INDIVIDUAL ENTREPRENEURIAL ORIENTATION:
AN ASSESSMENT OF STUDENTS

By

Laura Vogelsang

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Committee Membership
Lane, Michelle, Ph. D., Committee Chair
Sleeth-Keppler, David, Ph. D., Graduate Coordinator

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ABSTRACT

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As the current business environment shifts to a more community-based, local market, this gives way to many more individual start-ups and small-business ventures. With this change comes the need for an individual to assess their ability to enter the industry. This study compares personal self-esteem in relation to individual entrepreneurial orientation (IEO) levels, as well as IEO in relation to starting their own business venture in a study of 209 Pacific Northwestern university students. The items for scale are based on the entrepreneurial orientation dimensions from Lumpkin and Dess, and individual entrepreneurial orientation from Bolton and Lane, as well as the self-esteem dimensions from Heatherton and Polivy.

The survey distribution resulted in a strong correlation between IEO and self-esteem, as well as starting their own business and working for themselves. Self-esteem scores did not show any direct correlation with the inclination to work for themselves, or start their own business. Measuring IEO and self-esteem scores will help individuals, teachers, investors, and firms understand a student or employee’s personal orientation toward conscientiousness, openness to experience, and willingness to take risk; all
characteristics that would benefit a firm and/or guide someone toward opening their own business as well as minimize the risk level of this new venture.
ACKNOWLEDGEMENTS

Looking back on my educational journey, I find myself eternally grateful to my parents, Philip and Kate Vogelsang, for providing unconditional love and support; without your help I would not be where I am today, and certainly would not have the drive and commitment that I do now- you are my role models. Thank you to my two older sisters, Kirsten and Emily, for being my best friends and mentors. Thank you to my boyfriend Alex for always making me laugh when I feel like I’ve reached my breaking point- you keep my head above water. Thank you to the amazing professors at HSU- Nancy Vizenor, David Sleeth-Keppler, and Mike Thomas for providing countless learning opportunities, an open and fun learning environment, and being so passionate about educating your students. And last but certainly not least, Thank you to Michelle Lane for being so fun-loving and passionate about animals and your research, and providing an amazing learning opportunity in allowing me to continue your research in individual entrepreneurial orientation- I can only hope that I have done this project justice.
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INTRODUCTION

Numerous studies have been done to analyze the importance of understanding entrepreneurial orientation on the level of large organizations or firms. Some believe that entrepreneurial orientation (EO) can be used to measure and adjust a firm’s competitiveness in its external environment in order to increase task performance levels (Rosenbusch, Rauch, and Bausch, 2011), as well as help develop strategies to influence performance through characteristics such as innovativeness, risk-taking, and competitive aggressiveness (Lechner & Gudmundsson, 2014).

After doing an extensive review of the literature, it has been found that most articles focus solely on entrepreneurial orientation on the larger scale, but not on the individual level. Measuring individual entrepreneurial orientation (IEO) can help individuals, teachers, investors, and firms understand a student or employee’s personal orientation toward conscientiousness, openness to experience, and willingness to take risk; all characteristics that would benefit a firm and/or guide someone toward opening their own business. In addition, increased understanding of individual and student EO can be used to develop more relevant and useful education programs (Harris and Gibson, 2008). In addition to understanding the importance of a student’s IEO score and their inclination toward starting their own business, one can’t help but wonder if there are pre-conditioning factors with an individual’s personality traits that might influence someone’s IEO. Research has shown that people who have higher self-esteem leads to
higher success in business. In an effort to create a wider understanding of IEO and its measurement system, as well as self-esteem in relation to IEO levels, a partnership with Dr. Michelle Lane was formed in order to further understand her methodology and continue on the work she has already done for the study of individual entrepreneurial orientation.

Research to be Addressed

Current research has shown the correlation between IEO scores and the propensity to start their own business venture. However, a study has not been done to correlate self-esteem with these measures. Understanding an individual’s self-esteem score can greatly improve the likelihood of success in opening their own business, or at least minimize the risks involved with this venture. In addition, understanding the significance of self-esteem can help educators and employees foster an individual’s esteem, as well as provide a means for further study of these scores.

This project will study past literature on entrepreneurial orientation and confirm the validity of Bolton and Lane’s (2012) IEO measurement instrument. A survey will be administered in order to determine the level of entrepreneurial orientation and self-esteem of students at a Pacific Northwestern university. These measures will be assessed in relation to their propensity to start their own business venture. In the following passages, entrepreneurial orientation and self-esteem measurements will be discussed, as well as
the measurement instrument used to test the entrepreneurial orientation and self-esteem of university students. The research questions for this study are as follows:

1.) R1: Does self-esteem indicate any relationship with an individual’s propensity to start their own business or work for themselves?

