any research.

Personality attribute such as Machiavellianism influence decision making in business and hence, entrepreneurs need to realize the importance of such an attribute without which, their entrepreneurial success may be affected to a great extent.Successful entrepreneurs possess personality attribute that stand them apart from the rest. Hence, identifying such a specific attribute that directly contributes to their success, becomes important, especially since a large number of factors contribute to success.

The present research enlists the information about Machiavellianism as Entrepreneurial success attribute. Therefore, the problem chosen for this study is **to determine Machiavellian level among entrepreneurs and determine whether Machiavellianism contributes to entrepreneurial success.**

Machiavellianism is required for manipulating people and things, to a certain extent in the present management scene. Machiavellianism, if used in the positive direction, results in organisational effectiveness.

Hence, the main focus of this research work is: Identifying Machiavellianism Level and its' impact on entrepreneurial success, with special reference to Automotive Industry Suppliers in Bangalore.

Materials & Methods - Research Methodology

Research involves collection of vital information from data sources. The totality of all the members of the source is known as **population**. All the suppliers of automotive components to BOSCH constitute the population of this study. **An explorative research design is adopted for this study.**

Population size: In this study, the number of automotive component suppliers to BOSCH is 150.

Sampling technique: Random Sampling technique (using Lottery Method) is adopted in this Research work.

Sample size:

100 suppliers, i.e., 70% of suppliers out of approximately 150 suppliers available, are considered to be ideal and selected for this study.

After clearly defining the problem chosen for the study, the researchers determined the data required for arriving at a solution for the problem. A structured Questionnaire designed exclusively for this research work, keeping the objectives of the study in mind, was administered to the identified respondents chosen by using random and convenient sampling techniques. Initial results suggested a relationship between **Machiavellianism** and entrepreneurial success, sustainability and Growth.

Results

All the respondents seem to experientially opine that shrewd planning and executing abilities/ skills along with rational thinking process contribute to entrepreneurial success, sustainability and Growth.Their opinion is also corroborated by their high Machiavellian levels scored by them through the scientifically designed Questionnaire administered to them.

Incidentally, their average annual business performance over the last Five Years is also found to be 103% to their respective target.

Tables and Graphs

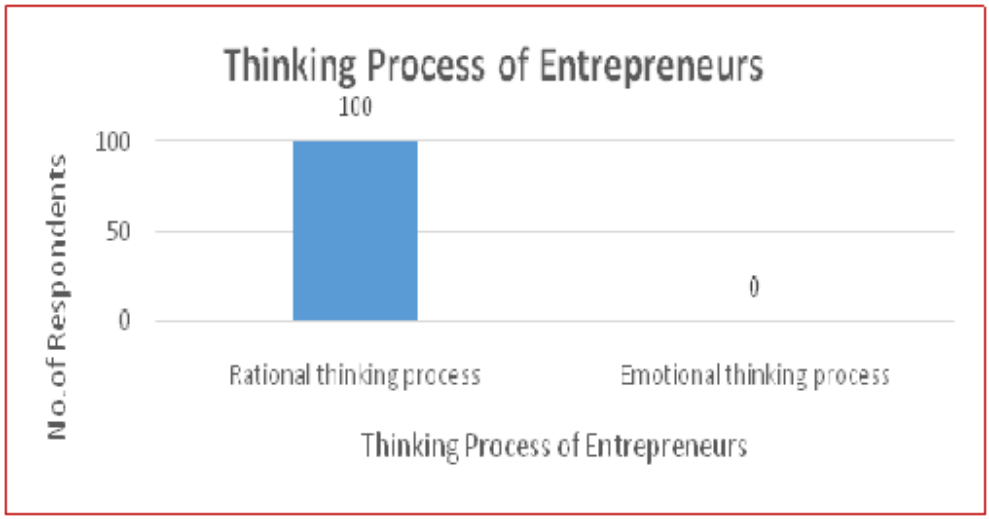
Few important questions and related tables, graphs and analysis are presented in the following section.

Question: While planning your business activities, please specify your thinking process?

Table: Thinking Process

Sl. No	Choices	No. of Responses	%
1	Rational thinking process	100	100
2	Emotional thinking process	0	0
	Total	100	100

Fig: Thinking Process



It is interesting to observe that none has opted to think emotionally while planning their business activities.Ubiquitously, all the respondents seem to be smart enough to think rationally while planning their business activities.

