

**Personal Values as drivers for Entrepreneurial behaviour –  
An exploratory analysis of MBA student development**

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**Abstract**

This paper explores a systematic attempt to bring together (personal) leadership development factors with the identification of entrepreneurial behaviours. This is achieved through the vehicle of a UK-based accredited MBA programme, in order to explore whether or not entrepreneurial behaviours can be developed causally back to (personal) values of achievement, affiliation and power. The paper seeks to identify if intended entrepreneurial behaviours can be developed into exhibited entrepreneurial behaviours within MBA programmes.

**1. Introduction**

The debate about what constitutes entrepreneurship and associated traits and behaviours has been continuing for over 130 years since the time of Adam Smith, David Ricardo, John Stewart Mill and Alfred Marshall. Over this time it has been argued that entrepreneurs are the key to economic growth and that entrepreneurs themselves organise future enterprises by taking creative risks [1]. In addition one aspect that is recurrent is the notion of skills and the ability of entrepreneurs to change and transform their environment through their leadership capabilities [2]. This paper seeks to explore how such leadership and entrepreneurial behaviours can be developed through an exploration of latent, “intentional” (personal value-based) and active, “exhibited” (experience-based) entrepreneurial behaviours, via a study of four cohorts of MBA students on an accredited MBA programme. The author proposes to consider the role that values play in understanding the behaviour of human resources in organisations. Rokeach [3] identifies values as enduring viewpoints that instigate established ideologies to steer individuals’ right through their lives. Many personal values such as the PVS of England [4]. This paper utilises McClelland’s “Personal Values Questionnaire”, PVQ – which involve relationships between “Achievement”, “Affiliation” and “Power” [5]. Also in terms of overall management development the use of management games and business simulations is becoming increasingly popular. Business simulation games provide an opportunity to explore complex business situations, where students have a chance to take and implement decisions and see their consequences [6]. As such, this study focuses on the application of a well-known business simulation game package, MarkStrat which allows the exploration of strategic management decisions from a marketing perspective ([7], [8]). Hence entrepreneurial behaviour which includes aspects of risk taking, arbitrage, capital formation, leadership and

innovation is required. The game is heavily reliant upon experiential learning where learnt knowledge across all broad areas of strategy, marketing, human resources, operations and finance must be applied in order to progress. Hence the aim being to seek to identify if there is any relationship between personal value and business simulation game experiences and feedback together to explore the so-called latent or “intentional” entrepreneurial behaviours with active or “exhibited” entrepreneurial behaviours. This is achieved through the development of a conceptual framework exploring intentioned and exhibited entrepreneurial behaviours.