2.) R2: Does an individual’s entrepreneurial orientation score indicate a higher likelihood of someone opening their own business or working for themselves?

3.) R3: Is there a relationship between a person’s entrepreneurial orientation and self-esteem?
REVIEW OF LITERATURE

Defining Entrepreneurial Orientation

Today, entrepreneurial ventures account for a large part of new business development and economic growth in the United States. According to Rauch and Frese (2000), the founding rate of small and medium-sized enterprises has grown since 1979, with a particular increase in smaller firms. Entrepreneurial orientation provides organizations with a basis for entrepreneurial decisions by understanding the strategy-making processes of the firm. The term entrepreneurship is used to illustrate new entry into a market, while entrepreneurial orientation describes how new entry into the market will be assumed (Dess and Lumpkin 1996).

For small start-up businesses and large firms alike, entrepreneurial orientation is an important tool used to discover opportunities in the external environment as well as determine the firm’s level of entrepreneurship by measuring five different dimensions: autonomy (the ability to take action on an idea free of organizational constraints), innovativeness (the tendency of a firm to support new ideas and engage in a creative process), proactiveness (forward-looking, anticipating future problems or demands in the market), risk-taking (how far a firm is willing to go to make resource commitments), and competitive aggressiveness (closely related to proactiveness, but focuses on a firm’s competition in the market, and the ability to respond to and outperform competitive
Having a high level of entrepreneurial orientation might allow a firm to thrive in its external environment and cultivate a high financial performance because they are able to take risks and be innovative, proactive, and aggressive when it comes to entering a new market.

There may also be other factors affecting an organization’s EO, however. Moroku (2013) discusses other environmental influences such as culture, political institutions and social structure that could either hinder or benefit a firm’s success. While the EO construct has been more widely studied in Western countries, few studies have been done to determine how cultural dimensions in other countries might change a firm’s EO. It has been said, however, that values of other cultures might conflict with that society’s ability to develop a satisfactory EO construct (Rauch et. al, 2000).

Dimensions of Entrepreneurial Orientation

The five different dimensions of entrepreneurial orientation mentioned above (autonomy, innovativeness, risk-taking, proactiveness, and competitive aggressiveness) are used to determine the levels of entrepreneurship in an organization (Dess et. al, 1996). Autonomy is used to determine the level of self-direction of an individual or organization in the pursuit of opportunities. Innovativeness refers to a firm’s tendency to create and experiment with new ideas that might result in new products or new processes for doing something. Risk-taking represents how far a person or firm is willing to go in order to
make large commitments to resources or a change in action. Proactiveness is determined by the ability of a group to be able to anticipate future goals or needs and act accordingly. Competitive aggressiveness is the last dimension of EO that is used to determine a firm’s ability to challenge its competitors. Particularly in the case of a new business or firm, challenging competitors to get entry will improve position in the market and perhaps help them outperform competitors (Dess et. al, 1996). Determining the EO of a firm can help when entering a new market and creating a competitive advantage. Lumpkin and Dess created the five dimensions of EO in order to help determine levels of entrepreneurship within organizations, which then would help determine their market performance.

There have been a significant number of research articles published that build upon this construct and have examined the link between EO and firm performance. Rauch and Frese (2009) determined that there were significant positive effects of EO on firm performance in performance criteria such as company growth, survival, sales figures, and perceptual performance. Lumpkin and Dess, 1996 also determined that there was a positive link between EO and firm performance by observing performance measures such as market share, profitability, and reputation.

Defining Individual Entrepreneurial Orientation

While studying an organization’s EO is important to understanding the business environment on a larger scale, it is said that nurturing an organization’s culture is key to
building strong firm performance in the business world (Joardar and Wu, 2011). This is accomplished by recruiting employees that fit the culture and employing management that can embed value systems into the organization. Lau, Shaffer, and Au (2007) stated that “entrepreneurial firms are natural extensions of entrepreneurs” therefore, it is important to understand that measuring entrepreneurial orientation on an individual level might allow us to gain a deeper understanding of the business world and its factors contributing to an individual’s success, as well as the individual’s contribution to the success of a firm or organization.

