



Passion in new entrepreneurs

Passion and entrepreneurship are inextricably linked. At least, that's what the many entrepreneurs' stories we hear every day suggest.

Passion is often cited as the thing that separates successful entrepreneurs from unsuccessful ones. So it is surprising that, despite the popularity of passion, we know so little about what it really is, the role it plays for entrepreneurs and how we might be able to encourage it more successfully.

“New entrepreneurs feel most encouraged by entrepreneurs who present a familiar story.”

And how better to research these questions than among a group of young, enthusiastic new entrepreneurs at the start of their entrepreneurial adventure? So for this Flanders DC study, we approached BRYO, a VOKA initiative that aims to support entrepreneurial talent in Flanders. What were the results?

1. ENTREPRENEURS THROUGH AND THROUGH

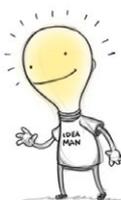
Successful entrepreneurship is achieved by daring to take risks, persevering in the face of numerous setbacks and an inexhaustible reserve of energy and inspiration. In fact, passion for entrepreneurship is often cited as the ultimate source of all these positive things.

But what exactly is this passion for entrepreneurship? The generally accepted definition includes two important aspects. Firstly, it's about the experience of intense, positive feelings. This is the aspect of passion we refer to when we talk about an entrepreneur with fire in their belly, hunger and enthusiasm. It also includes the degree to which someone identifies with entrepreneurship: how important is entrepreneurship for me as a person? It answers the question “who am I?”

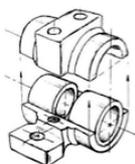
Inventor, founder or developer

There are all kinds of possible answers to the question “who am I?” You could say “I am an entrepreneur,” but you could also be more specific and say “I am an inventor,” “I am a founder,” or “I am a developer.” Each of these three roles covers a specific aspect of the entrepreneurial process. Some entrepreneurs identify strongly with one role, whilst others may see themselves in more than one.

1. Entrepreneurs who are very passionate about **invention** mainly work on coming up with new ideas and solutions. They are always looking for new opportunities.



2. Others mainly identify with the role of **founder**: they are most passionate about making their ideas a reality and establishing a business in practice.



3. A third role entrepreneurs may identify with is that of **developer**: for these people, growing and continuing to develop a businesses is the most enjoyable and energising aspect.



More passion, more motivation

“To succeed you have to believe in something with such a passion that it becomes reality.”

Anita Roddick, founder of The Body Shop

Passion cannot be directly observed, but it can be recognised indirectly in an entrepreneur's actions. So highly-motivated entrepreneurs are also often referred to as passionate entrepreneurs. This is because passionate entrepreneurs become completely absorbed in their activities - they find themselves in a positive *flow*, in which they lose all sense of time and continuing to build on their idea or project is all that matters. This passion is also what leads to more creativity.

2. HOW CAN WE FUEL PASSION FOR ENTREPRENEURSHIP?

Maintaining passion

“Finding that first customer is not always easy.

Most people (...) think their idea is fantastic and believe that everyone will want to buy it. Discovering that some people are not enthusiastic about your idea can be pretty hard.”

BRYO participant, interview

The interviews showed that the passion entrepreneurs experience prior to establishing a business can decrease due to the creation of unrealistic expectations. Given the positive relationship between entrepreneurial passion and the success of the new business, this is obviously detrimental. Most entrepreneurs seem to begin the start-up phase with a lot of dedication, but once they experience the reality, the picture often seems less rosy, not least in terms of market potential.

The first contact with consumers is often disappointing and dreams fall apart, possibly resulting in decreased entrepreneurial passion. This could be avoided through better assessment of the market. It's important to approach potential customers as soon as possible. The earlier this is done, the lower the chance of negative experiences whilst establishing a business.

In comparison, the red tape involved in establishing a business seems to have little impact on passion in new entrepreneurs. It is rarely experienced as positive, but is viewed as a necessary evil that simply has to be dealt with.

Does passion actually help new entrepreneurs to get ahead?

In order to investigate this, we followed new entrepreneurs from BRYO for a year. BRYO is a VOKA programme that has been running for around two years and organises regular meetings through which participants can learn from each other, experienced entrepreneurs and experts in a range of fields. Individual coaching is also an option.

