

Is the Entrepreneur a Romanticist? A New Paradigm of Entrepreneurship

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From the analysis of a number of Indian first-generation entrepreneur cases, entrepreneur's characteristics and motivations to make great contributions were investigated.

Entrepreneurship is an area that has captured significant amount of attention of scholars, yet it is still not well understood. This work is an attempt to highlight the different approaches that scholars have proposed, and their application based on new insights on the entrepreneur as an individual. We introduce the concept of the 'entrepreneur as a romanticist' and relate it to Indian first generation entrepreneur cases.

The theory of entrepreneurship has been one of the most intriguing subjects for economists for decades. However, entrepreneurship remains the phenomenon which is the most emphasized yet least understood by economists (Hebert and Link 1988, Ripsas, 1998) notwithstanding a large and diverse literature (e.g., Hobert and Link 1988; Casson 2003).

The term entrepreneur comes from the French language where it was originally used to refer to military leaders, contractors, organizers and architects of musical or other forms of entertainment. Scholars in the field of entrepreneurship continue to struggle with the concept, and researchers/scholars from multiple disciplines in the social sciences have not been of one mind on the meaning of the term entrepreneurship.

Over time, different scholars have identified entrepreneurship with:

- The function of *risk-bearing under uncertainty* (Cantillion, 1755; Mill, 1848; Knight, 1921; Palmere, 1971; Brockhaus, 1980; Deakins and Freel, 1999),
 - The *introduction of new products, new techniques, new methods and new markets* (Schumpeter, 1951; Mc Clelland, 1961; Hagen, 1962),
 - The *coordination of the various factors of production* (Say, 1803; Usher, 1954; Casson, 1990),
 - The *generator of profit* (Cole, 1959; Smith, 1776; Marshall, 1961; Ronstadt, 1984),
 - The *function of economics* (Vesper, 1982; Drucker, 1985),
- The *introduction of multiple innovations* (Harbison, 1956; Leibenstein, 1978; Kao and Stevenson, 1984; Baumol, 1990), and, finally,
- The *function of opportunities* (Kirzner, 1979; Shane and Venkatraman, 2000).

Thus, on the basis of the above, it may be said that definitions of entrepreneurs and entrepreneurship are many and varied and these have evolved over time. At present, there is no single accepted definition of entrepreneurship in the literature. Nearly everything that might be said about entrepreneurship has been said at one time or another, in one way or another. Although there is no single definition to capture the essence of an entrepreneur, the massive research work in this area can be divided into the three main categories (Stevenson & Jarillo, 1990):

- What happens when entrepreneur act
- Why they act; and
- How they act.

Our present work is an attempt to establish the linkage between the 'what' and the 'why' of entrepreneurs' acts, introducing the notion of the entrepreneur as a romanticist.

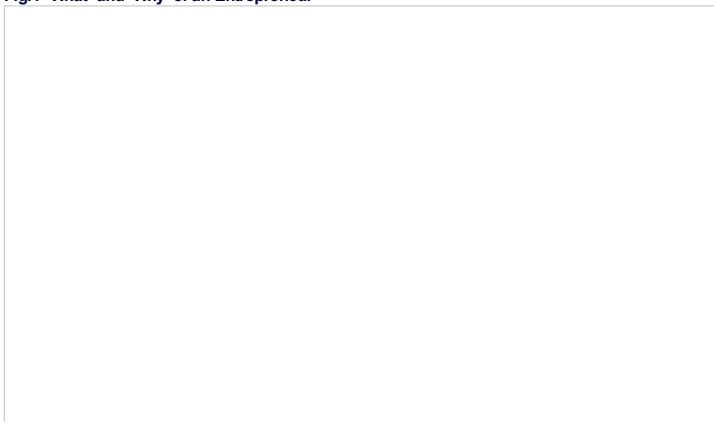
The Entrepreneur as a Romanticist

An entrepreneur is a person who creates wealth for others (Schumpeter 1934; Leibenstein 1968; Baumol 1993). As such a wealth creator, is the entrepreneur a 'romanticist'? In the following an attempt is made to elucidate the term romanticist and connect it with entrepreneurship.