As the current business environment is shifting to a more community-based, local market, this is giving way to many more individual start-ups and small-business ventures. With this change comes a need for an individual to be able to assess their ability to enter the market; the individual entrepreneurial orientation construct can help them do that. Using measurement systems created to determine individual entrepreneurial orientation (such as the framework developed by Bolton and Lane, 2012) can help determine a perspective employee’s success in a company, an individual’s ability to start their own business, or help mentors guide an individual through their start-up and minimize the risk level of new business ventures.

While various environmental factors, personality traits, and societal pressures may have an effect on an individual’s entrepreneurial orientation, the same five distinct traits used in determining the level of organizational EO have been examined to determine an
individual’s entrepreneurial orientation (Rauch, 2009). By modifying how a question is asked in terms of the 5 dimensions, the organizational research done for a firm’s entrepreneurial orientation was proposed to better fit the individual. Previous research in this field shows that the innovativeness (an individual’s ability to pursue new opportunities as well as their creativity), proactiveness (their ability to anticipate future problems or demands), and risk-taking (assuming personal risk and willingness to make commitments) traits gave reliable results for determining an individual’s EO (Bolton, Lane, 2012). The autonomy and competitive aggressiveness measures did not hold up at the individual level, however—possibly due to the fact that these two traits are a learned behavior and might develop more as individuals mature, or as they face a more competitive environment (Bolton, Lane, 2012). After reviewing many different literature sources, it is apparent that IEO research is scarce. Using previous research collected by Bolton and Lane, IEO research efforts will be continued in order to further validate their measurement system and the results that they found. For the purpose of this research, two testable hypotheses for IEO have been created:

1.) \( H_{10} \): A higher IEO score does not indicate a higher interest in starting own business venture.

\( H_{1a} \): A higher IEO score indicates a higher interest in starting own business venture.

2.) \( H_{20} \): A higher IEO score does not indicate a higher interest in working for self.

\( H_{2a} \): A higher IEO score indicates a higher interest in working for self.
Defining Self-Esteem

It has been said that individuals with high self-esteem are motivated to do well in different job settings in order to maintain a cognitive consistency with their high self-evaluations; thus, one can’t help but ask the question, would people with high self-esteem levels be more likely to have a higher IEO score? This relationship will be empirically examined in this study.

Self-esteem is defined as “one’s overall positive or negative evaluation of oneself” (Ferris, Lian, Brown, Pang, Keeping, 2010, pg.566). Research has shown that high self-esteem provides a buffer against different stressors that might impede motivation or performance in the workplace- these individuals with high self-esteem are more motivated to perform on a task in a way that is consistent with their own self-image (Ferris et. al, 2010).

Another idea, known as self-esteem contingencies, states that there are different “domains or categories of outcomes that a person has staked their self-esteem, so that a person’s view of his/her value or worth depends on perceived successes or failures or adherence to self-standards in that domain” (Ferris et. al, 2010). In other words, different situational outcomes have the ability to either negatively or positively influence how we feel about ourselves. Based on the outcome, this could be critical to a person’s likelihood to pursue an entrepreneurial venture.
Self-esteem has been studied between genders to determine if there are different demands or expectations that affect male self-esteem vs. female self-esteem. According to Josephs, Tafarodi, and Markus, (1992, pg. 392), “for men, evaluating the self positively… should derive, in part, from fulfilling the goals ascribed to their gender-being independent, autonomous, separate and better than others. For women, feeling good about one’s self… should derive, at least in part, from being sensitive to, attuned to, connected to, and generally interdependent from others.” According to the Josephs et. al (1992) study, women did not associate high self-esteem with individualizing one’s self, or claiming themselves as unique, whereas data suggested that uniqueness was an important source of self-esteem for men. This idea could play a part in differing levels of IEO between men and women and their propensity to create their own unique brand.

According to Roberts and Robinson, 2010, entrepreneurs possess certain personality types including risk-taking, responsibility, independence, and self-confidence. In addition to this idea, the Entrepreneurial Attitude Orientation (EAO) scale created by Robinson, Stimpson, Huefner and Hunt (1991) discusses the measurement of different attitudes in business such as (1) Achievement in business (individuals’ ability to start and grow a business), (2) innovation in business, (3) perceived personal control of business outcomes (the individuals’ ability to control results), and (4) perceived self-esteem or self-confidence in business.
Through EAO scales, literature suggests that entrepreneurs would possess a high regard for their abilities in business, which results in high measures of self-esteem (Roberts, et. al, 2010). Thus, it is important to compare individual entrepreneurial orientation with that individual’s self-esteem measurement, in order to determine if there is truly a correlation. A self-esteem measurement, including a person’s self-esteem in performance, appearance, and social measures have been included within the IEO measurement instrument in order to test these correlations; the testable self-esteem hypotheses are as follows:

1.) H3₀: A higher self-esteem score does not indicate a higher interest in starting own business venture.
   H3₁: A higher self-esteem score indicates a higher interest in starting own business venture.