## **2. Entrepreneur and Personal Value characteristics**

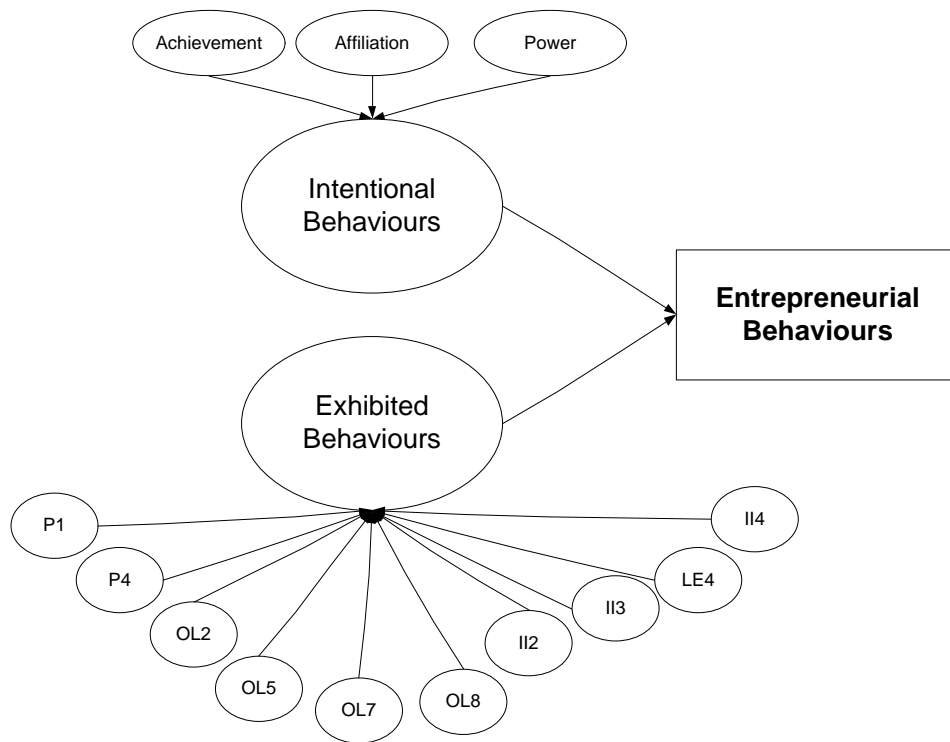
By reviewing the literature (such as [9] - [17]), the author has identified 16 entrepreneurial characteristics which are contrasted with Bosma *et al.*'s role traits of being Risk-Takers, Arbitrageurs, Capitalists, Leaders / managers and Innovators [18]. The 16 characteristics are that entrepreneurs are: Typically male and in their Mid-30's, Highly educated, Possessing (a depth of) Experience, Dependent upon gathering new knowledge, are good at using Social capital (cognitive, relational), Committed to achieving goals, Competent in their expertise, Creative / innovation-driven, Goal-oriented towards capital creation, Possess Self-efficacy, Achievement-oriented and seeking, High propensity to tolerate Risk, Seek a narrow locus of control, Exhibit “natural” Leadership characteristics, Courageous and opportunity-driven, and Skilful. For the purposes of this paper, these characteristics will therefore be explored through the outcomes and feedback from identifying personal values of MBA students from an accredited business school as well as relating these factors to feedback from an experiential business simulation game where such traits, characteristics and behaviours need to be applied. Specifically, the McClelland personal values questionnaire (PVQ) explores three types of motivation: Achievement motivation, based upon an individual's desire for seeking or attaining significant accomplishment and mastery of skills; Affiliation motivation which is defined by an individual's need to feel a sense of "belonging" within a social group; and finally, Power motivation which is in terms of how an individual ascertains and seeks to see their environment change and develop as a result of their own involvement. These values are therefore used as a basis to explore whether or not future leaders / entrepreneurs can exhibit and use entrepreneurial behaviours as a result of their learning on their MBA programme. This is achieved through looking at and identifying these personal values for four cohorts of MBA students and attempting to identify whether these (latent) behaviours are exhibited in their course of management study, through a reflection of their responses to learning as a result of engagement with the MarkStrat business simulation game (towards the end of their course).

### **3. Research Methodology and development of a conceptual framework**

The research methodology used for this research derives from the positivist empirical perspective in order to explore cohort personal value (PVQ) data with feedback from learning experiences of an MBA programme business simulation game. The choice of the particular PVQ instrument was based upon previous successful usage by the researcher in a management development setting [19]. As such the total sample population utilised for this study encompasses four cohorts of MBA students ( $n = 80$ ) from an accredited UK business School who were first administered the McClelland PVQ instrument at the start of their studies (30 questions, using a 5 point Likert scale); and then who were subsequently required to engage in using a business simulation game at the conclusion of their programme (28 questions, using a 7 point Likert scale), where they were encouraged to apply and use all of their MBA knowledge and skills to date for the task. This included making reference to previous developmental aspects covered which included the MBTI instrument, the PVQ and Honey and Mumford's Learning Styles Questionnaire (LSQ) amongst others. The research design involves combining a range of entrepreneurship characteristics, personal values and feedback from experiential learning together. The most pertinent factors for the business simulation game feedback chosen were: P1. Market Competition; P4. Marketing Communications; OL2. Take risks I could not take in a real business; OL5. Evaluate the success of particular strategies that were adopted; OL7. Recognise the difference between tactics and strategies'; OL8. Learn to analyse information more effectively; II2. I will be able to work more effectively in groups; II3. I will be able to critically evaluate marketing data; II4. I will be able to use information more effectively; and LE4. I find a competitive environment helpful in learning marketing and business issues. Given the above, a framework is now developed in Figure 2 which seeks to explore the linkages between PVQ and experiential learning feedback. It is proposed that elements of achievement, affiliation and power motivation are "intentional" and that business simulation game factors are "exhibited" entrepreneurial behaviours.

