

**THE RELATIONSHIP BETWEEN ENTREPRENEURIAL  
TRAITS AND UNIVERSAL HUMAN VALUES: AN  
APPLICATION ON UNIVERSITY STUDENTS**

**Giriřimci zellikler ile Evrensel İnsani Deęerler Arasındaki  
İliřki: niversite đrencilerinde Bir Uygulama**

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**ABSTRACT**

*The association among undergraduate students' universal human values (achievement, benevolence, conformity, hedonism, power, self-direction, security, stimulation, tradition, universalism) and their entrepreneurial traits were examined in this study. For this purpose, 788 undergraduate students were taken as sample from various programmes from a state university in Turkey.*

**Keywords:** *Universal human values, entrepreneurial traits*

**ÖZET**

*Bu alıřmada niversite đrencilerinin evrensel insani deęerleri (bařarı, iyilik, uyum, zevk, gü, kendi kendini yönetme, güvenlik, teřvik, gelenekselcilik, evrensellik) ile girişimci zellikleri arasındaki iliřki incelenmektedir. Bu amaçla, Türkiye'de bir devlet niversitesinin deęiřik programlarından alınan 788 niversite đrencisi rneklem olarak alınmıřtır.*

**Anahtar Kelimeler:** *Evrensel insani deęerler, girişimci zellikleri*

## 1. INTRODUCTION

Value is a discrete multi dimensional concept having sophisticated meanings. Values from the sociological point of view refer to norms, traditions, conventions, ideologies and promises. From the economic point of view values have connection with basic concepts such as benefit, change and price. Values may reflect preferences, motives, needs and attitudes of an individual's psychology (Van and Scarbrough, 1995). Values have been examined in the context of anthropology, politics, social psychology and philosophy as well as sociology, psychology and economics.

However especially in social research, life values that are characterized as a distinctive aspect or a trait of a social institution have been considered as a concept effecting both personal attitudes and cognitive processes and reflecting cultural patterns. Values have been evaluated as a concept functioning as a criteria or a standart for the individual's evaluations and behaviors (McEwan, 2001; Schwartz vd., 1997). Analyzing the predominant values to personality of an individual is the best way to understand and know about her or him. Because values as individually and collectively used principles and standarts might reflect everything important in evaluating a person's individual and organizational behaviors (McEwan, 2001; Schwartz vd., 1997).

Many researchers defined values as a basic belief underlying the thoughts that motivate a person. That is why values guide the way to a person's behaviors and actions. In other words, values of a person determine what and how he/she does (Kenny, 1994). In this point of view, it is clearly evident that generally people's behaviors are shaped by their values. Thus, values effect the cooperation level, selective perception, the way of contemplation and the span of vision of a person and plays as a basic mean in making a choice among alternatives, decision making, problem and conflict solving of a person (Russell, 2001).

Consequently values function as, a behavior style reflecting an individual's preferences, interests, motives, needs, wants, desires, goals and attitudes (Van and Scarbrough, 1995); as a ruler in intrapersonal and interpersonal relationships (Coarling, 1999); as a standart that helps to choose an ideal behavioral style among various styles (Kibly, 1993); as any situation or an object that individuals apply, adapt and try to attain (Herriot, 1976).

The universal human values of entrepreneurs and administrators were compared by frequently used entrepreneurial traits. Need for achievement, locus of control, risk aversion, innovativeness, proactivity as the elements of entrepreneurship were used for comparisons (Voss, 2001). In order to extend the understanding on the relationship between these two entities In this exploration, first the literature on entrepreneurial traits and universal human values were introduced. Then, the survey procedure and findings were presented.

## 2. ENTREPRENEURIAL TRAITS

Entrepreneurship is known to be highly influential on the development of economies (Audretsch and Keilbach, 2004). As individuals differ in entrepreneurial awareness, regions and countries as well have different entrepreneurial development levels.

Shumpeterian view claims that creation of new ventures and entrepreneurial activity depends upon the availability of prospective entrepreneurs who possess personality traits combined with personal circumstances which are likely to lead them to forming a new venture (Mueller, 2002).