2.) H4₀: A higher self-esteem score does not indicate a higher interest in working for self.
   H4₁: A higher self-esteem score indicates a higher interest in working for self.

3.) H₅₀: A Higher self-esteem is not related to a higher IEO score
   H₅₁: A Higher self-esteem score indicates a higher IEO score
Developing an IEO Measurement Instrument

Prior to Bolton and Lane’s (2012) study on individual entrepreneurial orientation, research on individual entrepreneurial intention had been done to address the “expectations” and “plans” of an individual to become an entrepreneur (Harris, Gibson and Taylor, 2008). Harris et. al (2008) determined that entrepreneurial intentions were based on personality characteristics, behavioral and situational factors, and demographic variables, and found that once a person’s attitude toward an idea is measured, predictions can be made for their future actions. Using this idea, they created a measurement instrument for entrepreneurial attitudes orientation (EAO) in which they studied students at a University and the individuals’ attitudes on four different constructs, as discussed above.

This concept of EAO, according to Robinson, Huefner, and Hunt (1991), is a “dynamic and interactive way of relating to the environment in conjunction with a specific person, place, thing, event, activity, idea, or lifestyle.” (pg. 44) Attitude is considered dynamic because it has the ability to change depending on different situations. How fast or easily this concept changes can vary depending upon how deep-seated the attitude is to the individual’s identity (Robinson, et. al, 1991). Another aspect of EAO is the Tripartite attitude theory, which states that the attitude concept consists of three different components- affective, a person’s feelings toward an idea or object, cognitive, a person’s knowledge of an object, and conative, a person’s behavioral inclination toward
an object. Using these three attitude components can help better measure the true attitude focus of an individual and their propensity toward possessing entrepreneurial characteristics.

While the Harris et. al (2008) research examined entrepreneurial attitudes on an individual level, it did not discuss a clear consistency of an individual’s intention to become an entrepreneur with them actually seeking out this goal. With that idea in mind, Bolton and Lane (2012) sought to create a reliable measurement instrument that could be used to validate IEO in students and other individuals. By asking questions such as “I tend to act ‘boldly’ in situations where risk is involved”, or “I prefer to try my own unique way when learning new things rather than doing it like everyone else does” in the IEO survey, they were able to determine an individual’s EO levels of risk-taking, innovativeness, and also assess the other EO constructs. After collecting surveys from 1,102 students at a regional mid-south university, Bolton and Lane found that their measurement instrument correlated with other measures designed to measure EO, giving their IEO research construct validity. In order to further validate this measurement instrument, data was collected on self-esteem and IEO for a group of randomly selected students at a Pacific Northwestern university. This study will be examined in the following passages.
METHOD

A measurement scale created by Bolton and Lane (2012) was used and modified to test the validity of the scales for individual entrepreneurial orientation. Several questions for self-esteem were added to the existing IEO measurement scale for testing of the self-esteem hypothesis that will be addressed in this study. Previously validated measures for self-esteem were provided by Heatherton and Polivy, 1991. Items were added to Survey Monkey for easier distribution, and measured using a five-point Likert scale (1=strongly disagree, to 5=strongly agree).

A link to the survey was emailed to students at a Pacific Northwestern university. Students were asked to respond to the anonymous statements based on IEO and self-esteem (Table 1 and Table 2), as well as various demographic questions. The survey responses were edited for duplicates and incomplete entries, which resulted in 209 usable responses, suitable for the time-frame of this study. Frequency distributions, correlation matrices, and regression analyses were used to examine the relationships between the variables including IEO and self-esteem.
<table>
<thead>
<tr>
<th>IEO Factors</th>
<th>Description</th>
</tr>
</thead>
</table>
| Risk | I like to take bold action by venturing into the unknown.  
I am willing to invest a lot of time and/or money on something that might yield a high return.  
I tend to act 'boldly' in situations where risk is involved. |
| Innovativeness | I often like to try new and unusual activities that are not typical but not necessarily risky.  
I tend to do things the same and not try different, unproven approaches.  
I prefer to try my own unique way when learning new things rather than doing it like everyone else does.  
I favor experimentation and original approaches to problem solving rather than using methods others generally use for solving problems. |
| Proactiveness | I usually act in anticipation of future problems, needs or changes.  
I tend to plan ahead on projects.  
I prefer to 'step up' and get things going on projects rather than sit and wait for someone else to do it. |
Table 2. Items Measuring Self-Esteem