### **4. Analysis**

Table 1 shows descriptive statistics for the MBA students, for each of the MBA cohorts in terms of Achievement, Affiliation Power. An interpretation is offered that entrepreneurial values are akin to a PVQ profile where there may be high levels of Achievement and Power with a moderating level of Affiliation. This shows a negative Affiliation-Achievement correlation (-0.343) but with weak positive Power-Achievement and Power-Affiliation correlations. Thus identifying Power motivation (personalised or socialised impact) drives achievement (excellence) and affiliation (relationships) rather than any other factors.



**Figure 2. Conceptual framework**

The validity of each construct through an analysis of instrument validity shows that Cronbach  $\alpha = 0.670$  which highlights the fact that the internal consistency is low (where usually  $\alpha = 0.7$  or higher is considered to be acceptable). This means that average inter-item correlation of these factors is low. The correlation of simulation feedback in Table 2 shows that there is a strong positive correlation (0.900) between II4 (using information more effectively) and II3 (ability to critically evaluate data). This is also followed by a large positive correlation of 0.830 between II4 and OL2 (taking risks); P1 and P4 (market competition and market data) of 0.797; and II4 and OL8 (learning to analyse information effectively) of 0.795). Here, the Cronbach value is  $\alpha = 0.923$  which highlights a very high internal consistency, i.e. the average inter-item correlation is high.

	1	2	3
<i>Achievement</i>	1.000		
<i>Affiliation</i>	-0.343	1.000	
<i>Power</i>	0.256	0.281	1.000
Mean	4.42	Mean 3.39	Mean 3.73
Median	4.50	Median 3.20	Median 4.10
Mode	4.60	Mode 3.00	Mode 4.40
Std. Dev.	0.33	Std. Dev. 0.51	Std. Dev. 0.89
Variance	0.11	Variance 0.26	Variance 0.80
Kurtosis	1.30	Kurtosis -1.51	Kurtosis 0.39
Skewness	-1.46	Skewness 0.40	Skewness -1.15

