



## **8 Critical Characteristics of Entrepreneurs** **Bruce E. Roselle**

Much has been written in the past few years on the question of which characteristics are most correlated with success in leadership roles. Many writers have emphasized the importance of emotional intelligence, while some have focused mostly on the capacity to achieve results or build effective teams.

Nearly 40 years of research on the factors related to the success of leaders new to their roles have illustrated that the capacity to build and maintain effective individual and team relationships is the most important factor, followed by the ability to attain the promised results. Most of that research, however, has focused on leadership in medium to large businesses.

**What about leadership in small, entrepreneurial businesses?** At a recent meeting of small business entrepreneur/owners that I attended, one of them asked the others in the group what they thought the single most important characteristic was for successful small business leadership. His question took the others off guard and they needed to take a moment or two to think about it.

These owners represented a wide range of types of business, from manufacturing to financial services, mechanical/technical production to consulting. Each business had less than \$5 million in top line revenue.

The individual who asked the question was looking to hire a new leader who would report to him, and he intended to use the answers from the group to help him narrow a list of potential candidates. When everyone had weighed in on the list, they looked at it and agreed that this same list was critical for success for the top leader/owner-entrepreneur, as well as for all key leader roles in their small businesses.

**The top 8 critical leadership characteristics.** They identified and agreed on these characteristics as the most critical ones:

**Clarity:** identifying goals, strategies, and objectives, as well as mission and vision of the organization in a way that others can easily understand. Imbedded in this is the ability to articulate these clearly, as well as the intention to communicate them often to the rest of the company to ensure continued clarity.

**Drive:** demonstrating consistent energy investment in the goals, objectives, strategies, etc. of the organization. This includes a strong emphasis on accomplishing the results as promised, within the agreed-upon timeframe. This kind of energy is infectious to the rest of the organization and motivates them to go beyond their self-perceived limits.

**Courage:** exhibiting confidence in the face of ambiguity or rapidly changing conditions, having the capacity to be fearless in approaching difficult customer or internal issues. This includes not being afraid

to bring conflict into the open or to be assertive about individual or organizational needs.

**Authenticity:** displaying genuineness, being open and vulnerable across interpersonal situations, and resisting the urge to ‘fake it until you make it.’ Instead, this capacity means being consistently ‘real’, letting his/her core personality and style come through, and being comfortable in his/her own skin.

**Empathy:** recognizing that the emotional needs of employees and their families is important and has an impact on quality, productivity, and morale. This includes being open to conversations about the emotional needs of others, believing in their best intentions, and listening with curiosity and empathy to their desires and concerns.

**Empowerment:** focusing on the development of others on the team and pulling out the best in them. This includes trusting them to do the best they can, delegating fully, looking for ways to stretch people and help them grow, and encouraging them to try new things. This also means helping people move from lower levels of confidence and competence to higher levels, until they can take full responsibility for projects and tasks with little or no oversight.

**Integrity:** demonstrating trustworthiness in his/her own actions when handling people issues, utilizing resources, negotiating with customers, and communicating information across the organization. This includes ‘walking the talk’, being consistent in interactions with others, and doing what you say you will do. This usually also includes having a firm foundation of beliefs about honesty that drive their trustworthy behaviors.

**Humility:** exhibiting openness to feedback, both positive and constructive or critical, and an understanding of his/her weaknesses as well as strengths. This includes giving a major share of credit to others when things go well and taking a major share of responsibility when things go wrong. It means having the best interests of the organization and others in mind, rather than self-interest. It includes the capacity to laugh at his/her own shortcomings and to recognize that success is about others, not them.

**How do these same characteristics apply to larger businesses?** Though these are the eight characteristics this group of entrepreneurs identified as most critical to success in small, entrepreneurial ventures, how do they apply to larger corporate structures or nonprofit organizations? Since nearly all of my executive coaching and 360 degree feedback work has been within large, multinational organizations, I applied these same characteristics to those leaders and saw that there is great overlap.

While there are a number of top leaders in such organizations who evidence very little of characteristics like Empathy, Humility, or Authenticity, this type of leader is, in my opinion, being phased out. That is, the next generation of leaders will need to be more genuine, empathetic, and humble to continue to be promoted. They will, of course, also need to demonstrate Clarity, Drive, and Courage so that they consistently achieve the results as promised. They will need to put renewed emphasis on empowering others and achieving results through them. Because lack of integrity has caused a groundswell of reaction on social media across multiple industries, this, too, will be a more highly sought characteristic of leaders in larger organizations going forward.

**Questions to ponder:** How do you think these 8 characteristics fit the profile of what is needed in the top leaders in your organization? How well do you think you fit the profile? What is your organization doing to recruit and promote such leaders?