The term romanticist is somewhat synonymous with such terms as dreamer, optimist, enthusiast and visionary. Entrepreneurs dream, otherwise they are not entrepreneurs. Entrepreneurs live in their imagination, fused to their imagination by their passion for creating great, extraordinary companies. The ability to be optimistic, yet realistic is an important trait. It helps the entrepreneur think in creative ways and create enthusiasm/passion to solve problems that emerge so that the entrepreneur keeps trying to find possible answers and exploring ideas which, in turn, broaden his/her vision. In short, the entrepreneur should be recognized as the individual who dreams (Dhirubhai Ambani, Walt Disney, Narayana Murthy and others), is optimistic (G. Reza Arabsheibani & David de Meza & John Maloney & Bernard Pearson, 2000, Frank (1988, Fraser and Greene 2006), enthusiastic (Bass & Stogdill, 1990; House & Shamir, 1993), and visionary (Bird 1992, Filion 1990) and others.

If a person has a dream then he/she has to be an optimist and enthusiast in order to get that dream accomplished, which, in turn, will broaden the horizon of the vision. In other words, a dream begets a business, bolsters enthusiasm which helps in developing binocular vision, which, in turn, makes the entrepreneur a risk-taker, creator and wealth creator. (fig.1)

Fig.1 'What' and 'Why' of an Entrepreneur



Looking at it from the other side, one can support that a dreamer, optimist, enthusiast and visionary, i.e., a romanticist, only has one professional option; one that involves risk-taking (Cantillion 1755; Mill 1848; Knight 1921), innovation (Schumpeter 1951; McClelland 1961; Hagen 1962; Drucker, 1985) co-ordination of various factors of production (Say 1803; Usher 195; Casson 1990) and maximization of profit (Smith 1876; Marshall 1961). Hence, the romanticist becomes an entrepreneur and the entrepreneur is a romanticist. A romanticist person is the innovator and the creator, the risk taker and the profit maker, the wealth creator, the inconsolable pursuer of the impossible who sees visions where others only see work. Thus, an entrepreneur is a person who dreams, imagines, evokes through inspiration, and has a vision, and a picture of a future reality that no one else has yet seen. French writer and Nobel Prize winner Anatole France once said, "to accomplish great things, we must not only act, but also dream; not only plan, but also believe."

Albert Einstein said "imagination is the most important than knowledge."

Dhirubhai Ambani, one of India's most dynamic and flamboyant entrepreneurs^[1], said "Our dreams have to be bigger, our ambitions higher, our commitment deeper and our efforts

greater".

Walt Disney teaches us to dream BIG - even when you are starting with very small means. Disney, with little more than \$40 in his pocket, stated that he would make great Hollywood movies someday.

What set Bill Gates and Lakshmi Mittal aside from other entrepreneurs? The answer is: Dream, optimism (self-confidence), passion, strong vision.

Tata's Jamsetji Nusserwanji ranks among the greatest visionaries of industrial enterprises of all times. Gifted with a most extraordinary imagination and prescience, he laid the foundations of Indian industry, contributed to its consolidation, and became a key figure in India's industrial renaissance. He was the first pioneer entrepreneur who helped India take its place in the club of industrialized nations. His dreams, ideals and vision shaped an exceptional business conglomerate. The industrialist in Jamsetji was a dreamer, a pioneer and a visionary, who possessed a spirit of entrepreneurial adventure and acumen never seen before or since in a native of colonial India.

A final example is visionary software engineer N.R. Narayana Murthy, former CEO and co-founder of Infosys and a pioneer in India's high-tech industry, who when he dreamt of forming his own company, says that certainly we were very optimistic, ambitious, and enthusiastic considering that we were starting with just \$250.

Thus, in a nutshell, the ability to dream, and dream BIG, lies at the heart of entrepreneurship. Entrepreneurship requires seeing what other people don't see, identifying opportunities, dreaming of a future and taking off on a path towards the realization of that dream. The lines of a famous poem apply – 'to strive, to seek and not to yield.' That is the spirit of entrepreneurship. Entrepreneurs come in all shapes and sizes and backgrounds. What they share is the ability to dream, to think big, to see opportunities and to make judgments against a backdrop of massive uncertainty because big dreams entail big risks as the path from the present to the realization is not known.

Therefore, the assumptions would be that entrepreneurs nourish their dreams with knowledge, generate ideas based on information, transform these ideas into projects and bring such projects into existence. Thus, the first propositions we suggest are that entrepreneurs dream and identify opportunities and that is why they are entrepreneurs. A creative entrepreneur is a romanticist. A romanticist man is an ingenious person who has a dream that forces him to think differently and be cerebral.

To date no scholar has tried to establish the relationship among the four important factors and their relationships have also not been examined. The effort is an attempt to propose a "new" paradigm, which is an entrepreneurial exercise in itself. This effort consists largely of combining existing ideas in new ways.

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^[1] Head of the multibillion-dollar Reliance group of industries with extensive interests in textiles, petrochemicals, energy and telecommunications

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