**Table 1. Summary descriptive statistics and correlations for PVQ cohorts**

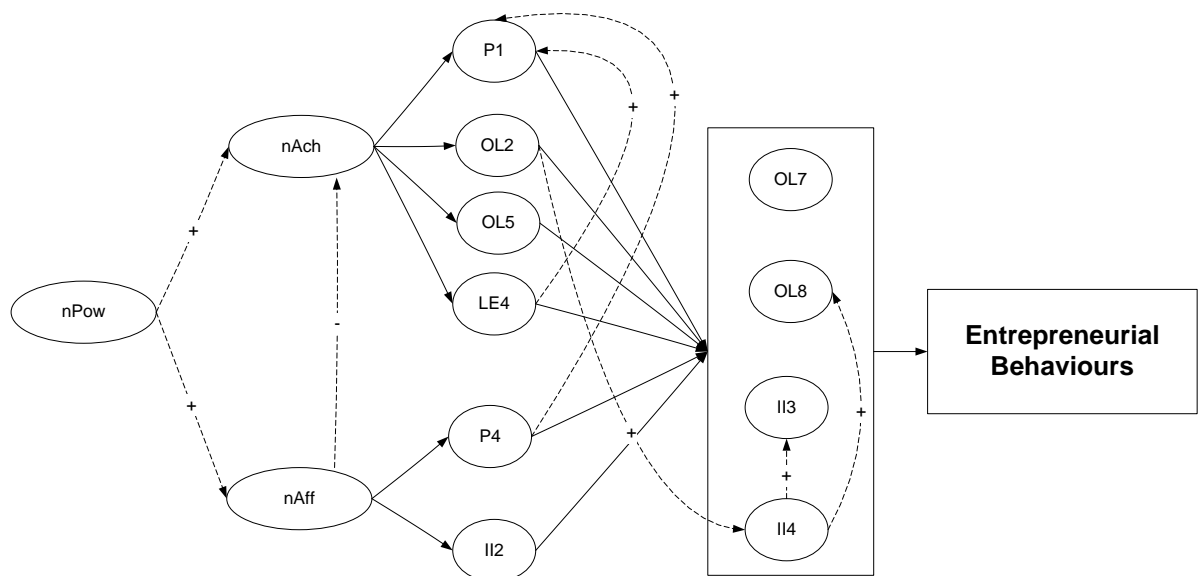
Factor	1	2	3	4	5	6	7	8	9	10
<i>P1</i>	1.000									
<i>P4</i>	0.797**	1.000								
<i>OL2</i>	0.481	0.483	1.000							
<i>OL5</i>	0.373	0.277	0.455	1.000						
<i>OL7</i>	0.498	0.452	0.452	0.628	1.000					
<i>OL8</i>	0.351	0.236	0.565	0.539	0.624	1.000				
<i>II2</i>	0.401	0.432	0.529	0.602	0.426	0.338	1.000			
<i>II3</i>	0.573	0.512	0.737	0.511	0.591	0.685	0.622	1.000		
<i>II4</i>	0.538	0.508	0.830**	0.563	0.559	0.795**	0.614	0.900**	1.000	
<i>LE4</i>	0.735**	0.604	0.551	0.585	0.595	0.599	0.533	0.737	0.742	1.000

Note: where \*\* is at  $p < 0.01$  (two-tailed Pearson correlation)

**Table 2. Correlation analysis for business simulation game feedback**

## 5. Discussion and Conclusions

By evaluating the results of the intentional and exhibited behaviours of the MBA students (i.e. PVQ and post-PVQ, business simulation game), it can be seen that the principle drivers of intentional entrepreneurial behaviour are power (impact), achievement (excellence) and affiliation (relationships); and of exhibited entrepreneurial behaviours are centred around information evaluation capability (hence arbitrageur skills of taking advantage of asymmetries of information), and risk taking. This is in terms of exploring the means and correlations of the respective factors. This is also supported by the relevant descriptive statistics also. As such, a conceptual framework with these points in mind is shown in Figure 3 (where correlations are shown as dotted lines).



**Figure 3. Revised conceptual framework**

These findings show that there are potential relationships between intentional and exhibited entrepreneurial behaviours, that are mediated and related through a combination of managing information, people and knowledge (high value of intentional power motivation); and the ability to take risks in a competitive environment in a creative and skilful manner (high value of intentional achievement motivation). Power motivation (valuing the impact of outcomes through personal or organisational means) is intimately related with information evaluation capability and the ability to learn experientially in a competitive context. This appears to be the basis of entrepreneurial MBA behaviours. Interestingly, the results show that affiliation motivation and the ability to work in groups is perhaps not so well developed or valued. These findings fit with the traditional view of entrepreneurs as loners or individuals who value their own motivation in order to succeed. Hence this research has shown that entrepreneurial behaviours can potentially be developed through personal values, which when applied to experience-based/situational learning can lead to enhanced ability to handle information in a competitive setting where risk taking is required.

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