Entrepreneurship has been theoretically examined by various schools. First set of schools adopting macro point of view to the entrepreneurship assumes that life style, values, family, friendships of the the individual and, capital accumulation are the determinants that gives shape to the entrepreneur and generally named as entrepreneur background factors (Hisrich and Peters, 1998). Second set of schools adopting micro view on the other hand, assumes that the entrepreneurial level of an individual is the result of his personal traits, the ability to see opportunities and formulate the resources into an enterprise. In the research literature the need of achievement, locus of control, propensity to take risk, tolerance of ambiguity, self-confidence and innovativeness are commonly used as entrepreneurial traits that a good entrepreneur was supposed to possess from the micro point of view (Koh, 1996; Kuratko and Hodgetts, 2001).

Entrepreneurial personality traits are a set of aspects that intrinsically motivates an individual to become an entrepreneur. Total impact of these traits determine the degree of the individual's entrepreneurial power. Need for achievement, locus of control, propensity to take risk, tolerance of ambiguity, self confidence and, innovativeness are the traits argued by many authors. The micro view has been determined as the base theory for this study. Thus the five commonly accepted traits are as follows:

### **Need for Achivement**

Achivement orientation is the desire to take challenges and test one's abilities to the limit. Entrepreneurs concentrate on ways to succeed, not what will happen if they fail. Successful entrepreneurs adopt the attitude that if they do chance on unexpected barriers, they will find resourceful and effective ways to overcome them. The profile of an entrepreneur may be described as high *in need for achievement* and low *in need for power*, while good managers have high *power* and low *in need for achivement*.

### **Locus of Control**

According to locus of control theory, an individual perceives the outcome of an event as being either within or beyond his/her personal control and understanding. People who believe that they have some contol over their destinies, that is, that control resides within themselves, are referred to as *internal* locus of control oriented or *internals*. People who perceive an *external* locus of control, who believe that their outcomes are determined by factors extrinsic to themselves such as fate or luck, are called *externals*. Generally, it is believed that entrepreneurs prefer to take and hold unmistakable command instead of leaving things to external factors. Internal

locus of control had been explored as an entrepreneurial characteristic in the literature. The construct of internal locus of control is strongly associated with entrepreneurial orientation.

#### **Propensity to Take Risk**

Entrepreneurial research suggests that effective entrepreneurs are moderate risk-takers. Moderate risk taking to some authors means calculated risk taking. Risk calculation behavior of the entrepreneur includes getting others to share inherent financial and business risk with them. For example, an entrepreneur choose to persuade partners and insvestors to put up money, creditors to offer special term and suppliers to advance merchandise in a carefully planned manner. So, it would be wrong thing to perceive an entrepreneur as a gambler (Kuratko and Hodgetts, 2001).

#### **Tolerance of Ambiguity**

Start-up entrepreneurs face uncertainty compounded by constant changes that introduce ambiguity and stress into every aspect of the enterprise. Successful entrepreneurs thrive on the fluidity and axcitement of such an ambiguous existence. Job security and retirement generally are of no concern to them (Kuratko and Hodgetts, 2001).

#### **Self-confidence**

Business owners need to develop working relationship with a variety of people for which they need a degree of self-confidence which affects their ability to communicate and nogatiate. Self-confidence may at times be a manifestation of self-efficacy. Moreover, self-confidence and independence are reciprocally related.

#### **Innovativeness**

Innovativeness is the trait related to the ability and desire to discover new methods of managing the business, orginal ways of marketing the product, or creative ways of improving it.

### **3. UNIVERSAL HUMAN VALUES**

Based on the extant values literature values can be defined as enduring beliefs held by individuals and groups of individuals concerning the desirability of behaviors and ultimate goals of life (Schwartz and Bilsky,1990). Values are generalized beliefs that transcend spesific situations or objects. This differentiates them form more direct evaluative constructs such as attitudes and interests. Values are normative, rather than positive beliefs; they pertain to what ought to be, rather than what is.

The value theory proposes a value system in which values are prioritized within a psychological hierarchy and allowed an individual to reconcile competing values priorities by judging their relative importance. A commonly referred model was proposed that contains ten types of values (achievement, benevolence, conformity, hedonism, power, self-direction, security, stimulation, tradition, universalism) each corresponding to a unique motivational goal (Schwartz and Rubel, 2005).

### **4. THE IMPORTANCE AND PURPOSE OF THE RESEARCH**

Entrepreneurship is an important production factor in developing countries as Turkey where growth, employment and investment are of

crucial importance. Existence of private sector in developing economies plays a critical role. Dominating the entrepreneurial mindset to business life is important from this point of view as well.

