

THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT

Personality Traits and their Effects on Social Entrepreneurship Intention

Muhammad Ovais Arshad

Master Student, School of Management, Jiangsu University, Zhenjiang, China

Cai Li

Professor, School of Management, Jiangsu University, Zhenjiang, China

Abstract:

The research conducted on entrepreneurship, personality and also the intentions of people towards entrepreneurship has been a wide debated topic recently, each among world and among business circles. The aim of this study is to look at social entrepreneurship and personality among a theoretical context and to implement a field study regarding the topic. Within the field study; we've tried to achieve students of Business Administration in Islamabad city that area unit taking applied entrepreneurship categories so as to assess students' personality traits and of these students that show intention towards social entrepreneurship by finding out the relationships between personal characteristics and their intention towards social entrepreneurship. By examining the obtained info from personal characteristics and that aspects of social entrepreneurship they influence; we've tried to spot, students that have bound personal characteristics that area unit additional inclined to be candidates for social entrepreneurship that personal characteristics ought to be inspired among students that are candidates of social entrepreneurship so as for them to ascertain flourishing social enterprises and to come up with suggestions on that aspects of social entrepreneurship these candidate students should target.

Keywords: Personality, personality traits, social entrepreneurship

1. Introduction

Personality is outlined as single reflection of things effecting the emotions, thoughts and behaviors of a personal. Personality is below perpetual influence of inner and outer factors and consists of physical, intellectual, spiritual, generic and learned capabilities, instincts, emotions, desires, and habits, approach of thinking and any quite behavior like perception and a focus. During this respect, once personality of an individual is evaluated, it is explicit that the personality reflects not solely the traits of such individual however additionally the traits of the society and also the cluster of such individual and every one human kind at sure level. The effects of personality traits on entrepreneurship drive have long been mentioned and accord has not nevertheless been reached on this issue. The results of personality as a full on entrepreneurship drive a recent discussion matter. This field analysis tries to seek out the results of personality on social entrepreneurship intentions among the Business Administration students taking part on applied entrepreneurship categories in Islamabad. Social Entrepreneurship defines as creates innovative solutions to immediate social problems and mobilizes the ideas, capacities, recourses and social arrangements required for sustainable social transformation (Alvord, Brown & Letts 2004)^[1].

2. Literature Review

The word "entrepreneurial" has become a standard term used to describe those who are innovative, inventive and open to change. Entrepreneurial people even have the power to spot opportunities and marshal resources to attain their goals. Researchers argue that entrepreneurial ways are vital to the success of each new ventures and existing businesses. Therefore, employers are searching for those who are chance obsessed, innovative and driven. They require workers who possess entrepreneurial values and attitudes that emphasize initiative and speedy response.

Entrepreneurial people are even more necessary within the information economy characterized by unendingly evolving technologies and alter (Brown, J.S. 1991)^[3]. People should be able to adapt to fast changes so as to advance themselves, their places of employment and therefore the societies within which they live. Globalization and fast modification are conducive factors resulting in enlarged competition and unsteadily within the 21st Century. These same factors additionally increase the importance of learning entrepreneurial behavior outside of recent venture creation (Gibb, 2002; Huefner; Hunt, 1994; Shepard; Krueger, 2002).

One of the foremost common ways, used to define personality traits is that the big 5 personality Model. The model was introduced by Paul Costa and Robert McCrae in 1985 so continued by the studies completely different researchers centered on different nationalities and different personality traits. Amazingly, throughout these researches proof were found supporting the statement that personality has 5 dimensions. So 5 factors discovered nearly invariably altogether researches led to naming this study as "Five issue Model" or "Big 5

personality Model". The names of 5 factors are called openness, conscientiousness, extraversion, neuroticism and agreeableness (Costa, McCrae, 1992)^[6].

Openness is sometimes thought-about beside the flexibility to require risks. The flexibility to require risks is considered to be one in every of the basic traits of an entrepreneur. Entrepreneur is outlined as an individual gathering and organizing production factors and planning to get profit reciprocally for the danger he/she has taken. But social entrepreneurship is social adjusted method instead of profit adjusted method. Money financial gain ought to be thought-about mutually of tools used for achieving the target of resolution a social drawback.

People who score high at agreeableness dimension are useful, trustworthy and loving agreeable individuals like cooperation over competition. Agreeable individuals try and avoid fights and build stress-free environments to figure. Being a decent auditor, ability to point out sympathy are the traits of an enjoyable person (Caliendo, Kritikos, 2008)^[4]. It's additionally doable to conclude that agreeable individuals act in an exceedingly devoted and modest manner. Additionally, agreeableness is declared to be in distinction relationship with confrontation and competition and in parallel relationship with cooperation and mediation and agreeable individuals try and resolve conflicts in an exceedingly constructive manner (Bisim et al., 2001)^[2].