<table>
<thead>
<tr>
<th>SELF-ESTEEM Factors:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance:</td>
</tr>
<tr>
<td>I feel confident about my abilities</td>
</tr>
<tr>
<td>I feel frustrated or rattled about my performance.</td>
</tr>
<tr>
<td>I feel that I am having trouble understanding things that I read.</td>
</tr>
<tr>
<td>I feel as smart as others.</td>
</tr>
<tr>
<td>I feel confident that I understand things.</td>
</tr>
<tr>
<td>I feel that I have less scholastic ability right now than others.</td>
</tr>
<tr>
<td>I feel like I’m not doing well.</td>
</tr>
<tr>
<td>Appearance:</td>
</tr>
<tr>
<td>I feel satisfied with the way my body looks right now.</td>
</tr>
<tr>
<td>I feel that others respect and admire me.</td>
</tr>
<tr>
<td>I am dissatisfied with my weight.</td>
</tr>
<tr>
<td>I feel good about myself.</td>
</tr>
<tr>
<td>I am pleased with my appearance right now.</td>
</tr>
<tr>
<td>I feel unattractive.</td>
</tr>
<tr>
<td>Social:</td>
</tr>
<tr>
<td>I am worried about whether I am regarded as a success or failure.</td>
</tr>
<tr>
<td>I feel self-conscious.</td>
</tr>
<tr>
<td>I feel displeased with myself.</td>
</tr>
<tr>
<td>I am worried about what other people think of me.</td>
</tr>
<tr>
<td>I feel inferior to others at this moment.</td>
</tr>
<tr>
<td>I feel concerned about the impression I am making.</td>
</tr>
<tr>
<td>I am worried about looking foolish.</td>
</tr>
</tbody>
</table>
RESULTS

After reviewing the samples for completeness and validity, the sample size resulted in 209 useable surveys from the Pacific Northwestern university students. The demographic characteristics were roughly even between gender, with 101 male respondents, and 108 female respondents. Most respondents were in their senior year at the university (Figure 1).

Figure 1: Respondent’s Class Standing
IEO Assessment

The composite score was calculated for the three characteristics of the individual entrepreneurial orientation construct, and the average of the three were calculated for each respondent to determine the total IEO score. A frequency distribution table showed that roughly 40% of respondents had an IEO composite score of 3.5 out of 5.0 (68% had a score of 3.5 and above), showing that most respondents were entrepreneurially inclined (Figure 2).

All three IEO characteristics (innovativeness, proactiveness, and risk) as well as the total IEO score were run as a regression analysis against the responses for the dependent variable “I would like to work for myself” and returned a significance level of 98.9%. Therefore, the null hypothesis (H10: A higher IEO score does not indicate a higher interest in starting a small business) is rejected, showing that there is statistically significant proof that a higher IEO score indicates a greater interest in working for oneself. The total IEO score was run as a regression against the survey question “I would like to start my own venture”, and returned a p-value of zero (Table 3), again showing that a higher IEO score indicates a greater interest in starting a business. This data is correlated with Bolton and Lane’s data, giving further validity to their 2012 measurement construct.
Figure 2. IEO Distribution

Figure 3. Self-Esteem Distribution
Self-Esteem Scale Validity

The Self-Esteem score for each respondent was calculated by averaging the three self-esteem characteristic scores (performance, appearance, social). 156 respondents had a self-esteem score between 3.00 and 5.00, indicating that our respondents had healthy self-esteem values (Figure 3). The total self-esteem score was run against the survey questions “I would like to work for myself” and “I would like to start my own venture”, and returned p-values of 0.216 (work for self), and 0.526 (start own venture). Because these values are greater than 0.05, we accept the null hypothesis that a higher self-esteem score does not indicate a higher interest in students starting their own business venture or working for themselves (Table 3).

