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What 25 Years of Entrepreneurship Research Reveals About Successful Founders

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Entrepreneurs differ widely in background and personality, but successful founders tend to communicate well, make decisions quickly and stay intensely focused.

Recently I was reflecting back on nearly 25 years of studying entrepreneurs and high tech ventures and asked myself what have I learned? What "wisdom" can I impart to my students? My conclusion was that I've learned a few things, but I have far more questions than answers.

Here is what I know for sure:

Entrepreneurs are as diverse as the human race

I've seen no evidence that you are born to it or must have certain personality traits to be a successful entrepreneur. Anybody, and I do mean anybody, can do it. No passing grade on a test or cognitive assessment is required. You just need to want it, believe it, work your tail off to get it and have some luck. Entrepreneurship is a profoundly human activity in which people around the world can and do participate. It is a fundamental human process that contributes mightily to the improvement of the human condition. Your race, gender, nationality, socioeconomic background or education make less of a difference than your drive.

Personal relationships matter

You do more for an acquaintance then a stranger and more for a friend then an acquaintance. Research & Development alliances are the most complex and difficult business arrangement to manage, and after years of research into their inner workings I am absolutely convinced of two things. The first, is that the relationships between the individuals managing business relationships are critical to their success. The personal relationship creates trust and buffers the business relationship. Still, in alliances all parties should heed President Reagan and "trust but verify." It is a business relationship created to achieve business objectives. So the relationship needs to remain friendly but professional. Second, the quality of the communications between the business partners has the biggest impact on trust and ultimately performance. Partners, be they internal to the venture or external, need to communicate frequently, rapidly and honestly. Communication between partners must be a no-spin zone. Regular meetings, frequent e-mails and phone conversations are the grease that keeps the wheels of venture turning.

Get things done

Every venture is competing in a multitude of markets, not just the product market. In fact, they never get to the product market unless they first win in the other markets in which they compete. They are competing for scarce investment dollars. They are competing for talent. They are competing for prominent partners. In short, they are competing with other ventures and established firms for everything they need. They only way to win that competition is by getting things done. Stories are great; value propositions and business models matter; but getting things done differentiates you. Accomplishments (patents, prototypes, partners, customers, etc.) are sources of power for entrepreneurs seeking resources. The more you accomplish, the more people want to work with you and the more options you create. Entrepreneurs that get more done with less are far more likely to succeed because they are far more likely to win in the multitude of markets in which they compete.

Finally, I have a couple of observations on entrepreneurs. Interview any entrepreneur, or have a beer with any entrepreneur, and you will not be talking football, music, politics or whatever for very long. The conversation always quickly turns to their venture. Their

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heads are always noodling on problems faced by their venture and trying to find solutions and ways to do things better, faster, cheaper. After years of researching entrepreneurs and entrepreneurship, I tell my students the two common traits of successful entrepreneurs are decisiveness, and focus to the point of obsession. Ventures are always short of resources -- be it time, bodies or cash. Success requires that a venture's scarce resources be used as effectively as possible. This means a clear, hard-headed focus on achieving the desired ends. It also means making a decision, not agonizing over it or putting it off. Take action. Successful entrepreneurs keep their eyes on the prize and are willing to make the decisions necessary to get it.

From 25 years of researching the entrepreneurial process, I'm left with more questions than when I began. But that's what energizes me, and keeps me coming to the office and starting the next project.

Additional Search Terms: inspiration, longevity, psychology, positive thinking, creativity, encouragement

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