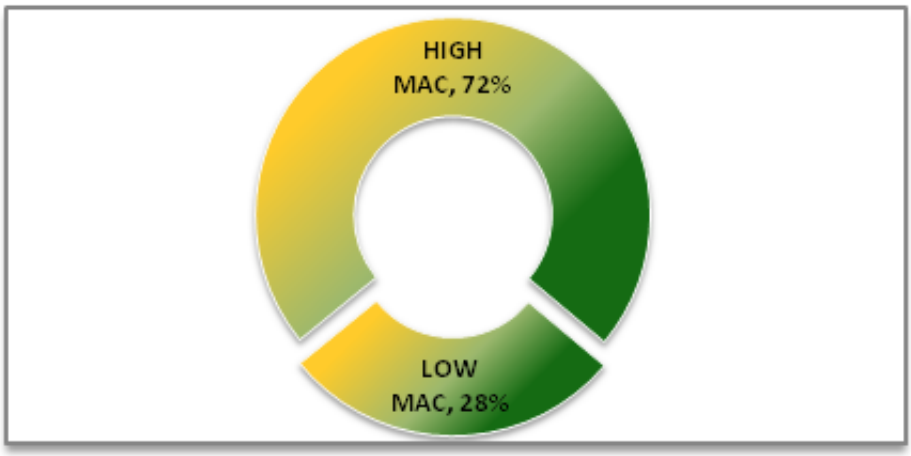
It is well known that a business activity is a serious issue and demands thinking logically so that the actions can be justified. When achieving pre-determined business objectives are a concern, business activities will have to be

definitely rationalistic. Perhaps these respondents may have been driven by these thoughts. While the entrepreneurs have to be passionate about their entrepreneurial objectives, their business planning will have to be positively rationalistic. That is how all the respondents may have responded so.

Machiavellianism Score of 100 Entrepreneurs

Machiavellianism Score	N	%
LOW MAC	28	28
HIGH MAC	72	72
Total	**100**	**100**

Fig: Machiavellianism Score of 100 Entrepreneurs



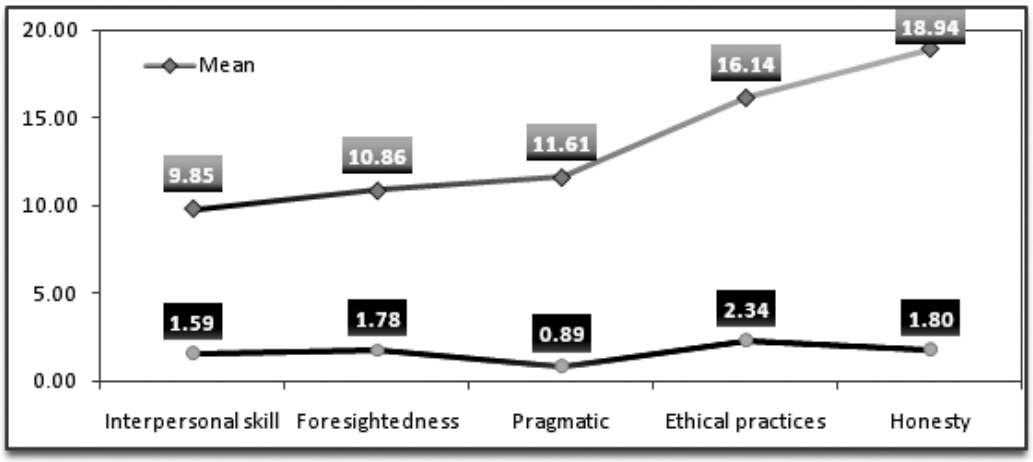
Majority of the entrepreneurs are found to be High Machs, which is an important observation as the Business leaders need to think and act practically, take pragmatic decisions in order to ensure that their business enterprise is running smoothly and flourishing year on year. Business enterprises in the current situation require leaders who are pragmatic and articulate, which depicts the nature of Machiavellianism.