Entrepreneurship has not been a well-known concept in Turkish business life where there were no natural penetration for long decades in economic and political fields. This may have various reasons. Entrepreneurial history of the Turkish Business life does not go back much due to economic system dominated by socialist policies for decades and underdeveloped private business life as a natural consequence of the economic regime. That is why entrepreneurial traits of the individual is found to be a newly measured phenomenon where individual in business is a just-introduced element in business life in Turkish entrepreneurship literature.

The purpose of the study was to find an possible association between entrepreneurial traits and subdomains of universal human values of students. Students were chosen as subjects of the study for the ease of having reliable and valid data on entrepreneurial development in the society. Revealing the association among universal human values and entrepreneurial traits may bring about valuable information on Turkish population where development in terms of entrepreneurial mindset is needed.

## 5. THE RESEARCH QUESTIONS AND HYPOTHESES

The main research problem of the study is to determine the nature of relationship between entrepreneurial traits and students' various subdomains of universal human values. Therefore research question in the study can be formed as "What are the subdomains of universal human values responsible for five entrepreneurial traits?"

H<sub>1a</sub>= There is a significant difference among *universal human value subdomains* regarding *need for achievement*.

H<sub>1b</sub>= There is a significant difference among *universal human value subdomains* regarding *propensity to take risk*.

H<sub>1c</sub>= There is a significant difference among *universal human value subdomains* regarding *tolerance to ambiguity*.

H<sub>1d</sub>= There is a significant difference among *universal human value subdomains* regarding *self confidence*.

H<sub>1e</sub>= There is a significant difference among *universal human value subdomains* regarding *innovativeness*.

## 6. THE RESEARCH METHODOLOGY

### 6.1. Respondents

A state university with 16000 students in 2006 in Turkey was the research population. Since, it is proposed that there may be an heterogeneity in entrepreneurial plans and entrepreneurial aspirations of students from different school programme types (Mueller, 2002). Students attending to various school programmes were determined as the population.

Last years of a student in the undergraduate school is the most active period during which prospective graduates intensely make career plans for the future in work life. Students who are about to have undergraduate degree were chosen as the sample by categorically and proportionately so that, the sample can be divided into two halves as social programme and science programme. So, respondents were chosen among the 3rd, 4th and extension class students who were supposed to have solid attitudes towards entrepreneurship. In a research (Moy, 2003) a sample of age average of 21 was used supposing that since they were mostly the candidates for future business life deserving their values and enterprise concepts to be probed.

1435 forms from various programmes such as Administrative Faculty, Educational Faculty, Fine Arts Faculty and Tourism Management, Agriculture Faculty, Veterinary Faculty, Humanities Faculty, Fisheries Faculty, Engineering Faculty were acquired as the ultimate number of study sample. Total number of valid forms used as sample was 788.

## 6.2. Measures

### 6.2.1. Entrepreneurial Traits Scale

Entrepreneurial traits were measured by using a quantitative and continuous form developed by numerous researchers and finally tested by Koh (1996). The battery included with 30 items under six dimensions has been double translated into Turkish and then English. Likert type battery was prepared in 5 measurement levels presented as follows: (1=strongly disagree, 2=disagree, 3=neutral, 4=agree, 5=strongly agree). Six dimensions produced partly satisfactory  $\alpha$  coefficients (*the need for achievement*=0,55, *locus of control*=0,20, *propensity to take risk*=0,50, *tolerance to ambiguity*, *self-confidence*= 0,56 and, *innovativeness*=0,60). So, *locus of control* has been excluded from the battery as an entrepreneurial trait. As a unity, entrepreneurial traits with remaining five dimensions proved 0,71  $\alpha$  coefficient. Remaining items in the battery aiming to measure one same thing (entrepreneurial traits) of the students has been proved to be reliable as tool.

### 6.2.2. Schwartz' Universal Human Values Scale (SVS)

Schwartz' Universal Human Values Scale (SVS) consisting 57 items were translated to Turkish by implementing a process of back translation to English by authors. SVS had 9 categories of choice in Likert form (with a range of -1 to 7). Respondents were asked to rate the importance of each value item as a guiding principal in my life on a nine point scale as follows: -1=opposed to my values ; 0=not important ; 1,2=unlabeled ; 3=important ; 4,5=unlabeled ; 6=very important ; 7=of supreme importance. The total cronbach alpha was found as 0,84 for the whole battery. Factor solution by principal components producing 10 subcategories from the battery were tested for internal consistency. The cronbach alpha coefficients found for each subcategories were as follows ; achievement ( $\alpha$ = 0,50), stimulation ( $\alpha$ = 0,60), self-direction ( $\alpha$ = 0,50), hedonism ( $\alpha$ = 0,30), tradition ( $\alpha$ = 0,55), conformity ( $\alpha$ = 0,48), power ( $\alpha$ = 0,48), universalism ( $\alpha$ = 0,72), benevolence ( $\alpha$ = 0,65), security ( $\alpha$ = 0,56).

