

# What makes a senior executive an entrepreneur?

It takes more than an outgoing personality to make a new business work. **By Gail R. Meneley**

**M**any executives see the entrepreneurial route as a way to escape the frustrations inherent in larger corporations.

But, when it comes down to making the final decision, there appear to be two primary factors that push or pull an executive toward an entrepreneurial venture — age and how long he or she intends to work. In a study of more than 300 senior executives, almost 50 percent seriously considered being an entrepreneur but fewer than 20 percent actually pursued it.

That 20 percent shared common characteristics that might be of interest to other top executives trying to decide between a corporate and an entrepreneurial role.

Data collected from a recent study indicate that personality characteristics are not a major factor for entrepreneurs. For example, many people would assume — and many studies suggest — that you must be an extrovert to be interested in an entrepreneurial role. Data indicate that a high or low score on extroversion doesn't predict whether someone will choose an entrepreneurial endeavor over a corporate position.

In fact, personality inventories such as the Myers-Briggs don't find any discriminating personality characteristics between the two groups. So what are the differences?

■ **Early work experience.** Executives were more likely to return to entrepreneurial work if they had done something similar when they were younger, such as having a lawn mowing business in high school or a pizza delivery business in college.

■ **Desire to combine personal interests with work.** In the latter stages of a career, these executives wanted to consider turning hobbies or interests into money-making ventures. They developed golf courses, built luxury homes or created new businesses.

■ **Higher acceptance of business risk.** Executives were often frustrated by the risk-averse nature of most organizations and recognized that their comfort with tak-



ing appropriate risks had always differentiated them from their peers. Those who chose an entrepreneurial path were drawn to opportunities that have less bureaucracy and greater potential for rewards.

■ **Enjoyment of short-term goals and changing work schedules.** Executives-turned-entrepreneurs realized that they wanted more flexibility. They were willing to work hard and put in long hours, but they wanted to make an impact quickly and see the results of their efforts.

■ **An idea or an unexploited market opportunity.** These executives did not think of entrepreneurship as a last resort. Many honed a particular idea for years or observed a market opportunity that others hadn't pursued. No longer encumbered by corporate dictates, they were free to pursue the market niche.

■ **Management style.** These entrepreneurs enjoyed managing people as much as their corporate counterparts. But, they also enjoyed the initial stages of a business — the creative and strategic processes — and didn't enjoy latter-stage planning and goal-setting.

■ **Operating backgrounds.** A limited

number of executives come up through new product or brand development, sales or marketing. Without this background, it is hard to deal with the dynamic nature of a new business. Senior executives who lacked that relevant experience and who pursued entrepreneurial ventures anyway did so with their eyes wide open and put good people around them with the appropriate experience and skill sets.

Just because you are an independent, highly extroverted senior executive, don't be lured into thinking that you should spend the later stage of your career as an entrepreneur. But, if you are comfortable with risk, enjoy an unpredictable schedule and are motivated by short-term goals, it might be time to consider leaving the corporate world behind.



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