Neuroticism may be an issue showing a person's balance in terms of their emotions. There are several negative emotions like anger, disappointment and anxiety etc. The researches reveal that individuals who have the tendency of feeling such emotions also are inclined to possess explosive emotional swings, and suffer from depression and lack of sureness. Social entrepreneurship in its nature focuses on resolution people's issues. Throughout this method, just like profit adjusted entrepreneurs the pressure of creating a brand new business is confronted by social entrepreneurs. Social entrepreneurs are expected to be less neurotic while tackling such pressure. Extroverted persons are heat, positive and sociable in their relationships. However, self-examining those that don't possess these traits mustn't be seen delinquent and not energetic. Per Costa and McCrea self-examining individuals don't seem to be cold however timid, not observer however independent and not lazy however cautious (Costa, McCrea 1992; Lewellyn, Wilson, 2003)^[6]. additionally, it's claimed that individuals whose extraversive traits area unit dominant approach to incidents from a positive angle, energetic, dominant, assertive and additional curious about others whereas self-examining individual's area unit timid, calm and that they like solitude (Bisim et al., 2001)^[2].

Conscientiousness dimension reveal however an individual has management and discipline. Those that score higher during this dimension area unit organized, determined, and act as planned. So they're extremely rule-bound and compulsive in their works. The principal traits of conscientiousness dimension are thought-about as leadership, goal-orientation, and productivity and determination (Civitci, Aricioglu, 2012)^[5]. Higher levels of conscientiousness ought to play a central role within the entrepreneur's ability to guide his/her enterprise to long survival (Ciaverella et al., 2004)^[4]. In operating setting their individuals area unit thought-about as people who conform the procedures and directions and who timely perform their works. As regards the Turkish culture wherever individuals have the tendency to get financial gain and avoid uncertainties (Hisrich, 2013)^[10], those that have high level of conscientiousness would be expected to possess less drive for social entrepreneurship.

The concept of social entrepreneurship means different things to different peoples and researchers (Dees, 1998)^[7] (Leadbeater 1997)^[13] defines social entrepreneurship as use of come back of the social entrepreneurship activities for social goals instead of financial profit or use of profit arising from the business activities for the advantage of a group who has social issues. In keeping with Drayton (2002) social entrepreneurs are modification agents who specialize in locating, distinguishing and resolution social issues. In keeping with Tan et al. (2005) social entrepreneurship is sharing the entire or a part of the danger taken by an innovative entrepreneurship and therefore the profit obtained as a result of such risk with the group that's actively taking part to the entrepreneurship. (Mair and marti 2006)^[14] outline social entrepreneurship as a method of distinguishing the opportunities and visible of such opportunities gathering the recourses in an innovative technique so as to solve social issues, attain social modification and meet social wants, whereas in keeping with (Hwee Nga and Shamuganathan 2010)^[12] social entrepreneurs are persons start and maintaining the entrepreneurship activities that build innovative and autonomous monetary come back by structuring social networks during a property manner visible of a social vision. Social entrepreneurship may be defined as getting to increase financial gain by using the tools of profit familiarized entrepreneurs while not regardless the basic social mission of the business. This study relies on the social entrepreneurship definition of Hwee Nga and Shamuganathan (2010)^[12].

Social entrepreneurs define as persons conducting prime quality and enormous scale activities with moral values and use of an innovative perspective to resolve basic social issues (Galor 2012)^[9]. This definition puts forward the identification of social issues, innovation, ethical, operating in broad scale dimensions of social entrepreneurship. Analysis of those factors is very important to know the personality traits of "Social Entrepreneurs" that is mentioned below.

Natural resources are one in all the most production factors of enterprises. These resources are quickly exhausting because of increase of population and consumption of energy in lifestyle and in business. The character and society because the main factors of development method are one in all the strategies employed by social entrepreneurs to extend the advantages of its shareholders. One among the characteristics that differs social entrepreneurs from profit orienting entrepreneurs and government is creating another price for the good thing about larger a part of the society and being environmentally sensitive. Social entrepreneurs getting to defend the standard of life and nature could produce new social values by prioritizing the acutely aware innovations (Hwee Nga, Shamuganathan, 2010)^[12].

Social vision is deemed because the principal and basic matter differentiating social entrepreneurship from alternative varieties of entrepreneurships (Galor, 2012)^[9]. The distinguishing the issues and targeting to resolve such problems once the general public and personal sector fails to attain social balance constitutes the social mission dimension of social entrepreneurship. The experiences that the social entrepreneurs had been although in their past constitutes the explanation why social entrepreneurs aim to resolve social

issues or why social entrepreneurs understand the social issues simply compared to people. Particularly those who confronted issues in their childhood or youth have the tendency to like determination the social imbalance over monetary financial gain (Hwee Nga, Shamuganathan, 2010)^[12]. However, the most issue differentiating the vision of social entrepreneurs and charity activities is that the proven fact that social entrepreneurs aim to induce to the lowest of the matter and target to make an extended lasting method for resolution therefore (Galor, 2012)^[9].