### 6.3. Research Procedure

Survey procedure was completed in two phases. In the first phase, 50 forms were used for pilot survey to make corrections on the statements that were not well translated or not correctly perceived.

In the second phase students filled 1200 survey forms in classrooms during long break times by the help of course professors' introduction. Students were directed to fill the forms on their own. Students were informed about how to fill the forms to reduce statements that are missed or misunderstood. Personal assistance and directions of the researchers increased the ratio of valid forms filled. In the end, 462 forms were found to be invalid or nonsatisfactory and, 738 survey forms were found to be correct and valid with a 61 % return ratio.

## 7. RESULTS

### 7.1. Differences in Universal Human Values Regarding

#### Entrepreneurial Traits

Associations between the motivational domains of universal human values and entrepreneurial traits were assessed by using independent samples t-test.

#### 7.1.1. Differences in Universal Human Values Regarding Need For Achievement

Table 1: The Need For Achievement

	The Need For Achievement					
			Low level		High level	
	t	Sig. (2-t.)	mean	std. Dev.	mean	std. Dev.
Achievement	-6,64	0,00	3,98	1,17	4,53	1,02
Self direction	-2,64	0,00	4,43	1,05	4,64	0,97
Hedonism	-3,14	0,00	4,41	1,18	4,67	1,01
Conformity	-4,30	0,00	4,64	0,99	5,01	1,35
Power	-2,63	0,00	2,76	1,62	3,06	1,40
Benevolence	-2,33	0,02	4,95	0,86	5,10	0,83
Security	-3,03	0,00	4,97	0,88	5,16	0,79

Table 1 shows that there are meaningful differences between high and low levels of need for achievement regarding *achievement, self direction, hedonism, conformity, power, benevolence, security* ( $p < 0,05$ ). But

not about *stimulation, tradition and universalism*. The same table shows that high level need for achievement give more value to *achievement, self direction, hedonism, conformity, power, benevolence, security* than low level of need for achievement.

### 7.1.2. Differences in Universal Human Values Regarding Propensity to Take Risk

**Table 2:** The propensity to take risk

	The propensity to take risk					
			Low level		High level	
	t	Sig. (2-t.)	mean	std. Dev.	mean	std. Dev.
Achievement	-2,05	0,04	4,29	1,11	4,46	1,07
Stimulation	-3,70	0,00	3,35	1,55	3,77	1,50
Tradition	2,11	0,03	3,69	1,25	3,48	1,22
Power	-2,27	0,02	2,87	1,52	3,12	1,40
Universalism	2,22	0,02	4,85	0,82	4,71	0,96
Benevolence	3,71	0,00	5,13	0,75	4,90	0,97

Table 2 shows that there are meaningful differences between high and low levels of propensity to take risk regarding *achievement, stimulation, tradition, power, universalism and, benevolence* ( $p < 0,05$ ). But not about *self direction, hedonism, conformity and, security*. The same table shows that low level of propensity to take risk give more value to *tradition, universalism and benevolence* than high level of propensity to take risk. On the other hand high level of propensity to take risk give more value to *achievement, stimulation and, power* than low level of propensity to take risk.

### 7.1.3. Differences in Universal Human Values Regarding Tolerance to Ambiguity

Table 3 shows that there are meaningful differences between high and low levels of tolerance to ambiguity regarding *achievement and, stimulation* ( $p < 0,05$ ). But not about *self direction, hedonism, tradition, conformity, power, universalism, benevolence and, security*. The same table shows that high level of tolerance to ambiguity give more value to *achievement and stimulation* than low level of tolerance to ambiguity.

**Table 3: Tolerance to Ambiguity**

	Tolerance to Ambiguity					
			Low level		High level	
	t	Sig. (2-t.)	mean	std. Dev.	mean	std. Dev.
Achievement	-2,46	0,01	4,29	1,12	4,51	1,01
Stimulation	-2,61	0,00	3,41	1,55	3,73	1,52

#### 7.1.4. Differences in Universal Human Values Regarding Self Confidence

Table 4 shows that there are meaningful differences between high and low levels of self confidence regarding *achievement, stimulation, self direction, hedonism, conformity, power and, security* ( $p < 0,05$ ). But not about *tradition, universalism and, benevolence*. The same table shows that high level of self confidence give more value to *achievement, stimulation, self direction, hedonism, conformity, power and, security* than low level of self confidence.