A regression of IEO vs self-esteem resulted in an insignificant p-value, rejecting the null hypothesis and showing that a higher self-esteem score indicates a higher IEO score (Table 4). Further correlation testing between IEO and self-esteem characteristics show a strong correlation between proactiveness and all three self-esteem characteristics (Table 5). Risk was also correlated at 95% significance. This data shows that having higher self-esteem may lead to increased proactiveness and risk-taking, and an overall higher IEO score. However, similar to the variables “start own venture” and “work for self”, the innovativeness IEO characteristic showed no correlation with self-esteem, indicating that self-esteem is not necessarily a strong key component in entrepreneurship and developing new ideas.
Table 3: Work for Self/ Start Own Venture vs. IEO and Self-Esteem

<table>
<thead>
<tr>
<th></th>
<th>Work for Self</th>
<th>Start Own Venture</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Individual Entrepreneurial Orientation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coefficient</td>
<td>0.780</td>
<td>1.012</td>
</tr>
<tr>
<td>P-Value</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$R^2$</td>
<td>0.149</td>
<td>0.220</td>
</tr>
<tr>
<td>Significance</td>
<td>Reject $H_0$</td>
<td>Reject $H_0$</td>
</tr>
<tr>
<td><strong>Self-Esteem</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coefficient</td>
<td>0.142</td>
<td>0.078</td>
</tr>
<tr>
<td>P-Value</td>
<td>0.216</td>
<td>0.526</td>
</tr>
<tr>
<td>$R^2$</td>
<td>0.007</td>
<td>0.002</td>
</tr>
<tr>
<td>Significance</td>
<td>Accept $H_0$</td>
<td>Accept $H_0$</td>
</tr>
</tbody>
</table>

Table 4: IEO vs. Self-Esteem Significance

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Coefficient</td>
<td>0.221</td>
</tr>
<tr>
<td>P-Value</td>
<td>0</td>
</tr>
<tr>
<td>$R^2$</td>
<td>0.073</td>
</tr>
<tr>
<td>Significance</td>
<td>Reject $H_0$</td>
</tr>
</tbody>
</table>
Table 5: Correlation Matrix

<table>
<thead>
<tr>
<th>Performance</th>
<th>Appearance</th>
<th>Social</th>
<th>Self-Esteem Score</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Performance</strong></td>
<td>1.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appearance</td>
<td>.443</td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td>Social</td>
<td>.562</td>
<td>.598</td>
<td>1.000</td>
</tr>
<tr>
<td>Self-Esteem Score</td>
<td>.775</td>
<td>.837</td>
<td>.876</td>
</tr>
<tr>
<td>IEO Score</td>
<td>.303</td>
<td>.181</td>
<td>.206</td>
</tr>
<tr>
<td>Proactiveness</td>
<td>.388</td>
<td>.179</td>
<td>.211</td>
</tr>
<tr>
<td>Innovativeness</td>
<td>.079</td>
<td>.043</td>
<td>.071</td>
</tr>
<tr>
<td>EO RISK</td>
<td>.149</td>
<td>.143</td>
<td>.140</td>
</tr>
</tbody>
</table>

Critical values: ± .135 (0.05), ± .177 (0.01)
DISCUSSION

The Individual Entrepreneurial Orientation construct developed by Bolton and Lane (2012) was further tested through a survey of 209 Pacific Northwestern university students upon which we examined the correlation between an individual’s IEO score and their self-esteem score, and their propensity to start their own business or work for themselves. Measurements like this are important for the success of individuals starting their own ventures as well as for educators and employers looking for people with strong entrepreneurial skills.

As the current business environment shifts to a more community-based, local market, this gives way to many more individual start-ups and small-business ventures. The IEO construct will help individuals, teachers, investors, and firms understand a student or employee’s personal orientation toward conscientiousness, openness to experience, and willingness to take risk- all factors that can help determine the success of opening a business, or working in various entrepreneurial environments. Much like the IEO score, higher self-esteem helps to provide a buffer against different stressors that might impede motivation or performance in the workplace; individuals with high self-esteem are more motivated to perform on a task in a way that is consistent with their own self-image. While the connection between self-esteem and the likelihood of opening a business and/or working for oneself was not confirmed, an individual can still recognize
different self-esteem measures, which can aid in understanding their ability to perform in certain situations.

The field of individual entrepreneurial orientation is one that has not been studied extensively. Future studies that could be done include the correlation between IEO and emotional intelligence, a factor that measures an individual’s ability to recognize and manage their own emotions as well as the emotions of others—this may help determine an individual’s ability to manage others in a business setting.

Due to today’s changing business surroundings, it is important to understand your own strengths and weaknesses; knowing your own entrepreneurial and self-esteem scores can play an integral part in the success of starting your own venture, the success of contributing your own knowledge to a large firm, or simply the success of your future endeavors.
REFERENCES