Social networks are crucial to entrepreneurs since they supply valuable data, work supply, innovation, monetary and private support. Today, the importance of social networks for social entrepreneurs clearly becomes evident as they supply access to larger a part of society. Once the communication channels between the social entrepreneurs are open, the trust amongst them will increase, the social desires may be brazenly and simply expressed and resolutions may be realized. The social bourgeois collaborating and conjoining its resources with alternative entrepreneurs in its surroundings can accelerate the share of data that successively can enhance its name within the society and can contribute to its own organization and others partaking in its social network (Hwee Nga, Shamuganathan, 2010)^[12].

It has been mentioned that social entrepreneurs could solely meet the requirement they need known within the society by following an innovative approach. The explanation behind this statement lies within the proven fact that implementing minor enhancements doesn't serve the aim of resolution the issues at their supply. As per several of the students one in all the crucial and leading factors of social entrepreneurship is innovation (Praszkie, Novak 2012)^[15]. It's conjointly expressed innovative approach is very important for social entrepreneurship because the targeted market is completely different compared to alternative entrepreneurs. The targeted market of social entrepreneurs is those thought of as insufficient for profit creating by alternative entrepreneurs (thus those that don't attract such entrepreneurs) typically consisting of socio-economic class financial gain teams. Therefore, implementing innovative approaches is indispensable for social entrepreneurs for entry into and sustentation of activities in such markets (Hwee Nga, Shamuganathan, 2010)^[12].

3. Hypotheses

- H₁: Is relationship exist between social entrepreneurship intentions and personality traits.

During the study the relationship between personality traits and social entrepreneurship is analyzed. On behalf of that the hypotheses are made. Social entrepreneurship is taken as a dependent variable whereas the personality trait is considered as independent variable.

4. Methodology

4.1. Sample

The main motive of this study is to observe social entrepreneurship and personality within a theoretical perspective and to apply a field study about the subject applied entrepreneurship. So we tried to target the business administrative students in Islamabad who are studying applied entrepreneurship course in order to know the personality traits and their intentions towards social entrepreneurship. The reason to use Islamabad city is because there are more than 15 private and public universities there, due to lack of recourses and time restriction we can't attain the total number of students who are studying that course. But depending on the assumption in research the number of students that are studying that course is more than 700 so the reliability of data is 99% and 0.1 error margins. During the study 157 students were reached and sampling was made up to 88 students. Answers given on the survey questions identified the demographics of which 58% male (91) and 42% (66) female and average age is 22.82.

During the research the scale used in the study is originally proposed (Hwee Nga and Shamuganathan 2010)^[12]. In order to obtain the data five scale Likert used.

4.2. Results

The data which obtained through survey is used in the analyses of correlation, regression and factor analyses. The varimax rotation and principle method used to find out the significant variables by using factor analysis. For reliability of data Cronbach Alpha are obtained. Than multiple regression is used to determine the relationship between personality traits and social entrepreneurship intention and also correlation is used to analysis the factors.

The value of Cronbach Alpha is found 0.92 for the scale of personality traits and 0.93 is found as social entrepreneurship scale which means both are reliable.

While the result of Kaiser-Meyer-Olkin (KMO) test are obtained and 0,867 for the scale of personality and 0,924 for the scale of social entrepreneurship. The values of both scale is greater than 5% so both are good for factor analyses.

In the research five factors are particular for personality measurement. The first factor describes 37.657%, second factor is 7.753%, third factor 6.211%, fourth factor 5.348%, fifth factor 4.875%. Five factors together 62.34%. After examine we know that is first factor is 'Consciousness', second is 'Agreeableness', third factor is 'Extraversion', fourth factor is 'Openness' and fifth factor is 'Neuroticism'. While for social entrepreneurship three factors are particular. First factor describes 46.586%, second factor 9.535%, third factor 6.032%. Three factors together 60.327%. The first factor is 'Use of recourses', second factor 'Social vision' and third factor is 'financial returns'.

The correlation matrix of factors is shown in Table 1. All the variables are positive and significant at 1%.