So that nothing was left to chance, we carried out research into the passion and start-up activities of the BRYOs through a longitudinal study. During the initial survey we reached 274 new entrepreneurs and were therefore able to collect data for more than half of all the BRYOs active at that time. We were eventually able to survey 114 entrepreneurs 3 times, producing a unique dataset. The participants in our questionnaire survey were approximately 80% male and 20% female. The average age was just over 30 and most had completed further education: more than 70% had a masters-level degree and a significant number had an MBA or PhD. ICT was the best-represented sector in the study by a wide margin, accounting for more than a third of the participants.

One initial finding was that all BRYOs scored fairly highly to very highly in terms of passion for entrepreneurship, for all roles: inventor, founder and developer. The highest-scoring group of entrepreneurs also clearly had the most experience of entrepreneurship, invested the most time in their business and were more often part of a team of entrepreneurs. A large majority of the BRYOs were

already at an advanced stage of development for a product or service. At the time of the third survey, 50% of the participants stated that they were ready to launch in the market.

Analyses also confirmed the positive relationship between entrepreneurial passion and the progress made by new entrepreneurs. Progress was measured using various indicators, including investments made, marketing campaigns and so on. The results show that the intense positive feelings experienced whilst working as an entrepreneur are the most important factor for achieving progress. The inventors and developers among the entrepreneurs must also identify strongly with the roles of inventor and developer in order to make progress. This seems to play a less crucial role for the founders.

Given these results, it was surprising and a little worrying to see that there was a marked decrease in the intense positive feelings experienced in relation to establishing a business, over the course of the year we followed these BRYOs. After all, a decline could mean fewer steps being taken to make ideas concrete and launch in the market. We looked for possible explanations for this decline among the BRYOs themselves. Around thirty additional BRYOs were interviewed for this, resulting in a clearer picture and a number of practical recommendations. An important focus point was the influence that passionate role models can have.

Role models

“What I don’t like is people for whom everything always seems to be going well, who are always on track and who never seem to encounter any setbacks. I find that strange.”

BRYO participant, interview

Many entrepreneurs have role models and entrepreneurial programmes also often use role models, with the hope that the ‘spark’ will catch. It is notable that almost a quarter of the new entrepreneurs are most inspired by other new entrepreneurs (see figure). So being able to identify is very important and explains why not all types of entrepreneur are seen as role

models. Well-known names or speakers with great success stories may even decrease entrepreneurial passion. This survey also shows us that if you want to spark passion for establishing a business, it is best to engage role models who are passionate about establishing businesses themselves. Role models who are very passionate about invention can actually decrease passion for establishing a business. New entrepreneurs feel most encouraged by entrepreneurs who present a familiar story about establishing a business, entrepreneurs who have fallen and got back up again and can talk about this realistically and with nuance.



Figure. Role models for new entrepreneurs

Know where your passion for entrepreneurship lies

“Some people have a good idea but are not the kind of person to make money from it.”

BRYO participant, interview

As a new entrepreneur, you can also take action yourself and do business with passion. It is important to play to your strengths as a new entrepreneur. An entrepreneur with brilliant ideas but without the skills to bring a product to the market is not necessarily condemned to failure. Entrepreneurs who are aware of their passion for the role of inventor, founder or developer have various options.

1. An inventor, who mainly focuses on coming up with ideas, can form a team with a founder, who is passionate about establishing a business. Through this kind of complementary cooperation, identification with one’s own entrepreneurial role, and therefore the passion for this, is strengthened.

2. If forming a team is not an option, it is good to know that passion for the various entrepreneurial roles may change over time. This was demonstrated by the interviews we conducted for this study. For example, experiencing first-hand what it means to actually establish a business can be a surprisingly positive experience, including for someone who thought that their passion lay exclusively in the role of inventor. In general, we can say that it is important to step outside your comfort zone as an entrepreneur, so that passion for other aspects of entrepreneurship can grow. Programmes to stimulate entrepreneurship should therefore ideally focus on action, rather than simply functioning as an idea tank.

Reference:

Alles wat u nog niet wist over passie bij ondernemers (Everything you didn’t know about passion in entrepreneurs)
By Jacob Vermeire and Veroniek Collewaert (Flanders DC Knowledge Centre at Vlerick Business School), 2013.