Machiavellianism attributes Mean and Std. Deviation Scores

Table: Attribute Mean and Std. Deviation Scores

Attributes	N	Mean	Std. Dev
Interpersonal skill	100	9.85	1.59
Farsightedness	100	10.86	1.78
Pragmatic	100	11.61	0.89
Ethical practices	100	16.14	2.34
Honesty	100	18.94	1.80

Fig: Attribute Mean and Std. Deviation Scores

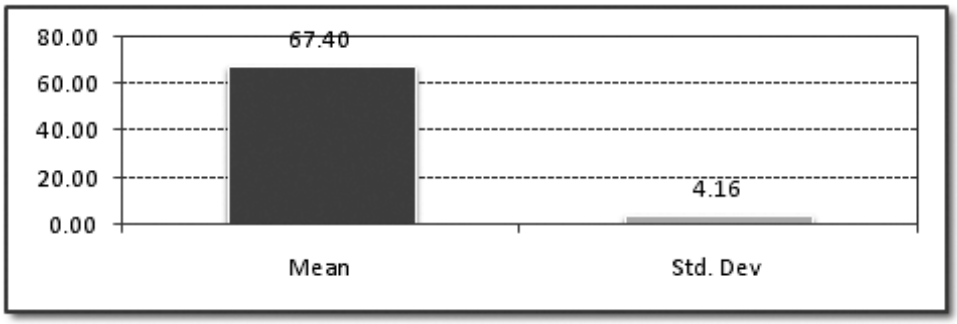


Entrepreneurs have given more prominence to honesty and ethical practices, probably because, these entrepreneurs may believe that honesty is the best policy. After all, honesty & ethical practices are integral characteristics of an entrepreneur.

Table: Machiavellianism Score - Mean and Std. Deviation

	N	Mean	Std. Dev
Machiavellianism Score	100	67.40	4.16

Fig: Graph: Machiavellianism Score - Mean and Std. Deviation



Mean Machiavellianism score of all the 100 Respondents is 67.40

Entrepreneurs might have often experienced the need for converting the situations into favourable ones to them and hence Machiavellian score seems to be 67.40.

Likert scale used in this research study, provides a score range from a minimum of 20 to a maximum of 100 and from 40 to 120 when a correction factor of 20 is added to the same. The higher the score, the higher the Machiavellianism tendencies.

The average Machiavellianism score is calculated by taking an average of all the scores scored by the 100 respondents, in order to determine the Machiavellianism level. Hence, the Range of the Mach score varies from a minimum of 40X100= 4000 to a maximum of 120X100=12000. When the scores of all the 20 questions for the 100 responses are summed up, it adds up to 6740. When a correction factor of (100*20=2000) is added to this, it comes to 8740 (as shown).

Sum of Scores for 100 Respondents=6740; correction factor=100*20=2000

Sum Total score=6740+2000=8740,Average Mach score for 100 Entrepreneurs=8740/ 100=87.40

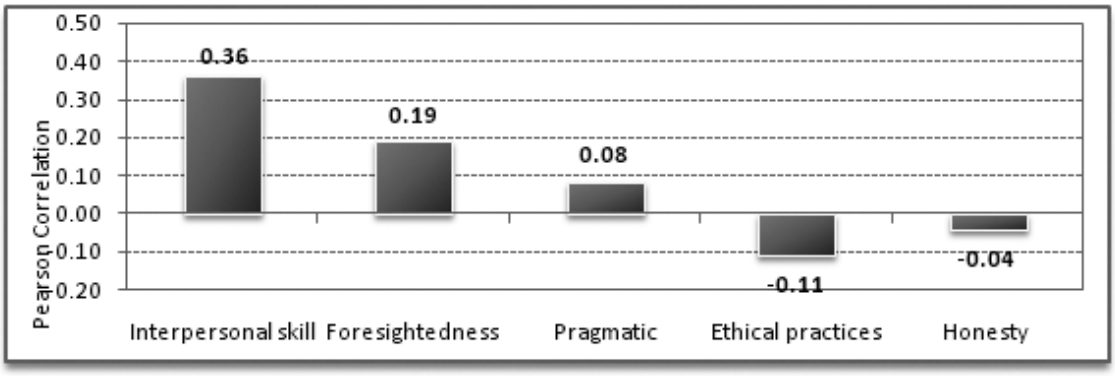
Thus, the average Machiavellianism score of the 100 respondents is 87.40, which falls under the bracket of High Mach.