	Use of Resources	Financial Returns	Social Vision	Neuroticism	Openness	Extraversion	Agreeableness	Consciousness
Use of Resources	1							
Financial Returns	0,601	1						
Social Vision	0,721	0,461	1					
Neuroticism	0,572	0,415	0,460	1				
Openness	0,487	0,319	0,512	0,61	1			
Extraversion	0,586	0,457	0,476	0,644	0,579	1		
Agreeableness	0,521	0,410	0,488	0,521	0,521	0,538	1	
Consciousness	0,486	0,382	0,454	0,601	0,562	0,61	0,45	1

Table 1: Correlation Matrix, All correlations coefficient significant at 1% level

We take Social vision, Natural recourses and Returns as a single variable and denoted as B using as arithmetic average, at the mean while we also take Openness, Neuroticism, Extraversion, Consciousness and Agreeableness as a single variable using arithmetic average and denoted as A.

- $A = (\text{Openness} + \text{Neuroticism} + \text{Extraversion} + \text{Consciousness} + \text{Agreeableness}) / 5$
- $B = (\text{Social vision} + \text{Natural recourses} + \text{Returns}) / 3$

Results of regression analyses shown in Table 2

We see at Table 2, the independent variable that is Personality is significant at 5% level. So its mean Personality Traits is an effective factor on the social entrepreneurship intention. Through *F-test*, we find that the whole model is generally significant at 5% level.

Variables	Coefficients
F-Statistic	163,980*
Personality	0,683*
Constant	0,832*
R²	0,452*
Adjusted R²	0,453*

Table 2: Regression Analysis Result
*p<0,05

After that we estimate multiple regression method and use dependent variables that are Social vision, use of resources, financial returns respectively and in multiple regression the independent variables that are Neuroticism, Openness, Extraversion, Agreeableness and Consciousness. The results show in Table 3.

	Social Entrepreneurship					
	Social Vision Model1		Use of Resources Model 2		Financial Returns Model 3	
	Coefficients	Probability	Coefficients	Probability	Coefficients	Probability
Personality Traits						
Neuroticism	0,062	0,510	0,242*	0,007*	0,120	0,283
Openness	0,243*	0,002*	0,054	0,450	-0,041	0,644
Extraversion	0,134	0,134	0,24*	0,006*	0,312*	0,003*
Agreeableness	0,19*	0,005*	0,186*	0,003*	0,181*	0,015*
Consciousness	0,097	0,256	0,069	0,334	0,089	0,38
<i>Constants</i>	0,829*	0,005*	0,641*	0,022*	1,083*	0,002*
Adjusted R²	0,360		0,408		0,249	

Table 3: Multiple Regression results

- In Model 1 the results show that ‘openness’ and ‘agreeableness’ variables are statistically significant at 5% level so these three variables are effective and have positive impact on social vision.

- In Model 2 the results show that 'neuroticism', 'extraversion and 'agreeableness' variables are statistically significant at 5% level so these three variables are effective and have positive impact on Use of resources.
- In Model 3 the results show that 'extraversion' and 'agreeableness' variables are statistically significant at 5% level so these two variables are effective and have positive impact on Financial returns.

5. Conclusion

In this study we examined the relationship between personality traits and social entrepreneurship. Hence the results show that personality traits and social entrepreneurship have a relation with each other and with their various aspects.

The students who participate in survey, individuals show high level of extraversions in their personality traits. Positive relation between aspects of social entrepreneurship financial returns and use of recourses is seen. In the study we see that there is no significant relation between consciousness and social entrepreneurship. It is thought that the perception of social entrepreneurship being innovative and exhausting to relate to once seen from a conservative purpose of read, people that come back from the center category with reference to socio-economic standing having high levels of monetary concern, fails to relate a significant relationship for people that have high compatibility are inclination towards social entrepreneurship. during this regard, it is often aforesaid that utilizing people showing high levels of consciousness for the more practical promotion of social entrepreneurial processes, for them to clarify that at intervals these styles of activities, innovative points of read are a region of the method, instead of the goal and so as to achieve social balance it's useful to form an encompassing participation at intervals society.

The personal attribute of openness is often outlined as people looking for new experiences and might even be represented as having a disposition towards activities that are perceived as adventures. During this regard these people are thought to be able to determine a social inequality which they need an inclination to develop concepts for the answer of a haul. However, taking off from the hypothesis that social entrepreneurial activities need long periods of devoted work and time to induce results, it will be same that people showing high levels of openness will get bored of social entrepreneurial activities. As a result of this, it's assumed that directional people seeking new experiences towards short term comes instead of future comes or directional them towards charitable activities can lead to additional productivity.

In a way, method of social entrepreneurship will be viewed as a process of problem solving. The goal of the enterprise will be seen as finding an answer to a social downside. During this regard, it will be assumed that people that may be quickly pessimistic once featured with issues, particularly once it's thought-about that society might not support these sorts of activities in some cases, cannot sustain social entrepreneurial activities. Taking this into consideration, it will be same that individuals who are showing emotion stable will be successful in establishing the social networks of the social enterprise, and might maintain external relationships of the enterprise with success.

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