**Table 4: Self Confidence**

	Self Confidence					
			Low level		High level	
	t	Sig. (2-t.)	mean	std. Dev.	mean	std. Dev.
Achievement	-3,96	0,00	4,03	1,10	4,43	1,08
Stimulation	-2,71	0,00	3,19	1,34	3,57	1,58
Self Direction	-3,55	0,00	4,32	0,96	4,63	1,00
Hedonism	-3,72	0,00	4,27	1,20	4,66	1,02
Conformity	-3,42	0,00	4,62	1,00	4,95	1,30
Power	-2,30	0,02	2,72	1,42	3,02	1,49
Security	-2,73	0,00	4,94	0,91	5,14	0,80

### 7.1.5. Differences in Universal Human Values Regarding Innovativeness

Table 5 shows that there are meaningful differences between high and low levels innovativeness regarding *achievement, stimulation, hedonism, conformity, universalism and, security* ( $p < 0,05$ ). But not about *self direction, tradition, power and, benevolence*. The same table shows that high level of innovativeness give more value to *achievement, stimulation, hedonism, conformity, universalism and, security* than low level of innovativeness.

**Table 5:** Innovativeness

	Innovativeness					
			Low level		High level	
	t	Sig. (2-t.)	mean	std. Dev.	mean	std. Dev.
Achievement	-4.71	0,00	3,99	1,14	4,45	1,07
Stimulation	-4.74	0,00	3,00	1,51	3,63	1,53
Hedonism	-3.71	0,00	4,32	1,20	4,66	1,02
Conformity	-3.32	0,00	4,64	1,03	4,96	1,30
Universalism	-2.68	0,00	4,64	0,92	4,85	0,85
Security	-2.77	0,00	4,94	0,88	5,15	0,80

## CONCLUSION

The associations and their directions among universal human values and entrepreneurial traits were illustrated in the table 6.

**Table 6:** The Associations Among Universal Human Values and Entrepreneurial Traits

Entrepreneurial traits	Need for achievement	Propensity to take risk	Tolerance to ambiguity	Self confidence	Innovativeness
-----					
Universal human values					
Achievement	+	+	+	+	+
Self direction	+			+	
Hedonism	+			+	+
conformity	+			+	+
Power	+	+		+	
Benevolence	+	—			
Security	+			+	+
Stimulation		+	+	+	+
Tradition		—			
universalism		—			+

Table 6 shows that there are meaningful differences between two groups of students with *high and low levels of achievement trait* regarding *achievement, self-direction, hedonism, conformity, power, benevolence and, security*. As the students' *need for achievement* increases, the students give more importance to *achievement, self-direction, hedonism, conformity, power, benevolence and, security*.

There were meaningful differences between two groups of students with *high and low levels of propensity to take risk trait* regarding *achievement, stimulation, tradition, power, universalism and, benevolence*. As the students' *propensity to take risk* increases, the students give more importance to *achievement, stimulation and, power*. But the importance given to *tradition, universalism and, benevolence* values decreases.

There were meaningful differences between two groups of students with *high and low levels of tolerance to ambiguity trait* regarding *achievement and, stimulation*. As the students' *tolerance to ambiguity* increases, the students give more importance to *achievement and, stimulation*.

There were meaningful differences between two groups of students with *high and low levels of self confidence trait* regarding *achievement, stimulation, self direction, hedonism, conformity, power and, security*. As the students' *self confidence* increases, the students give more importance to *achievement, stimulation, self direction, hedonism, conformity, power and, security*.

There were meaningful differences between two groups of students with *high and low levels of innovativeness trait* regarding *achievement, stimulation, hedonism, conformity, universalism and, security*. As the students' *innovativeness* increases, the students give more importance to *achievement, stimulation, hedonism, conformity, universalism and, security*.

### DISCUSSION

The research question "What are the subdomains of universal human values responsible for five entrepreneurial traits?" that was built on *entrepreneurial traits* approach can be replied partly affirmatively. Reports on the entrepreneurial traits of undergraduate students having differing universal human values give meaningful remarks for entrepreneurial traits approach.

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