Table: Correlation Scores – Machiavellian Attributes vs. Average Turnover

Correlation		Average Turnover
Interpersonal skill	Pearson Correlation	.359**
	Sig. (1-tailed)	0.00
	N	99
Farsightedness	Pearson Correlation	.189*
	Sig. (1-tailed)	0.03
	N	99
Pragmatic	Pearson Correlation	0.084
	Sig. (1-tailed)	0.21
	N	99
Ethical practices	Pearson Correlation	-0.110
	Sig. (1-tailed)	0.14
	N	99
Honesty	Pearson Correlation	-0.043
	Sig. (1-tailed)	0.34
	N	99

**Correlation is significant at the 0.01 level (1-tailed).
*Correlation is significant at the 0.05 level (1-tailed).

Fig: Correlation Scores – Machiavellian Attributes vs. Average Turnover



Interpersonal skills, Farsightedness and pragmatism have a correlation of 0.359, 0.189, and 0.084 with Locus of control respectively.

Machiavellian attributes Interpersonal skills, Pragmatism and Farsightedness have a positive correlation with Average Turnover probably entrepreneurs with good interpersonal skills have an ability to control the happenings in their lives.

Table showing Annual Business Performance of the entrepreneurs

Sl. No.	Financial Year	Average Annual Target (in Million Rs)	Average Performance-Turnover (in Million Rs.)	Average achievement in % to target
1	2008-09	100	78.53	78.53%
2	2009-10	115	93.82	81.58%
3	2010-11	138	113.47	82.22%
4	2011-12	165.6	174.9	105.62%
5	2012-13	198.72	220.6	111.01%
Average of 5 years		143.46	136.26	94.98%

Source: Primary Data

Hence, the **average performance** of 100 respondents over 5 year's period is: **95%**

Therefore, it can be concluded that Personality attribute when it is synergised with Performance results in Entrepreneurial success and Business Growth.

Discussion and future scope of Research

Regulating one's own thinking, planning and executing skills along with rational thinking process as per the dynamics of the market situation and strategizing approaches with a constant eye on the bottom lines of business operations demands an important Personality attribute, viz. Machiavellianism. Self-reliance on one's own ability to handle structured and unstructured situations has a direct relationship with entrepreneurial success.

Other investigators elsewhere have already established the role of Machiavellianism in academic accomplishments and scarcely in few other industries. Its contribution to individual success is substantiated in this research as well.

Since the results of this research work support the hypothesis of the researchers that Machiavellianism impacts entrepreneurial success, now another set of questions arise in the minds of the researchers as to whether Machiavellianism alone can make a successful entrepreneur. Or are there any other contributing traits for the entrepreneurial success? Research reports abound claiming the influence of few other personality traits Viz: Locus of Control, Achievement Orientation, Extroversion & Introversion, Authoritarianism, etc. This thirst for further knowledge paves way for further research.

References

- Journal of Business and Industrial Marketing, 2007, Volume 22 Issue 2,pp 84-96.
- http://sustainablebusinessforum.com/greeneconomy/51927/ceos-see-sustainability-engine-growth-industry-sectors-split-priorities.

- Race effects on the employee assessing political leadership: a review of Christie and Geis' (1970) Mach IV measure of Machiavelli By Jennifer Moss | Journal of Leadership &Organizational Studies - Winter, 2005 .The Machiavellian Challenge to Business Ethics George BraguesUniversity of Guelph-Humber, February 2008.
- "An Empirical Study on the Relationship between Entrepreneur's Traits and Entrepreneurial Success" Control, Automation and Systems Engineering, 2009. CASE 2009. IITA International Conference onIssue Date: 11-12 July 2009 ,On page(s): 261 – 265.
- Morris Boydston, Rich Mountain Community College; Lisa Hopper, Rich Mountain Community College; and Alan Wright, Henderson State University.
- http://www.designcouncil.org.uk/resources-and-events/designers/sustainability-and-growth/
- http://ec.europa.eu/enterprise/policies/sustainable-business/files/brochure_sustainable_industry_150711_en.pdf
- Harvard Classics, Vol. 36, Part 1-The Prince-Niccolo Machiavelli: http://hbr.org/1963/05/managing-for-business-effectiveness/ar/1
- Randolph and Blackburn, Managing Organizational Behaviour :Tata McGraw Hill, New Delhi,1975, pp-160-164
- Richard Christie and Florence L. Geis, studies in Machiavellianism (Orlando, Fla: Academic press ,1970).